United Way of Washington County, MD

CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2020 AND 2019

UNITED WAY OF WASHINGTON COUNTY, MARYLAND , INC.
AND AFFILIATED ORGANIZATION

CONTENTS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
United Way of Washington County, Maryland, Inc. and
United Way Foundation of Washington County, Maryland, Inc.
Hagerstown, Maryland

We have audited the accompanying consolidated financial statements of **United Way of Washington County, Maryland, Inc. and Affiliated Organization, United Way Foundation of Washington County, Maryland, Inc.** (Not-for-Profit Organizations) which comprise the consolidated statements of financial position as of June 30, 2020 and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of **United Way of Washington County, Maryland, Inc. and Affiliated Organization** as of June 30, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental consolidating information is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Emphasis of Matter

As discussed in Note 1 to the financial statements, management has adopted FASB Accounting Standards Update (ASU) 2016-01, *Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities* and ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958).* Our opinion is not modified with respect to these matters.

Albright Crumbacker Moul & Itell, LLC

Hagerstown, Maryland
November 11, 2020

United Way of Washington County, Maryland, Inc.
and Affiliated Organization

Consolidated Statements of Financial Position

June 30,		2020		2019
ASSETS				
Cash and cash equivalents	$	356,770	$	275,492
Campaign pledges receivable		266,876		399,897
Less allowance for uncollectible pledges		(33,000)		(45,000)
Other receivables		40,602		38,256
Prepaid expenses		1,291		3,336
Investments		784,690		862,871
Property and equipment, net of accumulated depreciation of $59,040 and $57,060, respectively		14,683		16,663
	$	**1,431,912**	**$**	**1,551,515**
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	$	4,654	$	18,089
Accrued payroll		11,448		11,574
Designations payable		35,386		42,199
Deferred revenue		8,000		17,540
SBA Paycheck Protection Program payable		58,400		-
		117,888		89,402
NET ASSETS				
Without donor restrictions				
Undesignated		511,056		590,973
Board designated		773,810		851,991
		1,284,866		1,442,964
With donor restrictions		29,158		19,149
		1,314,024		1,462,113
	$	**1,431,912**	**$**	**1,551,515**

United Way of Washington County, Maryland, Inc. and Affiliated Organization

Consolidated Statements of Activities

Years ended June 30,			2020	2019
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	TOTAL
CHANGES IN NET ASSETS				
CAMPAIGN REVENUE AND SUPPORT				
Gross campaign results	$ 648,539	$ -	$ 648,539	$ 760,534
Less donor designations	(75,743)	-	(75,743)	(145,732)
Less provisions for uncollectible	(33,000)	-	(33,000)	(45,000)
NET CAMPAIGN REVENUE AND SUPPORT	539,796	-	539,796	569,802
OTHER REVENUE AND SUPPORT				
In-kind contributions	217,241	-	217,241	57,295
Contribution - Mathias Trust	70,170	-	70,170	70,228
Contributions - COVID Emergency Relief Fund	98,178	2,569	100,747	-
Contributions and grants - other	51,255	7,607	58,862	22,532
Designations from other United Ways	17,047	-	17,047	38,595
Net investment return (loss)	(34,785)	-	(34,785)	9,772
Event revenue, net	3,100	-	3,100	27,860
OTHER REVENUE AND SUPPORT	422,206	10,176	432,382	226,282
NET ASSETS RELEASED FROM RESTRICTIONS	167	(167)	-	-
TOTAL REVENUE AND SUPPORT	962,169	10,009	972,178	796,084
EXPENSES				
Program services				
Gross funds awarded/distributed	433,549	-	433,549	590,604
Less donor designations	(75,743)	-	(75,743)	(145,732)
COVID Emergency Relief awards	99,026	-	99,026	-
Net funds awarded/distributed	456,832	-	456,832	444,872
Other program services	478,212	-	478,212	311,434
TOTAL PROGRAM SERVICES	935,044	-	935,044	756,306
Supporting services				
Fundraising	36,564	-	36,564	41,811
Management and general	139,760	-	139,760	152,864
United Way Worldwide dues	8,899	-	8,899	9,742
TOTAL SUPPORTING SERVICES	185,223	-	185,223	204,417
TOTAL EXPENSES	1,120,267	-	1,120,267	960,723
CHANGES IN NET ASSETS	(158,098)	10,009	(148,089)	(164,639)
NET ASSETS BEGINNING OF PERIOD	1,442,964	19,149	1,462,113	1,626,752
NET ASSETS END OF PERIOD	**$ 1,284,866**	**$ 29,158**	**$ 1,314,024**	**$ 1,462,113**

UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC. AND AFFILIATED ORGANIZATION

CONSOLIDATED STATEMENTS OF ACTIVITIES

Year ended June 30,				**2019**
		WITHOUT DONOR RESTRICTIONS	**WITH DONOR RESTRICTIONS**	**TOTAL**
CHANGES IN NET ASSETS				
CAMPAIGN REVENUE AND SUPPORT				
Gross campaign results	$	760,534	$ -	$ 760,534
Less donor designations		(145,732)	-	(145,732)
Less provisions for uncollectible		(45,000)	-	(45,000)
NET CAMPAIGN REVENUE AND SUPPORT		569,802	-	569,802
OTHER REVENUE AND SUPPORT				
In-kind contributions		57,295	-	57,295
Contribution - Mathias Trust		70,228	-	70,228
Contributions and grants - other		17,532	5,000	22,532
Designations from other United Ways		38,595	-	38,595
Net investment return (loss)		9,772	-	9,772
Event revenue, net		27,860	-	27,860
OTHER REVENUE AND SUPPORT		221,282	5,000	226,282
NET ASSETS RELEASED FROM RESTRICTIONS		4,711	(4,711)	-
TOTAL REVENUE AND SUPPORT		795,795	289	796,084
EXPENSES				
Program services				
Gross funds awarded/distributed		590,604	-	590,604
Less donor designations		(145,732)	-	(145,732)
Net funds awarded/distributed		444,872	-	444,872
Other program services		311,434	-	311,434
TOTAL PROGRAM SERVICES		756,306	-	756,306
Supporting services				
Fundraising		41,811	-	41,811
Management and general		152,864	-	152,864
United Way Worldwide dues		9,742	-	9,742
TOTAL SUPPORTING SERVICES		204,417	-	204,417
TOTAL EXPENSES		960,723	-	960,723
CHANGES IN NET ASSETS		(164,928)	289	(164,639)
NET ASSETS BEGINNING OF PERIOD		1,607,892	18,860	1,626,752
NET ASSETS END OF PERIOD	**$**	**1,442,964**	**$ 19,149**	**$ 1,462,113**

UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC.
AND AFFILIATED ORGANIZATION

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Years ended June 30,					2020	2019
	PROGRAM SERVICES	FUNDRAISING	MANAGEMENT AND GENERAL	UWW DUES	TOTAL	TOTAL
Gross funds awarded/distributed	$ 433,549	$ -	$ -	$ -	$ 433,549	$ 590,604
Less donor designations	(75,743)	-	-	-	(75,743)	(145,732)
COVID Emergency Relief awards	99,026	-	-	-	99,026	-
SUB-TOTAL	456,832	-	-	-	456,832	444,872
Salaries	146,267	22,155	75,845	-	244,267	265,855
Payroll taxes	11,092	1,680	5,751	-	18,523	19,855
Health insurance	9,436	1,429	4,893	-	15,758	10,763
Retirement	4,974	753	2,580	-	8,307	8,474
SUB-TOTAL	171,769	26,017	89,069	-	286,855	304,947
Advertising	20,120	2,443	4,548	-	27,111	35,970
Bad debt expense	-	-	3,051	-	3,051	624
Bank charges	4,036	611	2,093	-	6,740	4,741
Computer	12,549	1,578	5,401	-	19,528	20,808
Depreciation	1,186	180	614	-	1,980	1,980
Dues and subscriptions	3,143	446	1,525	-	5,114	2,866
Insurance	2,901	439	1,504	-	4,844	4,813
Office expense	3,186	479	1,641	-	5,306	6,067
Printing and postage	5,306	795	2,720	-	8,821	4,568
Professional development	1,940	294	1,006	-	3,240	13,145
Professional fees	11,946	1,810	20,945	-	34,701	33,475
Rent, net	9,432	2,229	4,890	-	16,551	23,531
Supplies	230,145	994	467	-	231,606	66,892
Travel and mileage	553	84	286	-	923	2,448
SUB-TOTAL	306,443	12,382	50,691	-	369,516	221,928
United Way Worldwide dues	-	-	-	8,899	8,899	9,742
TOTAL EXPENSES	935,044	38,399	139,760	8,899	1,122,102	981,489
Less: event expenses included with revenue in the consolidated statement of activities	-	(1,835)	-	-	(1,835)	(20,766)
	$ 935,044	**$ 36,564**	**$ 139,760**	**$ 8,899**	**$ 1,120,267**	**$ 960,723**

United Way of Washington County, Maryland, Inc. and Affiliated Organization

Consolidated Statements of Functional Expenses

Year ended June 30,					**2019**
	PROGRAM SERVICES	**FUNDRAISING**	**MANAGEMENT AND GENERAL**	**UWW DUES**	**TOTAL**
Gross funds awarded/distributed	$ 590,604	$ -	$ -	$ -	$ 590,604
Less donor designations	(145,732)	-	-	-	(145,732)
SUB-TOTAL	444,872	-	-	-	444,872
Salaries	158,184	23,129	84,542	-	265,855
Payroll taxes	11,814	1,727	6,314	-	19,855
Health insurance	6,404	936	3,423	-	10,763
Retirement	5,042	737	2,695	-	8,474
SUB-TOTAL	181,444	26,529	96,974	-	304,947
Advertising	17,888	8,669	9,413	-	35,970
Bad debt expense	-	-	624	-	624
Bank charges	2,862	404	1,475	-	4,741
Computer	11,875	1,919	7,014	-	20,808
Depreciation	1,178	172	630	-	1,980
Dues and subscriptions	1,705	249	912	-	2,866
Insurance	2,864	419	1,530	-	4,813
Office expense	3,610	528	1,929	-	6,067
Printing and postage	2,724	396	1,448	-	4,568
Professional development	7,792	1,188	4,165	-	13,145
Professional fees	11,381	1,631	20,463	-	33,475
Rent, net	9,279	9,293	4,959	-	23,531
Supplies	55,330	10,977	585	-	66,892
Travel and mileage	1,502	203	743	-	2,448
SUB-TOTAL	129,990	36,048	55,890	-	221,928
United Way Worldwide dues	-	-	-	9,742	9,742
TOTAL EXPENSES	756,306	62,577	152,864	9,742	981,489
Less: event expenses included with revenue in the consolidated statement of activities	-	(20,766)	-	-	(20,766)
	$ 756,306	**$ 41,811**	**$ 152,864**	**$ 9,742**	**$ 960,723**

UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC.
AND AFFILIATED ORGANIZATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended June 30,		**2020**		**2019**
CASH FLOWS FROM OPERATING ACTIVITIES				
Changes in net assets	$	(148,089)	$	(164,639)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities				
Depreciation		1,980		1,980
Bad debt expense		36,051		45,624
Interest and dividends reinvested		(29,004)		(34,524)
Unrealized (gain) loss on investments		52,442		12,995
Investment fees		11,392		11,757
(Increase) decrease in operating assets				
Campaign pledges receivable		84,970		29,303
Other receivables		(2,346)		2,176
Prepaid expenses		2,045		(1,500)
Increase (decrease) in operating liabilities				
Accounts payable		(13,435)		2,825
Accrued payroll		(126)		2,939
Designations payable		(6,813)		(394)
Deferred income		(9,540)		17,540
NET CASH USED IN OPERATING ACTIVITIES		(20,473)		(73,918)
CASH FLOWS FROM INVESTING ACTIVITIES				
Distributions from investments		43,351		44,754
NET CASH PROVIDED BY INVESTING ACTIVITIES		43,351		44,754
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from SBA Paycheck Protection Program		58,400		-
NET CASH PROVIDED BY FINANCING ACTIVITIES		58,400		-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		81,278		(29,164)
Cash and cash equivalents, beginning		275,492		304,656
Cash and cash equivalents, ending	**$**	**356,770**	**$**	**275,492**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of **United Way of Washington County, Maryland, Inc. and Affiliated Organization** ("the Organization") is presented to assist in understanding the Organization's consolidated financial statements. The consolidated financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity.

