

**UNITED WAY OF ALAMANCE COUNTY, INC**

Burlington, North Carolina

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

Fiscal Year Ended June 30, 2023  
With Summarized Comparative Totals for June 30, 2022



**UNITED WAY OF ALAMANCE COUNTY, INC.**

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For CPA Firms*

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
United Way of Alamance County, Inc.  
Burlington, North Carolina

We have audited the accompanying financial statements of United Way of Alamance County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Alamance County, Inc. as of June 30, 2023, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Alamance County, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Alamance County, Inc.'s ability to continue as a going concern within one year after the date of the financial statements are available to be issued.

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### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing and audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 United Way of Alamance County, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Alamance County, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Allocations and Designations is presented for purposes of additional analysis and is 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 audit 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.

***Report on Summarized Comparative Information***

We have previously audited the United Way of Alamance County, Inc.'s June 30, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 10, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

STOUT STUART MCGOWEN & KINGS LLP

Burlington, North Carolina  
October 24, 2023

## UNITED WAY OF ALAMANCE COUNTY, INC.

## STATEMENTS OF FINANCIAL POSITION

June 30, 2023 with Comparative Totals for June 30, 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 210,135	\$ 185,431
Pledges receivable, net	283,373	197,032
Refundable sales tax receivable	1,941	2,064
Accounts receivable	-	1,441
Funds held by others	234,161	204,539
Prepaid assets	1,458	-
Property and equipment, net	444,077	468,520
Beneficial interest in perpetual trust	243,141	231,280
	<u>\$ 1,418,286</u>	<u>\$ 1,290,307</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable	\$ 3,965	\$ 12,258
Payroll deductions and accruals	-	318
Designations and allocations payable	177,948	64,998
	<u>181,913</u>	<u>77,574</u>
Net Assets:		
Without donor restrictions	549,505	605,464
With donor restrictions	686,868	607,269
	<u>1,236,373</u>	<u>1,212,733</u>
	<u>\$ 1,418,286</u>	<u>\$ 1,290,307</u>

See accompanying notes and independent auditors' report.

## UNITED WAY OF ALAMANCE COUNTY, INC.

## STATEMENTS OF ACTIVITIES

Fiscal Year Ended June 30, 2023 with Comparative Totals for June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total 2023	Total 2022
<b>Revenue and Support:</b>				
Gross campaign results	\$ -	\$ 876,968	\$ 876,968	\$ 755,803
Less: Donor designations	-	(74,004)	(74,004)	(84,074)
Less: Provision for uncollectible	-	(10,656)	(10,656)	(9,279)
Less: Roll off of 3rd prior year	-	(36,899)	(36,899)	(50,883)
Net Campaign Revenue	-	755,409	755,409	611,567
<b>Other revenue</b>				
Service revenue	-	9,350	9,350	6,940
Investment income (loss)	29,622	11,862	41,484	(67,951)
Other income (loss)	-	-	-	(3,831)
Grants received	64,500	262,500	327,000	287,810
In-kind contributions	34,095	-	34,095	31,284
Net assets released from restrictions	959,522	(959,522)	-	-
Total Other Revenue	1,087,739	(675,810)	411,929	254,252
<b>Total Revenue and Support</b>	<b>1,087,739</b>	<b>79,599</b>	<b>1,167,338</b>	<b>865,819</b>
<b>Expenses:</b>				
<b>Program services:</b>				
Gross agency disbursements	404,738	-	404,738	384,085
Less: Donor designated amounts	(74,004)	-	(74,004)	(84,074)
Net allocation services	330,734	-	330,734	300,011
Community services	469,981	-	469,981	345,716
<b>Total Program Services</b>	<b>800,715</b>	<b>-</b>	<b>800,715</b>	<b>645,727</b>
<b>Support services:</b>				
Management & general	188,920	-	188,920	94,732
Fundraising	154,063	-	154,063	228,556
<b>Total Support Services</b>	<b>342,983</b>	<b>-</b>	<b>342,983</b>	<b>323,288</b>
<b>Total Expenses</b>	<b>1,143,698</b>	<b>-</b>	<b>1,143,698</b>	<b>969,015</b>
<b>Change in Net Assets</b>	<b>(55,959)</b>	<b>79,599</b>	<b>23,640</b>	<b>(103,196)</b>
<b>Net Assets, Beginning of Year</b>	<b>605,464</b>	<b>607,269</b>	<b>1,212,733</b>	<b>1,315,929</b>
<b>Net Assets, End of Year</b>	<b>\$ 549,505</b>	<b>\$ 686,868</b>	<b>\$ 1,236,373</b>	<b>\$ 1,212,733</b>

See accompanying notes and independent auditor's report.

