



United Way  
of Yellowstone County

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

**FINANCIAL REPORT**

**June 30, 2022 and 2021**



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
United Way of Yellowstone County, Inc.  
Billings, Montana

### **Opinion**

We have audited the accompanying financial statements of United Way of Yellowstone County, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years 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 Yellowstone County, Inc. as of June 30, 2022 and 2021, 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.

### **Basis for Opinion**

We conducted our audits 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 Yellowstone County, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 the 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 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 Yellowstone County, Inc. ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



### **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 an 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 Yellowstone 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 Yellowstone 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.

*Anderson Zurmuehlen + Co, P.C.*

Billings, Montana  
November 22, 2022

FINANCIAL STATEMENTS

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
STATEMENTS OF FINANCIAL POSITION  
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 795,617	\$ 780,092
Pledges receivable, net of allowance for uncollectible pledges of \$30,000 and \$30,000, respectively	95,203	110,938
Grants receivable	68,728	107,497
Other receivables	4,625	-
Refund receivable	114,112	-
Prepaid expenses	<u>24,428</u>	<u>24,718</u>
Total current assets	<u>1,102,713</u>	<u>1,023,245</u>
<b>OTHER ASSETS</b>		
Endowment investments	1,827,234	2,047,035
Cash surrender value of life insurance	<u>21,868</u>	<u>21,027</u>
Total other assets	<u>1,849,102</u>	<u>2,068,062</u>
<b>PROPERTY AND EQUIPMENT</b>		
Land	342,047	342,047
Furniture and equipment	81,439	81,439
Buildings and improvements	<u>1,120,805</u>	<u>1,120,805</u>
	1,544,291	1,544,291
Less - accumulated depreciation	<u>(351,544)</u>	<u>(317,893)</u>
Net property and equipment	<u>1,192,747</u>	<u>1,226,398</u>
Total assets	<u>\$ 4,144,562</u>	<u>\$ 4,317,705</u>

The Notes to Financial Statements are an integral part of these statements.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
STATEMENTS OF FINANCIAL POSITION (CONTINUED)  
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 33,311	\$ 68,500
Accrued expenses	82,458	51,205
Deferred revenue	131,812	100,531
Agency funds	18,926	21,518
Refundable advance liability	-	119,510
Current portion of long-term debt	49,976	46,838
Current portion of capital lease	<u>1,350</u>	<u>2,700</u>
Total current liabilities	<u>317,833</u>	<u>410,802</u>
LONG-TERM LIABILITIES		
Planned gift liabilities	17,581	16,224
Capital lease obligations, less current portion	-	1,350
Long-term debt, less current portion	555,005	604,979
Unamortized debt issuance costs	<u>(7,875)</u>	<u>(8,625)</u>
Total long-term liabilities	<u>564,711</u>	<u>613,928</u>
Total liabilities	<u>882,544</u>	<u>1,024,730</u>
NET ASSETS		
Without donor restrictions:		
Undesignated	1,698,068	1,741,293
Board designated	1,039,590	1,019,590
With donor restrictions	<u>524,360</u>	<u>532,092</u>
Total net assets	<u>3,262,018</u>	<u>3,292,975</u>
Total liabilities and net assets	<u>\$ 4,144,562</u>	<u>\$ 4,317,705</u>

The Notes to Financial Statements are an integral part of these statements.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
STATEMENT OF ACTIVITIES  
Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Campaign pledges for current year	\$ 639,426	\$ 1,000	\$ 640,426
Grants	1,014,809	-	1,014,809
CARE Academy income, net of tuition assistance of \$31,434	766,098	-	766,098
Net investment income (loss)	(266,366)	-	(266,366)
Gain on extinguishment of debt	119,510	-	119,510
Endowment donations	-	16,643	16,643
Other	<u>662</u>	<u>-</u>	<u>662</u>
Total revenues and gains	2,274,139	17,643	2,291,782
Net assets released from restrictions	<u>25,375</u>	<u>(25,375)</u>	<u>-</u>
Total revenues, gains, and other support	<u>2,299,514</u>	<u>(7,732)</u>	<u>2,291,782</u>
<b>EXPENSES</b>			
Program services:			
Community response	1,978,251	-	1,978,251
Support services:			
Management and general	266,945	-	266,945
Fundraising	<u>77,543</u>	<u>-</u>	<u>77,543</u>
Total expenses	<u>2,322,739</u>	<u>-</u>	<u>2,322,739</u>
Change in net assets	(23,225)	(7,732)	(30,957)
Net assets, beginning of year	<u>2,760,883</u>	<u>532,092</u>	<u>3,292,975</u>
Net assets, end of year	<u>\$ 2,737,658</u>	<u>\$ 524,360</u>	<u>\$ 3,262,018</u>

The Notes to Financial Statements are an integral part of this statement.