Nature of activity: United Way of Washington County, Maryland, Inc. ("UWWC") was incorporated in March of 1957 as a nonprofit organization that was formed to support community, charitable, benevolent, and educational undertakings that give aid, relief, and comfort primarily to the people of Washington County, Maryland, by increasing general knowledge and promoting public interest in such undertakings, and by collecting and donating money and services for these purposes. UWWC is governed by a volunteer board of directors.

United Way Foundation of Washington County, Maryland, Inc. ("the Foundation") was incorporated in March of 1968 as a nonprofit organization that was formed to support the mission of UWWC.

Principles of accounting: The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of consolidation and presentation: UWWC and the Foundation have common Boards of Directors. Accordingly, management has determined that consolidated financial statements represent the most informative presentation in conformity with FASB Accounting Standards Codification (ASC) 958-810-55. Therefore, the accompanying consolidated financial statements include the accounts of UWWC and the Foundation. Intercompany transactions have been eliminated in the consolidation.

The Organization reports information regarding its consolidated financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

> **Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of management. In addition, the Organization's Board of Directors may designate resources for specific purposes, for example, a particular program activity or capital addition. Such amounts are reported as board designated without donor restrictions and have been designated for investment.
>
> **Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature and limit the use of funds to a specific time period and/or purpose. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Estimates: The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the collectability of receivables, valuation of conditional promises to give, and fair value measurements.

Cash and cash equivalents: The Organization considers all highly-liquid investments with an original maturity of three months or less to be cash equivalents.

Pledges receivable: Promises to give are recognized as revenues when the donor makes an unconditional promise to give to the Organization. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated cash flows. The Organization believes that all pledges will be collected within one year. Contributions are considered to be available for the general programs of the Organization, unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Donor-restricted contributions, such as campaign support, are reported as increases in net assets with donor restrictions unless the restriction is satisfied in the same fiscal year as the contribution, in which case the contribution is reported as without donor restrictions. When a donor restriction expires via the passage of time or fulfillment of the intended purpose, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization utilizes the allowance method to determine the estimated uncollectible pledges receivable. The allowance is based on prior years' experience and management's analysis of specific promises to give.

Fair value measurements: The Organization conforms with FASB ASC 820, *Fair Value Measurements and Disclosures*, which provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.

Level 2: Inputs to the valuation methodology include: (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in inactive markets; (c) inputs other than quoted prices that are observable for the asset or liability; and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

The Organization reports certain investments using the net asset value per share as determined by investment managers under the so called "practical expedient". The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met. These investment funds are held as units or interest in institutional funds or limited partnerships, which are stated at net asset value (NAV) or its equivalent. The Organization uses the NAV as a practical expedient to estimate the fair value, unless it is probable that all or a portion of the investment will be sold for an amount different than NAV. Pursuant to FASB ASU 2015-07, the Organization has not categorized these investments in levels within the fair value hierarchy table (Note 4).

Investments: The Organization's investment in units of the Community Foundation of Washington County, Inc. (CFWC), is stated at the Organization's proportionate share of the fair value of the CFWC fund units. Changes in unrealized gains and losses are included in net investment income and recognized in the statements of activities.

Realized gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by the donor or by law, and are included in net investment return. Also included in net investment return is other investment income, such as dividends and interest, which is recognized in the period earned as increases in net assets without donor restrictions unless the use is limited by donor restrictions.

Property and equipment: Property and equipment are recorded at cost, if purchased, or fair market value, if donated. Maintenance and repairs are charged to expense as incurred. Major improvements that increase the useful lives of the assets are capitalized, subject to a property and equipment capitalization threshold of $2,500. Upon sale or retirement of a capitalized asset, the cost and related accumulated depreciation are eliminated from the respective accounts and the resulting gain or loss is included in current income. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets ranging from three to ten years.

Compensated absences: Employees are permitted to carry over a predetermined maximum number of unused vacation hours from one employment contract year to the next. Employees receive payment for any earned vacation hours, up to a separate predetermined maximum, at termination. Accordingly, the Organization has established a liability for unused vacation hours. As of June 30, 2020 and 2019, the liability for unused vacation hours approximated $4,700 and $6,300, respectively. These amounts are included in accrued payroll on the consolidated statements of financial position.

Agency grants: The Organization raises funds primarily through its annual campaign. Based on the annual campaign, pledges receivable and corresponding contributions revenue are recognized, net of (a) designations to agencies, (b) designations to other United Way organizations, and (c) an allowance for uncollectible pledges receivable. After consideration of its projected operating expenses, capital expenditures, and cash flows from pledges, management develops an estimate of the Organization's projected grants to its member agencies. The grants are paid in twelve equal monthly payments.

Designations payable: Some pledges are designated by donors to be distributed to either member agencies or other United Way organizations. Accordingly, such amounts are reported as campaign pledges receivable with a corresponding liability to the designated agencies and deducted from gross campaign support on the consolidated statements of activities.

In-kind contributions: Donated assets are recorded as support at their estimated fair values on the dates of the gift and are depreciated, if appropriate, over their estimated useful lives. Such donations are reported as support without donor restrictions unless the donor placed specific restrictions on the donated asset. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service and reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Contributions of donated services that create or enhance non-financial assets, which would typically need to be purchased from individuals with specialized skills if not provided by donation, are recorded at their fair value in the period received. No amounts have been reflected in the financial statements for donated services by volunteers who donated their time to the Organization's service or fundraising campaigns since there is no objective basis available to measure the value of services received, and the conditions for recognition have not been met.

