

UNITED WAY OF NORTHERN ARIZONA, INC.

**Financial Statements
and
Supplementary Information
June 30, 2021
(with comparative totals for 2020)**

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Independent Auditors' Report

To the Board of Directors of
United Way of Northern Arizona, Inc.
Flagstaff, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of United Way of Northern Arizona, Inc. (UWNA, a nonprofit corporation), which comprise the statement of financial position as of June 30, 2021, 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.

Auditors' 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 auditors' 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 UWNA as of June 30, 2021, 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.

Report on Summarized Comparative Information

We have previously audited UWNA's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 7, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying overhead ratio and community investment payments schedules are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Fester & Chapman, PLLC

December 2, 2021

UNITED WAY OF NORTHERN ARIZONA, INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2021

(with comparative financial information as of June 30, 2020)

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,462,998	\$ 988,894
Investments	397,191	292,578
Grants receivable	54,018	21,009
Pledges receivable, net	<u>706,128</u>	<u>747,701</u>
Total current assets	2,620,335	2,050,182
Land, building and equipment, net	<u>338,525</u>	<u>360,225</u>
Total assets	<u>\$ 2,958,860</u>	<u>\$ 2,410,407</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 241,437	\$ 166,588
Payroll and related liabilities	26,718	35,403
Refundable advances	103,225	312,627
Fiscal agent payable	283,711	
Out-of-area pledges payable	110,910	
Amounts designated by donors for specific organizations, net of administration fees retained	<u>250,431</u>	<u>272,344</u>
Total current liabilities	1,016,432	786,962
Net assets:		
Without donor restrictions:		
Undesignated	1,016,700	692,022
Board designated reserves	169,600	133,722
Board designated community emergency fund	<u>50,000</u>	<u>50,000</u>
Total without donor restrictions	1,236,300	875,744
With donor restrictions	<u>706,128</u>	<u>747,701</u>
Total net assets	<u>1,942,428</u>	<u>1,623,445</u>
Total liabilities and net assets	<u>\$ 2,958,860</u>	<u>\$ 2,410,407</u>

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

UNITED WAY OF NORTHERN ARIZONA, INC.

STATEMENT OF ACTIVITIES

Year Ended June 30, 2021

(with comparative financial information for the year ended June 30, 2020)

	2021			
	Without Donor Restrictions	With Donor Restrictions	Total	2020
Public support and revenue:				
Total campaign results		\$ 1,464,479	\$ 1,464,479	\$ 1,548,404
Less: amounts designated by donors		<u>(470,770)</u>	<u>(470,770)</u>	<u>(534,503)</u>
Net contributions		993,709	993,709	1,013,901
Uncollectible pledges		(54,348)	(54,348)	(103,245)
Grants and contributions revenue	\$ 469,500		469,500	868,534
In-kind donations				15,518
Initiative contributions	369,233		369,233	484,826
Administrative fees - designated by donors	45,982		45,982	38,018
Rent	25,200		25,200	
Sponsorships and events				<u>19,454</u>
Total public support and revenue	<u>909,915</u>	<u>939,361</u>	<u>1,849,276</u>	<u>2,337,006</u>
Net assets released from restrictions:				
Satisfaction of pledge restrictions	<u>980,934</u>	<u>(980,934)</u>		
Total public support, revenue and net assets released	<u>1,890,849</u>	<u>(41,573)</u>	<u>1,849,276</u>	<u>2,337,006</u>
Expenses:				
Program services	1,383,790		1,383,790	1,636,609
Management and general	121,158		121,158	99,856
Fundraising	<u>132,804</u>		<u>132,804</u>	<u>113,758</u>
Total expenses	<u>1,637,752</u>		<u>1,637,752</u>	<u>1,850,223</u>
Other income:				
Net investment income	<u>107,459</u>		<u>107,459</u>	<u>2,565</u>
Total other income	<u>107,459</u>		<u>107,459</u>	<u>2,565</u>
Change in net assets	360,556	(41,573)	318,983	489,348
Net assets, beginning of year	<u>875,744</u>	<u>747,701</u>	<u>1,623,445</u>	<u>1,134,097</u>
Net assets, end of year	<u>\$ 1,236,300</u>	<u>\$ 706,128</u>	<u>\$ 1,942,428</u>	<u>\$ 1,623,445</u>

