

UNITED WAY OF
COLLIER COUNTY, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2019 AND 2018

UNITED WAY OF COLLIER COUNTY, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
United Way of Collier County, Inc.
Naples, Florida

We have audited the accompanying financial statements of United Way of Collier County, Inc. (a nonprofit organization), which comprise the statements of financial position as of March 31, 2019 and 2018, 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.

Auditor's Responsibility

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

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

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

Opinion

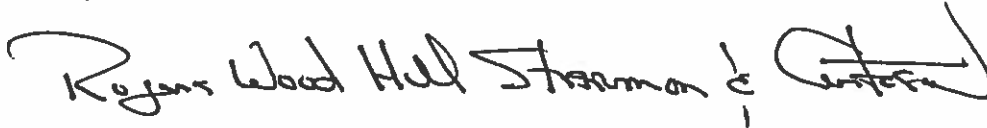
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Collier County, Inc., as of March 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

United Way of Collier County, Inc.
Naples, Florida

INDEPENDENT AUDITOR'S REPORT (continued)

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Grants Paid and United Way Programs for the years ended March 31, 2019 and 2018 and the Schedules of Hurricane Irma Revenue and Expenses for the years ended March 31, 2019 and 2018 are presented for 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 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.



ROGERS WOOD HILL STARMAN & GUSTASON, P.A.
Certified Public Accountants & Advisors
August 12, 2019

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
Cash and cash equivalents - undesignated	\$ 766,051	\$ 1,040,249
Cash and cash equivalents - Board designated	124,849	226,393
Cash and cash equivalents - restricted	299,986	23,116
Cash and cash equivalents - funds held for other entities	2,092,900	168,136
Total cash and cash equivalents	<u>3,283,786</u>	<u>1,457,894</u>
Pledges receivable, net	511,450	946,734
Grant receivable	195,508	-
Prepaid expenses and other assets	38,275	26,011
Investments - Board designated	2,849,459	2,769,837
Investments - restricted	33,000	32,689
Property and equipment, net	836,081	857,962
Total assets	<u>\$ 7,747,559</u>	<u>\$ 6,091,127</u>
<u>LIABILITIES AND NET ASSETS</u>		
Accounts payable and accrued expenses	\$ 1,238,793	\$ 1,156,618
Funds held for other entities	2,092,900	168,136
Security deposit	-	1,487
Note payable	265,054	309,360
Total liabilities	<u>3,596,747</u>	<u>1,635,601</u>
Net assets		
Without donor restrictions		
Investment in property and equipment	571,027	548,602
Board designated funds	2,974,308	2,996,230
Undesignated funds	272,491	677,479
Total unrestricted net assets	<u>3,817,826</u>	<u>4,222,311</u>
With donor restrictions		
Purpose restrictions	299,986	200,526
Perpetual in nature	33,000	32,689
Total restricted net assets	<u>332,986</u>	<u>233,215</u>
Total net assets	<u>4,150,812</u>	<u>4,455,526</u>
Total liabilities and net assets	<u>\$ 7,747,559</u>	<u>\$ 6,091,127</u>

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues:			
Campaign revenue	\$ 1,725,424	\$ -	\$ 1,725,424
Less: provision for uncollectible pledges	<u>(291,900)</u>	<u>-</u>	<u>(291,900)</u>
Net campaign revenue	1,433,524	-	1,433,524
Grant income	859,557	-	859,557
Hurricane Irma revenue	8,960	114,722	123,682
Collier 211	6,892	-	6,892
VITA	10,400	-	10,400
Special events - net	24,248	-	24,248
Investment return - net	76,852	2,124	78,976
Bequest received	606	-	606
Rental income	9,839	-	9,839
Other income	19,821	-	19,821
Total revenues	<u>2,450,699</u>	<u>116,846</u>	<u>2,567,545</u>
Net assets released from restrictions	<u>17,075</u>	<u>(17,075)</u>	<u>-</u>
Total revenues and net assets released from restrictions	<u>2,467,774</u>	<u>99,771</u>	<u>2,567,545</u>
Expenses:			
Program services	2,195,776	-	2,195,776
Administrative and general	247,485	-	247,485
Fundraising	428,998	-	428,998
Total expenses	<u>2,872,259</u>	<u>-</u>	<u>2,872,259</u>
Increase/(Decrease) in net assets	(404,485)	99,771	(304,714)
NET ASSETS - Beginning of year	<u>4,222,311</u>	<u>233,215</u>	<u>4,455,526</u>
NET ASSETS - End of year	<u>\$ 3,817,826</u>	<u>\$ 332,986</u>	<u>\$ 4,150,812</u>