During the years ended June 30, 2020 and 2019, in-kind donations of $217,241 and $57,295, respectively, have been recorded as contribution revenue with a corresponding charge to expenses. In-kind contributions consist of advertising, services, and supplies for the years ended June 30, 2020 and 2019.

Functional allocation of expenses: Certain costs have been allocated among the programs and supporting services benefitted. Where possible, allocations of costs by function are based on specific identification of costs to program, management and general, or fundraising. Non-specifically identified costs are determined by management on an equitable basis. All expenses except funds awarded / distributed and bad debt expense are in part or in whole allocated to their applicable functional categories. Salaries and wages are allocated based on analysis of time and effort by function; other expenses are allocated to each function as a percentage of total salaries and wages.

Advertising and marketing costs: Advertising and marketing costs are expensed as incurred. Advertising costs, including in-kind contributions, totaled $27,111 and $35,970, respectively, for the years ended June 30, 2020 and 2019.

Income tax status: Both UWWC and the Foundation are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The entities comply with ASC 740-10, *Income Taxes*, which established a threshold for determining when an income tax benefit of a tax position can be recognized. Under ASC 740-10, a tax position includes, among other things, (a) a decision not to file a tax return, (b) an allocation or a shift of income between jurisdictions, (c) the characterization of income or a decision to exclude reporting taxable income in a tax return, (d) a decision to classify a transaction, entity, or other position in a tax return as tax exempt, and (e) an entity's status, including its status as a tax-exempt not-for-profit entity. Based on its interpretation of the requirements of ASC 740-10, management believes that the entities have no uncertain tax positions that qualify for either recognition or disclosure. The entities are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. UWWC and the Foundation believe they are no longer subject to income tax examinations for years prior to 2016.

Recently adopted accounting guidance: In January 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-01, *Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*, which addresses certain aspects of the recognition, measurement, presentation, and disclosure of financial instruments. ASU 2016-01 was effective beginning July 1, 2019 using a modified retrospective application. The adoption of this guidance did not have a material impact to the consolidated financial statements.

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958).* The standard clarified and improved current guidance by providing criteria for determining whether a nonprofit is receiving commensurate value in return for the resources transferred. The outcome of the analysis determines whether the contract or grant constitutes either a contribution or an exchange transaction subject to *Topic 605, Revenue Recognition*. If the grant provider does receive commensurate value from the grant recipient, the transaction is an exchange transaction; otherwise, the grant is a contribution. The standard emphasized that the value received by the general public as a result of the grant is not considered to be commensurate value received by the provider of the grant. The guidance also provides a more robust framework for determining whether a contribution is conditional or unconditional, and for distinguishing a donor-imposed condition from a donor-imposed restriction. The Organization adopted the new standard as of July 1, 2019 using the modified prospective basis in which the new guidance is applied to the most current period presented. The comparative information has not been restated and continues to be reported under the accounting standards in effect in those reporting periods. The adoption of this guidance did not have a material impact to the financial statements.

Accounting guidance not yet adopted: In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which together with related, subsequently issued guidance, replaces most existing revenue recognition guidance in U.S. GAAP. Collectively, the new guidance is intended to develop a common revenue standard by removing inconsistencies and weaknesses, improving comparability, and providing for more useful information to users through improved disclosure requirements. The standard becomes effective for annual reporting periods beginning after December 15, 2019, as delayed by ASU 2020-05. The standard may be adopted using the full retrospective or the retrospective with cumulative effect transition method. The Organization is still evaluating the impact of adoption; the materiality of the impact of the new requirements is unknown.

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*, which sets out the principles for the identification, measurement, recognition, presentation, and disclosure of leases. The FASB issued a number of subsequent updates to the standard. Collectively, the new guidance is intended to increase transparency and comparability by recognizing lease assets and liabilities on the balance sheet and disclosing key information about leasing arrangements. The standard becomes effective for annual reporting periods beginning after December 15, 2021, as delayed by ASU 2020-05. The use of a modified retrospective transition approach is required and there are numerous optional practical expedients that entities may elect to apply. The Organization is still evaluating the impact of adoption and the available practical expedients of this standard. Upon adoption, the Organization expects to record right-of-use assets and lease liabilities as well as a cumulative-effect adjustment to net assets without donor restrictions. The materiality of the impact of the new requirements to consolidated financial position and changes in net assets is unknown. The adoption is not expected to have a material impact on cash flows.

2. RISKS AND UNCERTAINTIES

The Organization has a cash sweep account agreement with a local bank whereby balances are transferred daily to mutual funds that invest in securities issued or guaranteed as to principal and interest by the U.S. Government or its agencies. These money market funds are not FDIC insured. However, the Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk for cash.

The Organization invests in a portfolio that contains a variety of investment types. Such investments are exposed to various risks, such as market, credit and interest rate risk. Due to the level of risk associated with such investments, it is at least reasonably possible that such risk may change in the near term and that such changes could materially affect the fair values of those investments as reported in the Organization's financial statements. In addition, recent economic uncertainty and market events have led to unprecedented volatility in the currency, commodity, debt and equity markets that have resulted in the bankruptcy and/or failure of some financial institutions. Such events have highlighted the level of risk inherent in any investment portfolio. Management believes that there has been no significant reduction of fair value since June 30, 2020.

3. AVAILABILITY AND LIQUIDITY

As of June 30, 2020 and 2019, the Organization has working capital of approximately $570,000 and $580,000, respectively, and average days (based on normal expenditures) cash on hand of approximately 117 and 103 days, respectively. As part of the Organization’s liquidity management plan, cash is evaluated on a regular basis and invested in short-term investments and money market funds.

