

2019

United Way of Florida, Inc.

Financial Statements
and Independent Auditor's Report

For Fiscal Year Ended June 30, 2019

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

**UNITED WAY OF FLORIDA, INC.
TALLAHASSEE, FLORIDA**

JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Governors
United Way of Florida, Inc.
Tallahassee, Florida

We have audited the accompanying financial statements of United Way of Florida, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation in the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Board of Governors
United Way of Florida, Inc.
Tallahassee, Florida

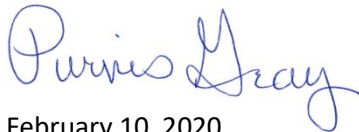
INDEPENDENT AUDITOR'S REPORT

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2019, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's June 30, 2018, financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 31, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in blue ink that reads "Purvis Gray". The signature is written in a cursive style with a large initial "P".

February 10, 2020
Tallahassee, Florida

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

	2019	2018
Assets		
Cash on Deposit	\$ 136,338	\$ 79,960
Certificates of Deposit	-	108,215
Grants Receivable	-	29,000
Dues Receivable	20,475	-
Total Assets	156,813	217,175
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	7,233	4,320
Agency Funds	155	155
Total Liabilities	7,388	4,475
Net Assets		
Without Donor Restrictions	130,649	150,387
With Donor Restrictions	18,776	62,313
Total Net Assets	149,425	212,700
Total Liabilities and Net Assets	\$ 156,813	\$ 217,175

See accompanying notes.

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

	2019	2018
Net Assets Without Donor Restrictions		
Revenue and Support		
Membership Dues	\$ 372,869	\$ 386,238
Other Grants and Contributions	55,976	161,823
Children's Week	133,205	147,129
Senior Day	74,324	55,241
Capital Day	7,228	5,200
Administrative Fees	23,290	19,117
Meetings	2,538	2,744
Interest Income	120	10
Miscellaneous Income	50	-
Total Revenues and Support Without Donor Restrictions	669,600	777,502
Net Assets Released from Restrictions	146,645	656,131
Expenses		
Program Services:		
Member Services	229,027	248,107
Public Policy	155,932	190,567
Children's Week	147,103	140,849
Senior Day	84,897	70,540
Other Contracts and Grants	183,056	776,175
Support Services	35,968	36,887
(Total Expenses)	(835,983)	(1,463,125)
Increase (Decrease) in Net Assets Without Donor Restrictions	(19,738)	(29,492)
Net Assets With Donor Restrictions		
Revenues and Support		
Disaster Fund Contributions	103,108	693,704
Net Assets Released from Restrictions	(146,645)	(656,131)
Increase (Decrease) in Net Assets With Donor Restrictions	(43,537)	37,573
Increase (Decrease) in Net Assets	(63,275)	8,081
Net Assets, Beginning of Year	212,700	204,619
Net Assets, End of Year	\$ 149,425	\$ 212,700

See accompanying notes.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019,
WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2018
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

	Member	Public	Children's	Senior	Other	Support	2019	2018
	Services	Policy	Week	Day	Contracts	Services	Functional	Total
					and Grants		Expenses	
Personnel Costs	\$ 154,290	\$ 92,574	\$ 12,343	\$ 12,343	\$ 12,343	\$ 24,687	\$ 308,580	\$ 309,086
Contract Services	35,727	16,035	126,809	66,364	23,261	-	268,196	265,950
Professional Fees	12,395	15,064	516	516	313	2,505	31,309	13,891
Office Supplies	1,399	891	566	25	-	204	3,085	4,345
Communications	2,803	2,130	5,139	4,249	-	477	14,798	19,246
Postage	-	-	-	-	-	168	168	244
Occupancy	5,665	3,399	453	453	453	907	11,330	11,330
Equipment Rental and Maintenance	-	-	-	-	-	-	-	150
Printing	1,201	1,201	657	720	-	250	4,029	6,471
Meetings and Workshops	14,101	14,121	227	227	-	2,150	30,826	55,343
Professional Dues and Subscriptions	502	4,718	393	-	-	488	6,101	6,298
Insurance	-	-	-	-	-	3,311	3,311	3,102
Miscellaneous	944	2,299	-	-	41	821	4,105	2,784
Unclaimed Property Distribution	-	-	-	-	-	-	-	866
Grants and Contributions to Others	-	3,500	-	-	-	-	3,500	29,000
Disaster Fund Expense	-	-	-	-	146,645	-	146,645	656,131
Tax Assistance Grant	-	-	-	-	-	-	-	78,888
Total Expenses	\$ 229,027	\$ 155,932	\$ 147,103	\$ 84,897	\$ 183,056	\$ 35,968	\$ 835,983	\$ 1,463,125