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

UNITED WAY OF NORTHERN ARIZONA, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2021

(with comparative financial information for the year ended June 30, 2020)

	2021			Total	2020
	Program Services	Management and General	Fundraising		
Community investment payments	\$1,290,387			\$1,290,387	\$1,464,737
Less: Payments funded by donor designations	<u>(446,702)</u>			<u>(446,702)</u>	<u>(513,722)</u>
Net community investment payments	843,685			843,685	951,015
Salaries	254,278	\$ 50,941	\$ 54,516	359,735	396,590
Consulting fees	31,798	14,244	14,838	60,880	49,856
Employee benefits	46,279	8,580	9,472	64,331	72,194
Payroll taxes	21,170	4,307	4,112	29,589	28,924
Printing, publishing and postage	391	111	181	683	6,277
Professional fees	20,610	6,499	6,216	33,325	30,868
Campaign expenses		150		150	26,181
Travel	192			192	2,150
Advertising and promotion	25,011	6,918	7,302	39,231	33,214
Rent		2,000		2,000	60
United Way Worldwide fee	17,000	4,857	5,127	26,984	22,075
Information technology	15,891	4,515	4,766	25,172	28,704
Repair and maintenance	9,155	2,859	2,761	14,775	17,287
Telephone	6,987	1,883	1,987	10,857	12,903
Conferences, committees, and community education	306	45	47	398	1,318
Utilities	4,434	1,267	1,337	7,038	8,226
Supplies	47,579	2,206	9,432	59,217	88,329
Insurance	7,371	2,105	2,223	11,699	12,441
Dues and subscriptions	<u>16,568</u>	<u>3,361</u>	<u>3,938</u>	<u>23,867</u>	<u>29,581</u>
Total expenses before depreciation	1,368,705	116,848	128,255	1,613,808	1,818,193
Depreciation	<u>15,085</u>	<u>4,310</u>	<u>4,549</u>	<u>23,944</u>	<u>32,030</u>
Total expenses, year ended June 2021	<u>\$1,383,790</u>	<u>\$ 121,158</u>	<u>\$ 132,804</u>	<u>\$1,637,752</u>	<u>\$1,850,223</u>
Total expenses, year ended June 2020	<u>\$1,636,609</u>	<u>\$ 99,856</u>	<u>\$ 113,758</u>	<u>\$1,850,223</u>	

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

UNITED WAY OF NORTHERN ARIZONA, INC.

STATEMENT OF CASH FLOWS

Year Ended June 30, 2021

(with comparative financial information for the year ended June 30, 2020)

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 318,983	\$ 489,348
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	23,944	32,030
Net (gain) loss on investments	(101,872)	2,607
Uncollectible pledges	54,348	103,245
Change in:		
Grants receivable	(33,009)	9,621
Pledges receivable	(12,775)	34,658
Accounts payable	74,849	(120,248)
Payroll and related liabilities	(8,685)	(9,312)
Refundable advances	(209,402)	304,544
Fiscal agent payable	283,711	
Out-of-area pledges payable	110,910	
Amounts designated by donors for specific organizations	<u>(21,913)</u>	<u>(17,237)</u>
Net cash provided by operating activities	479,089	829,256
Cash flows from investing activities:		
Purchases equipment	(2,244)	(6,611)
Net purchases of investments	<u>(2,741)</u>	<u>(2,326)</u>
Net cash used by investing activities	<u>(4,985)</u>	<u>(8,937)</u>
Net change in cash and cash equivalents	474,104	820,319
Cash and cash equivalents, beginning of year	<u>988,894</u>	<u>168,575</u>
Cash and cash equivalents, end of year	<u>\$ 1,462,998</u>	<u>\$ 988,894</u>

