UNITED WAY OF VOLUSIA-FLAGLER COUNTIES, INC.

FINANCIAL STATEMENTS

JUNE 30, 2022

UNITED WAY OF VOLUSIA-FLAGLER COUNTIES, INC.
TABLE OF CONTENTS
JUNE 30, 2022

JAMESMOORE

INDEPENDENT AUDITORS' REPORT

Board of Directors,
United Way of Volusia-Flagler Counties, Inc.:

Opinion

We have audited the financial statements of United Way of Volusia-Flagler Counties, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of United Way of Volusia-Flagler Counties, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Volusia-Flagler Counties, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of United Way of Volusia-Flagler Counties, Inc. for the year ended June 30, 2021, were audited by another auditor who expressed an unmodified opinion on those statements on December 13, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the United Way of Volusia-Flagler Counties, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the United Way of Volusia-Flagler Counties, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the United Way of Volusia-Flagler Counties, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

James Moore & Co., P.L.

Daytona Beach, Florida
November 11, 2022

UNITED WAY OF VOLUSIA-FLAGLER COUNTIES, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2022
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
ASSETS				
Current assets				
Cash and cash equivalents	$ 556,082	$ 57,755	$ 613,837	$ 2,064,788
Annual campaign pledges receivable, net	470,664	-	470,664	846,312
Other receivables	17,884	-	17,884	29,486
Prepaid expenses	13,965	-	13,965	30,853
Total current assets	1,058,595	57,755	1,116,350	2,971,439
Noncurrent assets				
Pooled income fund	-	58,016	58,016	66,834
Life insurance cash surrender value	80,218	-	80,218	79,623
Investments	8,001,910	4,502,904	12,504,814	13,263,015
Property and equipment, net	107,650	-	107,650	125,702
Total noncurrent assets	8,189,778	4,560,920	12,750,698	13,535,174
Total assets	$ 9,248,373	$ 4,618,675	$ 13,867,048	$ 16,506,613
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable	$ 12,907	$ -	$ 12,907	$ 37,242
Accrued wages and benefits	45,854	-	45,854	46,540
Allocations and designations payable	9,550	-	9,550	59,642
Refundable advance	20,000	-	20,000	-
Agency fund	-	66,568	66,568	22,179
Total current liabilities	88,311	66,568	154,879	165,603
Noncurrent liabilities				
Gift annuity obligations	-	33,538	33,538	39,986
Total noncurrent liabilities	-	33,538	33,538	39,986
Total liabilities	$ 88,311	$ 100,106	$ 188,417	$ 205,589
Net assets				
Without Donor Restrictions				
Undesignated	$ 2,057,237	$ -	$ 2,057,237	$ 2,706,826
Designated for the purpose of EDGE	6,595,047	-	6,595,047	7,938,772
Designated for Women's Affinity Group	91,322	-	91,322	88,480
Designated for Donor Advised Funds	416,456	-	416,456	665,565
With Donor Restrictions				
Purpose restrictions	-	183,963	183,963	212,585
In Perpetuity	-	4,334,606	4,334,606	4,688,796
Total net assets	9,160,062	4,518,569	13,678,631	16,301,024
Total liabilities and net assets	$ 9,248,373	$ 4,618,675	$ 13,867,048	$ 16,506,613

The accompanying notes to financial statements
are an integral part of this statement.