See accompanying notes.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities		
Cash Provided from Members	\$ 363,520	\$ 386,238
Cash Provided from Contributions	417,543	1,055,958
Cash Paid to Employees for Services	(308,581)	(309,086)
Cash Paid to Vendors for Goods and Services	(524,490)	(1,151,715)
Interest Received	120	10
Net Cash Provided Used in Operating Activities	<u>(51,888)</u>	<u>(18,595)</u>
 Cash Flows from Investing Activities		
Purchases of Certificates of Deposit	-	(10,010)
Proceeds from Maturities of Certificates of Deposit	108,266	-
Net Cash Provided by (Used in) Investing Activities	<u>108,266</u>	<u>(10,010)</u>
 Net Increase (Decrease) in Cash	56,378	(28,605)
 Cash, Beginning of Year	<u>79,960</u>	<u>108,565</u>
 Cash, End of Year	<u>\$ 136,338</u>	<u>\$ 79,960</u>

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

Note 1 - Organization and Purpose

United Way of Florida, Inc. (the Organization) is a Florida not-for-profit organization established in 1980. It is directed by a Board of Governors comprised of representatives from member United Ways, both volunteers and United Way executives. The Organization exists to serve Florida's 29 local United Ways by providing the membership with a united front on issues of statewide significance in the area of human services, by identifying and pursuing statewide public policy issues, by providing activities and programs that enhance their members' abilities to fulfill their missions, and by facilitating the use of the resources of the United Way of America. The mission of the United Way of Florida, Inc. is to enhance Florida United Ways' efforts to increase the organized capacity of people to care for one another.

The Organization receives member dues from the local United Way members to fund its operations. The dues are based on net campaign revenue.

Areas of priority importance to the Organization include:

- Public Policy - Leadership in the formation and advocacy of public policy as it relates to health and human services.
- ALICE (Asset Limited, Income Constrained, Employed) - Provide statewide leadership and member support to increase awareness of, and programs and advocacy for, the ALICE population.
- United Way Training - Leadership in providing training, networking, and information sharing opportunities for United Ways.

In addition to those three focus areas, the Organization provides general services relating to the array of issues facing non-profits to its members. Children's initiatives include Children's Week, which is a statewide event chaired by the Organization to promote children and family issues. Senior Day is a statewide event chaired by the Organization to educate elected officials regarding the critical importance of senior issues. The Organization has received grants for specific programs or initiatives, including advocacy support for children's issues and for assisting in the preparation of tax returns for low income working Floridians and Florida families.

Note 2 - Summary of Significant Accounting Policies

The Organization prepares its financial statements using the accrual basis of accounting, which is generally accepted.

Revenue Recognition

Member dues are recognized as income over the period to which the dues relate. Member dues collected in advance of the service period have been deferred at year-end. The Organization also receives contributions and grants from businesses and United Way Worldwide. Contributions received are recorded as without donor restrictions or with donor restrictions depending on the nature of any donor restrictions. Donor restricted contributions are reclassified to net assets without donor restrictions when the purpose of the restriction is accomplished. When the restrictions are met in the same reporting period as the restricted revenue is received, it is classified as revenues without donor restrictions.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

Agency Funds

Agency funds are used to account for receipts that are not owned or controlled by the Organization. The Organization acts as fiscal agent for these funds by accounting for receipts deposited and disbursements made at the direction of the entity from whom they were received. These funds belong to the Clearinghouse on Human Services.

Financial Statement Presentation

Financial statement presentation follows *Accounting Codification Standards (ACS) 958-205, Financial Statements for Not-For-Profit Organizations*. Under ACS 958-205, the Organization is required to report information regarding its financial position and activities as follows:

■ **Without Donor Restrictions**

Net assets that are not subject to donor-imposed stipulations.

■ **With Donor Restrictions**

Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. When a restriction expires, with donor restrictions assets are reclassified to without donor restrictions, and reported in the statement of activities as net assets released from restrictions. Amounts reported as With Donor Restrictions as of June 30, 2019, are restricted by donors for disaster relief.

Functional Allocation of Expenses

The cost of the Organization's programs has been summarized on a functional basis in the statement of activities. Expenses that are directly identifiable with a specific program or initiative are charged to that program. Expenses that relate to both programs and general operations of the Organization are allocated based on management's best estimates of time spent or benefits provided.

Cash on Deposit

Cash consists of funds held in an interest bearing checking account. Accounts at each banking institution are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At times, the balances have exceeded the amounts covered by FDIC insurance. The Organization believes that there is no significant risk with respect to these account balances.