The following represents the Organization's financial assets available within one year as of June 30:

	2020	2019
Financial assets at year end:		
Cash and cash equivalents	$ 356,770	$ 275,492
Campaign pledges receivable, net	233,876	354,897
Other receivables	40,602	38,256
Investments	784,690	862,871
Total financial assets available at year end	1,415,938	1,531,516
Less amounts not available to be used within one year:		
Net assets with donor restrictions	29,158	19,149
Less net assets with restrictions to be met in less than a year	(14,176)	(5,000)
Board designated fund	773,810	851,991
	788,792	866,140
Financial assets available to meet general expenditures over the next twelve months	**$ 627,146**	**$ 665,376**

The Board designated fund may be drawn upon, if necessary, with Board approval.

The Organization also has two lines of credit of $100,000 each available to meet cash flow needs (Note 7).

4. INVESTMENTS

The Organization has an agreement with CFWC whereby the Organization invests in units of CFWC investment portfolio. As of June 30, 2020 and 2019, the units valued at net asset value are reported at fair value on the statements of financial position, at $784,690 and $862,871 respectively.

Net investment return (loss) consisted of the following for the years ended June 30:

	2020	2019
Dividend and interest income	$ 29,049	$ 34,524
Unrealized gain (loss) on investments	(52,442)	(12,995)
	(23,393)	21,529
Less: investment expense	(11,392)	(11,757)
	$ (34,785)	**$ 9,772**

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	2020	2019
Furniture and fixtures	$ 53,919	$ 53,919
Leasehold improvements	19,804	19,804
	73,723	73,723
Less accumulated depreciation	(59,040)	(57,060)
	$ 14,683	**$ 16,663**

Depreciation expense totaled $1,980 for each of the years ended June 30, 2020 and 2019.

6. FUNDS HELD BY OTHERS

The Organization entered into an agreement with CFWC whereby the Organization collects third-party contributions and remits such donations to CFWC. These third party donations, together with matching contributions by the Waltersdorf/Henson Endowment Challenge Campaign (to a maximum of $100,000, which has been achieved), become the sole property of CFWC to be held and invested by CFWC in the Waltersdorf/Henson United Way Foundation Endowment Fund (the CFWC "Sub-fund"). Accordingly, the aforementioned Sub-fund is not recognized as an asset of the Organization. Under the terms of the agreement, the Organization is entitled to receive on an annual basis (at the discretion of CFWC's Board of Trustees) the lesser of 5% of a rolling quarterly average value of the Sub-fund or the excess of the fair value of the Sub-fund over its historic dollar value, as defined in the agreement. Such amounts, which are included in other revenue and support, approximated $13,800 and $13,900 in 2020 and 2019, respectively.

UWWC is a beneficiary of a permanent endowment fund held by CFWC. The UWWC is entitled to the earnings of the fund on an annual basis, as long as the fair market value of the fund, as of June 30 of each year, does not drop below its original historical cost. Because UWWC has granted variance power and the fund is the sole property of CFWC, the aforementioned fund is not recognized as an asset of UWWC. In each of the years ended June 30, 2020 and 2019 UWWC received income approximating $950, which is included in other revenue and support.

UWWC is an irrevocable beneficiary of a split-interest agreement relating to the Mathias Washington County Charitable Trust (the Trust). Under the terms of the agreement, UWWC is entitled to an annual distribution of 12% of the net income of the Trust as long as the trust continues to exist. The timing of the distribution is at the discretion of the Trustees of the Trust, and is to be used for the general welfare of UWWC. Management believes that the Trustee has the power to terminate the trust at any time and distribute the principal to organizations of the trustee's choosing. Because the Trustee has variance power over the Trust, it does not meet the criteria to be recognized as an asset of UWWC as defined by ASC 958-30. The annual distribution of UWWC's 12% distributive share of the Trust is recognized as contribution income without donor restrictions in the accompanying consolidated statements of activities.

7. LINE OF CREDIT

The Organization has available two $100,000 lines of credit with two local banks. One line of credit has a maturity date of April 29, 2021 and any draws bear interest at the bank's Prime rate (3.25% at June 30, 2020). The other line of credit was obtained in September 2019, has a maturity date of September 26, 2020, and any draws bear interest at 5.25%. As of June 30, 2020 and 2019 the lines of credit were unused.

8. SBA PAYCHECK PROTECTION PROGRAM

In April 2020, pursuant to the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), the Organization obtained a loan (the "PPP Loan") totaling $58,400. The PPP loan has a two-year term, bears interest at a rate of 1.0% per annum, and contains events of default and other provisions customary for a loan of this type. Monthly principal and interest payments are deferred for ten months from the date of disbursement. The PPP Loan may be prepaid at any time prior to maturity with no prepayment penalties. The Paycheck Protection Program provides that the PPP Loan may be partially or wholly forgiven if the funds are used for certain qualifying expenses, as described in the CARES Act. The Organization intends to use the proceeds for qualifying expenses and to apply for forgiveness of the PPP Loan in accordance with the terms of the CARES Act; however, there is no guarantee that any portion of the PPP Loan proceeds will be forgiven.

Aggregate future principal payments for the years ending June 30 are as follows:

2021	$	16,267
2022		42,133
	$	**58,400**

9. EVENT REVENUE

Net revenue from events for the years ended June 30 was as follows:

		2020		2019
Gross revenues	$	4,935	$	48,626
Less: event expenses		(1,835)		(20,766)
	$	**3,100**	**$**	**27,860**

10. RETIREMENT PLAN

The Organization sponsors a contributory defined contribution pension plan under section 403(b) of the Internal Revenue Service code covering all employees meeting certain eligibility requirements. Contributions by the Organization are 5% of the participating employee's salary. Such contributions were $8,307 and $8,474 for 2020 and 2019, respectively.

