



Financial Statements
June 30, 2022 and 2021

United Way of Spokane County

Independent Auditor’s Report.....	1
Financial Statements	
Statements of Financial Position.....	4
Statements of Activities.....	5
Statements of Functional Expenses.....	7
Statements of Cash Flows.....	8
Notes to Financial Statements.....	9
Supplementary Information	
Statements of Functional Expenses – Program Services.....	18



Independent Auditor's Report

Board of Directors
United Way of Spokane County
Spokane, Washington

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of United Way of Spokane County, a non-profit 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 accompanying financial statements referred to above present fairly, in all material respects, the financial position of United Way of Spokane County 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities of the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Spokane County 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation 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 Spokane County's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities of 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 GAAS 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 GAAS, 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 Spokane County'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 Spokane County'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 18 and 19 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Spokane, Washington
February 6, 2023

United Way of Spokane County
Statements of Financial Position
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	\$ 1,662,224	\$ 1,973,316
Promises to give, net of allowance for uncollectible promises to give of \$270,451 in 2022 and \$149,832 in 2021	638,484	684,473
Other receivables	11,919	9,500
Prepaid expenses and other assets	31,364	41,481
Property and equipment, net	15,287	17,900
Beneficial interest in assets held by Innovia Foundation	322,050	393,896
Total assets	\$ 2,681,328	\$ 3,120,566
Liabilities and Net Assets		
Accounts payable	\$ 15,905	\$ 10,372
Accrued expenses and other liabilities	116,354	97,397
Designation payable	78,953	129,264
Total liabilities	211,212	237,033
Net Assets		
Without donor restrictions		
Undesignated	1,244,244	1,461,339
Designated by the Board for investment	322,050	393,896
	1,566,294	1,855,235
With donor restrictions		
Time-restricted for future periods: promises to give less designations	559,531	555,209
Purpose restrictions	344,291	473,089
	903,822	1,028,298
Total net assets	2,470,116	2,883,533
Total liabilities and net assets	\$ 2,681,328	\$ 3,120,566

United Way of Spokane County

Statement of Activities

Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Campaign results, net	\$ -	\$ 2,446,982	\$ 2,446,982
Less donor designations	-	(557,158)	(557,158)
Net campaign revenue	-	1,889,824	1,889,824
Grants and contracts	60,590	225,757	286,347
Noncampaign support	17,219	16,526	33,745
Distributions from and change in value of assets held by Innovia Foundation	(40,323)	-	(40,323)
Service fees	34,896	-	34,896
Other revenue	612	-	612
Net assets released from restrictions	2,256,583	(2,256,583)	-
Total revenue, support, and gains	2,329,577	(124,476)	2,205,101
Expenses			
Program services expense			
Gross funds awarded/distributed	1,663,832	-	1,663,832
Less donor designations	(557,158)	-	(557,158)
Net funds awarded/distributed	1,106,674	-	1,106,674
Other program services	473,458	-	473,458
Total program expenses	1,580,132	-	1,580,132
Supporting services expense			
Management and general	918,522	-	918,522
Fundraising and development	119,864	-	119,864
Total supporting services expenses	1,038,386	-	1,038,386
Total expenses	2,618,518	-	2,618,518
Change in Net Assets	(288,941)	(124,476)	(413,417)
Net Assets, Beginning of Year	1,855,235	1,028,298	2,883,533
Net Assets, End of Year	\$ 1,566,294	\$ 903,822	\$ 2,470,116

United Way of Spokane County

Statement of Activities

Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Campaign results, net	\$ -	\$ 2,634,614	\$ 2,634,614
Less donor designations	-	(694,985)	(694,985)
Net campaign revenue	-	1,939,629	1,939,629
Grants and contracts	443,901	332,358	776,259
Noncampaign support	15,483	39,222	54,705
Contributions from Paycheck Protection Program	224,643	-	224,643
Distributions from and change in value of assets held by Innovia Foundation	102,521	-	102,521
Service fees	38,229	-	38,229
Other revenue	1,595	-	1,595
Net assets released from restrictions	2,457,521	(2,457,521)	-
Total revenue, support, and gains	3,283,893	(146,312)	3,137,581
Expenses			
Program services expense			
Gross funds awarded/distributed	1,917,373	-	1,917,373
Less donor designations	(694,985)	-	(694,985)
Net funds awarded/distributed	1,222,388	-	1,222,388
Other program services	514,075	-	514,075
Total program expenses	1,736,463	-	1,736,463
Supporting services expense			
Management and general	780,097	-	780,097
Fundraising and development	201,684	-	201,684
Total supporting services expenses	981,781	-	981,781
Total expenses	2,718,244	-	2,718,244
Change in Net Assets	565,649	(146,312)	419,337
Net Assets, Beginning of Year	1,289,586	1,174,610	2,464,196
Net Assets, End of Year	<u>\$ 1,855,235</u>	<u>\$ 1,028,298</u>	<u>\$ 2,883,533</u>

