

**United Way of Greenwich, Inc.**

Financial Statements

June 30, 2021 and 2020

## Independent Auditors' Report

### **The Board of Directors United Way of Greenwich, Inc.**

We have audited the accompanying financial statements of United Way of Greenwich, Inc. (a nonprofit organization) which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years 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 audits. We conducted our audits 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 United Way of Greenwich, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Report on Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information presented on page 20 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.

*PKF O'Connor Davies, LLP*

Stamford, Connecticut  
December 14, 2021

**United Way of Greenwich, Inc.**

Statements of Financial Position

	June 30,	
	2021	2020
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,189,797	\$ 1,931,370
Investments	3,193,969	2,995,662
Promises receivable, net	241,330	146,571
Other receivables and prepaid expenses	13,762	30,835
Investments restricted to long-term investment	147,810	110,854
Property and equipment, net	4,074	4,853
	<b>\$ 5,790,742</b>	<b>\$ 5,220,145</b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 112,536	\$ 96,235
Donor designations payable	-	1,401
Refundable advances	17,475	229,081
Paycheck Protection Program loan payable	-	111,428
Total Liabilities	130,011	438,145
Net Assets		
Without Donor Restrictions		
Undesignated	994,372	594,714
Board designated	3,945,803	3,383,147
Total Without Donor Restrictions	4,940,175	3,977,861
With Donor Restrictions	720,556	804,139
Total Net Assets	5,660,731	4,782,000
	<b>\$ 5,790,742</b>	<b>\$ 5,220,145</b>

See notes to financial statements

**United Way of Greenwich, Inc.**

Statements of Activities

	Year Ended June 30, 2021			Year Ended June 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>PUBLIC SUPPORT AND REVENUE</b>						
Campaign results, net	\$ 1,281,348	\$ -	\$ 1,281,348	\$ 1,391,745	\$ -	\$ 1,391,745
Direct impact contributions	250,953	572,746	823,699	-	256,092	256,092
COVID relief contributions	7,802	-	7,802	-	879,516	879,516
Less donor designations	-	-	-	-	(80,000)	(80,000)
Less provision for uncollectible promises	(6,126)	-	(6,126)	(26,000)	-	(26,000)
Net Campaign Results	1,533,977	572,746	2,106,723	1,365,745	1,055,608	2,421,353
Bequests, other contributions and other income	14,331	-	14,331	34,049	-	34,049
Investment income appropriated for operations	90,065	-	90,065	86,429	-	86,429
Special events revenue, net of direct donor benefit of \$170,190 and \$33,890	381,819	-	381,819	112,009	-	112,009
	2,020,192	572,746	2,592,938	1,598,232	1,055,608	2,653,840
Net assets released from restrictions	693,285	(693,285)	-	985,563	(985,563)	-
Total Public Support and Revenue	2,713,477	(120,539)	2,592,938	2,583,795	70,045	2,653,840
<b>EXPENSES</b>						
Program Expenses						
Board allocations and grants	767,653	-	767,653	787,000	-	787,000
Community impact	355,826	-	355,826	369,015	-	369,015
Early Childhood Achievement Gap Solutions	431,973	-	431,973	359,991	-	359,991
Youth Impact Programming	105,681	-	105,681	97,931	-	97,931
Human Services Technology Solutions	3,315	-	3,315	86,422	-	86,422
COVID Relief	370,019	-	370,019	443,147	-	443,147
Total Program Expenses	2,034,467	-	2,034,467	2,143,506	-	2,143,506
Support Services						
Management and general	228,513	-	228,513	267,954	-	267,954
Fundraising	165,318	-	165,318	153,954	-	153,954
Total Support Services Expenses	393,831	-	393,831	421,908	-	421,908
Total Expenses	2,428,298	-	2,428,298	2,565,414	-	2,565,414
Excess (Deficiency) of Public Support and Revenue Over Expenses from Operations	285,179	(120,539)	164,640	18,381	70,045	88,426
<b>OTHER CHANGES IN NET ASSETS</b>						
Paycheck Protection Program loan forgiveness	111,428	-	111,428	-	-	-
Investment income, net of appropriations for operations	565,707	36,956	602,663	94,871	(44,268)	50,603
Total Other Changes in Net Assets	677,135	36,956	714,091	94,871	(44,268)	50,603
Change in Net Assets	962,314	(83,583)	878,731	113,252	25,777	139,029
<b>NET ASSETS</b>						
Beginning of year	3,977,861	804,139	4,782,000	3,864,609	778,362	4,642,971
End of year	\$ 4,940,175	\$ 720,556	\$ 5,660,731	\$ 3,977,861	\$ 804,139	\$ 4,782,000