UNITED WAY OF VOLUSIA-FLAGLER COUNTIES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
Public support and revenue				
Public support				
Gross annual campaign contributions and pledges	$ 1,606,563	$ -	$ 1,606,563	$ 2,249,598
Less: Allowance for uncollectible pledges	(207,430)	-	(207,430)	(210,638)
Less: Donor designations	(125,227)	-	(125,227)	(126,264)
Total annual campaign contributions and pledges	1,273,906	-	1,273,906	1,912,696
Other contributions and support	814,563	443,953	1,258,516	2,409,750
Bequests and memorial gifts	9,728	-	9,728	17,870
Total pubic support	2,098,197	443,953	2,542,150	4,340,316
Revenue				
Grants, contracts and fees for service	108,334	36,739	145,073	731,163
Other income	3,276	-	3,276	2,514
Change in value of charitable gift annuities	1,596	(1,612)	(16)	20,958
Change in value of pooled income fund	-	(8,818)	(8,818)	6,973
Investment income (loss), net	(1,315,923)	(646,259)	(1,962,182)	2,899,679
Total revenue (loss)	(1,202,717)	(619,950)	(1,822,667)	3,661,287
Net assets released from restrictions				
Satisfaction of purpose restrictions	206,815	(206,815)	-	-
Total net assets released from restrictions	206,815	(206,815)	-	-
Total public support, revenue, and net assets released from restrictions	1,102,295	(382,812)	719,483	8,001,603
Expenses				
Allocations and distributions				
Agency allocations	1,318,110	-	1,318,110	216,490
Community grants	129,350	-	129,350	593,056
Less: Donor designations	(125,227)	-	(125,227)	(126,264)
Net agency allocations	1,322,233	-	1,322,233	683,282
Scholarships, direct assistance and distributions	661,907	-	661,907	313,383
Total allocations and distributions	1,984,140	-	1,984,140	996,665
Operating expenses				
Program services	457,979	-	457,979	471,489
Community foundation	280,008	-	280,008	274,030
Fundraising	316,117	-	316,117	313,283
Special events	46,527	-	46,527	11,221
Management and general	257,105	-	257,105	248,455
Total operating expenses	1,357,736	-	1,357,736	1,318,478
Total expenses	3,341,876	-	3,341,876	2,315,143
Change in net assets before other income	(2,239,581)	(382,812)	(2,622,393)	5,686,460
Other income				
Gain on extinguishment of debt	-	-	-	191,555
Total other income	-	-	-	191,555
Change in net assets	(2,239,581)	(382,812)	(2,622,393)	5,878,015
Net assets, beginning of year	11,399,643	4,901,381	16,301,024	10,423,009
Net assets, end of year	$ 9,160,062	$ 4,518,569	$ 13,678,631	$ 16,301,024

The accompanying notes to financial statements
are an integral part of this statement.

UNITED WAY OF VOLUSIA-FLAGLER COUNTIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	Program Services				Supporting Services						
	First Call For Help	Volunteer Center	Community Impact	Total Program Services	Community Foundation	Fund-Raising	Special Events	Management and General	Total Supporting Services	2022 Total	2021 Total
Operating Expenses											
Salaries	$ 26,716	$ 49,994	$ 170,046	$ 246,756	$ 147,741	$ 199,378	$ -	$ 155,516	$ 502,635	$ 749,391	$ 735,497
Employee benefits	4,155	5,024	32,678	41,857	16,051	31,556	-	18,206	65,813	107,670	141,121
Payroll taxes	3,066	3,379	11,646	18,091	10,934	15,082	-	10,664	36,680	54,771	53,479
Professional and consulting fees	41,699	-	1,998	43,697	20,067	6,726	2,841	30,405	60,039	103,736	102,358
Supplies	193	459	6,175	6,827	607	2,604	7,726	1,243	12,180	19,007	18,598
Telephone and communications	1,328	1,237	5,768	8,333	3,350	5,906	-	4,271	13,527	21,860	29,022
Postage and shipping	17	3	314	334	386	702	250	240	1,578	1,912	2,062
Occupancy	8,505	7,930	19,370	35,805	26,168	17,592	1,140	16,306	61,206	97,011	97,795
Equipment rental and service	580	434	4,395	5,409	1,192	1,911	11	1,644	4,758	10,167	9,505
Printing and publications	94	84	1,183	1,361	13,143	2,828	701	288	16,960	18,321	6,148
Travel	559	873	6,610	8,042	1,137	8,113	2,141	2,711	14,102	22,144	7,851
Conferences, meetings and training	371	26	9,176	9,573	19,651	2,632	31,687	614	54,584	64,157	4,418
Dues	722	150	1,121	1,993	8,464	1,926	-	517	10,907	12,900	12,044
Dues to affiliates	2,986	2,667	11,155	16,808	6,539	11,749	-	9,206	27,494	44,302	46,742
Recognition and awards	125	120	730	975	1,576	1,554	30	415	3,575	4,550	11,072
Insurance	415	415	1,783	2,613	1,016	1,826	-	1,430	4,272	6,885	6,177
Advertising	-	-	589	589	-	-	-	-	-	589	7,151
Depreciation	903	903	6,860	8,666	1,986	3,971	-	3,429	9,386	18,052	27,055
Miscellaneous	-	128	122	250	-	61	-	-	61	311	383
Totals	$ 92,434	$ 73,826	$ 291,719	$ 457,979	$ 280,008	$ 316,117	$ 46,527	$ 257,105	$ 899,757	$ 1,357,736	$ 1,318,478