United Way of Spokane County
 Statements of Functional Expenses
 Years Ended June 30, 2022 and 2021

	2022				2021			
	Program Services	Management and General	Fundraising and Development	Total	Program Services	Management and General	Fundraising and Development	Total
Salaries	\$ 316,838	\$ 443,945	\$ 82,272	\$ 843,055	\$ 337,650	\$ 369,045	\$ 135,962	\$ 842,657
Employee benefits	46,050	94,849	15,746	156,645	63,583	79,199	42,165	184,947
Payroll taxes	25,724	35,963	6,554	68,241	26,343	29,392	11,956	67,691
Total salaries and related expenses	388,612	574,757	104,572	1,067,941	427,576	477,636	190,083	1,095,295
Grants and other assistance	1,106,674	-	-	1,106,674	1,222,388	-	-	1,222,388
Fees for services	23,906	24,537	1,593	50,036	55,709	8,257	1,348	65,314
Professional fees	-	13,900	-	13,900	-	13,500	-	13,500
Information services	1,294	57,505	-	58,799	304	58,055	-	58,359
Office expenses	11,089	25,609	4,746	41,444	4,797	17,602	5,294	27,693
Printing, publication, and advertising	14,843	15,407	255	30,505	6,866	14,418	3,714	24,998
Occupancy	-	116,107	-	116,107	-	109,771	-	109,771
Conferences, conventions, and meetings	11,828	3,480	6,983	22,291	7,242	2,138	150	9,530
Travel	4,041	74	484	4,599	518	20	129	667
Insurance	-	8,853	-	8,853	-	8,752	-	8,752
United Way dues	-	53,720	-	53,720	-	56,595	-	56,595
Other	17,845	22,875	316	41,036	11,063	11,656	50	22,769
Depreciation	-	1,698	915	2,613	-	1,697	916	2,613
Total expenses	\$ 1,580,132	\$ 918,522	\$ 119,864	\$ 2,618,518	\$ 1,736,463	\$ 780,097	\$ 201,684	\$ 2,718,244

See Notes to Financial Statements

United Way of Spokane County

Statements of Cash Flows

Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Reconciliation of Change in Net Assets to Net Cash		
from (used for) Operating Activities		
Change in net assets	\$ (413,417)	\$ 419,337
Adjustments to reconcile change in net assets to net cash		
from (used for) operating activities		
Depreciation	2,613	2,613
Change in value of beneficial interests in assets held by		
Innovia Foundation	58,605	(84,466)
Paycheck Protection Program loan forgiveness	-	(224,643)
Changes in operating assets and liabilities		
Promises to give, net	45,989	20,267
Other receivables	(2,419)	(4,500)
Prepaid expenses and other assets	10,117	(14,655)
Accounts payable	5,533	9,038
Accrued expenses and other liabilities	18,957	9,816
Designation payable	(50,311)	30,481
Net Cash from (used for) Operating Activities	<u>(324,333)</u>	<u>163,288</u>
Investing Activities		
Withdrawal from assets held by Innovia Foundation	13,241	13,046
Purchase of property and equipment	-	(17,783)
Net Cash from (used for) Investing Activities	<u>13,241</u>	<u>(4,737)</u>
Net Change in Cash and Cash Equivalents	(311,092)	158,551
Cash and Cash Equivalents, Beginning of Year	<u>1,973,316</u>	<u>1,814,765</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,662,224</u>	<u>\$ 1,973,316</u>

Note 1 - Principal Activity and Significant Accounting Policies**Organization**

United Way of Spokane County (the Organization) is a non-profit organization serving the Spokane community, which brings together expertise, funding, and volunteer support to positively impact education, income, and health. The Organization works to create long term change and better life conditions for everyone in the community.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Promises to Give

The Organization records unconditional promises to give expected to be collected within one year at net realizable value. Allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. There are no promises to give due in more than one year as of June 30, 2022 and 2021.