**United Way of Greenwich, Inc.**

Statement of Functional Expenses

Year Ended June 30, 2021

	Program Expenses						Total	Management and General	Fund-raising	Total Expenses		Total Expenses
	Board Allocations and Grants	Community Impact	Early Childhood Achievement Gap Solutions	Youth Impact Programming	Human Services Technology Solutions	COVID Relief				Before Direct Donor Benefits	Direct Donor Benefits	
<b>GRANTS</b>												
Board approved grants	\$ 762,653	\$ -	\$ -	\$ -	\$ -	\$ 355,682	\$ 1,118,335	\$ -	\$ -	\$ 1,118,335	\$ -	\$ 1,118,335
Core services grants	5,000	-	-	-	-	-	5,000	-	-	5,000	-	5,000
<b>Total Grants</b>	<b>767,653</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>355,682</b>	<b>1,123,335</b>	<b>-</b>	<b>-</b>	<b>1,123,335</b>	<b>-</b>	<b>1,123,335</b>
<b>OTHER EXPENSES</b>												
Salaries and related expenses	-	284,612	175,224	82,244	-	11,526	553,606	75,854	96,476	725,936	-	725,936
Program supplies and expenses	-	-	55,501	2,645	1,970	-	60,116	94	-	60,210	-	60,210
Fees for service	-	-	161,400	-	-	-	161,400	-	-	161,400	-	161,400
Professional and consulting fees	-	6,072	3,738	1,754	-	246	11,810	116,745	32,816	161,371	-	161,371
Office supplies and expenses	-	4,570	2,557	1,534	-	182	8,843	949	1,471	11,263	-	11,263
Telephone	-	3,111	1,741	908	1,345	124	7,229	645	1,002	8,876	-	8,876
Postage and shipping	-	583	326	170	-	23	1,102	121	188	1,411	242	1,653
Occupancy costs and maintenance	-	35,311	19,755	10,306	-	1,403	66,775	7,332	11,367	85,474	-	85,474
Insurance	-	6,593	3,688	1,924	-	262	12,467	1,369	2,122	15,958	-	15,958
Supplies and printing	-	5,705	3,191	1,665	-	227	10,788	1,184	17,083	29,055	14,775	43,830
Conferences and meetings	-	618	12	6	-	-	636	4	7	647	-	647
State and national organization dues	-	-	-	-	-	-	-	22,421	-	22,421	-	22,421
Bank, credit card and brokerage fees	-	5,215	2,918	1,522	-	207	9,862	1,082	1,679	12,623	-	12,623
Catering and venue expenses	-	-	-	-	-	-	-	-	-	-	155,173	155,173
Other	-	3,114	1,742	909	-	124	5,889	647	1,003	7,539	-	7,539
<b>Total Other Expenses</b>	<b>-</b>	<b>355,504</b>	<b>431,793</b>	<b>105,587</b>	<b>3,315</b>	<b>14,324</b>	<b>910,523</b>	<b>228,447</b>	<b>165,214</b>	<b>1,304,184</b>	<b>170,190</b>	<b>1,474,374</b>
<b>Total Expenses Before Depreciation</b>	<b>767,653</b>	<b>355,504</b>	<b>431,793</b>	<b>105,587</b>	<b>3,315</b>	<b>370,006</b>	<b>2,033,858</b>	<b>228,447</b>	<b>165,214</b>	<b>2,427,519</b>	<b>170,190</b>	<b>2,597,709</b>
Depreciation	-	322	180	94	-	13	609	66	104	779	-	779
<b>Total Expenses</b>	<b>767,653</b>	<b>355,826</b>	<b>431,973</b>	<b>105,681</b>	<b>3,315</b>	<b>370,019</b>	<b>2,034,467</b>	<b>228,513</b>	<b>165,318</b>	<b>2,428,298</b>	<b>170,190</b>	<b>2,598,488</b>
Direct donor benefits	-	-	-	-	-	-	-	-	-	-	(170,190)	(170,190)
<b>Total Expenses</b>	<b>\$ 767,653</b>	<b>\$ 355,826</b>	<b>\$ 431,973</b>	<b>\$ 105,681</b>	<b>\$ 3,315</b>	<b>\$ 370,019</b>	<b>\$ 2,034,467</b>	<b>\$ 228,513</b>	<b>\$ 165,318</b>	<b>\$ 2,428,298</b>	<b>\$ -</b>	<b>\$ 2,428,298</b>

