

Independent Auditor's Report and Financial Statements

UNITED WAY OF UNION COUNTY, INC.

For the year ended DECEMBER 31, 2020

CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Financial Statements	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5-6
Notes to Financial Statements	7-14

PARKS & COMPANY PLC

A PROFESSIONAL LIMITED COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

441 NORTH WASHINGTON AVENUE
EL DORADO, AR 71730
(870) 862-3401
FAX (870) 862-0936

MEMBER
AMERICAN INSTITUTE OF CPAS

MEMBER
ARKANSAS SOCIETY OF CPAS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The United Way of Union County, Inc.
El Dorado, Arkansas

Report on the Financial Statements

We have audited the accompanying financial statements of The United Way of Union County, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, 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 audit. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts 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 of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The United Way of Union County, Inc. as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Parks & Company PLC

El Dorado, Arkansas
August 11, 2021

The United Way of Union County, Inc.
Statement of Financial Position
December 31, 2020

ASSETS

Current Assets	
Cash and cash equivalents	\$ 340,848
Contributions receivable, net	975,780
Total current assets	1,316,628
Investments	
Agency accounts, at fair value	3,196,904
Beneficial interest held in trust, at fair value	4,428,814
Total investments	7,625,718
Property and Equipment	
Office equipment and property	47,810
Accumulated depreciation	(40,947)
Net property and equipment	6,863
TOTAL ASSETS	\$ 8,949,209

LIABILITIES AND NET ASSETS

Liabilities	
Promises to give to others	\$ 1,045,235
Due to National Agency	19,499
Payroll taxes payable and other liabilities	3,995
Total liabilities	1,068,729
Net Assets	
Without Donor Restrictions	
Undesignated	3,451,666
With Donor Restrictions	
Endowment	4,428,814
Total net assets	7,880,480
TOTAL LIABILITIES AND NET ASSETS	\$ 8,949,209

The accompanying notes are an integral part of these financial statements.

The United Way of Union County, Inc.
Statement of Activities
For the Year Ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support and revenues			
Gross campaign contributions	\$ 1,173,501		1,173,501
Less provision for uncollectible pledges	(91,163)		(91,163)
Net campaign contributions	<u>1,082,338</u>	-	<u>1,082,338</u>
Grants		24,100	24,100
Contributions - other	44,860		44,860
Total public support, revenues and reclassifications	<u>1,127,198</u>	<u>24,100</u>	<u>1,151,298</u>
Operating Expenses			
Program services			
Agency allocations	1,066,432		1,066,432
Other	35,578		35,578
Total program expenses	<u>1,102,010</u>	-	<u>1,102,010</u>
Supporting services expense			
Management and general	129,426		129,426
Fundraising	48,114		48,114
	<u>177,540</u>	-	<u>177,540</u>
Total program and supporting services	1,279,550	-	1,279,550
National United Way Dues	19,499		19,499
Total expenses	<u>1,299,049</u>	-	<u>1,299,049</u>
Operating income (loss)	(171,851)	24,100	(147,751)
Non-operating activities:			
Interest and dividend income	53,859	72,787	126,646
Net realized gains on investments	38,497	2,272	40,769
Net unrealized gains (losses) on investments	127,438	(623,920)	(496,482)
Investment advisory fees	(12,839)	(3,870)	(16,709)
Non-operating income (loss)	<u>206,955</u>	<u>(552,731)</u>	<u>(345,776)</u>
Net assets released from restrictions:			
Assets released for satisfaction of time restrictions	85,008	(85,008)	-
Change in net assets	120,112	(613,639)	(493,527)
Net assets beginning of year	<u>3,331,554</u>	<u>5,042,453</u>	<u>8,374,007</u>
Net assets end of year	<u>\$ 3,451,666</u>	<u>\$ 4,428,814</u>	<u>7,880,480</u>

The accompanying notes are an integral part of these financial statements.