UNITED WAY OF YELLOWSTONE COUNTY, INC.  
STATEMENT OF ACTIVITIES  
Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Campaign pledges for current year, net of donor designations of \$36,924	\$ 695,051	\$ 8,020	\$ 703,071
Grants	1,398,718	-	1,398,718
Administration fees	2,929	-	2,929
CARE Academy income, net of tuition assistance of \$35,546	579,328	-	579,328
Net investment income	400,860	-	400,860
Endowment donations	-	9,500	9,500
Other	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Total revenues and gains	3,078,386	17,520	3,095,906
Net assets released from restrictions	<u>2,805</u>	<u>(2,805)</u>	<u>-</u>
Total revenues, gains, and other support	<u>3,081,191</u>	<u>14,715</u>	<u>3,095,906</u>
<b>EXPENSES</b>			
Program services:			
Community response	2,107,740	-	2,107,740
Support services:			
Management and general	256,659	-	256,659
Fundraising	<u>140,371</u>	<u>-</u>	<u>140,371</u>
Total expenses	<u>2,504,770</u>	<u>-</u>	<u>2,504,770</u>
Change in net assets	576,421	14,715	591,136
Net assets, beginning of year	<u>2,184,462</u>	<u>517,377</u>	<u>2,701,839</u>
Net assets, end of year	<u>\$ 2,760,883</u>	<u>\$ 532,092</u>	<u>\$ 3,292,975</u>

The Notes to Financial Statements are an integral part of this statement.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended June 30, 2022

	Program Services		Support Services		
	Community Response	Management and General	Fundraising	Support Services Total	Total
Agency allocations	\$ 247,501	\$ -	\$ -	\$ -	\$ 247,501
Bank service charges	16,701	755	377	1,132	17,833
Best Beginnings	2,990	-	-	-	2,990
Board expense	1,200	1,927	-	1,927	3,127
CARE expense	101,838	698	-	698	102,536
Communications	48	1,601	1,598	3,199	3,247
Community resource center	11,754	-	-	-	11,754
Community Solution Emergency	30,140	-	-	-	30,140
Continuum of Care	460,762	-	-	-	460,762
Dues and subscriptions	282	1,658	1,393	3,051	3,333
EFSP expense	39,033	-	-	-	39,033
Early Childhood	17,300	-	-	-	17,300
Employee benefits	120,298	32,563	5,035	37,598	157,896
Fees	2,147	46	410	456	2,603
Graduation Matters	11,577	-	-	-	11,577
Insurance	9,517	2,719	1,359	4,078	13,595
Interest expense	14,999	4,285	2,143	6,428	21,427
Janitorial	19,369	5,534	2,767	8,301	27,670
Legal and accounting	18,401	5,076	2,538	7,614	26,015
Maintenance	2,830	808	404	1,212	4,042
Mileage	634	640	41	681	1,315
Montana 211	17,920	-	3,421	3,421	21,341
Payroll expenses	659,764	151,499	24,965	176,464	836,228
Postage	764	369	1,505	1,874	2,638
Software and computer maintenance	20,125	20,837	1,709	22,546	42,671
Substance Abuse Connect Coalition	98,331	-	-	-	98,331
Supplies	4,166	9,128	738	9,866	14,032
Telephone	2,316	1,668	331	1,999	4,315
Training and development	807	12,353	1,979	14,332	15,139
Uncollectible pledges	-	-	18,440	18,440	18,440
Utilities	10,420	2,976	1,489	4,465	14,885
UW of America dues	10,760	3,075	1,537	4,612	15,372
Total expenses before depreciation	1,954,694	260,215	74,179	334,394	2,289,088
Depreciation	23,557	6,730	3,364	10,094	33,651
Total expenses	<u>\$ 1,978,251</u>	<u>\$ 266,945</u>	<u>\$ 77,543</u>	<u>\$ 344,488</u>	<u>\$ 2,322,739</u>

The Notes to Financial Statements are an integral part of this statement.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended June 30, 2021