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

UNITED WAY OF NORTHERN ARIZONA, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

(with comparative financial information as of and for the year ended June 30, 2020)

NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

United Way of Northern Arizona, Inc. (UWNA) is an Arizona nonprofit corporation, exempt from income tax under Internal Revenue Code Section 501(c)(3). UWNA is a local nonprofit organization that brings the community together and focuses resources on the most critical human-care needs in Northern Arizona. Although UWNA is part of the network of United Ways across the country, UWNA is governed by a local volunteer Board of Directors. UWNA has partnerships with local governments, businesses, the faith community, educational organizations, other nonprofits and individuals.

Since 1967, UWNA has been a trusted community leader because UWNA sets high standards for conduct - not just for themselves, but also for their partners and collaborators. UWNA maximizes donor investments by combining contributions and strategically supporting local programs.

Basis of Presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) topic of *Not-for-Profit Entities*, requiring the UWNA to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and a community emergency fund.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) 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. 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.

Income Taxes: UWNA is exempt from federal and state income taxes as an organization other than a private foundation under Section 501(c)(3) of the Internal Revenue Code and similar state provisions.

Cash and Cash Equivalents: For purposes of the statement of cash flows, UWNA considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Investments: Investments are recorded at estimated fair value. Unrealized gains and losses are accounted for as investment income.

UNITED WAY OF NORTHERN ARIZONA, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

(with comparative financial information as of and for the year ended June 30, 2020)

NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Grants Receivable: Grants receivable are stated at unpaid balances, less an allowance for doubtful accounts as necessary. UWNA provides for losses on grants receivable using the allowance method. The allowance is based on experience, third-party contracts, knowledge of the grantors and the industry and other circumstances, which may affect the ability of the grantors to meet their obligations. It is UWNA's policy to charge off grants receivable against the allowance when management determines the receivable will not be collected. The allowance for grants receivable at June 30, 2021 and 2020, was \$0.

Pledges Receivable, Net: Pledges receivable consist of amounts due from companies and individuals for charitable giving campaigns, net of an allowance for doubtful accounts. The allowance for doubtful accounts is estimated based upon collection rates in previous years and current circumstances. Once a campaign has been completed, remaining balances in pledges receivable, net of allowances for doubtful accounts and estimated future collections or distributions, are netted with campaign results revenue.

Land, Building and Equipment, Net: Land, building and equipment costing \$500 or more is stated at cost, or if donated, at the estimated fair value on the date received. UWNA depreciates its property and equipment over the estimated useful lives of the assets using the straight-line method as follows:

Building and improvements	10 - 40 years
Furniture, equipment and software	5 - 10 years

Refundable Advances: UWNA records funds received from grant awards classified as exchange transactions as refundable advances until the related funds are expended and/or the services related to the awards are performed, at which time funds are recognized as revenue.

Fiscal Agent Payable: UWNA, acting as an agent, receives contributions and grants from individuals, small businesses, large corporations and government agencies. These amounts are transferred to designated recipients based on the wishes of the donor or grantor. UWNA does not have variance power over these funds.

Out-of-Area Pledges Payable: UWNA has agreed to process pledges for donors that are paid to other United Way chapters. Payroll deductions and employer matching contributions are forwarded to UWNA where these funds are distributed on a quarterly basis. No administrative fee is charged, however, the short-term income earned on the funds while they reside in UWNA's accounts is used to offset the cost of providing the service.

UNITED WAY OF NORTHERN ARIZONA, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

(with comparative financial information as of and for the year ended June 30, 2020)

NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Revenue Recognition: The annual campaign is conducted in the fall of each year to obtain funds for member agencies and operating expenses for the coming year. Campaign pledges are recognized in the accompanying statement of financial position at the time of the pledge as revenue with donor restrictions. As pledges are collected and expended for operations and community investment payments, in accordance with donor stipulations, the restrictions on net assets are released.