The Organization collects promises to give on behalf of other United Ways and remits those funds to the applicable location when received. Promises to give intended for other United Ways totaled \$11,120 and \$8,440 at June 30, 2022 and 2021, respectively.

Property and Equipment

The Organization records property and equipment additions over \$2,000 at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to ten years. When assets are sold or otherwise disposed of, the cost and related depreciation is removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. The Organization has determined that there were no long-lived asset impairments during the years ended June 30, 2022 and 2021.

Beneficial Interest in Assets Held by Innovia Foundation

The Organization has established an endowment fund (the Fund) at Innovia Foundation (Innovia) and named itself beneficiary. Under the agreement, if in the opinion of the Board of Trustees of Innovia distributions from the Fund become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by Innovia, the income from the Fund can be disbursed for the benefit of the Organization's member agencies if possible and practicable, as directed by the Trustees of Innovia. The Fund is held and invested by Innovia for the benefit of the Organization, and is reported at fair value in the statements of financial position, with changes in fair value recognized in the statements of activities. The Organization has access annually to the earnings of the fund and may request and receive additional distributions only with Board approval of both the Organization and Innovia.

The Organization has an additional interest in certain funds at Innovia that exist for the benefit of the Organization. These funds are not included in these financial statements. The fair market value of this fund as of June 30, 2022 and 2021 was \$443,103 and \$543,845, respectively. Amounts received by the Organization from Innovia relating to these funds are included in non-campaign support on the statements of activities in the amount of \$18,282 and \$18,054 for the years ended June 30, 2022 and 2021, respectively.

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Board-designated net assets consist of net assets designated by the Board of Directors to be held for investment at Innovia.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Revenue and Revenue Recognition

Revenue is recognized when earned. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barriers, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Campaign results are reported net of write-offs of promises to give on the statements of activities.

Annual campaigns are conducted in part to raise support for grants to partner agencies in the following year. The campaigns generally run from September to December, with resulting promises to give due within and collected over the following calendar year. Donors may designate their gifts to any Internal Revenue Code 501(c)(3) nonprofit organization. These designations are paid to agencies after verification of Internal Revenue Code 501(c)(3) status. The Organization partner agencies receive their grant payments plus donor designations.

Contribution service fee revenue is earned over time as the services are performed throughout the fiscal year. Revenue from performance obligations satisfied over time consist of service fees the Organization charges on contributions received that are designated to other agencies. The percentage of the rates range from 0%-15% depending on the relationship of the designated agency to the Organization, with the fee being capped at \$250 per contribution. The services are for designated contributions made by both individual and corporate donors.

Donor Designations

Significant contributions are received which are designated by the donor for the benefit of outside agencies. These funds are collected by the Organization and remitted to the appropriate agency. Net campaign revenue and net funds awarded/distributed on the statements of activities are reported net of donor designations.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to the Organization's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. For the year ended June 30, 2022, 1,162 volunteers donated 7,211 hours of service toward the Organization's program services and in its fundraising campaign. For the year ended June 30, 2021, 329 volunteers donated 4,577 hours of service toward the Organization's program services and in its fundraising campaign. Contributed goods are recorded at fair value at the date of donation. No significant contributions of goods or services were received during the years ended June 30, 2022 and 2021, respectively.

Advertising and Marketing Costs

Advertising and marketing costs are expensed as incurred and were \$13,408 and \$16,905 during the years ended June 30, 2022 and 2021, respectively.

Labor Subject to Collective Bargaining Agreements

Five members of the Organization's labor force are covered under a collective bargaining agreement that expires June 30, 2024.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, benefits, payroll taxes, information services, office expenses, occupancy, and United Way dues, which are allocated on the basis of estimates of time and effort.