	Program Services		Support Services		Total
	Community Response	Management and General	Fundraising	Support Services Total	
Agency allocations	\$ 284,750	\$ 2,000	\$ 2,000	\$ 4,000	\$ 288,750
Bank service charges	10,434	2,669	1,382	4,051	14,485
Best Beginnings	14,664	1,000	-	1,000	15,664
Board expense	-	2,870	-	2,870	2,870
CARE expense	36,373	2,000	-	2,000	38,373
Communications	76	11,221	7,133	18,354	18,430
Community resource center	9,809	-	-	-	9,809
Community Solution Emergency	7,650	200	-	200	7,850
Continuum of Care	384,889	2,000	-	2,000	386,889
Department of Commerce Riverstone	11,368	500	-	500	11,868
Discover Zone	514	-	-	-	514
Dues and subscriptions	428	1,584	989	2,573	3,001
EFSP expense	91,422	2,000	-	2,000	93,422
Early Childhood	19,637	2,000	-	2,000	21,637
Employee benefits	109,228	28,472	12,776	41,248	150,476
Fees	300	4,501	-	4,501	4,801
Financial Stability	5,196	-	-	-	5,196
Graduation Matters	439	-	-	-	439
Insurance	5,990	1,887	856	2,743	8,733
Interest expense	17,285	4,938	2,469	7,407	24,692
Janitorial	16,188	4,625	2,313	6,938	23,126
Legal and accounting	12,758	3,645	1,823	5,468	18,226
Maintenance	7,270	2,077	1,039	3,116	10,386
Mileage	48	468	319	787	835
Montana 211	47,380	2,000	-	2,000	49,380
Payroll expenses	596,662	152,000	46,989	198,989	795,651
Postage	840	495	1,617	2,112	2,952
Software and computer maintenance	13,091	3,740	1,870	5,610	18,701
Substance Abuse Connect Coalition	341,875	2,000	-	2,000	343,875
Supplies	2,600	3,296	1,093	4,389	6,989
Telephone	7,008	901	450	1,351	8,359
Training and development	3,819	1,439	110	1,549	5,368
Uncollectible pledges	-	-	45,228	45,228	45,228
Utilities	10,990	3,140	1,570	4,710	15,700
UW of America dues	13,152	3,758	1,879	5,637	18,789
Youth volunteer corps	976	-	-	-	976
Total expenses before depreciation	2,085,109	253,426	133,905	387,331	2,472,440
Depreciation	22,631	3,233	6,466	9,699	32,330
Total expenses	<u>\$ 2,107,740</u>	<u>\$ 256,659</u>	<u>\$ 140,371</u>	<u>\$ 397,030</u>	<u>\$ 2,504,770</u>

The Notes to Financial Statements are an integral part of this statement.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
STATEMENTS OF CASH FLOWS  
Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (30,957)	\$ 591,136
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	33,651	32,330
Amortization of debt issuance costs	750	750
Net realized (gain) on investments reinvested for long-term purposes	(20,988)	(87,825)
Net unrealized (gain) loss on investments	316,355	(288,891)
Contributions restricted for long-term purposes	(16,643)	(9,500)
Change in value of planned gift agreements	1,357	500
Change in cash surrender value of life insurance	(841)	(809)
Changes in operating assets and liabilities:		
Pledge receivable	15,735	67,181
Grants receivable	38,769	(17,273)
Other receivables	(4,625)	2,222
Refund receivable	(114,112)	-
Prepaid expenses	290	(3,389)
Accounts payable	(35,189)	(2,570)
Accrued expenses	31,253	1,197
Refund advanced liability	(119,510)	-
Deferred revenue	31,281	(107,880)
Agency funds	<u>(2,592)</u>	<u>(9,500)</u>
Net cash flows from operating activities	<u>123,984</u>	<u>167,679</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments	(116,885)	(464,262)
Proceeds from sale of investments	<u>41,319</u>	<u>383,832</u>
Net cash flows from investing activities	<u>(75,566)</u>	<u>(80,430)</u>

The Notes to Financial Statements are an integral part of these statements.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
 STATEMENTS OF CASH FLOWS (CONTINUED)  
 Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Capital lease repayments	(2,700)	(2,700)
Principal payments on long-term debt	(46,836)	(45,205)
Proceeds from new planned gift agreements	<u>16,643</u>	<u>9,500</u>
Net cash flows from financing activities	<u>(32,893)</u>	<u>(38,405)</u>
Net change in cash and cash equivalents	15,525	48,844
Cash and cash equivalents, beginning of year	<u>780,092</u>	<u>731,248</u>
Cash and cash equivalents, end of year	<u>\$ 795,617</u>	<u>\$ 780,092</u>
<b>SUPPLEMENTAL CASH FLOWS INFORMATION</b>		
Cash paid during the year for interest	<u>\$ 22,378</u>	<u>\$ 25,650</u>

The Notes to Financial Statements are an integral part of these statements.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022 and 2021

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

United Way of Yellowstone County, Inc. (the Organization) is a nonprofit organization formed for the purpose of achieving significant community impact by developing strategies, building partnerships, and investing in programs, all of which are supported through annual fundraising campaigns, as well as through competitive private, state, and federal grants and contracts. The Organization improves community conditions for children, youth, individuals, families and senior citizens.

**Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP), as codified by the Financial Accounting Standards Board (FASB).

**Classification of Net Assets**

The Organization reports gifts of cash and other assets as restricted support if they are received with donor imposed stipulations that may or will be met either by the actions of the Organization or the passage of time. Accordingly, net assets of the Organization 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 a board-designated endowment, as well as other purposes described in Note 16.

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

Revenues are reported as increases in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation. Expirations of net assets with donor restrictions (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

The Organization is organized as a nonprofit corporation in the state of Montana and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC).

**Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The Organization's cash is deposited in accounts in which FDIC coverage is limited to \$250,000 per account holder. At June 30, 2022, the bank balances of these deposits exceeded federally insured limits by \$237,865.

**Promises to Give**

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. All promises to give are expected to be collected within one year. 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-imposed support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

**Allowance Method Used to Record Uncollectible Pledges**

The Organization uses the allowance method for uncollectible pledges receivable. The Organization's estimate is based on historical collection experience and a review of the current status of accounts receivable. It is reasonably possible that the Organization's estimate of the allowance for doubtful accounts will change. Pledges receivable are presented net of an allowance for doubtful accounts of \$30,000 at June 30, 2022 and 2021, respectively.

**Investments and Net Investment Income**

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value. Net investment income or loss, including realized and unrealized gains and losses on investments, interest, and dividends, less investment expenses, is included in the change in net assets without donor restrictions unless the income or loss is restricted by a donor.

Investment securities are exposed to various risks, such as interest rate, credit and market risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect the investment balances and the amounts reported in the Statements of Financial Position.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value Measurements**

The Organization has determined the fair value of its marketable securities through the application of the accounting standard for fair value measurements. This standard establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted observable quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). At June 30, 2022 and 2021, there were no Level 3 investments. The three levels of the fair value hierarchy are described below:

- Level 1 Quoted market prices available through public exchange venues for identical assets or liabilities.
- Level 2 Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Unobservable inputs for the asset or liability due to little or no market activity at the measurement date.

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at June 30, 2022.

*Fixed income securities:* Valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV). The funds held by the Organization are deemed to be actively traded.

*Equity securities:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Complementary strategies:* Valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV). The funds held by the Organization are deemed to be actively traded.

*Real asset securities:* Valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV). The funds held by the Organization are deemed to be actively traded.

**Property and Equipment**

Property and equipment acquisitions with an original cost of at least \$2,500 are recorded at cost. Donated property and equipment are reported as without donor restriction unless the donor has restricted the donated asset to a specific purpose. Depreciation is provided over the estimated useful lives of assets (generally 5 - 40 years) and is computed using the straight-line method.



UNITED WAY OF YELLOWSTONE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Allocations Payable**

Allocations payable represent amounts approved by the Board of Directors payable to United Way agencies. As of June 30, 2022, the Organization has paid all allocations approved by the Board of Directors.

**Contribution Revenue**

Annual campaigns are conducted to raise support for the Organization's community response programs. Pledges, less an allowance for uncollectible amounts, are recorded as receivables in the year they are made. All contributions are considered without donor restriction unless specifically restricted by the donor as to time or purpose. The Organization acts as an agent of the donor when contributions are directed by the donor and are to be distributed to a specific third-party beneficiary. These contributions received and subsequently remitted to third parties are reflected in campaign results on the Statements of Activities but are not treated as contribution revenue. Assets received for which the condition has not been satisfied are recorded as a refundable advance liability.

The Organization administers other campaigns for local employers. Under the agreements, the employers run campaigns, collect the pledges and make payments to the Organization for quarterly distribution to the agencies designated by the employee. The Organization collects administration fees for administering the other campaigns. The Organization is acting as an agent administering the other campaigns and, therefore, contributions received and subsequently remitted to other agencies are not included in the Statements of Activities.

**Grant Revenue**

The Organization's grant awards are contributions, which are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a deferred revenue.

**CARE Academy Revenue**

The CARE Academy is an out-of-school time program available to elementary school-age children who are currently enrolled as students in participating schools in Yellowstone County. Consequently, the Organization's revenue and cash flows are affected by economic fluctuations within that region. CARE Academy tuition is comprised of an exchange element based on the value of the benefits provided. The Organization recognizes tuition revenue in the period in which the services are rendered, and the Organization satisfies its performance obligations. Any portion of tuition deemed to be earned in future periods is deferred until earned.

**Advertising**

Advertising costs are expensed as incurred. Advertising expenses totaled \$372 and \$1,515 and are included in communication expense on the Statements of Functional Expenses at June 30, 2022 and 2021, respectively.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2022 and 2021

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Donated Services, Materials and Facilities**

Many individuals volunteer their time and perform a variety of tasks that assist the Organization. The value of these contributed services does not meet the requirements for recognition in the financial statements and have not been recorded.

**Functional Allocation of Expenses**

The Organization's management allocates expenses by function between program and supporting service classifications based upon estimated levels of functional time and effort.

**Subsequent Events**

Management has evaluated subsequent events through November 22, 2022, the date which the financial statements were available for issue.

**NOTE 2. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES**

Financial assets available for general expenditure include only those without donor or other restrictions limiting their use within one year of the balance sheet date. The following reflects the Organization's financial assets as of June 30, 2022 and 2021, net of amounts not available for general use within one year of the Statement of Financial Position date due to contractual or donor-imposed restrictions.