11. NET ASSETS

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

	2020			
	BALANCE AT 6/30/19	CONTRIBUTIONS	SATISFACTION OF RESTRICTIONS	BALANCE AT 6/30/20
Subject to purpose restrictions:				
Sponsors	$ 40	$ -	$ -	$ 40
CEO Breakfast	61	2,600	-	2,661
Day of Caring	-	2,291	-	2,291
Born Learning	-	2,716	-	2,716
Youth United Way	3,168	-	167	3,001
ARC	5,000	-	-	5,000
COVID Emergency Relief Fund	-	2,569	-	2,569
Not subject to appropriations or expenditure:				
Howard S Kaylor Fund	10,880	-	-	10,880
	$ 19,149	**$ 10,176**	**$ 167**	**$ 29,158**

	2019			
	BALANCE AT 6/30/18	CONTRIBUTIONS	SATISFACTION OF RESTRICTIONS	BALANCE AT 6/30/19
Subject to purpose restrictions:				
New Campaign Fund	$ 2,500	$ -	$ 2,500	$ -
Sponsors	40	-	-	40
CEO Breakfast	61	-	-	61
Day of Caring	1,219	-	1,219	-
Youth United Way	4,160	-	992	3,168
ARC	-	5,000	-	5,000
Not subject to appropriations or expenditure:				
Howard S Kaylor Fund	10,880	-	-	10,880
	$ 18,860	**$ 5,000**	**$ 4,711**	**$ 19,149**

12. ENDOWMENT

The Board of Directors (BOD) of the Organization has interpreted the Maryland 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. As a result of this interpretation, the Organization classifies as net assets not subject to appropriations or expenditure: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gifts instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets not subject to appropriations or expenditure is classified as net assets without donor restrictions. In accordance with MUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds: (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

The endowment fund consists of the Howard S. Kaylor Endowment Fund. Earnings on the endowment are not donor-restricted and are included in net investment income without donor restrictions. As of June 30, 2020 and 2019, no additional contributions were made in regards to the endowment fund and the balance remained $10,880 for each year.

The Organization has adopted an investment and spending policy approved and monitored by the trustees of CFWC. The policy attempts to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix.

The Organization expects its endowment assets, over time, to produce an average rate of return of 7% to 8%, with the assumption of an annual inflation rate of 3% and to outperform the Standard & Poor's 500 Index and the Barclays Capital U.S. Government/Credit Index. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

13. COMMITMENTS

Beginning in December 2017, the Organization leases its facilities under a ten year operating lease with two renewal options of five years each. Under the terms of the lease, the initial monthly payments are $1,291, increasing 1% annually thereafter.

Rental expense was $15,751 and $15,595 for the years ended June 30, 2020 and 2019, respectively. Future minimum lease payments for the years ending June 30 are as follows:

2021	$ 15,882
2022	16,041
2023	16,202
2024	16,364
2025	16,527
Thereafter	42,024
	$ 123,040

14. CONDITIONAL PROMISES TO GIVE

The Organization allocates funding to agencies based on a one, two, and three year grant model. The funding is contingent on the grantee organizations completing required reports and obtaining certain performance measures prior to the grants becoming earned by the grantee. Therefore, the grants are not reported as a liability on the consolidated statements of financial position at June 30, 2020 and 2019. As of June 30, 2020, the Organization has conditionally promised grant funding to support various agencies as follows:

	2021	2022	2023
Education	$ 103,376	$ -	$ -
Financial stability	73,300	73,300	73,300
Basic needs	101,900	-	-
Health	82,380	82,380	-
	$ 360,956	**$ 155,680**	**$ 73,300**

15. COST DEDUCTION STANDARD

The expenses associated with processing donor designated pledges are recovered by an assessment for both fundraising and management and general expenses based on actual historical costs in accordance with the United Way Worldwide Membership Standards as outlined in their publication titled United Way Worldwide Cost Deduction Requirements for Membership Standard M.

16. RECLASSIFICATIONS

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

17. SUBSEQUENT EVENTS

The Organization has evaluated events and transactions subsequent to June 30, 2020 through November 11, 2020, the date these consolidated financial statements were available to be issued. Based on the definitions and requirements of generally accepted accounting principles in the United States of America, management has not identified any events that have occurred subsequent to June 30, 2020 through November 11, 2020, that require recognition or disclosure in the consolidated financial statements except, that in recent months, the COVID-19 outbreak in the United States has caused economic uncertainties which are expected to be temporary. These uncertainties may negatively impact operating results, however, such financial impacts are unknown at this time.

SUPPLEMENTARY INFORMATION

UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC.
AND AFFILIATED ORGANIZATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

June 30, 2020	UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC.	UNITED WAY FOUNDATION OF WASHINGTON COUNTY, MARYLAND, INC.	CONSOLIDATING ELIMINATIONS	CONSOLIDATED TOTALS
ASSETS				
Cash and cash equivalents	$ 313,420	$ 43,350	$ -	$ 356,770
Campaign pledges receivable	266,876	-	-	266,876
Less allowance for uncollectible pledges	(33,000)	-	-	(33,000)
Other receivables	40,602	-	-	40,602
Intercompany balances	39,754	(39,754)	-	-
Prepaid expenses	1,291	-	-	1,291
Investments	-	784,690	-	784,690
Net property and equipment	14,683	-	-	14,683
	$ 643,626	**$ 788,286**	**$ -**	**$ 1,431,912**
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	$ 4,654	$ -	$ -	$ 4,654
Accrued payroll	11,448	-	-	11,448
Designations payable	35,386	-	-	35,386
Deferred revenue	8,000	-	-	8,000
SBA Paycheck Protection Program payable	58,400	-	-	58,400
	117,888	-	-	117,888
NET ASSETS				
Without donor restrictions				
Undesignated	507,460	3,596	-	511,056
Board designated	-	773,810	-	773,810
	507,460	777,406	-	1,284,866
With donor restrictions	18,278	10,880		29,158
	525,738	788,286	-	1,314,024
	$ 643,626	**$ 788,286**	**$ -**	**$ 1,431,912**