See notes to financial statements

**United Way of Greenwich, Inc.**

Statement of Functional Expenses

Year Ended June 30, 2020

	Program Expenses						Total	Management and General	Fund-raising	Total Expenses		Total Expenses
	Board Allocations and Grants	Community Impact	Early Childhood Achievement Gap Solutions	Youth Impact Programming	Human Services Technology Solutions	COVID Relief				Before Direct Donor Benefits	Direct Donor Benefits	
<b>GRANTS</b>												
Board approved grants	\$ 785,500	\$ -	\$ -	\$ -	\$ -	\$395,264	\$1,180,764	\$ -	\$ -	\$ 1,180,764	\$ -	\$ 1,180,764
Core services grants	1,500	-	-	-	-	-	1,500	-	-	1,500	-	1,500
Total Grants	<u>787,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>395,264</u>	<u>1,182,264</u>	<u>-</u>	<u>-</u>	<u>1,182,264</u>	<u>-</u>	<u>1,182,264</u>
<b>OTHER EXPENSES</b>												
Salaries and related expenses	-	239,136	139,966	72,264	59,824	38,016	549,206	124,036	83,149	756,391	-	756,391
Program supplies and expenses	-	57,400	4,827	4,720	10,170	-	77,117	-	-	77,117	-	77,117
Fees for service	-	-	180,623	-	-	-	180,623	-	-	180,623	-	180,623
Professional and consulting fees	-	5,541	3,085	1,720	1,337	881	12,564	111,661	33,246	157,471	-	157,471
Office supplies and expenses	-	3,763	2,095	2,840	908	598	10,204	959	1,314	12,477	-	12,477
Telephone	-	2,678	1,491	831	2,095	426	7,521	684	935	9,140	-	9,140
Postage and shipping	-	810	451	251	195	129	1,836	207	283	2,326	1,608	3,934
Occupancy costs and maintenance	-	29,762	16,572	9,239	7,179	4,729	67,481	7,588	10,394	85,463	-	85,463
Insurance	-	5,073	2,825	1,575	1,224	806	11,503	1,293	1,772	14,568	-	14,568
Supplies and printing	-	4,046	2,163	1,206	937	617	8,969	989	18,552	28,510	-	28,510
Conferences and meetings	-	10,283	33	18	14	9	10,357	15	21	10,393	-	10,393
State and national organization dues	-	-	-	-	-	-	-	17,842	-	17,842	-	17,842
Bank, credit card and brokerage fees	-	8,096	4,508	2,513	1,953	1,287	18,357	2,065	3,440	23,862	-	23,862
Catering and venue expenses	-	-	-	-	-	-	-	-	-	-	26,127	26,127
Other	-	2,192	1,221	681	529	348	4,971	556	766	6,293	6,155	12,448
Total Other Expenses	<u>-</u>	<u>368,780</u>	<u>359,860</u>	<u>97,858</u>	<u>86,365</u>	<u>47,846</u>	<u>960,709</u>	<u>267,895</u>	<u>153,872</u>	<u>1,382,476</u>	<u>33,890</u>	<u>1,416,366</u>
Total Expenses Before Depreciation	787,000	368,780	359,860	97,858	86,365	443,110	2,142,973	267,895	153,872	2,564,740	33,890	2,598,630
Depreciation	<u>-</u>	<u>235</u>	<u>131</u>	<u>73</u>	<u>57</u>	<u>37</u>	<u>533</u>	<u>59</u>	<u>82</u>	<u>674</u>	<u>-</u>	<u>674</u>
Direct donor benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,890)</u>	<u>(33,890)</u>
Total Expenses	<u>\$ 787,000</u>	<u>\$ 369,015</u>	<u>\$ 359,991</u>	<u>\$ 97,931</u>	<u>\$ 86,422</u>	<u>\$ 443,147</u>	<u>\$ 2,143,506</u>	<u>\$ 267,954</u>	<u>\$ 153,954</u>	<u>\$ 2,565,414</u>	<u>\$ -</u>	<u>\$ 2,565,414</u>

See notes to financial statements

**United Way of Greenwich, Inc.**

Statements of Cash Flows

	Years Ended June 30,	
	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 878,731	\$ 139,029
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	779	674
Provision for uncollectible promises receivable	6,126	26,000
Net gain on investments	(626,413)	(65,096)
Paycheck Protection Program loan forgiveness	(111,428)	-
Change in operating net assets and liabilities		
Promises receivable	(100,885)	7,710
Other receivables and prepaid expenses	17,073	(21,557)
Donor designations payable	(1,401)	1,401
Accounts payables and accrued expenses	16,301	(26,130)
Refundable advances	(211,606)	229,081
Net Cash from Operating Activities	(132,723)	291,112
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale and maturities of investments	1,748,637	296,439
Purchase of investments	(1,357,487)	(259,226)
Purchases of property and equipment	-	(1,244)
Net Cash from Investing Activities	391,150	35,969
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Paycheck Protection Program loan	-	111,428
Net Change in Cash and Cash Equivalents	258,427	438,509
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	1,931,370	1,492,861
End of year	\$ 2,189,797	\$ 1,931,370
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Non-cash Investing and Financing Activities		
Paycheck Protection Program loan forgiveness	\$ 111,428	\$ -

See notes to financial statements



## United Way of Greenwich, Inc.

Notes to Financial Statements  
June 30, 2021 and 2020

### 1. Organization

The United Way of Greenwich, Inc. (the "Organization") was formed in June of 1975 as a continuation of the Community Chest and Council, Inc. which was established in 1933. The Organization's mission is to mobilize the community in strategic efforts to identify and address critical human service needs. The Organization achieves measurable and sustainable results through comprehensive planning, efficient fundraising and effective investment in the community.

The Organization has responsibility for soliciting, billing, and collecting all local donors' accounts. Amounts collected on behalf of other not-for-profit agencies that have been designated by the Internal Revenue Service as exempt under Section 501(c)(3) are distributed as prescribed by the donor. In addition to soliciting and distributing contributions to direct service agencies via its Community Investment Process, the Organization assesses and documents local needs through its Needs Assessment, with the most recent assessment completed in 2020, for the benefit of the community, identifies service gaps, brings government and private agencies together to develop solutions and provides seed money for new initiatives that address critical local needs.