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues:			
Campaign revenue	\$ 2,315,588	\$ -	\$ 2,315,588
Less: provision for uncollectible pledges	(214,590)	-	(214,590)
Net campaign revenue	2,100,998	-	2,100,998
Hurricane Irma revenue	723,288	166,511	889,799
Collier 211	6,552	-	6,552
IDA program	2,655	11,345	14,000
Volunteer Collier	29,698	-	29,698
VITA	17,897	-	17,897
Special events - net	(9,442)	-	(9,442)
Investment return - net	256,259	4,172	260,431
Bequest received	852	-	852
Rental income	19,162	-	19,162
Other income	5,659	-	5,659
Total revenues	3,153,578	182,028	3,335,606
Net assets released from restrictions	20,229	(20,229)	-
Total revenues and net assets released from restrictions	3,173,807	161,799	3,335,606
Expenses:			
Program services	2,679,603	-	2,679,603
Administrative and general	132,175	-	132,175
Fundraising	188,218	-	188,218
Total expenses	2,999,996	-	2,999,996
Increase in net assets	173,811	161,799	335,610
NET ASSETS - Beginning of year	4,048,500	71,416	4,119,916
NET ASSETS - End of year	<u>\$ 4,222,311</u>	<u>\$ 233,215</u>	<u>\$ 4,455,526</u>

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2019

	PROGRAM SERVICES	SUPPORTING SERVICES		TOTAL
		ADMINISTRATIVE & GENERAL	FUND RAISING	
Total grants and awards	\$ 975,645	\$ -	\$ -	\$ 975,645
Wages and benefits	377,049	209,473	251,368	837,890
Audit and professional fees	80,282	8,805	17,609	106,696
Bank fees	2,094	299	598	2,991
Interest expense	8,143	1,163	2,326	11,632
Campaign, promotion and volunteerism Collier 211	- 28,865	- -	100,422 -	100,422 28,865
Information technology and communications	47,469	6,781	13,563	67,813
Contract services	24,488	3,498	6,996	34,982
Convention and meeting expense	20,672	2,953	5,907	29,532
Depreciation	28,824	4,118	8,235	41,177
Dues - national and state	20,772	2,967	5,935	29,674
Dues and subscriptions	1,563	223	446	2,232
Insurance	5,549	793	1,586	7,928
Office supplies and expense	6,433	919	1,838	9,190
Printing and postage	-	-	1,184	1,184
Rent and other occupancy costs	35,536	5,077	10,153	50,766
VITA	1,595	-	-	1,595
Volunteer Collier	19,170	-	-	19,170
Loss on disposal of assets	1,170	-	-	1,170
Miscellaneous expenses	16,854	416	832	18,102
Disaster relief costs	378,468	-	-	378,468
Hurricane Irma expenses	115,135	-	-	115,135
Total	\$ 2,195,776	\$ 247,485	\$ 428,998	\$ 2,872,259

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2018

	PROGRAM SERVICES	SUPPORTING SERVICES		TOTAL
		ADMINISTRATIVE & GENERAL	FUND RAISING	
Total grants and awards	\$ 1,081,219	\$ -	\$ -	\$ 1,081,219
Wages and benefits	417,342	70,821	95,984	584,147
Audit and professional fees	72,100	12,230	16,580	100,910
Bank fees	2,020	343	464	2,827
Interest expense	9,566	1,623	2,200	13,389
Campaign, promotion and volunteerism	-	-	41,715	41,715
Collier 211	26,090	-	-	26,090
IDA program	2,655	-	-	2,655
Information technology and communications	25,808	4,378	5,934	36,120
Contract services	-	24,988	-	24,988
Convention and meeting expense	11,499	1,950	2,644	16,093
Depreciation	27,004	4,581	6,210	37,795
Dues - national and state	19,905	3,376	4,577	27,858
Dues and subscriptions	1,172	199	269	1,640
Insurance	5,598	949	1,287	7,834
Office supplies and expense	5,097	864	1,172	7,133
Printing and postage	-	-	1,220	1,220
Rent and other occupancy costs	31,047	5,266	7,139	43,452
VITA	1,658	-	-	1,658
Volunteer Collier	13,112	-	-	13,112
Miscellaneous expenses	3,579	607	823	5,009
Hurricane Irma expenses	923,132	-	-	923,132
Total	\$ 2,679,603	\$ 132,175	\$ 188,218	\$ 2,999,996