Functional Expenses: The costs of providing the various programs and other activities are presented on a functional basis in the Statements of Activities and Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries, employee benefits and payroll taxes are allocated based on time and effort. Depreciation is allocated based on employee usage of facilities devoted to each function. All other expenses excluding travel, rent and supplies are allocated based on salaries.

In-kind Contributions/Expenses: Donated goods and services are recorded at their estimated fair value at the date of contribution, and shown as revenues and expenses in the financial statements. Donated services are recognized in the financial statements at their estimated fair value if the following criteria are met:

- i) The services require specialized skills and the services are provided by individuals possessing those skills, and the services would typically need to be purchased if not donated, or
- ii) The services enhance or create an asset.

Advertising: Advertising costs are expensed in the period incurred. Advertising and promotion expenses for the years ended June 30, 2021 and 2020, were \$39,231 and \$33,214, respectively.

Use of Estimates in Preparation of Financial Statements: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Prior Year Summarized Information: The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should only be read in conjunction with UWNA's financial statements for the year ended June 30, 2020 from which the summarized information was derived.

UNITED WAY OF NORTHERN ARIZONA, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

(with comparative financial information as of and for the year ended June 30, 2020)

NOTE 2 - LIQUIDITY AND AVAILABILITY

UWNA monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. UWNA has the following financial assets that could readily be made available within one year of each fiscal year end to fund expenses without limitations:

	<u>2021</u>	<u>2020</u>
Financial assets included in current assets:		
Cash and cash equivalents	\$ 1,462,998	\$ 988,894
Investments	397,191	292,578
Grants receivable	54,018	21,009
Pledges receivable, net	<u>706,128</u>	<u>747,701</u>
Total financial assets included in current assets	2,620,335	2,050,182
Less amounts unavailable for general expenditure within one year:		
Fiscal agent payable	283,711	
Out-of-area pledges payable	110,910	
Amounts designated by donors for specific organizations	250,431	272,344
Board-designated reserves	169,600	133,722
Board-designated community emergency fund	50,000	50,000
Donor restricted net assets	<u>706,128</u>	<u>747,701</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,049,555</u>	<u>\$ 846,415</u>

In addition to financial assets available to meet general expenditures over the year, UWNA operates with a balanced budget and anticipates covering its general expenditures by collecting contributions, grants, and other revenues; and by utilizing donor-restricted resources from current and prior years gifts. UWNA has board-designated net assets (included in net assets without donor restrictions) set aside for operating needs and community emergencies. The Board can release designated amounts with a majority vote in the case of unanticipated liquidity needs.

NOTE 3 - CONCENTRATION OF CREDIT RISK

UWNA maintains its cash and cash equivalents and investment balances, other than those held at Arizona Community Foundation, at financial institutions which are insured by Federal Deposit Insurance Corporation (FDIC) and covered by the Securities Investor Protection Corporation (SIPC). At times the balances may exceed the federally insured or SIPC-covered limits. UWNA believes it is not exposed to any significant credit risk on its cash and investment balances.

UNITED WAY OF NORTHERN ARIZONA, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

(with comparative financial information as of and for the year ended June 30, 2020)

NOTE 4 - CONCENTRATION OF REVENUES

UWNA raised gross campaign contributions from two companies and their employees representing 66% and 63% of their campaign revenues during the years ended June 30, 2021 and 2020, respectively. These contributions comprised 52% and 42% of UWNA's total public support and revenue for the years ended June 30, 2021 and 2020, respectively.

NOTE 5 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

Generally accepted accounting principles establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1 inputs are unadjusted quoted market prices in active markets for similar or identical assets or liabilities that the organization has the ability to access at the measurement date.

Level 2 inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3 inputs are significant observable inputs for assets or liabilities. At June 30, 2021 and 2020 UWNA did not have any financial instruments it valued based on Level 3 inputs.