Specific initiatives of the Organization (also referred to as the *direct impact* initiatives) include:

*Early Childhood Achievement Gap Solutions* – introducing "Parents as Teachers" into the homes and the lives of high risk children aged 0 to 3 in Greenwich, and providing those children with access to intensified preschool experiences. This is a data driven, two-pronged approach with over 30 years of proven success in other communities.

*Youth Impact Programming* – expands on the Organization's successful Reading Champions and Junior United Way programs and meets the emerging needs of youth such as financial literacy and philanthropic education.

*Human Services Technology Solutions* – known as Greenwich Resource Network was a pilot program at Community Centers Inc. utilizing the VisionLink platform. The objective was to bring a referral and client management system to local case managers and social workers to more efficiently process and meet client needs. The pilot with Community Centers, Inc. ended on June 30, 2020, although the information and referral database remains live on the Organization's website, requiring limited ongoing organizational and financial support.

Also, in response to the COVID-19 pandemic the Organization established the Greenwich COVID-19 Community Relief Fund to be used for the relief of economic hardship due to the COVID-19 crisis to agencies located in Greenwich providing aid, assistance and relief to Greenwich residents. For more information, please see Note 10.

Pursuant to a determination letter received from the Internal Revenue Service, the Organization is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

## **United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2021 and 2020

### **2. Summary of Significant Accounting Policies**

#### ***Basis of Accounting and Use of Estimates***

The accompanying financial statements have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP") which 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. The most significant estimates and assumptions relate to the determination of the allowance for uncollectible pledges, the fair value of investments and the functional allocation of expenses. Actual results could differ from those estimates.

#### ***Adoption of New Accounting Policies: Revenue from Contracts with Customers***

Recent Accounting Pronouncement Financial Accounting Standards Board Accounting Standards Update 2014-09 ("ASU 2014-09"), *Revenue from Contracts with Customers* (Topic 606) was adopted by the Organization as of July 1, 2020. The core guidance in ASU 2014-09 is to recognize revenue to depict the transfer of services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services. ASU 2014-09 does not apply to contributions and grants, viewed to be non-exchange transactions. It does, however, apply to special events, certain grants deemed to be exchange transactions, program revenue and other fees, as applicable. The effects of applying ASU 2014-09 had no impact on the way the Organization was recognizing revenue and therefore, no adjustment was made to the financial statements as previously reported.

#### ***Measure of Operations***

The Organization's measure of operations includes all changes in net assets except for Paycheck Protection Program loan forgiveness and investment income in excess of the amounts appropriated by the Board of Directors (the "Board") for use in the current period.

#### ***Cash and Cash Equivalents***

The Organization considers all highly liquid debt instruments with a maturity of three months or less at the time of purchase, except for money market funds maintained in investment accounts, to be cash equivalents.

#### ***Allowance for Doubtful Promises Receivable***

The Organization determines uncollectible unconditional promises receivable based on historical experience and management's analysis of specific promises made.

## United Way of Greenwich, Inc.

Notes to Financial Statements  
June 30, 2021 and 2020

### 2. Summary of Significant Accounting Policies (*continued*)

#### ***Fair Value Measurements***

The Organization follows U.S. GAAP on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

#### ***Investments and Investment Income***

Investments are reported at fair value. The reported fair value of common stocks, mutual funds, exchange traded funds, and certificates of deposit is based on quoted market prices and other similar inputs. Money market funds and other highly liquid investments with maturities of 90 days or less are reported at cost, which approximates fair value. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Securities are reported on a trade date basis. Realized and unrealized gains and losses are included in investment income, net in the statement of activities.

#### ***Property and Equipment***

Property and equipment are stated at cost of acquisition or appraised value at date of gift. Expenditures for property and equipment over \$5,000 are capitalized. Depreciation is calculated using the straight-line method over the estimated useful life of 3 to 10 years for furniture and equipment. Leasehold improvements are amortized over the shorter of the lease term or estimated life of the improvement.

#### ***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 without donor restrictions are available for use at the discretion of the Board and management for general operating purposes.

*Net Assets With Donor Restrictions* - Net assets subject to donor-imposed 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.

## United Way of Greenwich, Inc.

Notes to Financial Statements  
June 30, 2021 and 2020

### 2. Summary of Significant Accounting Policies (*continued*)

#### ***Public Support***

Public support, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized and are reflected as refundable advances on the statements of financial position until they become unconditional; that is, at the time when the conditions on which they depend are substantially met. Unconditional promises to give which are due in future periods are reported at the present value of their net realizable value, using risk-adjusted interest rates applicable to the years in which the promises are first received. Contributions restricted by donors are reported as an increase in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Refundable advances represent amounts received in one fiscal year for fundraising events (conditional promises and unearned revenue) scheduled to occur in a subsequent fiscal year. Such amounts are recognized as contributions or revenue at the time the event occurs.

#### **Special Events**

The Organization conducts numerous special events (Sole Sisters Luncheon, Comedy Night and a golf tournament, among others) to raise money. Fees for these events include both an exchange transaction component (ticket sales, underwriting, sponsorships) and a contribution component. These amounts are recognized as revenue or support at a point in time, typically, when the event occurs.