United Way of Washington County, MARYLAND, Inc. and Affiliated Organization

Consolidating Schedule of Financial Position

June 30, 2019	UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC.	UNITED WAY FOUNDATION OF WASHINGTON COUNTY, MARYLAND, INC.	CONSOLIDATING ELIMINATIONS	CONSOLIDATED TOTALS
ASSETS				
Cash and cash equivalents	$ 229,017	$ 46,475	$ -	$ 275,492
Campaign pledges receivable	399,897	-	-	399,897
Less allowance for uncollectible pledges	(45,000)	-	-	(45,000)
Other receivables	38,256	-	-	38,256
Intercompany balances	36,929	(36,929)	-	-
Prepaid expenses	3,336	-	-	3,336
Investments	-	862,871	-	862,871
Net property and equipment	16,663	-	-	16,663
	$ 679,098	**$ 872,417**	**$ -**	**$ 1,551,515**
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	$ 18,089	$ -	$ -	$ 18,089
Accrued payroll	11,574	-	-	11,574
Designations payable	42,199	-	-	42,199
Deferred revenue	17,540	-	-	17,540
	89,402	-	-	89,402
NET ASSETS				
Without donor restrictions				
Undesignated	581,427	9,546	-	590,973
Board designated	-	851,991	-	851,991
	581,427	861,537	-	1,442,964
With donor restrictions	8,269	10,880		19,149
	589,696	872,417	-	1,462,113
	$ 679,098	**$ 872,417**	**$ -**	**$ 1,551,515**

UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC.
AND AFFILIATED ORGANIZATION

CONSOLIDATING SCHEDULE OF ACTIVITIES

Year ended June 30, 2020	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC. TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	UNITED WAY FOUNDATION OF WASHINGTON COUNTY, MARYLAND, INC. TOTAL	CONSOLIDATING ELIMINATIONS	CONSOLIDATED TOTALS
CHANGES IN NET ASSETS								
CAMPAIGN REVENUE AND SUPPORT								
Gross campaign results	$ 648,539	$ -	$ 648,539	$ -	$ -	$ -	$ -	$ 648,539
Less donor designations	(75,743)	-	(75,743)	-	-	-	-	(75,743)
Less provisions for uncollectible	(33,000)	-	(33,000)	-	-	-	-	(33,000)
NET CAMPAIGN REVENUE AND SUPPORT	539,796	-	539,796	-	-	-	-	539,796
OTHER REVENUE AND SUPPORT								
In-kind contributions	217,241	-	217,241	-	-	-	-	217,241
Contributions - Mathias Trust	70,170	-	70,170	-	-	-	-	70,170
Contributions - COVID Emergency Relief Fund	98,178	2,569	100,747	-	-	-	-	100,747
Contributions and grants - other	97,035	7,607	104,642	-	-	-	(45,780)	58,862
Designations from other United Ways	17,047	-	17,047	-	-	-	-	17,047
Net investment return (loss)	45	-	45	(34,830)	-	(34,830)	-	(34,785)
Event revenue, net	3,100	-	3,100	-	-	-	-	3,100
OTHER REVENUE AND SUPPORT	502,816	10,176	512,992	(34,830)	-	(34,830)	(45,780)	432,382
NET ASSETS RELEASED FROM RESTRICTIONS	167	(167)	-	-	-	-	-	-
TOTAL REVENUE AND SUPPORT	1,042,779	10,009	1,052,788	(34,830)	-	(34,830)	(45,780)	972,178
EXPENSES								
Program services								
Gross funds awarded/distributed	433,549	-	433,549	-	-	-	-	433,549
Less donor designations	(75,743)	-	(75,743)	-	-	-	-	(75,743)
COVID Emergency Relief awards	99,026	-	99,026	-	-	-	-	99,026
Net funds awarded/distributed	456,832	-	456,832	-	-	-	-	456,832
Other program services	478,200	-	478,200	45,792	-	45,792	(45,780)	478,212
TOTAL PROGRAM SERVICES	935,032	-	935,032	45,792	-	45,792	(45,780)	935,044
Supporting services								
Fundraising	36,562	-	36,562	2	-	2	-	36,564
Management and general	136,253	-	136,253	3,507	-	3,507	-	139,760
United Way Worldwide dues	8,899	-	8,899	-	-	-	-	8,899
TOTAL SUPPORTING SERVICES	181,714	-	181,714	3,509	-	3,509	-	185,223
TOTAL EXPENSES	1,116,746	-	1,116,746	49,301	-	49,301	(45,780)	1,120,267
CHANGES IN NET ASSETS	(73,967)	10,009	(63,958)	(84,131)	-	(84,131)	-	(148,089)
NET ASSETS BEGINNING OF PERIOD	581,427	8,269	589,696	861,537	10,880	872,417	-	1,462,113
NET ASSETS END OF PERIOD	**$ 507,460**	**$ 18,278**	**$ 525,738**	**$ 777,406**	**$ 10,880**	**$ 788,286**	**$ -**	**$ 1,314,024**

See independent auditors' report.

UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC. AND AFFILIATED ORGANIZATION