## UNITED WAY OF ALAMANCE COUNTY, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES

Fiscal Year Ended June 30, 2023 with Comparative Totals for June 30, 2022

	Program Services			Supporting Services			Total 2023	Total 2022
	Allocation Services	Community Services	Total	Management and General	Fundraising	Total		
Allocations / Awards	\$ 404,738	-	\$ 404,738	\$ -	\$ -	\$ -	\$ 404,738	\$ 384,085
2-1-1	-	13,713	13,713	-	-	-	13,713	13,088
Less: Donor designations	(74,004)	-	(74,004)	-	-	-	(74,004)	(84,074)
Subtotal	330,734	13,713	344,447	-	-	-	344,447	313,099
Salaries	-	224,254	224,254	114,243	84,624	198,867	423,121	301,502
Payroll taxes	-	16,603	16,603	8,458	6,265	14,723	31,326	22,502
Employee benefits	-	48,546	48,546	24,731	18,319	43,050	91,596	51,959
Subtotal	-	289,403	289,403	147,432	109,208	256,640	546,043	375,963
Bank and credit card fees	-	2,415	2,415	1,230	911	2,141	4,556	4,422
Campaign expenses	-	-	-	-	16,940	16,940	16,940	17,061
Computer equipment and support	-	5,041	5,041	2,568	1,902	4,470	9,511	17,480
Community impact	-	92,891	92,891	-	-	-	92,891	121,133
Conferences, meetings and luncheons	-	3,145	3,145	1,602	1,187	2,789	5,934	8,690
Depreciation	-	12,955	12,955	6,600	4,889	11,489	24,444	23,869
Insurance - Board of Directors	-	-	-	3,805	-	3,805	3,805	1,883
Marketing and development	-	4,526	4,526	2,306	1,708	4,014	8,540	5,456
Occupancy costs	-	9,203	9,203	4,688	3,473	8,161	17,364	13,746
Office supplies and postage	-	4,933	4,933	2,513	1,862	4,375	9,308	7,863
Other employee expenses	-	1,747	1,747	890	659	1,549	3,296	1,827
Professional fees	-	13,958	13,958	7,110	5,267	12,377	26,335	24,728
United Way dues	-	6,477	6,477	3,299	2,444	5,743	12,220	14,751
Utilities	-	9,574	9,574	4,877	3,613	8,490	18,064	17,044
Subtotal	-	166,865	166,865	41,488	44,855	86,343	253,208	279,953
Functional Expenses	\$ 330,734	\$ 469,981	\$ 800,715	\$ 188,920	\$ 154,063	\$ 342,983	\$ 1,143,698	\$ 969,015

See accompanying notes and independent auditors' report.



## UNITED WAY OF ALAMANCE COUNTY, INC.

## STATEMENTS OF CASH FLOWS

Fiscal Year Ended June 30, 2023 with Comparative Totals for June 30, 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 23,640	\$ (103,196)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	24,444	23,869
Loss on disposal of fixed assets	-	3,831
Realized and unrealized (gains) and losses	(32,166)	78,260
(Increase) decrease in:		
Accounts receivable	1,441	(1,441)
Sales tax receivable	123	(1,767)
Pledges receivable, net	(86,341)	2,015
Prepaid assets	(1,458)	627
Increase (decrease) in:		
Accounts payable	(8,293)	11,882
Payroll deductions and accruals	(318)	(82)
Designations and allocations payable	112,950	(2,640)
Deferred grant income	-	(22,500)
Net Cash Provided (Used) by Operating Activities	<u>34,022</u>	<u>(11,142)</u>
Cash Flows from Investing Activities:		
Net endowment earnings	(9,318)	(22,311)
Purchases of property and equipment	-	(17,103)
Net Cash Used by Investing Activities	<u>(9,318)</u>	<u>(39,414)</u>
Net Increase (Decrease) in Cash	24,704	(50,556)
Cash and cash equivalents, Beginning of Year	<u>185,431</u>	<u>235,987</u>
Cash and cash equivalents, End of Year	<u>\$ 210,135</u>	<u>\$ 185,431</u>

See accompanying notes and independent auditors' report.