#### ***Donated Materials, Services and Facilities***

Donated materials, services and facilities that meet the requirements for recognition under U.S. GAAP are reflected as contributions in the accompanying statements of activities at their estimated values at the date of receipt. In addition, many individuals, corporations and organizations underwrite the cost of events, awards and special publicity by making donations. These amounts have been recorded in the financial statements at estimated fair value.

A substantial number of volunteers have donated considerable amounts of their time to the Organization's program and supporting services. No contributed services met the requirements for recognition in the financial statements for the years ended June 30, 2021 and 2020.

## United Way of Greenwich, Inc.

Notes to Financial Statements  
June 30, 2021 and 2020

### 2. Summary of Significant Accounting Policies *(continued)*

#### ***Functional Expenses***

The Organization allocates its expenses on a functional basis among its program and support services. Expenses that can be specifically identified with a program or support service are allocated directly according to their natural classifications. Other expenses that are common to several functions are allocated based primarily on estimates of time spent by Organization employees on specific program and support services. The expenses that are allocated include salaries and related expenses, occupancy costs and maintenance, office supplies and expenses, telephone, postage and shipping, insurance and other. Direct donor benefits represent the direct expenses incurred in connection with special events.

#### ***Accounting for Uncertainty in Income Taxes***

The Organization recognizes the effect of tax positions only if those positions are more likely than not to be sustained. Management has determined that the Organization had no uncertain tax positions that would require financial statement recognition or disclosure. The Organization is no longer subject to tax examinations by applicable taxing jurisdictions for years prior to June 30, 2018.

#### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition through the date that the financial statements were available to be issued, which date is December 14, 2021.

### 3. Liquidity and Availability

The following reflects the Organization's available financial assets, reduced by amounts not available for general use within one year. Amounts not available for use within one year include financial assets received with donor restrictions that are designated for a specific purpose, timeline or contractual obligation, and have been earmarked as resources available for future years.

Total financial assets available to meet cash needs for general expenditure within one year are as follows at June 30:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 2,189,797	\$ 1,931,370
Investments	3,193,969	2,995,662
Investments restricted to long-term investment	147,810	110,854
Promises receivable within one year, net of reserve	<u>179,659</u>	<u>146,571</u>
Total Financial Assets Available to Management for General Expenditure Within One Year	<u>5,711,235</u>	<u>5,184,457</u>

*(continued)*

## United Way of Greenwich, Inc.

Notes to Financial Statements  
June 30, 2021 and 2020

### 3. Liquidity and Availability (*continued*)

	<u>2021</u>	<u>2020</u>
Less Amounts Unavailable for General Expenditures Within One Year Due to:		
Donor imposed purpose restrictions that are not expected to be met within one year	235,574	110,854
Board designated funds, net of amounts appropriated for operations through the budgeting process	<u>3,835,968</u>	<u>3,296,983</u>
	<u>4,071,542</u>	<u>3,407,837</u>
Total Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 1,639,693</u>	<u>\$ 1,776,620</u>

The principal source of liquidity is cash flow generated from contributions and grants from donors through the Organization's fundraising efforts. These fundraising efforts include an on-going campaign to support the special initiatives described in Note 1. As part of the Organization's liquidity strategy, management structures its financial assets, consisting of cash, investments, and receivables, to be available as its general expenditures, liabilities and obligations come due within one year. Excess cash is maintained that can be drawn upon readily in the event of an unanticipated liquidity need. Board designated assets may be drawn upon for use only upon approval by the board (see Note 9).

### 4. Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist principally of promises receivable; cash and cash equivalent accounts in financial institutions, which may exceed the federal depository insurance coverage limit, and investments accounts held at brokerage firms. One bank held approximately 91% and 90% of cash and cash equivalents at June 30, 2021 and 2020, respectively. Management believes it mitigates the Organization's risk by investing with reputable commercial institutions with satisfactory credit ratings. In addition, the Organization's donors and supported organizations are located in and around the Greenwich area, and therefore, the Organization may be subject to economic fluctuations in the area.

## United Way of Greenwich, Inc.

Notes to Financial Statements  
June 30, 2021 and 2020

### 5. Promises Receivable

Donors to the Organization have made unconditional promises to give. These promises are collectible over a period of one to three years and the donors may make payments at any time during such period. Promises receivable include both Campaign and Direct Impact pledges. Promises receivable at June 30 are summarized as follows:

	2021	2020
Local campaign receivables (currently due)	\$ 56,973	\$ 71,556
Other promises receivable		
Due in less than one year	165,254	124,833
Due in one to five years	63,829	-
Less unamortized discount on promises receivable	(2,158)	-
	283,898	196,389
Less reserve for doubtful promises receivables	(42,568)	(49,818)
	\$ 241,330	\$ 146,571

### 6. Investments and Net Investment Return

The Organization utilizes a total return investment approach with its asset allocation diversified over multiple asset classes. Investments are managed by an independent fund manager under investment guidelines approved by the Board and overseen by the Reserve Fund Committee. The overall investment objective is to achieve a total return over the long-term sufficient to fund the spending rate and an additional amount as a hedge against inflation (see Note 9). These guidelines include ranges for amounts that may be invested in various asset classes as well as composite benchmarks for monitoring investment results.