The United Way of Union County, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2020

	Program Services	Supporting Services			Total Functional Expenses
		Management & General	Fund Raising	Total	
Salaries	\$ 5,906	76,772	35,433	112,205	118,110
Employee benefits	1,157	15,035	6,939	21,974	23,130
Payroll taxes	452	5,873	2,711	8,584	9,036
Total salaries, benefits and taxes	7,514	97,679	45,083	142,762	150,276
Agency allocations	1,066,432	-	-	-	1,066,432
Community Impact Grants	5,000				5,000
Professional fees		7,300		7,300	7,300
Office expense		1,150		1,150	1,150
Campaign supplies			2,136	2,136	2,136
Telephone		3,204		3,204	3,204
Postage		1,244		1,244	1,244
Occupancy		7,644		7,644	7,644
Insurance		3,343		3,343	3,343
Travel		449		449	449
Conference and conventions		208		208	208
Credit card fees			895	895	895
Repair and maintenance		254		254	254
Advertising		148		148	148
Computer and computer programs		2,295		2,295	2,295
Website		340		340	340
Imagination library	23,064			-	23,064
Depreciation & amortization		4,168		4,168	4,168
	<u>\$ 1,102,010</u>	<u>129,426</u>	<u>48,114</u>	<u>177,540</u>	<u>1,279,550</u>

The accompanying notes are an integral part of these financial statements.

**The United Way of Union County, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES

Pledges collected -	
Current and prior year campaigns	\$ 1,060,668
Grants	24,100
Non-pledged contributions	44,860
	<u>1,129,628</u>
 Cash paid for:	
Agency allocations and community impact grants	(1,097,483)
Salaries, employee insurance, payroll taxes and pension	(150,260)
Office operations	(9,382)
National United Way dues	(14,617)
Occupancy	(7,644)
Professional fees	(7,300)
Campaign supplies and expenses	(2,136)
Insurance	(3,343)
Public relations and advertising	(148)
Travel, conferences and conventions	(657)
Imagination Library/Power of the Purse	(23,064)
	<u>(1,316,034)</u>
 Net cash provided (used) by operating activities	<u>(186,406)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Dividends and interest from investments	53,859
Investment advisory fees	(12,839)
Distributions from endowment	142,960
Purchases of fixed assets	(3,271)
Purchases of investments	(1,665,073)
Proceeds from maturities and sales of investments	1,598,280
	<u>113,916</u>
Net cash provided (used) by investing activities	<u>(72,490)</u>
 Decrease in cash and cash equivalents	
Cash and cash equivalents, beginning of year	485,934
Cash and cash equivalents, end of year	<u>\$ 413,444</u>

Cash and cash equivalents are included in the following categories in the statement of financial position:

Current assets	\$ 340,848
Investment accounts	72,596
	<u>\$ 413,444</u>

The accompanying notes are an integral part of these financial statements.

The United Way of Union County, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2020

**Reconciliation of operating income (loss) to net cash provided
(used) by operating activities:**

Operating income (loss)	\$ (147,751)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	4,168
Non-cash adjustment to agency allocations	2,010
Increase in pledges receivable	(21,170)
Increase amounts payable to national United Way	4,882
Decrease in promises to give	(28,061)
Decrease in deferred revenue	(500)
Increase in payroll taxes payable and accrued liabilities	16
Net cash provided (used) by operating activities	<u>\$ (186,406)</u>

The accompanying notes are an integral part of these financial statements.

The United Way of Union County, Inc.
Notes to Financial Statements
December 31, 2020

NOTE 1: PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

The United Way of Union County, Inc. (United Way) is a non-profit, voluntary health and welfare organization governed by a volunteer Board of Directors (the "Board"). The purposes of United Way are to stimulate interest and participation of the citizens of Union County, Arkansas on behalf of the worthy charitable, health and welfare organizations; to promote efficiency by providing a means through which annual contributions can be made in one gift or pledge by reducing to a minimum multiple fund raising efforts; and to promote cooperation not only among participating agencies but among all such organizations in Union County, Arkansas.