**UNITED WAY OF ALAMANCE COUNTY, INC.**

## Notes to Financial Statements

June 30, 2023

## NOTE A: Organization and Purpose:

The mission of the United Way of Alamance County is to radically decrease the number of people living in poverty by advancing social equity practices that promote social mobility and provide opportunities that build a resilient community. We envision a community that comes together to break down barriers, eliminate inequities, and end poverty.

## NOTE B: Summary of Significant Accounting Policies:

## 1) Basis of Presentation:

The financial statements of the Organization have been prepared on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the accounting period in which the revenues are earned regardless of when cash is received and recognizes expenses in the accounting period in which expenses are incurred regardless of when cash is disbursed.

## 2) Financial Statement Presentation:

The Organization reports information regarding its financial position and activities according to two classes of net assets as follows:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and are available for use in the Organization’s ongoing operations, including funds designated by the Board of Directors.

Net Assets with Donor Restrictions – Net assets subject to donor-imposed restrictions that either expire by passage of time, can be fulfilled and removed by action of the Organization pursuant to those restrictions, and/or upon receipt of funding or passage of date upon which funds were due. This category also includes net assets subject to donor-imposed restrictions that the principal be maintained permanently by the Organization and generally allow the use of investment earnings.

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 be read in conjunction with the Organization’s June 30, 2022 financial statements, from which the summarized information was derived.

**UNITED WAY OF ALAMANCE COUNTY, INC.**

## Notes to Financial Statements

June 30, 2023

## NOTE B: Summary of Significant Accounting Policies: (continued)

## 3) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## 4) Cash and Cash Equivalents:

For the purpose of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

## 5) Concentration of Credit Risk:

The Organization maintains its cash in bank deposit amounts at high credit quality financial institutions. The balances, at times, may exceed federally insured credit limits. As of June 30, 2023, no cash deposits exceeded the federally insured limit.

## 6) Contributions Receivable and Revenues:

Contributions receivables are promises to give from various donors that are considered unconditional that consist of pledges made during the annual giving campaign and are presented net of an allowance of uncollectible accounts. Unconditional promises to give are expected to be collected within one year and recorded at their net realizable value. An allowance is recorded for each campaign year based on management's evaluation of outstanding pledges. Management considers current economic factors, historical trends, and history with specific donors. Actual results could vary from the estimate.

Unconditional contributions are recognized as revenue in the year the commitment or payments is first received. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are transferred to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

## 7) Donated Goods and Services:

It is the Organization's policy for donated marketable securities to be immediately sold upon receipt of the gift of the security. Donated marketable securities are recorded as contributions at the estimated fair values at the date of donation.

**UNITED WAY OF ALAMANCE COUNTY, INC.**

## Notes to Financial Statements

June 30, 2023

## NOTE B: Summary of Significant Accounting Policies: (continued)

## 7) Donated Goods and Services: (continued)

Donated goods received are reflected at their estimated fair value at the date of receipt. In-kind contributions include \$34,095 and \$31,284, respectively, for the donation of food and a delivery truck for various campaign events and a food drive held during the year.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization receives a substantial amount of services donated by volunteers in carrying out the Organization's programs. No amounts are reflected in the financial statements for those services since they do not meet the criteria for recognition.

## 8) Donated Airtime:

United Way Worldwide (UWW) maintains relationships with the National Football League (NFL), the Ad Council, and other organizations on behalf of local United Ways. UWW underwrites the cost to produce Public Service Announcements that promote education, financial stability, and healthy living that features individuals who are involved in various local United Way community volunteer activities. The NFL, the Ad Council, and other organizations furnish the media space (television and radio airtime, newspaper and magazine print space, billboards, etc.) throughout the year at no cost to United Way. Management has elected to disclose an allocation of airtime based on a multiplication factor of annual dues. This factor is provided to local United Ways by UWW for application to the prior year's accounting. The allocated value of the donated media was estimated to be \$3,201 and \$8,425 for the years ended June 30, 2023 and 2022, respectively. The Organization has elected not to record the value of these relationships in the financial statements.