Total investments, classified according to the fair value hierarchy, consist of the following at June 30:

	2021	2020
Level 1		
Mutual Funds		
Equity	\$ 1,349,168	\$ 700,051
Bonds	1,024,544	1,020,390
Common stocks	559,790	386,311
Exchange traded funds	336,682	549,789
Money market funds	71,595	89,475
Total Level 1	3,341,779	2,746,016
Level 2		
Certificate of Deposit	-	360,500
Total Investments at Fair Value*	\$ 3,341,779	\$ 3,106,516

\* Total investments include one fund held for long-term investment with a balance of \$147,810 and \$110,854 at June 30, 2021 and 2020, which is reported separately on the Statements of Activities (see Note 10a).

## United Way of Greenwich, Inc.

Notes to Financial Statements  
June 30, 2021 and 2020

### 6. Investments and Net Investment Return *(continued)*

There were no transfers between level 1 and 2 of the fair value hierarchy during the years ended June 30, 2021 and 2020.

Net investment return, including interest on cash and cash equivalents, consists of the following for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Interest and dividend income	\$ 77,306	\$ 56,284
Realized gains, net	204,738	20,088
Unrealized appreciation, net	421,675	45,008
Investment expenses	<u>(17,896)</u>	<u>(14,976)</u>
	685,823	106,404
Interest on cash and cash equivalents	<u>6,905</u>	<u>30,628</u>
	<u>\$ 692,728</u>	<u>\$ 137,032</u>

### 7. Property, Equipment and Leases

Property and equipment consists of the following at June 30:

	<u>2021</u>	<u>2020</u>
Leasehold improvements	\$ 6,480	\$ 6,480
Office furniture and equipment	<u>6,543</u>	<u>6,543</u>
	13,023	13,023
Less accumulated depreciation	<u>(8,949)</u>	<u>(8,170)</u>
	<u>\$ 4,074</u>	<u>\$ 4,853</u>

#### ***Leased Facilities***

On May 24, 2017, the Organization entered into a non-cancelable operating lease agreement for approximately 2,200 square feet of office space. The lease, which originally expired in July 2019, was extended to December 31, 2021 and continues on a month-to-month basis thereafter. Remaining minimum rents due under the non-cancellable lease at June 30, 2021 were approximately \$35,600, exclusive of the cost of electricity at the rate of \$3 per square foot or \$6,831 per year.

Rent expense for the years ended June 30, 2021 and 2020 was \$84,348 and \$84,250.



**United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2021 and 2020

**8. Paycheck Protection Program Loan Payable**

The Organization received a Paycheck Protection Program loan (“PPP loan”) in the amount of \$111,428 on April 22, 2020. The Organization received notification from its bank that the full amount of the PPP loan was forgiven. The total amount of debt forgiveness recognized is included as other changes in net assets in the statement of activities for the year ended June 30, 2021.

**9. Net Assets Without Donor Restrictions – Board Designated Funds**

Changes in board designated funds for the year ended June 30, 2021 were as follows:

	June 30, 2020	Additions	Investment Income	Released	June 30, 2021
Reserve Fund (a)	\$ 2,635,201	\$ -	\$ 648,163	\$ (90,065)	\$ 3,193,299
Cash Flow Reserve Fund (b)	356,056	-	3,540	-	359,596
JMW Bequest (c)	250,000	-	708	-	250,708
Investment Fund (d)	38,548	-	109	-	38,657
Joan Melber Warburg Fund (e)	63,156	-	179	-	63,335
Diane Darst Fund (f)	7,636	-	22	-	7,658
Stuart Adelberg Fund (g)	32,550	-	-	-	32,550
	<u>\$ 3,383,147</u>	<u>\$ -</u>	<u>\$ 652,721</u>	<u>\$ (90,065)</u>	<u>\$ 3,945,803</u>

- a. In November 2016, the Board adopted the Reserve Fund. The purposes of the Reserve Fund are (i) to permanently set aside the net sale proceeds from the sale of its headquarters building in 2017, (ii) to minimize the possibility that the principal of such fund will be diminished over time, (iii) to allow the total return of such fund to cover a portion of the operating expenses of the Organization and (iv) to provide resources to enhance the Organization’s capacity to further its purposes. The Board adopted a total return spending rate policy which allows for an appropriation of up to 5% per year of the fair value of the fund subject to a majority vote of the Board and a principal spending policy which allows for any amount in excess of 5% per year subject to a 90% majority of the Board.
- b. The Cash Flow Reserve Fund represents net assets without donor restrictions, not to exceed \$400,000, which is maintained to meet contingencies and expenses when revenues are not sufficient. If funds are drawn down, they are to be replenished as soon as practical.
- c. The JMW (Joan Warburg) Bequest represents funds that are set aside to support future needs associated with Early Childhood Achievement Gap Solutions.
- d. The Investment Fund contains certain net assets without donor restrictions, including planned gifts and assets received from sources other than the annual campaign. The purpose of the Fund is to ensure the future financial stability of the Organization and to earn income that can be used to fund certain of the Organization’s functions.