UNITED WAY OF COLLIER COUNTY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from contributions	\$ 2,001,467	\$ 2,724,610
Cash received from UAE stewardship agreement	2,368,000	-
Cash received from grants	664,049	-
Rental payments received	9,839	19,162
Special events	24,248	(9,442)
Funds paid out for UAE stewardship	(415,100)	-
Other grants paid	(1,376,468)	(1,699,835)
Cash paid to suppliers and employees	(1,398,988)	(929,759)
Investment income reinvested	(620)	(408)
Net cash provided by operating activities	<u>1,876,427</u>	<u>104,328</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	1,114,705	1,135,964
Purchase of investments	(1,169,835)	(1,181,510)
Purchase of property and equipment	(20,466)	(22,858)
Net cash used by investing activities	<u>(75,596)</u>	<u>(68,404)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on note payable	(44,306)	(42,515)
Cash received from bequests and trusts	606	852
Cash received from endowment	1,813	1,813
Interest and dividends reinvested as designated	66,948	61,579
Net cash provided by financing activities	<u>25,061</u>	<u>21,729</u>
NET INCREASE IN CASH	1,825,892	57,653
CASH - Beginning of year	<u>1,457,894</u>	<u>1,400,241</u>
CASH - End of year	<u>\$ 3,283,786</u>	<u>\$ 1,457,894</u>
RECONCILIATION OF INCREASE/(DECREASE) IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Increase/(Decrease) in net assets	\$ (304,714)	\$ 335,610
Contributions designated by Board of Directors	(606)	(852)
Interest and dividends designated by Board of Directors	(66,948)	(61,579)
Income on restricted funds	(1,813)	(1,813)
Depreciation	41,177	37,795
Loss on disposal of property and equipment	1,170	-
Realized gains on sale of investments	(27,541)	(164,741)
Unrealized (gains)/losses on investments	2,738	(46,210)
Changes in assets and liabilities:		
Pledges receivable, net	435,284	(339,993)
Grants receivable	(195,508)	-
Prepaid expenses and other assets	(12,264)	504
Accounts payable and accrued expenses	82,175	191,610
Funds held for other entities	1,924,764	153,997
Security deposit	(1,487)	-
Net cash provided by operating activities	<u>\$ 1,876,427</u>	<u>\$ 104,328</u>

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2019 AND 2018

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The United Way of Collier County, Inc. ("UWCC"), a not-for-profit organization, is committed to investing in and working to create a community where all individuals and families have an opportunity to thrive. UWCC's mission is to make the invisible visible by shining a light on the true number of families struggling in Collier County. UWCC aims to empower those in the community struggling to make ends meet, living from paycheck to paycheck by giving these individuals/ families the tools needed to regain economic stability. UWCC also aims to accomplish this by focusing on programs that focus on improving education, economic stability, health and safety net services. UWCC envisions the Collier County community as a place where all individuals and families achieve their full potential.

Funds raised are used to invest within local programs vetted through UWCC's Agency Allocations process. Grants to agencies are based on evaluations and recommendations made by independent panels comprised of area business professionals and other community leaders.

UWCC works to improve the life of every person within the community. UWCC connects the community with a wide variety of resources by collaborating with leading community partners to distribute resources and support to Collier County, including times of crisis.

UWCC has developed its own internal programs to help directly support Collier residents and partner agencies and invest in the community. Volunteer Collier serves as a platform for the community to match groups and individual volunteers with local not-for-profit agencies to create volunteer experiences throughout Collier County. VITA (Volunteer Income Tax Assistance) provides free tax preparation service to Collier residents. Collier 211, a 24 hour a day, 7 days a week, human services help line provides information and referrals to anyone in Collier County.

With data collected through Collier 211, United Way of Collier County is in position to identify and understand existing gaps in service. Immediately following Hurricane Irma, UWCC sought to collaborate with both partner and non-partner agencies in the community to address evolving gaps in services. UWCC assisted Collier residents with their recovery efforts.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

Financial Statements

The financial statements and notes are a representation of UWCC's management who is responsible for their integrity and objectivity. The accounting policies conform to the basis of accounting defined above and have been consistently applied in the preparation of the financial statements.