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash and cash equivalents	\$ 795,617	\$ 780,092
Pledges receivable, net of allowance	95,203	110,938
Grants receivable	68,728	107,497
Other receivables	118,737	-
Endowment investments	<u>1,827,234</u>	<u>2,047,035</u>
Total financial assets	<u>2,905,519</u>	<u>3,045,562</u>
Less - financial assets unavailable for general expenditure		
Grant funds received in advance included in cash and cash equivalents	131,004	(99,476)
Funds for emergency food and shelter included in cash and cash equivalents	(3,718)	(14,347)
Agency funds	(18,926)	(21,518)
Board-designated funds	(1,039,590)	(1,019,590)
Donor-restricted funds	<u>(524,360)</u>	<u>(532,092)</u>
Total financial assets unavailable for general expenditure	<u>(1,455,590)</u>	<u>(1,687,023)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,449,929</u>	<u>\$ 1,358,539</u>

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2022 and 2021

**NOTE 2. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (CONTINUED)**

The Organization does not have a formal liquidity policy, but has adopted some guidelines around the use of endowment funds for current operations, deferred grant revenue, and special projects or programs as determined by the Board of Directors. Principal contributions to the endowment fund have been set aside by the Board of Directors as perpetual investments. Income from the investments may be used for any purposes the Organization chooses. The Organization may receive grant funds, but may not have expended them for the purposes of the grant at the end of the fiscal year. These funds are held until the work for the grant has been completed. The Organization may draw upon board-designated funds in the event of an unanticipated liquidity need with prior board approval.

**NOTE 3. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents at June 30, 2022 and 2021, are as follows:

	<u>2022</u>	<u>2021</u>
General operating deposits	\$ 157,176	\$ 251,800
Emergency Food and Shelter Fund deposits	3,718	14,347
General operating funds	226,180	105,961
General operating certificates of deposit	309,605	279,566
Investment money market fund	98,938	128,418
Total cash and cash equivalents	<u>\$ 795,617</u>	<u>\$ 780,092</u>

**NOTE 4. INVESTMENTS**

Investments at June 30, 2022 and 2021, are as follows:

	Fair Value of Assets as of June 30, 2022			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Fixed income securities	\$ 645,632	\$ -	\$ -	\$ 645,632
Equity securities	1,049,316	-	-	1,049,316
Complementary strategies	73,985	-	-	73,985
Real asset securities	58,301	-	-	58,301
Total endowment investments	<u>\$1,827,234</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,827,234</u>

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021

**NOTE 4. INVESTMENTS (CONTINUED)**

	Fair Value of Assets as of June 30, 2021			
	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ 617,079	\$ -	\$ -	\$ 617,079
Equity securities	1,242,689	-	-	1,242,689
Complementary strategies	104,569	-	-	104,569
Real asset securities	82,698	-	-	82,698
Total endowment investments	<u>\$2,047,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$2,047,035</u>

Net investment income (loss) is summarized as follows:

	<u>2022</u>	<u>2021</u>
Without donor restriction:		
Interest income on cash and cash equivalents	\$ 914	\$ 1,625
Investment interest and dividends	49,015	41,720
Net realized gains	21,253	87,825
Net unrealized gains (losses)	(316,355)	288,891
Total investment income (loss)	(245,173)	420,061
Less - investment expenses	(21,193)	(19,201)
Net investment income (loss)	<u>\$ (266,366)</u>	<u>\$ 400,860</u>

**NOTE 5. CASH SURRENDER VALUE OF LIFE INSURANCE**

In November 2001, the Organization received a single premium whole life insurance policy from a donor. Under the terms of the insurance, the Organization receives the cash surrender value if the policy is terminated, and, upon death of the insured, receives a guaranteed death benefit. The cash surrender value of the life insurance is \$21,868 and \$21,027 as of June 30, 2022 and 2021, respectively.

**NOTE 6. ACCRUED VACATION PAYABLE**

Employees of the Organization are entitled to paid vacation, depending on length of service and other factors. Accrued but unused vacation leave in the amounts of \$29,260 and \$27,327 are included in accrued expenses on the Statements of Financial Position at June 30, 2022 and 2021, respectively.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021

**NOTE 7. AGENCY FUNDS**

The Organization acts as an agent for various organizations or projects where funds are to be distributed only for the benefit of, and upon the instructions of those organizations or projects. The Agency Funds consist of cash and cash equivalents and pledges receivable of \$18,926 and \$21,518 as of June 30, 2022 and 2021, respectively.