The level of the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value of assets measured on a recurring basis at June 30, 2021, was as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Domestic exchange traded funds	\$ 218,658	\$ 218,658	
Domestic common stocks	8,933	8,933	
Investment pool - Arizona Community Foundation	<u>169,600</u>		\$ 169,600
	<u>\$ 397,191</u>	<u>\$ 227,591</u>	<u>\$ 169,600</u>

UNITED WAY OF NORTHERN ARIZONA, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

(with comparative financial information as of and for the year ended June 30, 2020)

NOTE 5 - INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value of assets measured on a recurring basis at June 30, 2020, was as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Domestic exchange traded funds	\$ 152,795	\$ 152,795	
Domestic common stock	6,061	6,061	
Investment pool - Arizona Community Foundation	<u>133,722</u>		\$ 133,722
	<u>\$ 292,578</u>	<u>\$ 158,856</u>	<u>\$ 133,722</u>

NOTE 6 - PLEDGES RECEIVABLE

Pledges made during the 2020-2021 campaign were \$1,464,479, of which \$657,390 had been received as of June 30, 2021. The balance is reflected as pledges receivable of \$706,128, which is net of an allowance for uncollectible pledges of \$100,961. These funds were reserved for 2020-2021 operations and community investment payments, and are reflected as net assets with donor restrictions until the pledges are received.

Pledges made during the 2019-2020 campaign were \$1,548,404, of which \$744,256 had been received as of June 30, 2020. The balance is reflected as pledges receivable of \$747,701, which is net of an allowance for uncollectible pledges of \$56,447. These funds were reserved for 2019-2020 operations and community investment payments, and are reflected as net assets with donor restrictions until the pledges are received.

NOTE 7 - LAND, BUILDING AND EQUIPMENT, NET

Land, building and equipment at June 30, 2021 and 2020, is as follows:

	<u>2021</u>	<u>2020</u>
Land	\$ 55,090	\$ 55,090
Building	445,724	445,724
Building improvements	181,433	181,433
Office equipment and software	97,669	95,425
Furniture	1,611	1,611
Less: accumulated depreciation	<u>(443,002)</u>	<u>(419,058)</u>
Land, building and equipment, net	<u>\$ 338,525</u>	<u>\$ 360,225</u>

UNITED WAY OF NORTHERN ARIZONA, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

(with comparative financial information as of and for the year ended June 30, 2020)

NOTE 8 - AMOUNTS DESIGNATED BY DONORS FOR SPECIFIC ORGANIZATIONS

Donor specified pledges are recorded as a receivable and as a liability to the designated beneficiary until paid. Donor designated pledge revenue was \$470,770 and \$534,503 for the years ended June 30, 2021 and 2020, respectively. Administrative fees retained on donor designated pledges are recognized as revenue and a contra-liability. Administrative fees retained for the years ended June 30, 2021 and 2020, were \$45,982 and \$38,018, respectively.

NOTE 9 - IN-KIND DONATIONS

UWNA received in-kind donations in the form of supplies used for programs totaling \$0 and \$15,518 during the years ended June 30, 2021 and 2020, respectively.

NOTE 10 - PENSION PLAN

UWNA sponsors a 401(k) plan for its employees. Under the plan agreement, UWNA matches employee contributions up to 4% of their salaries. Matching expense for the years ended June 30, 2021 and 2020, was \$13,712 and \$15,677, respectively.

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, 2021 and 2020, were time-restricted for campaign pledges and totaled \$706,128 and \$747,701, respectively.

NOTE 12 - OPERATING LEASE

Rental income of \$2,100 per month is received under an operating lease for the use of a portion of UWNA's offices which expires in August 2022. Future minimum payments for the remaining lease term are as follows:

2022	\$	25,200
2023		<u>4,200</u>
	\$	<u><u>29,400</u></u>

NOTE 13 - SUBSEQUENT EVENTS

UWNA evaluated all events or transactions that occurred after June 30, 2021, through December 2, 2021, the date UWNA issued these financial statements and has determined that there are no additional adjustments or disclosures required.