**United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2021 and 2020

**9. Net Assets Without Donor Restrictions – Board Designated Funds (continued)**

- e. The Joan Melber Warburg Fund is for the enhancement of quality care in early childhood development and for providing staff development opportunities for early childhood professionals. Up to 5% of the value of the Warburg Fund may be withdrawn annually at the discretion of the President. As voted on by the Board of Directors in June of 2017, this fund can be used to help support the Greenwich United Way Direct Impact programs at a future date.
- f. The Diane Darst Fund represents funds to encourage and enable non-profit organizations to engage in strategic planning that will improve the effectiveness of their operations.
- g. The Stuart Adelberg Fund is to sustain the Greenwich United Way's leadership role in the identification and documentation of community problems and participation in creative, collaborative and effective solutions. As voted on by the Board of Directors in June of 2017, this fund can be used to help support the Greenwich United Way Direct Impact programs.

**10. Net Assets With Donor Restrictions**

Net assets with donor restrictions as of June 30 consists of the following:

	<u>2021</u>	<u>2020</u>
Direct Impact Programs		
Early Childhood Achievement Gap Solutions	\$ 572,746	\$ 245,810
Youth Impact Programming	-	81,106
Greenwich COVID-19 Community Relief Fund (b)	-	356,369
Mental health program	-	10,000
Held for long-term investment (a)	<u>147,810</u>	<u>110,854</u>
	<u>\$ 720,556</u>	<u>\$ 804,139</u>

- a. Funds held for long-term investment have a donor-imposed spending rate of up to 6% of the annual balance of the investments.
- b. The Greenwich COVID-19 Community Relief Fund (“COVID-19 Relief Fund”) was established in 2020 and was used for the relief of economic hardship due to the COVID-19 crisis to agencies located in Greenwich that provide aid, assistance and relief to Greenwich residents. The new fund rapidly deployed resources to trusted, front line community organizations that meet the basic needs of Greenwich. This included low-income individuals without health insurance and/or access to sick days, immigrants, and persons with disabilities, among others. The COVID- 19 Relief Fund's purpose was to help alleviate the social and economic consequences of this global pandemic and to prevent the widening of disparities in education, employment, housing, and health. The COVID-19 Relief Fund was managed much the same way as the current Community Investment Process (the Organization’s grant process that evaluates, recommends and approves grants to fund local nonprofit programs that are in line with the Organization’s vision and mission). The Organization’s Grants Committee reviewed applications on a

**United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2021 and 2020

**10. Net Assets With Donor Restrictions (continued)**

rolling basis to ensure funds were released to community organizations as the needs arose. The COVID-19 Relief Fund raised a total of \$887,318 of which \$395,264 and \$355,682 was granted in years ending June 30, 2020 and 2021. An additional \$80,000 was directed toward specific organizations by donors in the year ending June 30, 2020. Program expenses for administering the COVID-19 Relief Fund and coordinating a community response to COVID-19 were \$47,883 in year ending June 30, 2020 and \$14,337 in year ending June 30, 2021. All funds raised by the COVID-19 Relief Fund were distributed by June 30, 2021.

Net assets released from restrictions during the years ended June 30 were as follows:

	<u>2021</u>	<u>2020</u>
Early Childhood Achievement Gap Solutions	\$ 245,810	\$ 358,626
Human Services Technology Solutions	-	85,859
Youth Impact Programming	81,106	97,931
Mental health program	10,000	-
COVID Relief	<u>356,369</u>	<u>443,147</u>
Operational Support	<u>\$ 693,285</u>	<u>\$ 985,563</u>

**11. Support and Revenue**

The results of the Organization's campaigns and special events for the years ended June 30 are as follows:

	Fundraising Revenue	Donor Designations	Provisions for Uncollectible Promises	Total
<b><u>2021</u></b>				
Local campaign	\$ 2,112,849	\$ -	\$ (6,126)	\$ 2,106,723
Bequests, other income and contributions	14,331	-	-	14,331
Special event revenue, net	<u>381,819</u>	-	-	<u>381,819</u>
	<u>\$ 2,508,999</u>	<u>\$ -</u>	<u>\$ (6,126)</u>	<u>\$ 2,502,873</u>
<b><u>2020</u></b>				
Local campaign	\$ 2,527,353	\$ (80,000)	\$ (26,000)	\$ 2,421,353
Bequests, other income and contributions	34,049	-	-	34,049
Special event revenue, net	<u>112,009</u>	-	-	<u>112,009</u>
	<u>\$ 2,673,411</u>	<u>\$ (80,000)</u>	<u>\$ (26,000)</u>	<u>\$ 2,567,411</u>

For the years ended June 30, 2021 and 2020, the Organization's ratio of Support Services Expenses to Fundraising Revenue was 15.2% and 15.9%, respectively.