**NOTE 8. LONG TERM DEBT**

Long-term debt consists of the following:

	<u>2022</u>	<u>2021</u>
Note payable to Wells Fargo at 3.5%; monthly payments in the amount of \$5,768 including interest; matures December 15, 2032; secured by building	\$ 604,981	\$ 651,817
Less - current maturities	(49,976)	(46,838)
Less - unamortized loan fees	<u>(7,875)</u>	<u>(8,625)</u>
	<u>\$ 547,130</u>	<u>\$ 596,354</u>

The proceeds from the note payable were used to repay a bridge loan of \$975,000 and \$15,000 in origination and closing fees, respectively. These fees were capitalized immediately and amortized over the 20-year life of the note payable. The Organization incurred amortization expense of \$750 during the years ended June 30, 2022 and 2021, respectively, and is included in interest expense in the Statements of Functional Expenses.

Maturities on long-term debt at June 30 are as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>
2023	\$ 49,976
2024	50,151
2025	52,011
2026	53,887
2027	55,831
Thereafter	<u>343,125</u>
	<u>\$ 604,981</u>

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2022 and 2021

**NOTE 9. CAPITAL LEASE**

In December 2017, the Organization acquired equipment with a cost basis of \$13,500 under the provisions of a capital lease. For financial reporting purposes, minimum lease payments related to the equipment have been capitalized and are included in equipment on the Statements of Financial Position. Capital lease obligations at June 30 is as follows:

<u>Year Ending June 30,</u>	<u>Minimum Lease Payments</u>
2023	\$ 1,350
	\$ 1,350

**NOTE 10. REFUNDABLE ADVANCE LIABILITY**

The Organization had a refundable advance liability of \$-0- and \$119,510 as of June 30, 2022 and 2021, respectively. This amount resulted from the receipt of the Paycheck Protection Program (PPP) loan granted by the Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). PPP loans are considered conditional, with a right-of-return in the form of an obligation to be repaid if a barrier to entitlement is not met. The barrier is that PPP loan funds must be used to maintain compensation costs and employee headcount, and other qualifying expenses (mortgage, interest, rent, and utilities) incurred during a covered period of either 8 or 24 weeks following receipt of the funds. Consequently, the Organization has determined that this is a conditional grant award and have applied the policy as described in Note 1, which says that conditional contributions and grants shall be reported as a refundable advance liability until the conditions are substantially met.

Should the lending institution choose not to forgive the refundable advance, it bears interest at 1% and is repayable in principal and interest payments every month over a maximum of two years with a ten-month deferral after the end of the covered period.

Subsequent to year-end, the Organization was notified that \$119,510 in eligible expenditures for payroll and other expenses described in the CARES Act had been forgiven.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2022 and 2021

**NOTE 11. ANNUITY OBLIGATION**

The Organization receives charitable donations for annuities from donors with a provision that a fixed income be paid to the donor and/or the named beneficiary for life. The annuity obligation represents the present value of payments to be made over the life expectancies of the annuitant and/or their named beneficiaries based on Internal Revenue Service (IRC) annuity tables. The contributions received and the related obligations are restricted in perpetuity until the death of the annuitant and/or their named beneficiary at which time the remaining assets remain restricted or the donor restriction is removed based upon the terms of the original annuity agreement. The recorded obligation is recognized as income at the time of death. On an annual basis, the Organization reevaluates the liability related to the required distributions to the designated beneficiaries based on actuarial assumptions. Activity under charitable agreements during 2022 and 2021 is as follows:

	<u>Charitable Gift Annuities</u>
Estimated present value of liability July 1, 2020	\$ 15,724
Additions to annuity liability	<u>500</u>
Estimated present value of liability July 1, 2021	16,224
Additions to annuity liability	<u>1,357</u>
Estimated present value of liability July 1, 2022	<u>\$ 17,581</u>

**NOTE 12. PENSION PLAN**

The Organization has a 403(b) Plan covering all full-time and part-time employees who have performed services for the Organization in at least one year of the immediately preceding five years and does not include employees whose total compensation during the year is less than the amount specified in the Internal Revenue Code (IRC). The Organization contributes an amount equal to 5% of the annual compensation plus matches employees' contributions up to 5% of annual compensation. Pension plan contributions totaled \$47,298 and \$47,823 for the years ended June 30, 2022 and 2021, respectively.

**NOTE 13. RISKS AND UNCERTAINTIES**

As a result of economic uncertainty and volatility in financial markets, various investment securities held by the Organization have incurred significant declines in fair value since June 30, 2022. The markets continue to evolve rapidly, and management is not able at this time to estimate the full impact on the financial statements.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021

**NOTE 14. ENDOWMENT FUNDS**

The Organization's endowment fund (the Endowment) consists of gifts by individual donors who desire to make substantial long-term gifts to the community and to develop new and significant source of revenue for the Organization. The endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors.

*Interpretation of Relevant Law*

The Board of Directors of the Organization has interpreted the Montana Uniform Prudent Management of Institutional Funds Act (MUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. At June 30, 2022 and 2021, there were no such donor stipulations. As a result of this interpretation, the Organization retains in perpetuity the original value of the gift.