Income Taxes

United Way of Spokane County is organized as a Washington nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction, and has been determined not to be a private organization. The entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entity is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Organization determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Management believes that the Organization has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Estimates

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

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events

The Organization has evaluated subsequent events through February 6, 2023, the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

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

	2021	2020
Cash and cash equivalents	\$ 1,317,933	\$ 1,500,227
Other receivable	11,919	9,500
Promises to give	559,531	555,209
Distributions from assets held at Innovia Foundation	30,000	30,000
	\$ 1,919,383	\$ 2,094,936

The Organization has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 90 days of normal operating expenses, which are, on average, \$709,635. As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Organization has a committed line of credit in the amount of \$300,000, which it could draw upon. Additionally, the Organization has funds held by Innovia Foundation of approximately \$765,000 for the benefit of the Organization. Although the Organization does not intend to spend from these funds other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation process, amounts from these funds could be made available if necessary, through Board approval of both the Organization and Innovia Foundation.

Note 3 - Fair Value Measurements and Disclosures

The Organization reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, the Organization develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Organization's assessment of the quality, risk or liquidity profile of the asset. The fair value of the Organization's beneficial interest in assets held by Innovia is based on the fair value of the investments as reported by Innovia. These are considered to be Level 3 measurements.

The following table presents assets measured at fair value on a recurring basis at June 30, 2022 and 2021:

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Beneficial interest in assets held by Innovia Foundation				
June 30, 2022	\$ 322,050	\$ -	\$ -	\$ 322,050
June 30, 2021	\$ 393,896	\$ -	\$ -	\$ 393,896

Below is a reconciliation of the beginning and ending balance of the beneficial interest in assets held by Innovia measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended June 30, 2022 and 2021:

Balance, June 30, 2020	\$ 322,476
Contributions	900
Investment return, net	83,566
Distributions	<u>(13,046)</u>
Balance, June 30, 2021	393,896
Contributions	1,120
Investment return, net	(59,725)
Distributions	<u>(13,241)</u>
Balance, June 30, 2022	<u><u>\$ 322,050</u></u>

Note 4 - Property and Equipment

Property and equipment consists of the following at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Equipment	\$ 96,143	\$ 96,143
Furniture and fixtures	97,979	97,979
Leasehold improvements	<u>45,202</u>	<u>45,202</u>
	239,324	239,324
Less accumulated depreciation	<u>224,037</u>	<u>221,424</u>
	<u><u>\$ 15,287</u></u>	<u><u>\$ 17,900</u></u>

Note 5 - Line of Credit

The Organization has a revolving line of credit with Washington Trust Bank that provides for available borrowings up to a maximum of \$300,000. The agreement matures on February 24, 2026. Borrowings under the line of credit bear interest at Washington Trust Bank's index plus 1%. Borrowings under the line of credit are subject to certain covenants on working capital. There was no outstanding balance at June 30, 2022 and 2021.

Note 6 - Paycheck Protection Program (PPP) Loan

During 2020, the Organization was granted a \$223,000 loan under the PPP administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and was fully guaranteed by the federal government. The Organization has elected to account for the funding as a conditional contribution by applying ASC 958-605, *Not for-Profit – Revenue Recognition*. The Organization initially recorded the loan as a refundable advance and subsequently recognized contribution revenue in accordance with guidance for conditional contributions, that is, once the measurable performance or other barrier and right of return of the PPP loan no longer existed. The Organization recognized \$224,643 as contribution revenue for the year ended June 30, 2021.

Note 7 - Net Assets with Donor Restrictions

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

	2022	2021
Subject to the Passage of Time		
Promises to give, net	\$ 638,484	\$ 684,473
Less designations payable	78,953	129,264
	559,531	555,209
Subject to Expenditure for Specified Purpose		
Miscellaneous purpose restrictions - grants	344,291	473,089
	\$ 903,822	\$ 1,028,298

Net assets were released from donor restrictions by collecting promises to give or by incurring expenditures satisfying the restricted purposes in the amounts of \$2,256,583 and \$2,457,521 during the years ended June 30, 2022 and 2021, respectively.

Note 8 - Leases

The Organization leases equipment under various operating leases expiring at various dates through 2024. In addition, the Organization leases its primary facility from Washington 920, LLC under an agreement that expires April 2023.