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits, mutual fund money market accounts and all short-term investments with maturity dates of three months or less.

Contributions Receivable

Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected in less than one year are reported at net realizable value. Contributions receivable that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

Property and Equipment

Property and equipment purchased by the United Way are recorded at cost at the date of acquisition. Contributed assets are capitalized at their fair values at the date of contribution. United Way typically capitalizes fixed asset purchases in excess of \$500. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis. Following is a summary of the estimated useful lives of the different classes of assets:

Furniture and equipment	5 -7 years
-------------------------	------------

Investments

Investments are carried at fair value, which is determined based on quoted market prices. Realized and unrealized gains and losses are reflected in the statement of activities. Gains and losses on sales transactions are recorded when realized based on the original cost (amortized in the case of bonds) of the investments sold based on the specific identification method. Earnings from investments are recorded as interest and dividends and are reflected in the statement of activities.

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

The United Way of Union County, Inc.
Notes to Financial Statements
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Compensated Absences

The United Way has not accrued compensated absences because the amount is considered to be immaterial to the financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Promises to Give to Others

Promises to give to others are allocations to other beneficiary agencies. The United Way records the promises to give when the Board of Directors provides its approval and the agencies are notified of their respective allocations. The recording constitutes a current liability and current expense during the year in which the allocations were approved.

Revenue and Revenue Recognition

The United Way's primary source of revenue is from donations received throughout the year from its annual pledge drive in the fall of each year.

The United Way recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Functional Allocation of Expenses

The costs of programs and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification of detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on direct costs of the program or service or on management's analysis of time devoted to the respective activities for costs shared between programs and services.

Income Taxes

The United Way is organized as a nonprofit corporation and has been recognized by the Internal Revenue Service as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and have been determined not to be private foundations under IRC Sections 509(a)(1) and (3), respectively.

United Way is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. United Way had no unrelated business income in 2020. Additionally, no tax accrual for uncertain tax positions was recorded as management believes there are no uncertain tax positions at December 31, 2020. The organization is generally no longer subject to examination by the Internal Revenue Service for fiscal years before 2017.

The United Way of Union County, Inc.
Notes to Financial Statements
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent Events

Management has evaluated events through August 11, 2021, the date the financial statements were available to be issued.

NOTE 2: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 340,848
Contributions receivable	975,780
Operating investment accounts	3,196,904
	<u>\$ 4,513,532</u>

NOTE 3: CONTRIBUTIONS RECEIVABLE

During 2020, the Board approved the closing of the 2018-19 fundraising campaign. As a result, all contributions receivable at December 31, 2020 relate to the prior and current year's fundraising periods. Management believes that contributions receivable, net of the reserve established for uncollectable accounts, will be fully collected during 2021.

Contributions receivable at December 31, 2020, includes the following:

	Campaign Period		Total
	2019-2020	2020-2021	
Contributions due in one year	\$ 304,576	953,204	1,257,780
Allowance for uncollectible pledges	(182,000)	(100,000)	(282,000)
Pledges receivable, net	<u>\$ 122,576</u>	<u>853,204</u>	<u>975,780</u>

NOTE 4: INVESTMENTS

United Way reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three tier hierarchy categorizes the inputs as follows:

The United Way of Union County, Inc.
Notes to Financial Statements
December 31, 2020

NOTE 4: INVESTMENTS (continued)

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 - Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

A significant portion of the United Way's investment assets are classified within Level 1 because they comprise common stocks, mutual funds or exchange traded funds with readily determinable fair values based on daily redemption values. Bonds are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions and are classified within Level 2.