SUPPLEMENTARY INFORMATION

UNITED WAY OF NORTHERN ARIZONA, INC.

OVERHEAD RATIO

Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Numerator: Management and general	\$ 121,158	\$ 99,856
Fundraising	<u>132,804</u>	<u>113,758</u>
Total overhead	253,962	213,614
Denominator: Public support and revenue	1,849,276	2,337,006
Add amounts designated by donors	470,770	534,503
Less administrator fees - designated by donors	<u>(45,982)</u>	<u>(38,018)</u>
Amounts raised and other revenue	\$ 2,274,064	\$ 2,833,491
Overhead ratio expressed as a percentage	11.17%	7.54%

UNITED WAY OF NORTHERN ARIZONA, INC.

COMMUNITY INVESTMENT PAYMENTS

Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Alice's Place	\$ 5,000	\$ 2,863
American Red Cross - Flagstaff	7,709	11,190
American Red Cross - Northeast	1,500	1,943
American Red Cross - Page		2,955
Arizona Girl Scouts Cactus Pine - Flagstaff	8,400	6,584
Arizona Girl Scouts Cactus Pine - NC		1,636
Arizona Girl Scouts Cactus Pine - Page	2,500	1,050
Association for Supportive Child Care	10,352	9,240
Big Brothers/Big Sisters of Flagstaff	25,739	39,599
Boy Scouts of America	8,400	
Boys and Girls Club of Flagstaff	22,400	8,893
Bread of Life Mission	3,000	1,818
Cancer Support Community - Arizona	5,600	
Catholic Charities	31,429	50,037
ChangePoint Integrated Health		3,750
Coconino County Community Services		4,818
Coconino County - Teen Wellness Clinics		5,265
Crisis Response Network, Inc.		5,665
CUDDLE Outreach Ministry	3,400	3,600
DNA People's Legal Services	8,895	8,392
Feeding Northern Arizona's Future		
Flagstaff Family Food Center	67,640	62,184
Flagstaff Shelter Services	17,790	26,703
Friends of Camp Colton	13,000	11,295
Grand Canyon Youth	2,800	1,000
Housing Solutions of Northern Arizona	18,976	29,735
Hozhoni Foundation	8,895	13,895
Literacy Volunteers of Coconino County	14,000	11,517
Native Americans for Community Action	14,100	16,170
NAU Civic Service - Flagstaff	18,930	16,460
NAU Civic Service - Northeast		2,946
North Country HealthCare, Inc.	6,933	17,768
Northland Family Help Center	66,934	70,970
Page Regional Domestic Violence Services		10,000

UNITED WAY OF NORTHERN ARIZONA, INC.

COMMUNITY INVESTMENT PAYMENTS (CONTINUED)

Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Parenting Arizona Flagstaff	\$ 7,705	\$ 13,164
Plaza Vieja Neighborhood Association	4,000	4,280
Quality Connections	4,594	1,698
Round Valley Senior Center	10,000	7,273
Sage Home	11,860	
Salvation Army Flagstaff Chapter	8,895	14,030
Shadows Foundation		300
Southside Community Foundation	4,000	6,166
Sun Sounds Radio Reading Service	4,744	3,060
Sunnyside Neighborhood Association	20,562	30,238
Tynkertopia, Inc.	19,500	2,000
University of Arizona 4-H	11,312	
Victim Witness Services for Coconino County	13,660	16,632
Vista Hospice (fka Northland Hospice and Palliative Care)	14,343	19,350
Winslow Council on Aging		1,636
YMCA - Flagstaff	2,800	5,434
Contract Agreements and Community Initiative Projects	279,343	411,191
Donor Designated	<u>478,746</u>	<u>468,344</u>
Total community investment payments	<u>\$ 1,290,386</u>	<u>\$ 1,464,737</u>