**United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2021 and 2020

**11. Support and Revenue (continued)**

The Organization records gross receipts from special fundraising events that consist of exchange transaction revenue and contribution revenue. For the years ended June 30, 2021 and 2020, the Organization's special fundraising events revenue consists of the following:

	<u>2021</u>	<u>2020</u>
Contributions	\$ 136,876	\$ 61,095
Special events exchange transaction revenue	<u>415,133</u>	<u>84,804</u>
Special events revenue, gross	<u>\$ 552,009</u>	<u>\$ 145,899</u>

**12. Retirement Plan**

The Organization has a defined contribution plan (the "Plan") covering all of its eligible employees. Discretionary contributions to the Plan are equal to 4% of each employee's basic compensation for all eligible employees employed more than one year. In addition, eligible employees may make voluntary contributions to the Plan. The Organization makes a fixed matching contribution on behalf of eligible participants who make salary deferrals under the Plan. The matching contribution is equal to 50% of salary deferrals up to 4% of employee's compensation. Employees reach 100% vesting after 4 years of service. Employer contributions charged to expense amounted to \$27,148 and \$29,190 for the years ended June 30, 2021 and 2020.

**13. COVID-19 Pandemic**

The Organization's operations and financial performance may be affected by the continuing COVID-19 pandemic that has adversely affected economic conditions throughout the world. If the outbreak continues or conditions worsen, it is not known how the pandemic will affect the Organization's activities and financial condition. In particular, the global financial markets have experienced significant volatility. Because the value of the Organization's investments has and will continue to fluctuate in response to changing market conditions, the impact on the Organization's investment portfolio cannot be determined.

\* \* \* \* \*

**United Way of Greenwich, Inc.**

Supplemental Information

June 30, 2021 and 2020

**United Way of Greenwich, Inc.**

Schedule of Expenditures for Grants and Program Services

Year Ended June 30, 2021

(With Summarized Totals for June 30, 2020)

	<u>Program</u>	<u>COVID-19 Relief Fund</u>	<u>2021 Total</u>	<u>2020 Total</u>
<b>FUNDED AGENCIES</b>				
Abilis	\$ 110,000	\$ 15,000	\$ 125,000	\$ 72,500
Boys and Girls Club of Greenwich	50,000	3,000	53,000	81,500
Building One Community	20,000	-	20,000	31,400
Caritas	5,672	22,728	28,400	9,000
Child Guidance Center of Southern CT	68,000	-	68,000	110,000
Children's Day School	-	17,538	17,538	-
Coffee for Good	7,750	-	7,750	-
Community Centers	-	-	-	40,000
Family Centers, Inc.	62,500	125,000	187,500	225,000
Filling in the Blanks	10,700	25,000	35,700	13,900
Food Bank of Lower Fairfield County, Inc.	5,000	-	5,000	10,000
Food Rescue US	5,000	15,000	20,000	40,000
Grace Daycare & Learning Center	3,000	-	3,000	-
Grace Daycare & Learning Center (Early Education Scholarships)	10,813	-	10,813	-
Horizons	-	10,000	10,000	10,000
Inspirica	5,000	-	5,000	-
Jewish Family Services of Greenwich, CT	20,310	8,190	28,500	27,111
Kids in Crisis, Inc.	75,000	-	75,000	55,000
Laurel House	25,000	-	25,000	10,000
Liberation Programs, Inc.	39,958	9,211	49,169	30,000
Meals on Wheels	-	-	-	3,500
Neighbor to Neighbor	-	50,000	50,000	90,000
Pacific House Shelter	15,000	-	15,000	10,000
Pathways, Inc.	23,300	-	23,300	52,803
Parents and Teacher Association Council	-	25,800	25,800	-
River House	45,400	-	45,400	50,000
Rowan Center	35,000	-	35,000	25,000
The Friends of Nathaniel Witherell	-	-	-	2,300
Transportation Association of Greenwich	15,000	20,000	35,000	41,250
YMCA of Greenwich	6,250	-	6,250	32,500
YWCA of Greenwich	<u>99,000</u>	<u>9,215</u>	<u>108,215</u>	<u>108,000</u>
Total Funded Agencies	<u>762,653</u>	<u>355,682</u>	<u>1,118,335</u>	<u>1,180,764</u> *
<b>CORE SERVICE AGENCIES</b>				
Kids in Crisis, Inc.	-	-	-	1,500
Neighbor to Neighbor, Inc.	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total Core Service Agencies	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>1,500</u>
<b>DONOR DESIGNATED RECIPIENTS **</b>				
Abilis	-	-	-	5,000
Greenwich Fire Department	-	-	-	30,730
GEMS	-	-	-	21,103
Greenwich Police	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,167</u>
Total Donor Designated Recipients	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,000</u>
Community Planning, Agency Relations, Community Impact	355,826	14,337	370,163	416,898
Direct Impact programming	<u>540,969</u>	<u>-</u>	<u>540,969</u>	<u>544,344</u>
Total Funds Invested in the Community	<u>\$ 1,664,448</u>	<u>\$ 370,019</u>	<u>\$ 2,034,467</u>	<u>\$ 2,223,506</u>

\* Includes \$395,264 of COVID-19 Relief Fund grants for the year ended June 30, 2020.

\*\* Contributions received on behalf of specific donor designated organizations are offset against campaign support in the statement of activities. The donor designated amounts (\$80,000) for the year ended June 30, 2020 were all for COVID-19 relief.