Certificates of Deposit

The Organization invests excess funds in a certificate of deposit, which has an original maturity date greater than three months. Certificates of Deposit are stated at cost, which approximates fair value. Interest income earned on the certificate is recorded when earned.

Furniture and Equipment

Office furniture and equipment is reported at cost and depreciated over the assets' estimated useful lives using the straight-line method. Acquisitions in excess of \$1,000 are capitalized. Estimated useful lives range 5-7 years for furniture and 3-5 years for office equipment.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

Date of Management Review

Subsequent events were evaluated through February 10, 2020, which is the date the financial statements were available to be issued. As of this date, no subsequent events were noted.

Comparative Data

The amounts shown for the fiscal year ended June 30, 2018, in the accompanying statement of functional expenses present summarized comparative totals only. Accordingly, the 2018 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2018, from which the summarized comparative information was derived.

Reclassifications

Certain reclassifications have been made to the June 30, 2018, statement of functional expenses to conform to the June 30, 2019, presentation.

Adoption of New Accounting Standard

The Financial Accounting Standards Board (FASB) recently issued *Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities*, which supersedes accounting standards that currently exist under GAAP and will improve the current net asset classification requirements and the information presented in financial statements and notes about a Not-For-Profit entity's (NFP's) liquidity, financial performance, and cash flows. These standards are intended to provide information that is more useful to donors, grantors, and other users of the financial statements. The Organization implemented this standard during the fiscal year ending June 30, 2019. Under the new standard, the statement of cash flows is reported under the direct method, instead of the indirect method.

Note 3 - Furniture and Equipment

Furniture and equipment consists of the following for the years ended June 30:

	2019	2018
Furniture and Equipment	\$ 4,581	\$ 8,234
(Less Accumulated Depreciation)	(4,581)	(8,234)
Total	\$ -	\$ -

Note 4 - Retirement Plan

The Organization has a retirement plan and deferred compensation plan, which cover employees over the age of 21. Employees may contribute the maximum amount allowed by law. The Organization contributed 9% of participants' compensation for 2019 and 2018. Contributions to the plan for the years ended June 30, 2019 and 2018, were \$19,545 and \$20,342, respectively.

Note 5 - Leases

The Organization leases its office space from the United Way of the Big Bend. The agreement is from year to year. Rent expense totaled \$11,330 and \$11,330 for the years ended June 30, 2019 and 2018, respectively.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

Note 6 - Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and has been classified as an other-than private foundation. Therefore, no provision for income taxes has been recorded.

The FASB issued guidance that requires tax effects from an uncertain tax position to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. If an uncertain tax position meets the more-likely-than-not threshold, the largest amount of tax benefit that is greater than 50% likely to be recognized upon ultimate settlement with the taxing authority is recorded. The Organization is exempt from income tax under IRC Section 501(c)(3), though it is subject to tax on income to its exempt purposes, unless that income is otherwise excluded by the IRC. There are no tax positions for which a material change in any unrecognized tax benefit liability is reasonably possible in the next 12 months. There is no interest or penalties recognized in the income statement or balance sheet. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

Note 7 - Net Assets

The Organization continues to receive contributions for victims of hurricanes. These funds were received and distributed to the affected counties in Florida. The remaining balance will be distributed in the future. The following table details the contributions received for these net assets with donor restrictions:

	Hurricane Contributions
Balance - June 2017	\$ 24,740
Received	693,704
Distributed	(656,131)
Balance - June 2018	62,313
Received	103,108
Distributed	(146,645)
Balance - June 2019	\$ 18,776

The Organization's net assets without donor restrictions include amounts that are designated by its Board of Governors for specific purposes. These include \$801 earmarked for children's initiatives and \$23,500 earmarked for future disasters.

Note 8 - Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF FLORIDA, INC. - TALLAHASSEE, FLORIDA

	2019	2018
Organization's Financial Assets, at June 30		
Cash and Cash Equivalents	\$ 136,338	\$ 79,960
Certificates of Deposit	-	108,215
Grants Receivable	-	29,000
Dues Receivable	20,475	-
Total Financial Assets	156,813	217,715
Less Those Unavailable for General Expenditures within One Year, Due to:		
Contractual or Donors Imposed Restrictions:		
Restricted by Donors or with Time or Purpose Restrictions	(18,776)	(62,313)
Organization's Financial Assets Available to Meet Cash Needs for Expenditures within One Year	\$ 138,037	\$ 154,862

Note 9 - Federal and State Single Audit Requirements

The Organization had less than \$750,000 in expenses qualifying under the *Uniform Guidance*, or State Financial Assistance; therefore, no federal or state Single Audit was required for the years ended June 30, 2019 and 2018.

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