CONSOLIDATING SCHEDULE OF ACTIVITIES

Year ended June 30, 2019	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC. TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	UNITED WAY FOUNDATION OF WASHINGTON COUNTY, MARYLAND, INC. TOTAL	CONSOLIDATING ELIMINATIONS	CONSOLIDATED TOTALS
CHANGES IN NET ASSETS								
CAMPAIGN REVENUE AND SUPPORT								
Gross campaign results	$ 760,534	$ -	$ 760,534	$ -	$ -	$ -	$ -	$ 760,534
Less donor designations	(145,732)	-	(145,732)	-	-	-	-	(145,732)
Less provisions for uncollectible	(45,000)	-	(45,000)	-	-	-	-	(45,000)
NET CAMPAIGN REVENUE AND SUPPORT	569,802	-	569,802	-	-	-	-	569,802
OTHER REVENUE AND SUPPORT								
In-kind contributions	57,295	-	57,295	-	-	-	-	57,295
Contributions - Mathias Trust	70,228	-	70,228	-	-	-	-	70,228
Contributions and grants - other	61,149	5,000	66,149	408	-	408	(44,025)	22,532
Designations from other United Ways	38,595	-	38,595	-	-	-	-	38,595
Net investment return	-	-	-	9,772	-	9,772	-	9,772
Event revenue, net	27,860	-	27,860	-	-	-	-	27,860
OTHER REVENUE AND SUPPORT	255,127	5,000	260,127	10,180	-	10,180	(44,025)	226,282
NET ASSETS RELEASED FROM RESTRICTIONS	4,711	(4,711)	-	-	-	-	-	-
TOTAL REVENUE AND SUPPORT	829,640	289	829,929	10,180	-	10,180	(44,025)	796,084
EXPENSES								
Program services								
Gross funds awarded/distributed	590,604	-	590,604	-	-	-	-	590,604
Less donor designations	(145,732)	-	(145,732)	-	-	-	-	(145,732)
Net funds awarded/distributed	444,872	-	444,872	-	-	-	-	444,872
Other program services	311,434	-	311,434	44,025	-	44,025	(44,025)	311,434
TOTAL PROGRAM SERVICES	756,306	-	756,306	44,025	-	44,025	(44,025)	756,306
Supporting services								
Fundraising	41,811	-	41,811	-	-	-	-	41,811
Management and general	149,364	-	149,364	3,500	-	3,500	-	152,864
United Way Worldwide dues	9,742	-	9,742	-	-	-	-	9,742
TOTAL SUPPORTING SERVICES	200,917	-	200,917	3,500	-	3,500	-	204,417
TOTAL EXPENSES	957,223	-	957,223	47,525	-	47,525	(44,025)	960,723
CHANGES IN NET ASSETS	(127,583)	289	(127,294)	(37,345)	-	(37,345)	-	(164,639)
NET ASSETS BEGINNING OF PERIOD	709,010	7,980	716,990	898,882	10,880	909,762	-	1,626,752
NET ASSETS END OF PERIOD	**$ 581,427**	**$ 8,269**	**$ 589,696**	**$ 861,537**	**$ 10,880**	**$ 872,417**	**$ -**	**$ 1,462,113**

See independent auditors' report.

UNITED WAY OF WASHINGTON COUNTY, MARYLAND , INC. AND AFFILIATED ORGANIZATION

CONSOLIDATING SCHEDULE OF CASH FLOWS

Year ended June 30, 2020	UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC.	UNITED WAY FOUNDATION OF WASHINGTON COUNTY, MARYLAND, INC.	CONSOLIDATING ELIMINATIONS	CONSOLIDATED TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES				
Changes in net assets	$ (63,958)	$ (84,131)	$ -	$ (148,089)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities				
Depreciation	1,980	-	-	1,980
Bad debt expense	36,051	-	-	36,051
Loss on disposal of property and equipment				-
Interest and dividends reinvested	-	(29,004)	-	(29,004)
Unrealized (gain) loss on investments	-	52,442	-	52,442
Investment fees	-	11,392	-	11,392
(Increase) decrease in operating assets				
Campaign pledges receivable	84,970	-	-	84,970
Other receivables	(2,346)	-	-	(2,346)
Intercompany balances	(2,825)	2,825	-	-
Prepaid expenses	2,045	-	-	2,045
Increase (decrease) in operating liabilities				
Accounts payable	(13,435)	-	-	(13,435)
Accrued payroll	(126)	-	-	(126)
Designations payable	(6,813)	-	-	(6,813)
Deferred income	(9,540)	-	-	(9,540)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	26,003	(46,476)	-	(20,473)
CASH FLOWS FROM INVESTING ACTIVITIES				
Distributions from investments	-	43,351	-	43,351
NET CASH PROVIDED BY INVESTING ACTIVITIES	-	43,351	-	43,351
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from SBA Paycheck Protection Program	58,400	-		58,400
NET CASH PROVIDED BY FINANCING ACTIVITIES	58,400	-	-	58,400
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	84,403	(3,125)	-	81,278
Cash and cash equivalents, beginning	229,017	46,475	-	275,492
Cash and cash equivalents, ending	**$ 313,420**	**$ 43,350**	**$ -**	**$ 356,770**

UNITED WAY OF WASHINGTON COUNTY, MARYLAND , INC. AND AFFILIATED ORGANIZATION

CONSOLIDATING SCHEDULE OF CASH FLOWS

Year ended June 30, 2019	UNITED WAY OF WASHINGTON COUNTY, MARYLAND, INC.	UNITED WAY FOUNDATION OF WASHINGTON COUNTY, MARYLAND, INC.	CONSOLIDATING ELIMINATIONS	CONSOLIDATED TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES				
Changes in net assets	$ (127,294)	$ (37,345)	$ -	$ (164,639)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities				
Depreciation	1,980	-	-	1,980
Bad debt expense	45,624	-	-	45,624
Loss on disposal of property and equipment				-
Interest and dividends reinvested	-	(34,524)	-	(34,524)
Unrealized (gain) loss on investments	-	12,995	-	12,995
Investment fees	-	11,757	-	11,757
(Increase) decrease in operating assets				
Campaign pledges receivable	29,303	-	-	29,303
Other receivables	2,176	-	-	2,176
Intercompany balances	(2,115)	2,115	-	-
Prepaid expenses	(1,500)	-	-	(1,500)
Increase (decrease) in operating liabilities				
Accounts payable	2,825	-	-	2,825
Accrued payroll	2,939	-	-	2,939
Designations payable	(394)	-	-	(394)
Deferred income	17,540	-	-	17,540
NET CASH USED IN OPERATING ACTIVITIES	(28,916)	(45,002)	-	(73,918)
CASH FLOWS FROM INVESTING ACTIVITIES				
Distributions from investments	-	44,754	-	44,754
NET CASH PROVIDED BY INVESTING ACTIVITIES	-	44,754	-	44,754
NET DECREASE IN CASH AND CASH EQUIVALENTS	(28,916)	(248)	-	(29,164)
Cash and cash equivalents, beginning	257,933	46,723	-	304,656
Cash and cash equivalents, ending	**$ 229,017**	**$ 46,475**	**$ -**	**$ 275,492**

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