## 9) Donor Designations Payable:

Donor designations payable represents donor contributions directed to agencies and other United Ways accrued, but not yet paid, as of June 30, 2023 and 2022. The United Way reports donor designated contributions as agent transactions rather than as unconditional contributions in conformity with generally accepted accounting principles. Funds disbursed to nonprofit organizations are listed in the supplemental schedule of allocations and designations, broken down by amounts designated by the donor or allocated by the designated Organization.

**UNITED WAY OF ALAMANCE COUNTY, INC.**

## Notes to Financial Statements

June 30, 2023

## NOTE B: Summary of Significant Accounting Policies: (continued)

## 10) Fair Value Measurements:

U.S. GAAP established a fair value hierarchy that prioritizes the inputs to valuation techniques to measure fair value. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the assets or liabilities;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full-term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

## 11) Property and Equipment:

The Organization capitalizes all expenditures for property and equipment in excess of \$1,000 and/or with a useful life of 5 years or more. Purchased property and equipment are carried at cost. Donated property and equipment are carried at fair value at the date of the donation. Maintenance, repairs, and minor renewals are expensed as incurred. Property retired or sold and the related accumulated depreciation are removed from the accounts and gain or loss is taken into income.

**UNITED WAY OF ALAMANCE COUNTY, INC.**

Notes to Financial Statements

June 30, 2023

NOTE B: Summary of Significant Accounting Policies: (continued)

12) Income Taxes:

The United Way is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes are included in the financial statements of the United Way. The United Way is also exempt from local property taxes.

United Way performs an annual assessment for any uncertainty in income tax positions which include an analysis of whether there are any tax positions related to unrelated business income or other activities that may jeopardize their tax exempt status and thus meet the criteria of an uncertain tax position. No tax liability accrual has been recorded as of the years ended June 30, 2023 and 2022 relating to material uncertain positions taken, as Management believes there are none. Generally, the Internal Revenue Service may examine a tax return for three years from the date the return is filed. At June 30, 2023, the tax years ended June 30, 2022, 2021, and 2020 remain open for possible examination by the IRS.

13) Functional Expenses:

The costs of providing various programs and activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Certain costs have been allocated among the programs and supporting services benefited based on estimates of time and effort utilized.

NOTE C: Pledges Receivable:

Unconditional promises to give at June 30, 2023 and 2022, consist of the following:

	<u>2023</u>	<u>2022</u>
Receivables due in less than one year	\$ 330,928	\$ 257,194
Allowance for uncollectible	<u>(47,555)</u>	<u>(60,162)</u>
Net unconditional promises to give	<u>\$ 283,373</u>	<u>\$ 197,032</u>

NOTE D: Property and Equipment:

Depreciation of furniture, fixtures, and equipment is computed using the straight-line method of depreciation for assets acquired in 1987 and before and MACRS for assets acquired in 1988 and thereafter. Purchased equipment is recorded at cost. Depreciation expense totaled \$24,444 and \$23,869 for the years ended June 30, 2023 and 2022, respectively.

**UNITED WAY OF ALAMANCE COUNTY, INC.**

Notes to Financial Statements

June 30, 2023

NOTE D: Property and Equipment: (continued)

Property and equipment consisted of the following as of June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Furniture and fixtures	\$ 84,659	\$ 84,659
Equipment	15,795	15,795
Building	<u>504,041</u>	<u>504,041</u>
	604,495	604,495
Less: Accumulated depreciation	<u>(160,419)</u>	<u>(135,975)</u>
Property and equipment, net	<u>\$ 444,077</u>	<u>\$ 468,520</u>

NOTE E: Funds Held by Others:

The Organization established accounts with the Alamance Community Foundation, formerly an affiliate of the Community Foundation of Greater Greensboro, in 2008 and 2009 for quasi-endowment purposes and designated itself as the beneficiary. Accordingly, the fair value of the funds is recorded as "Funds held by others" on the Statement of Financial Position. The fair value of the funds was \$234,161 and \$204,539 as of June 30, 2023 and 2022, respectively.

The fair value of the funds was confirmed by the Alamance Community Foundation based on units of the master investment pool applicable to the Organization's pro-rata portion and represented to be based on quoted active market prices; however, funds held by a community foundation under the arrangement described above are all considered to be within the Level 2 of the fair value hierarchy.