Income from the investment of these gifts may be used to (i) stabilize program funding during period of below normal average campaigns; (ii) fund special projects and grants in the community; (iii) ensure long-term growth; (iv) enhance the Organization's ability to meet changing community needs in both the short and long-term; and, (v) support the administrative expenses of the Organization as deemed appropriate.

*Investment Policy and Objectives*

The Organization has adopted an overall investment objective for the assets of growth and income. This is a total return approach to managing the assets, emphasizing on both current income and growth in principal. The Organization monitors the performance on an annual basis. Performance is reported in terms of rate of return and changes in dollar value. The returns are compared to the appropriate market indexes for the most recent quarter and for annual and cumulative prior time periods. The Endowment's asset allocation is also reported on an annual basis.

It is desired that the Endowment produce a level of return higher than the market as represented by a benchmark index or mix of indexes reflective of the objectives and risk tolerance. This primary benchmark or policy index is to be constructed as follows: 60% Standard & Poor's 500 Stock Index, 35% BarCap US Govt/Credit Intermediate Bond Index and 5% 90-day Treasury Bills. The secondary benchmark is to be constructed as follows: 25% Standard and Poor's 500, 5% Russell Mipcap Index, 5% Russell 2000 Index, 15% EAFE Index, 5% NAREIT Equity Index, 7% HFRX Global Hedge Fund Index, 35% BarCap US Govt/Credit Intermediate Bond Index, and 3% 90-day Treasury Bills. The account is desired to exceed the arithmetic mean of these benchmarks on a risk-adjusted basis over a five-year rolling time period.

The Organization is comfortable with a moderate risk strategy. This is a goal of relatively more stable returns over the longer term, with a reduced potential of negative returns in any given year. Specifically, the risk level of the portfolio as measured by volatility (standard deviation) should be similar to the volatility of the underlying comparative benchmarks.



UNITED WAY OF YELLOWSTONE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021

**NOTE 14. ENDOWMENT FUNDS (CONTINUED)**

*Funds with Deficiencies*

From time-to-time, the fair value of assets associated with the donor-restricted endowment fund may fall below the level that the donor or MUPMIFA requires the Organization to retain as a fund of perpetual duration. There were no deficiencies of this nature reported in net assets without donor restrictions as of June 30, 2022 and 2021.

*Spending Policy*

The Endowment is governed by the Organization's Gift Acceptance and Endowment Disbursement Guidelines. Unless otherwise directed by the donor as a result of conditions contained within the gift, or upon arrival of the Board of Directors for emergency situations, there shall be no disbursement of invested assets, principal or interest that would decrease the invested assets below a balance of \$1,000,000.

Distributions are limited to 10% of the market value of the invested assets as of the prior calendar year-end, subject to the initial restriction of the \$1,000,000 balance. The amount of disbursement is determined annually by the Board of Directors during the budgeting process. The Organization may also elect to take no distributions in any given year.

To the extent that the amount be distributed has been determined and that all donor directives have been met, said amounts may be distributed at the discretion of the Board of Directors. In general; however, these funds will be utilized to stabilize program funding during periods of below normal annual campaigns, for special purpose program grants, for special purpose programs and activities, and to support the administrative activities of the Organization.

*Composition of Endowment Fund*

The composition of the assets in the Endowment is included in Note 4, as there are funds invested in addition to the donor-restricted and board-designated endowment funds. Unless otherwise stated by the donor, earnings on donor-restricted endowment funds are available for general use and have been presented on the Statements of Financial Position and Statements of Activities without donor restrictions.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021

**NOTE 14. ENDOWMENT FUNDS (CONTINUED)**

*Composition of Endowment Fund (Continued)*

Composition of and changes in endowment net assets for the years ended June 30, were as follows:

	Without Donor Restriction		With Donor Restriction	Total
	General	Board Designated		
Endowments at July 1, 2020	\$ 973,977	\$ 123,537	\$ 492,375	\$ 1,589,889
Contributions	62,116	-	10,000	72,116
Additions	392,646	-	-	392,646
Sales of investments	(383,832)	-	-	(383,832)
Net appreciation, realized and unrealized	376,716	-	-	376,716
Change in value of split interest agreements	-	-	(500)	(500)
Endowments at June 30, 2021	1,421,623	123,537	501,875	2,047,035
Contributions	-	-	18,000	18,000
Additions	99,977	-	-	99,977
Sales of investments	(41,319)	-	-	(41,319)
Net depreciation, realized and unrealized	(295,102)	-	-	(295,102)
Change in value of split interest agreements	-	-	(1,357)	(1,357)
Endowments at June 30, 2022	<u>\$ 1,185,179</u>	<u>\$ 123,537</u>	<u>\$ 518,518</u>	<u>\$ 1,827,234</u>

**NOTE 15. NET ASSETS WITH DONOR RESTRICTIONS**

The main source of net assets with donor restrictions are associated with the Diversion Fund. Currently, Diversion conversations occur at all Front Door organizations, both advertised and non-advertised. Most successful diversions in Billings have come from those agencies that have access to undesignated funds available to spend. This pilot project will provide flexible funds to any Billings Coordinated Entry System Front Door Agency who is using the diversion approach with families and individuals. Access to the flexible fund will strengthen opportunities for more service providers to start diversion conversations and use of the resources needed to connect people to permanent housing outcomes. The Billings Continuum of Care Diversion Fund Subcommittee has established system wide guidelines related to eligibility, reporting, and funding. Requests for the Centralized Diversion Fund are submitted via the Homeless Management Information System and reviewed and paid by the United Way of Yellowstone County, the fiscal agent for diversion funds.