AGENCY ACCOUNTS

United Way maintains agency accounts with Wells Fargo Advisors to invest certain assets in accordance with the organization's investment policy. These accounts are classified as operating accounts of the United Way. The composition of these accounts at December 31, 2020, was as follows:

	#1493 Wells Fargo	#7814 Wells Fargo	Total
Cash equivalents	30,410	42,186	72,596
Certificates of deposit	205,980	-	205,980
Stocks & ETFs	-	1,108,399	1,108,399
Corporate bonds	-	127,521	127,521
Foreign bonds	-	19,779	19,779
U.S. government bonds	1,496,808	165,821	1,662,629
Account total	<u>1,733,198</u>	<u>1,463,706</u>	<u>3,196,904</u>

Unrealized gains and losses on agency accounts are as follows:

	Cost	Unrealized Gains	Unrealized Losses	Market Value
Certificates of deposit	200,000	5,980		205,980
Stocks & ETFs	908,183	200,216	-	1,108,399
Corporate bonds	114,900	12,621		127,521
Foreign bonds	18,655	1,124	-	19,779
U.S. government bonds	1,631,821	33,564	(2,756)	1,662,629
	<u>2,873,559</u>	<u>253,505</u>	<u>(2,756)</u>	<u>3,124,308</u>

The United Way of Union County, Inc.
Notes to Financial Statements
December 31, 2020

NOTE 4: INVESTMENTS (continued)

The maturity date of United Way's bonds are as follows:

Maturity date of bonds:	Government	Corporate Bonds	Foreign Bonds
2021	190,854		
2022	857,856	8,875	8,889
2023		9,103	9,766
2024	250,000	19,925	
2025	62,556	22,007	
2026	100,004	22,079	
2027		11,900	
2028		11,049	
2030	150,004		
2034		9,962	
2046	20,547		
Total	<u>1,631,821</u>	<u>114,900</u>	<u>18,655</u>

The Agency Account activity for the year ended December 31, 2020 is as follows:

	#1493 Wells Fargo	#7814 Wells Fargo	Total
Balance 12/31/19	1,723,928	1,299,980	3,023,908
Interest/dividends	22,555	30,616	53,171
Realized gains/losses	(5)	38,502	38,497
Unrealized gains/losses	19,991	107,447	127,438
Distributions	(33,271)	-	(33,271)
Investment fees	-	(12,839)	(12,839)
Balance 12/31/20	<u>1,733,198</u>	<u>1,463,706</u>	<u>3,196,904</u>

BENEFICIAL INTEREST IN PERPETUAL TRUST

In 1978 The United Way Board of Directors transferred assets in trust to establish an Endowment Fund (Endowment). The Organization is the beneficiary of annual income distributions from the Endowment. The trustee was not granted variance power, that is, the unilateral power to redirect the use of transferred assets to another beneficiary. Because the trust was established by the United Way, the value of the United Way's beneficial interest in the trust is reported in these financial statements at the fair market value of the trust assets.

The composition of the Endowment at December 31, 2020, was as follows:

The United Way of Union County, Inc.
Notes to Financial Statements
December 31, 2020

NOTE 4: INVESTMENTS (continued)

	Average Yield	Cost	Unrealized Gains	Unrealized Losses	Market Value
Cash equivalents	0.04%	\$ 70,842	-	-	70,842
Equity Securities:					
Common stock	1.94%	817,757	2,842,362	-	3,660,119
Mutual funds	0.12%	561,912	135,941	-	697,853
Total equity securities		<u>1,379,669</u>	<u>2,978,303</u>	<u>-</u>	<u>4,357,972</u>
Mutual funds - Fixed Income		-	-	-	-
Total beneficial interest in trust		<u>\$ 1,450,511</u>	<u>\$ 2,978,303</u>	<u>\$ -</u>	<u>\$ 4,428,814</u>

The endowment fund activity for the year ended December 31, 2020 is as follows:

Balance 12/31/19	5,124,505
Interest/dividends/capital gain distributions	72,787
Realized gains/losses	2,272
Unrealized gains/losses	(623,920)
Distributions	(142,960)
Expenses	(3,870)
Balance 12/31/20	<u>4,428,814</u>

FAIR MARKET VALUE

The following table presents assets measured at fair value on a recurring basis at December 31, 2020:

Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs Level (2)
Operating investments			
Common stocks & ETFs	1,108,399	1,108,399	
Corporate Bonds	127,521		127,521
Foreign Bonds	19,779		19,779
U.S. Government obligations	<u>1,662,629</u>		<u>1,662,629</u>
	<u>2,918,328</u>	<u>1,108,399</u>	<u>1,809,929</u>
Endowment Investments			
Common stocks & ETFs	3,660,119	3,660,119	
Mutual Funds	<u>697,853</u>	<u>697,853</u>	
	<u>4,357,972</u>	<u>4,357,972</u>	<u>-</u>

The United Way of Union County, Inc.
Notes to Financial Statements
December 31, 2020

NOTE 5: CONTRIBUTED SERVICES

Contributed services are not recorded due to the lack of specialization of the labor, difficulty of placing a monetary value on them and the absence of control over them. However, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and in its fundraising.

NOTE 6: PENSION PLAN

The Organization maintains a Simplified Employee Pension plan (SEP) for all eligible employees. The organization contributed \$14,567 to the plan in 2020.

NOTE 7: PROPERTY AND EQUIPMENT

The following is a summary of furniture and equipment as of December 31, 2020.

Furniture, equipment and software	\$ 47,810
Less accumulated depreciation	<u>(40,947)</u>
Furniture and equipment, net of accumulated depreciation	<u><u>\$ 6,863</u></u>

Depreciation expense for 2020 was \$4,168.

NOTE 8: RELATED PARTY TRANSACTIONS

Affiliation agreements require annual dues payments to the national United Way organization based on a percentage of gross campaign revenue for the previous year. Dues paid by December 31, 2020 for 2019/2020 campaign revenues were \$14,617.

NOTE 9: LEASES

The Organization leases office space on a month-to-month basis. Rent expense for 2020 was \$7,644.

NOTE 10: COMMITMENT TO AGENCY PROGRAMS

In December 2020, the United Way made unconditional pledges to agency programs for program initiative grant allocations to be paid January 1, 2021 through December 31, 2021. Accordingly, as of December 31, 2020, a liability of \$1,045,235 was recorded for the unconditional promises to give, and not yet paid, as of that date.

NOTE 11: NET ASSETS WITH DONOR RESTRICTIONS

In 1978, the Board of Directors of the United Way transferred assets gifted to the United Way, which were intended to provide a perpetual source of income for the United Way, into an irrevocable trust to establish an endowment. Subsequent to the establishment of the irrevocable trust, other donors contributed directly to the trust. By contributing directly to the trust instead of the United Way, the donors implicitly restricted the use of the funds due to the provisions of the trust agreement. The trust is required to distribute the net income of the trust to the United Way each year but principal is retained in accordance with the trust agreement.

The United Way of Union County, Inc.
Notes to Financial Statements
December 31, 2020

NOTE 12: CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist primarily of cash and contributions receivable. The Organization places its operating cash with local financial institutions. The Federal Deposit Insurance Corporation insures the balances in each financial institution up to \$250,000. As of December 31, 2020, there were no uninsured cash balances at these financial institutions.

During the year ended December 31, 2020, the Organization had pledges of \$757,095 from one contributor which was approximately 65% of total 2020-2021 campaign pledges

NOTE 13: PROGRAM EXPENSES

Program expenses are incurred for the following programs:

	Amount
Allocations to partner agencies	\$ 1,066,432
Community Initiatives	5,000
Education Focus Area	<u>23,064</u>
Total cost by program	1,094,496
Salaries and costs related to Program Activities	<u>7,514</u>
Total program costs	<u><u>\$ 1,102,010</u></u>

NOTE 14: PAYCHECK PROTECTION PROGRAM

The United Way was granted a \$21,000 loan under the Paycheck Protection Program "PPP" administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The United Way initially recorded the loan as a refundable advance and subsequently recognized grant revenue in accordance with guidance for conditional contributions; that is, once the measurable performance or other barrier and right of return of the PPP loan no longer existed. United Way has recognized \$21,000 as grant revenue for the year ended December 31, 2020.