An annual distribution of earnings is to be calculated on the basis of a total return principle as the average fair market value of the fund established annually by the Board, based on the fair market value of the fund for the last day of each of the preceding twelve (12) calendar quarters. No distributions will be made in excess of a percentage equal to the trailing consumer price index as of the end of the immediately preceding calendar quarter plus five percent (5%), except as authorized below.

It is the intent of the Organization to preserve as much of the principle of the fund as possible, while maintaining the flexibility of the Organization to utilize the principle in an extraordinary situation in order to fulfill its mission. Principle is defined as the value of the funds in dollars obtained by contribution to the fund at the time it was made, and as such value is determined in good faith by the Finance Committee. In extraordinary circumstances,

**UNITED WAY OF ALAMANCE COUNTY, INC.**

Notes to Financial Statements

June 30, 2023

NOTE E: Funds Held by Others: (continued)

the full Board of Directors, upon recommendation from the Finance Committee or Executive Committee, may approve distribution to the Organization in excess of the Maximum Annual Distribution (as defined above), which may include part or all of such principle, only upon a vote of the two-thirds (2/3) of the Board present at a duly called meeting of such Board. If so approved, the principle may be distributed in the form of a loan or grant.

Composition of and changes in quasi-endowments for the period ended June 30, 2023, are as follows:

	<u>Facilities</u>	<u>General</u>
Quasi-endowment net assets, July 1, 2022	\$ 107,787	\$ 96,752
Investment income	3,471	3,646
Unrealized gains	7,748	7,790
(Distributions)/Contributions	(4,461)	13,981
Administrative and investment fees	<u>(1,257)</u>	<u>(1,296)</u>
Quasi-endowment net assets, June 30, 2023	<u>\$ 113,288</u>	<u>\$ 120,873</u>

Note F: Beneficial Interest in a Perpetual Trust:

United Way of Alamance County, Inc. is the recipient of income earned from a trust established in 1996 when the Burlington Merchants Association dissolved. The Alamance Community Foundation, formerly an affiliate of the Community Foundation of Greater Greensboro, serving as trustee, distributes the earnings annually to the United Way of Alamance County, Inc. to be used for operating expenses. During the fiscal year ended June 30, 2023, the Organization received \$9,520 which is includable in other revenue. United Way of Alamance County, Inc. has the irrevocable right to receive the income earned on trust assets in perpetuity, but not the trust assets which are controlled by the trustee. The fair value of the trust of \$243,141 is reported in the financial statements as net assets with donor restrictions at June 30, 2023. The trust assets are considered to be within Level 2 of the fair value hierarchy. Changes in the beneficial interest in a perpetual trust for the period ended June 30, 2023, are as follows:

Beneficial interest in a perpetual trust, July 1, 2022	\$ 231,280
Investment income	7,449
Unrealized gains	16,629
Distributions	(9,520)
Administrative and investment fees	<u>(2,697)</u>
Beneficial interest in a perpetual trust, June 30, 2023	<u>\$ 243,141</u>



**UNITED WAY OF ALAMANCE COUNTY, INC.**

Notes to Financial Statements

June 30, 2023

Note G: Short-Term Borrowings:

The Organization entered into a \$100,000 unsecured revolving line of credit agreement with Pinnacle Bank on June 4, 2018. The line of credit is to be used for short-term cash flow needs. Interest is computed and payable monthly based on a variable rate of interest. The interest rate was 5.00% and 5.00% at June 30, 2023 and 2022, respectively. The line of credit matures June 8, 2028. The outstanding balances were \$0 and \$0 for the years ended June 30, 2023 and 2022, respectively.

Note H: Net Assets without Donor Restrictions:

The Board of Directors has designated certain funds to be used for programs that are designed to promote the mission of the Organization which are included in net assets without donor restrictions.