Flexible financial assistance is available for households who identify it as a need for resolving their housing crisis through diversion conversations. When financial assistance is necessary to obtain safe housing, diversion funds can be used in a variety of ways provided they directly result in a housing solution, whether permanent or temporary. The most common types of financial assistance for families were security deposit, one-time rent payment, and rental application fees.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2022 and 2021

**NOTE 15. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

Common uses of diversion financial assistance funds may include, but are not limited to:

- Move-in costs, including deposit and first month's rent, moving supplies, the cost of a moving truck and storage;
- Rental application fees, and payments for background and credit checks;
- Fees for securing identification documents, birth certificates, and social security cards;
- Transportation, including bus tickets for both local transport and to facilitating relocation to verifiable, safe housing out-of-the-area;
- Previous housing debt/rental arrears if resolving with facilitate an immediate housing placement;
- Utility deposits and arrears needed to secure housing; and
- Certifications or license fees related to school or employment.

Donor restricted contributions also include those for Graduation Matters and Literacy programs.

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

	<u>2022</u>	<u>2021</u>
Donor-restricted endowment funds to be held in perpetuity	\$ 518,518	\$ 501,875
Campaign contributions restricted for purpose	<u>5,842</u>	<u>30,217</u>
Total net assets with donor restrictions	<u>\$ 524,360</u>	<u>\$ 532,092</u>

**NOTE 16. BOARD DESIGNATED NET ASSETS**

The Board of Directors designated certain funds for special purposes.

- a) Board-Designated Endowment is the principal of non-restricted gifts in the form of cash, bequests or stock.
- b) Board-Designated General represents funds to be used to stabilize program funding during periods of below normal campaigns, for special purpose program grants, for special purpose United Way of Yellowstone County programs and activities, and to support the administrative activities of the Organization.
- c) Board-Designated Building Fund represents income generated from leasing of office space in the United Way building. The income will be used to pay for future building maintenance costs. In addition, the Board designated a portion of the endowment included in net assets without donor restriction to be used for building maintenance.
- d) Board-Designated Capital Improvement represents funds set aside to be used for building and other capital improvements.

UNITED WAY OF YELLOWSTONE COUNTY, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2022 and 2021

**NOTE 16. BOARD DESIGNATED NET ASSETS (CONTINUED)**

Amounts for the following purposes have been designated as of June 30:

	<u>Endowment</u>	<u>General</u>	<u>Building Fund</u>	<u>Capital Improvement</u>	<u>Total Designated</u>
Board-designated net assets - July 1, 2020	\$ 123,537	\$ 569,565	\$ 166,488	\$ 140,000	\$ 999,590
Board transfers	<u>          -</u>	<u>          -</u>	<u>      10,000</u>	<u>      10,000</u>	<u>      20,000</u>
Board-designated net assets - June 30, 2021	123,537	569,565	176,488	150,000	1,019,590
Board transfers	<u>          -</u>	<u>          -</u>	<u>      10,000</u>	<u>      10,000</u>	<u>      20,000</u>
Board-designated net assets - June 30, 2022	<u>\$ 123,537</u>	<u>\$ 569,565</u>	<u>\$ 186,488</u>	<u>\$ 160,000</u>	<u>\$ 1,039,590</u>

**NOTE 17. SUBSEQUENT EVENTS**

On August 9, 2022, the Organization filed Forms 941-X, Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund, with the Internal Revenue Service (IRC) regarding the Employee Retention Credit (ERC) for the last three quarters of 2020, and the first three quarters of 2021. Under the provisions of the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) signed into law on March 27, 2020, and the subsequent extension of the CARES Act, the Organization was eligible for a refundable employee retention credit subject to certain criteria for the periods July 1, 2021 through September 30, 2021. Upon filing the Forms 941-X, the Organization is owed approximately \$114,112 for the refundable portion of the credit for year 2021. Due to these payroll expenses taking place in the first quarter of fiscal year 2022, the Organization has elected to account for the ERC following ASC 958-605, which recognizes contributions received by a not-for-profit entity. The Organization has evaluated the circumstances and noted all conditions have appropriately been met in order to recognize income for year ended June 30, 2022.

Prior to issuance of this report, the Organization received the balance mentioned above in full on October 31, 2022.



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