Contributions and Promises to Give

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received with donor restrictions that limit the use of donated assets are treated as net assets with donor restrictions. When the restriction is met, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Allowance for Doubtful Accounts

UWCC uses the allowance method to determine uncollectible unconditional promises or pledges receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Property and Equipment

UWCC capitalizes all expenditures for property, equipment and leasehold improvements in excess of \$1,000 and uses the straight-line method of depreciation calculated over the estimated useful lives of the assets, ranging from 5-39 years. Purchased property and equipment are stated at historical cost.

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2019 AND 2018

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - continued

Donated Services

A substantial number of volunteers have donated time to UWCC's annual fundraising campaign; however, these donated services are not recognized in the financial statements because the criteria for recognition of such volunteer efforts under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, have not been satisfied.

Cash and Cash Equivalents

UWCC considers as cash and cash equivalents all highly liquid investments with an initial maturity of three months or less.

Investments

Investments are carried at fair value based on quoted market prices.

Functional Expenses

The costs of programs and supporting services have been summarized on a functional basis in the statement of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include wages and benefits, which are allocated on the basis of estimates of time and effort spent on each function.

Income Taxes

UWCC is a qualified tax exempt organization under Code Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes, except on net income derived from unrelated business activities. The Organization has no revenues derived from unrelated business activities; accordingly, no provision for income taxes has been made. The Organization follows the income tax standard for uncertain tax positions and, as a result, has evaluated its tax positions and determined it has no uncertain tax positions as of March 31, 2019.

Estimates

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

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Net Assets

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

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve to be used as they deem necessary, which can include emergency allocations, supplemental allocations or venture grants.

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

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2019 AND 2018

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - continued

Change in Accounting Principle

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) - Presentation of Financial Statement of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and lack of consistency in the type of information provided about expenses and investment return. UWCC has implemented ASU 2016-14 and has adjusted the presentation of these financial statements accordingly.

NOTE 2 - LIQUIDITY AND AVAILABILITY

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

Cash and cash equivalents	\$ 766,051
Pledges receivable, net	<u>511,450</u>
	<u>\$ 1,277,501</u>

Although the Organization does not intend to spend funds from board-designated cash or investments totaling \$2,974,308, these amounts could be made available to fund operations, if necessary.

NOTE 3 - INVESTMENTS-BOARD DESIGNATED

Investments-Board designated, at fair value, consist of the following:

	2019		2018	
	<u>Cost</u>	<u>Fair Market Value</u>	<u>Cost</u>	<u>Fair Market Value</u>
Board-designated Investment Account				
Equity securities	\$ 198,201	\$ 233,790	\$ 464,453	\$ 508,389
Mutual funds	<u>2,448,366</u>	<u>2,615,669</u>	<u>2,099,442</u>	<u>2,261,448</u>
Total	<u>\$ 2,646,567</u>	<u>\$ 2,849,459</u>	<u>\$ 2,563,895</u>	<u>\$ 2,769,837</u>

All investments listed above have been designated by the Board for future operations (See Note 9). Investment fees associated with managing the account for the years ended March 31, 2019 and 2018 were \$13,968 and \$13,305, respectively. Investment fees are netted against investment income in the statement of activities.

NOTE 4 - PLEDGES RECEIVABLE, NET

Unconditional promises to give consist of the following:

	<u>2019</u>	<u>2018</u>
Campaign pledges	\$ 1,078,830	\$ 1,399,983
Less: allowance for uncollectible pledges	(515,800)	(424,776)
Less: allowance for designations and fees	(51,580)	(28,473)
Pledges receivable, net	<u>\$ 511,450</u>	<u>\$ 946,734</u>

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2019 AND 2018

NOTE 5 - PROPERTY AND EQUIPMENT, NET

Property and equipment consist of the following:

	<u>2019</u>	<u>2018</u>
Building	\$ 899,005	\$ 899,005
Furniture and fixtures	104,761	107,536
	<u>1,003,766</u>	<u>1,006,541</u>
Less accumulated depreciation	<u>(167,685)</u>	<u>(148,579)</u>
Total	<u>\$ 836,081</u>	<u>\$ 857,962</u>

Depreciation expense for 2019 and 2018 was \$41,177 and \$37,795, respectively.