Net assets without donor restrictions designated by the Board of Directors for special purposes are as follows as of June 30:

	<u>2023</u>	<u>2022</u>
Board designated quasi-endowment funds:		
For general and administrative expenses	\$ 120,873	\$ 96,752
For facilities expense	<u>113,288</u>	<u>107,787</u>
Total Board designated quasi-endowment funds	234,161	204,539
Undesignated net assets	<u>315,344</u>	<u>400,925</u>
 Total Net Assets without Donor Restrictions	 \$ <u>549,505</u>	 \$ <u>605,464</u>

Note I: Net Assets with Donor Restrictions:

Net assets with donor restrictions are restricted for the following purposes or periods for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Restricted by time	\$ 443,727	\$ 375,989
Beneficial interest in perpetual trust	<u>243,141</u>	<u>231,280</u>
 Total Net Assets with Donor Restrictions	 \$ <u>686,868</u>	 \$ <u>607,269</u>

**UNITED WAY OF ALAMANCE COUNTY, INC.**

Notes to Financial Statements

June 30, 2023

Note J: Liquidity and Available Resources:

The Organization's financial assets available within one year of the statements of financial date for general expenditures are as follows:

Cash and cash equivalents	\$ 210,135
Contributions receivable, net	283,373
Sales tax receivable	1,941
Funds held by others	<u>234,161</u>
Total financial assets available within one year	<u>729,610</u>
Less:	
Amounts due within one year:	
Accounts payable and accrued expenses	(3,965)
Designations and allocations payable	<u>(177,948)</u>
Total amounts due within one year	<u>(181,913)</u>
 Total Financial Assets Available Within One Year	 <u>\$ 547,697</u>

To help manage unanticipated liquidity needs, the Organization has a committed line of credit of \$100,000, which it could draw upon (Note G).

Note K: Pension Plan:

The Organization maintains a defined contribution pension plan for the benefit of all employees who have attained the age of twenty-one and completed one year of service. The plan provides for the Organization to contribute 5.00% of the employees' eligible compensation. Contributions to the pension plan by the Organization were \$13,331 and \$5,603 for the fiscal years ended June 30, 2023 and 2022, respectively.

Note L: Subsequent Events:

Management has evaluated subsequent events through the date of the Independent Auditor's Report, October 24, 2023, the date the financial statements were available to be issued.

See independent auditor's report.

**SUPPLEMENTARY INFORMATION**

## UNITED WAY OF ALAMANCE COUNTY, INC.

## SCHEDULE OF ALLOCATIONS AND DESIGNATIONS

Fiscal Year Ended June 30, 2023 with Comparative Totals for June 30, 2022

	Allocation	Donor	2023	2022	
	Services	Designations	Allocation/ Awards	Allocations Payable	Allocation/ Awards
ACC-Academic & Career Readiness	\$ 19,580	\$ 420	\$ 20,000	\$ 9,420	\$ 26,000
Alamance County Community YMCA	-	-	-	-	8,124
Alamance County Meals on Wheels	10,551	9,449	20,000	4,296	26,502
Alamance Partnership for Children	3,687	1,313	5,000	-	15,000
Allied Churches of Alamance County, Inc.	8,619	7,881	16,500	4,068	25,502
Benevolence Farm	10,000	-	10,000	-	-
Burlington Development Corporation	21,380	120	21,500	11,502	21,876
Catholic Charities of the Diocese of Raleigh, Inc.	9,880	120	10,000	4,938	13,748
CCCS - Family Services of the Piedmont	7,500	-	7,500	4,938	7,502
Children's Home Society	2,674	1,326	4,000	-	9,002
CityGate Dream Center	18,120	1,880	20,000	9,348	25,004
Crossroads: Sexual Assault Response & Resource Center	3,385	5,115	8,500	2,820	11,996
Elon Academy	7,320	4,680	12,000	3,216	15,002
Elon University - HOPE Clinic	5,000	-	5,000	4,998	-
Family Abuse Services of Alamance County, Inc.	5,559	2,941	8,500	-	22,004
Freedom's Hope Compassionate Ministries	5,000	-	5,000	4,998	-
Medication Management Clinic (formerly AlaMaP)	9,183	150	9,333	-	14,000
Open Door Clinic of Alamance County	11,180	1,320	12,500	6,960	14,996
Piedmont Health Services-Burlington Community Health Center	8,280	720	9,000	4,458	13,004
The Salvation Army Boys and Girls Club of Alamance County	20,139	2,861	23,000	9,912	28,004
Southern Alamance Family Empowerment	15,000	-	15,000	7,440	20,000
Women's Resource Center in Alamance County	18,363	4,912	23,275	9,522	31,550
Young Musicians of Alamance	7,500	-	7,500	-	7,502
Other United Ways	-	8,356	8,356	-	1,736
All other designations	-	20,440	20,440	-	26,031
Totals	\$ 227,900	\$ 74,004	\$ 301,904	\$ 102,834	\$ 384,085