Future minimum lease payments are as follows:

Years Ending June 30,	Amount
2023	\$ 97,670
2024	2,633
	\$ 100,303

Rent expense for the years ended June 30, 2022 and 2021 totaled \$122,782 and \$116,446, respectively.

Note 9 - Employee Benefits

Effective December 1, 1997, the Organization adopted a defined contribution 403(b) Thrift Plan. All employees, except those covered under a collective bargaining agreement, are eligible to participate. There is no minimum age or service requirements for employee contributions. To be eligible for employer contributions, the employee must be at least 21 years of age and complete one year of service. The Organization’s contribution has been 5% of compensation, whether or not the employees make a contribution. Union employees have elected to be covered by a plan sponsored by the union. Employer contributions are calculated on a rate-per-hour basis. Contribution expense for both plans for the years ended June 30, 2022 and 2021 was \$47,090 and \$48,673, respectively.

Note 10 - Related Party Transactions

During the years ended June 30, 2022 and 2021, Campaign contributions from members of the Board of Directors and employees totaled \$43,013 and \$86,549, respectively.



Supplementary Information
June 30, 2022 and 2021

United Way of Spokane County

United Way of Spokane County
Statement of Functional Expenses – Program Services
Year Ended June 30, 2022

	Community Planning & Capacity	Education	Excelerate Success	Volunteer Services	Labor Relations	Homeless Initiative	Financial Stability	Health	Total
Salaries	\$ 58,376	\$ -	\$ 52,864	\$ 56,586	\$ 22,094	\$ 113,977	\$ 12,941	\$ -	\$ 316,838
Employee benefits	9,176	-	8,286	10,703	4,888	12,732	265	-	46,050
Payroll taxes	4,939	-	4,285	4,632	1,585	9,208	1,075	-	25,724
Total salaries and related expenses	72,491	-	65,435	71,921	28,567	135,917	14,281	-	388,612
Grants and other assistance	-	385,500	33,808	15,700	-	3,666	304,500	363,500	1,106,674
Fees for services	3,303	-	3,732	16,735	-	100	36	-	23,906
Information services	-	-	196	902	-	196	-	-	1,294
Office expenses	367	-	408	2,994	-	5,483	1,837	-	11,089
Printing, publication, and advertising	118	-	-	13,531	-	59	1,135	-	14,843
Conferences, conventions, and meetings	-	-	2,954	5,516	-	3,058	300	-	11,828
Travel	-	-	2	3,918	-	121	-	-	4,041
Other	-	-	-	1,925	-	15,878	42	-	17,845
Total expenses	\$ 76,279	\$ 385,500	\$ 106,535	\$ 133,142	\$ 28,567	\$ 164,478	\$ 322,131	\$ 363,500	\$ 1,580,132

United Way of Spokane County
Statement of Functional Expenses – Program Services
Year Ended June 30, 2021

	Community Planning & Capacity	Education	Excelerate Success	Volunteer Services	Labor Relations	Homeless Initiative	Financial Stability	Health	Total
Salaries	\$ 100,633	\$ -	\$ 69,814	\$ 82,630	\$ 22,427	\$ 60,236	\$ 1,910	\$ -	\$ 337,650
Employee benefits	17,830	-	12,601	18,212	4,919	9,691	330	-	63,583
Payroll taxes	6,443	-	6,005	7,316	1,508	4,916	155	-	26,343
Total salaries and related expenses	124,906	-	88,420	108,158	28,854	74,843	2,395	-	427,576
Grants and other assistance	42,300	427,514	17,338	23,394	-	800	320,500	390,542	1,222,388
Fees for services	3,080	-	20,620	31,813	-	196	-	-	55,709
Information services	-	-	1,020	(882)	-	166	-	-	304
Office expenses	569	-	1,376	1,983	-	567	302	-	4,797
Printing, publication, and advertising	892	247	-	400	-	500	4,827	-	6,866
Conferences, conventions, and meetings	-	-	4,421	2,451	-	370	-	-	7,242
Travel	-	-	10	27	-	481	-	-	518
Other	1,079	-	-	2,153	-	7,831	-	-	11,063
Total expenses	\$ 172,826	\$ 427,761	\$ 133,205	\$ 169,497	\$ 28,854	\$ 85,754	\$ 328,024	\$ 390,542	\$ 1,736,463