NOTE 6 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following:

	<u>2019</u>	<u>2018</u>
Agency allocations	\$ 1,020,000	\$ 1,075,380
Accounts payable and accrued expenses	218,793	81,238
	<u>\$ 1,238,793</u>	<u>\$ 1,156,618</u>

Agency funding agreements that went into effect January 1, 2015, contain language which constitute a legally binding commitment to fund partner agencies, whereas past funding agreements were not legally binding. Consequently, accounts payable and grants and awards expense, for fiscal year 2019 and 2018 funding, reflect all approved quarterly agency allocations that had not yet been paid as of March 31, 2019 and 2018.

Grants and awards payable to more than twenty partner agencies ranged from \$5,000 to \$129,500 during 2019.

NOTE 7 - STEWARDSHIP AGREEMENT

During the year ended March 31, 2019, UWCC entered into an agreement with the Embassy of The United Arab Emirates (UAE) to act as steward and administrator of grant funds that UAE committed to provide to Grace Place for Children and Families, Inc. (Grace Place) and to The School Board of Collier County (The School Board). Under the terms of the two construction grant agreements, UWCC agreed to receive \$1,280,000 to benefit Grace Place and \$1,088,000 to benefit The School Board. The grant agreements require the two recipients to expend the funds for specific purposes as stated in the grant documents. As funds are expended by Grace Place and The School Board, the Organizations are entitled to receive reimbursement from the funds held by UWCC. UWCC is responsible for monitoring construction and ensuring that all terms of the grant agreement have been met. Both agreements specify that the grant funds can be used only for the purposes specified in the agreements. Unused funds, if any, will be returned to UAE or expended for alternative purposes determined solely by UAE. UWCC recorded the initial receipt of the funds as a liability. Payments to the recipients have been recorded to reduce the liability. Transactions for the year ended March 31, 2019 were as follows:

Cash received from UAE for:

Grace Place	\$ 1,280,000
The School Board	1,088,000
Total UAE funds received by UWCC for other entities	<u>2,368,000</u>
Payments to Grace Place	(415,100)
Funds held for other entities from UAE	<u>\$ 1,952,900</u>

As part of the combined grant agreement, UWCC received \$350,000 from UAE to be used for oversight and administration of the grant and to directly fund programs and services that will impact its ALICE Asset Limited hardworking pay check to pay check population that it serves.

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2019 AND 2018

NOTE 8 - NOTE PAYABLE

Note payable consists of the following:

	2019	2018
Note payable to a financial institution, interest at 4%, matures June 15, 2024. Principal and interest payments due monthly. Secured by mortgage interest against real property.	\$ 265,054	\$ 309,360

Future maturities of note payable is as follows:

Year ending March 31,	
2020	\$ 45,898
2021	47,819
2022	49,795
2023	51,852
Thereafter	69,690
	\$ 265,054

NOTE 9 - NET ASSETS WITHOUT DONOR RESTRICTIONS

The Board of Directors has designated funds to be used in the future as they deem necessary, which could include emergency allocations, supplemental allocations or venture grants. Additionally, the Board of Directors has designated that all contributions received from bequests be invested separately for the long-term plans of the Organization. Investment earnings in these funds are re-invested as designated funds.

Changes in net assets without donor restrictions are as follows:

	<u>Designated</u>	<u>Undesignated</u>
Balance March 31, 2017	\$ 2,938,554	\$ 1,109,946
Increase (Decrease) in net assets	107,676	66,135
Transfer of funds	(50,000)	50,000
Balance March 31, 2018	2,996,230	1,226,081
Increase (Decrease) in net assets	(21,922)	(382,563)
Balance March 31, 2019	\$ 2,974,308	\$ 843,518

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2019 AND 2018

NOTE 9 - NET ASSETS WITHOUT DONOR RESTRICTIONS - continued

Funds without donor restrictions consist of the following:

	<u>2019</u>		<u>2018</u>	
	<u>Designated</u>	<u>Undesignated</u>	<u>Designated</u>	<u>Undesignated</u>
Cash and cash equivalents	\$ 124,849	\$ 766,051	\$ 226,393	\$ 1,040,249
Pledges receivable	-	511,450	-	769,324
Grant receivable	-	195,508	-	-
Prepaid expenses and other assets	-	38,275	-	26,011
Investments	2,849,459	-	2,769,837	-
Property and equipment	-	836,081	-	857,962
Accounts payable	-	(1,238,793)	-	(1,156,618)
Security deposit	-	-	-	(1,487)
Note payable	-	(265,054)	-	(309,360)
Balance	<u>\$ 2,974,308</u>	<u>\$ 843,518</u>	<u>\$ 2,996,230</u>	<u>\$ 1,226,081</u>

NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes:

	<u>2019</u>	<u>2018</u>
Subject to expenditure for specified purpose:		
Hurricane Irma projects	\$ 275,058	\$ 166,511
IDA program	18,899	18,899
VITA program	-	5,400
Volunteer Collier program	-	5,500
Educational programs	6,029	4,216
	<u>299,986</u>	<u>200,526</u>
Perpetual in nature:		
Educational programs	33,000	32,689
	<u>\$ 332,986</u>	<u>\$ 233,215</u>

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2019 AND 2018

NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS - continued

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended March 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Satisfaction of purpose restrictions:		
Hurricane Irma projects	\$ 6,175	\$ -
VITA program	5,400	10,000
Volunteer Collier program	5,500	8,740
Educational programs	-	1,489
	<u>\$ 17,075</u>	<u>\$ 20,229</u>

NOTE 11 - GRANT REVENUE

During the year ended March 31, 2019, the Organization recognized grant revenue for the following purposes:

	<u>2019</u>
Management, oversight and distribution of UAE grant (See Note 7)	\$ 350,000
Disaster case management grant	509,557
	<u>\$ 859,557</u>

NOTE 12 - INVESTMENT RETURN, NET

Investment return consists of the following:

	<u>2019</u>	<u>2018</u>
Interest income	\$ 2,315	\$ 975
Dividend income	66,447	62,452
Net realized gains	26,921	164,299
Net unrealized gain/(loss)	(2,739)	46,210
Investment management fees	<u>(13,968)</u>	<u>(13,505)</u>
Total	<u>\$ 78,976</u>	<u>\$ 260,431</u>

NOTE 13 - FAIR VALUE MEASUREMENTS

The Organization measures fair value as set forth in the Statement of Financial Accounting Standard FASB ASC 820, "Fair Value Measurements." FASB ASC 820 applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. FASB ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy.

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2019 AND 2018

NOTE 13 - FAIR VALUE MEASUREMENTS - continued

The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The following are the major categories of assets measured at fair value on a recurring basis during the year ended March 31, 2019 and 2018:

	2019 <u>Fair Value</u>	2019 <u>Level 1</u>	2018 <u>Fair Value</u>	2018 <u>Level 1</u>
Equity securities	\$ 233,790	\$ 233,790	\$ 508,389	\$ 508,389
Mutual funds	2,615,669	2,615,669	2,261,448	2,261,448
	<u>\$ 2,849,459</u>	<u>\$ 2,849,459</u>	<u>\$ 2,769,837</u>	<u>\$ 2,769,837</u>

NOTE 14 - SPECIAL EVENTS, NET

UWCC conducts several special events each year. Special event revenues and expenses consisted of the following during the year ended March 31, 2019 and 2018:

	2019	2018
Revenue	\$ 88,520	\$ 12,095
Revenue- in kind	56,997	11,610
Total revenues	<u>145,517</u>	<u>23,705</u>
Expenses	(64,272)	(21,537)
Expenses- in kind	(56,997)	(11,610)
Total expenses	<u>(121,269)</u>	<u>(33,147)</u>
Net total	<u>\$ 24,248</u>	<u>\$ (9,442)</u>

NOTE 15 - EMPLOYEE BENEFIT PLANS

UWCC provides a salary reduction simplified employee pension (SARSEP) for all employees that have met certain age requirements. The organization contributes 5.3% of compensation to each participant's individual account which vests immediately. Participants can also make tax deferred contributions of their own, up to 25% of compensation, less amounts contributed by the employer. Employer contributions totaled \$32,294 in fiscal year 2019 and \$23,203 in fiscal year 2018.

UNITED WAY OF COLLIER COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2019 AND 2018

NOTE 16 - CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at several financial institutions in bank deposits which, at times, may exceed federally-insured limits of \$250,000. The Organization has not experienced any losses on such accounts and believes it is not exposed to any significant risk on cash.

Approximately 34% and 39% of UWCC's annual support was provided by contributions from one corporation and its employees, for the years ended March 31, 2019 and 2018, respectively.

NOTE 17 - RELATED PARTY TRANSACTIONS

UWCC maintains a number of bank accounts at various local financial institutions, three of which employ UWCC board members. Although fees charged by these institutions for normal banking services are considered nominal, one of these institutions was paid \$13,968 and \$13,505 in fees for the years ended March 31, 2019 and 2018, respectively, for managing the UWCC investment account. When voting to open or close accounts at financial institutions, UWCC board members who have a conflict of interest recuse themselves.

NOTE 18 - SUBSEQUENT EVENTS

Subsequent events were evaluated through August 12, 2019, which is the date the financial statements were available to be issued.

UNITED WAY OF COLLIER COUNTY, INC.
SCHEDULES OF ANNUAL GRANTS PAID AND UNITED WAY PROGRAMS
FOR THE YEARS ENDED MARCH 31, 2019 AND 2018

	2019	2018
A.L.I.C.E. - Community Impact Assessment - United Way Program	\$ 1,548	\$ -
American Red Cross	20,000	10,000
Boy Scouts of America	20,000	37,000
Cancer Alliance of Naples	50,000	46,000
Care Club of Collier County	-	11,250
Catholic Charities	133,340	130,000
Children's Advocacy Center	50,000	50,000
Children's Home Society	-	15,000
Collier 211 - United Way Program	28,865	26,090
Collier Child Care Resources	-	3,750
Collier County Hunger and Homeless Coalition	-	20,000
Community Foundation of Collier County	15,000	10,000
Drug Free Collier	-	10,000
Friendship Health Center	35,000	33,000
Fun Time Early Childhood Academy	60,000	45,000
Girl Scouts of Gulfcoast Florida	-	20,000
Goodwill	20,000	23,000
Grace Lutheran Church Pelican Community Center	5,000	-
Grace Place	50,000	50,000
Guadalupe Center	30,000	20,000
IDA-United Way Program	-	2,655
Legal Aid Services of Collier County	60,000	50,000
Lighthouse of Collier, Inc.	30,000	15,000
Literacy Council Gulf Coast	20,000	15,000
Naples Senior Center at JFCS	10,000	-
Naples Therapeutic Riding Center	20,000	10,000
National Alliance on Mental Illness	60,000	6,500
Neighborhood Health Clinic	15,000	20,000
New Horizons of Southwest Florida	-	10,000
Pathways Early Education Center of Immokalee	47,500	47,500
Physician Led Access Network of Collier County	-	10,000
Redlands Christian Migrant Association	53,500	30,000
Shelter for Abused Women & Children	7,040	20,000
Southwest Florida Community Foundation	2,500	-
STARability	15,000	11,000
The Immokalee Foundation	10,000	-
United Cerebral Palsy of SW Florida	57,000	50,000
Volunteer Collier-United Way Program	19,170	13,112
Volunteer Income Tax Assistance Program - United Way Program	1,595	1,658
Y.M.C.A. of Marco Island	75,000	35,000
Youth Haven	50,000	30,000
Other	8,597	11,839
Total	<u>\$ 1,080,655</u>	<u>\$ 949,354</u>

UNITED WAY OF COLLIER COUNTY, INC.
SCHEDULES OF HURRICANE IRMA REVENUE AND EXPENSES
FOR THE YEARS ENDED MARCH 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
Revenue:		
Anonymous Donor	\$ -	\$ 1,000
CFCC Disaster Relief Fund	25,000	50,000
First NonProfit Foundation	-	41,540
Harcros Chemicals, Inc.	-	10,000
Heart of Florida United Way	37,734	-
Publix Supermarkets	-	50,000
Speedway LLC	-	75,000
United Way WorldWide	35,678	454,924
United Way Florida	16,310	74,356
United Way Miami Dade	-	50,000
Volunteer Florida Foundation, Inc.	-	35,000
Waterside Shops	-	20,000
Other Donations	8,960	27,979
Total Hurricane Irma Revenue	<u>\$ 123,682</u>	<u>\$ 889,799</u>
Expenses:		
Cancer Alliance of Naples, Inc.	\$ -	\$ 15,000
Catholic Charities	-	408,373
Collier Child Care Resources, Inc.	-	15,000
Fun Time Early Childhood Academy, Inc.	-	15,000
Goodwill Industries of SWFL	6,175	-
Grace Place for Children and Families	-	90,000
Greater Marco Family YMCA	-	40,000
Habitat for Humanity of Collier County, Inc.	-	2,000
Naples Senior Center at JFCS	-	35,000
Pathways Early Education Center of Immokalee, Inc.	-	40,000
The Salvation Army	108,960	250,843
Other Expenses	-	11,916
Total Hurricane Irma Expenses	<u>\$ 115,135</u>	<u>\$ 923,132</u>