The accompanying notes to financial statements
are an integral part of this statement.

UNITED WAY OF VOLUSIA-FLAGLER COUNTIES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)

	2022	2021
Cash flows from operating activities		
Change in net assets	$ (2,622,393)	$ 5,878,015
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	18,052	27,055
Gain on extinguishment of debt	-	(191,555)
Net loss (return) on investments	1,962,182	(2,481,746)
Provision for uncollectible pledges	207,430	210,638
Contributions restricted for perpetual endowment	(421,824)	(2,002,713)
Donated securities	(473,715)	-
Change in:		
Annual campaign pledges receivable	168,218	(412,185)
Other receivables	11,602	91,796
Prepaid expenses	16,888	(17,846)
Pooled income fund	8,818	(6,971)
Life insurance cash surrender value	(595)	(989)
Accounts payable	(24,335)	17,529
Accrued wages and benefits	(686)	(10,198)
Allocations and designations payable	(50,092)	(1,142,319)
Deferred revenue	20,000	(100,000)
Agency fund	44,389	9,950
Gift annuity obligations	(6,448)	(27,423)
Total adjustments	1,479,884	(6,036,977)
Net cash used in operating activities	(1,142,509)	(158,962)
Cash flows from investing activities		
Purchases of property and equipment	-	(1,099)
Proceeds from sale and maturities of investments	8,963,256	7,334,631
Purchases of investments	(9,693,522)	(8,791,734)
Net cash used in investing activities	(730,266)	(1,458,202)
Cash flows from financing activities		
Investment in perpetual endowment	421,824	2,002,713
Net cash provided by financing activities	421,824	2,002,713
Net change in cash and cash equivalents	(1,450,951)	385,549
Cash and cash equivalents, beginning of year	2,064,788	1,679,239
Cash and cash equivalents, end of year	$ 613,837	$ 2,064,788

The accompanying notes to financial statements
are an integral part of this statement.

(1) Summary of Significant Accounting Policies:

The following is a summary of the significant accounting policies and practices of United Way of Volusia-Flagler Counties, Inc. (the Organization), which affect the accompanying financial statements:

(a) **Nature of operations**—The Organization is a nonprofit organization incorporated under the laws of Florida. The mission of the Organization is to increase the organized capacity of the community to care for its people. The Organization brings its mission to life through an annual fund-raising campaign which results in the allocation of funds to its human service member agencies in Volusia and Flagler Counties. All funds are allocated through a volunteer driven, citizen-review process. Distributions are reported as "agency allocations" in the accompanying statement of activities. The distribution of funds by trained and knowledgeable volunteers sets the Organization apart from other funding sources. To be the best stewards of donor investments and in an effort to align community resources for maximum impact, the Organization places a greater emphasis on specific priority areas within the education, financial stability, and health arenas that have a stronger focus on community-level outcomes. This model allows the Organization to report measurable results for the community through their support partner programs. In addition, the Organization provides funding for several community building programs.

Program service areas directly managed by the Organization are summarized as follows:

First Call for Help – This program is the only comprehensive information and referral program that is available to anyone seeking information about human service agencies in Volusia and Flagler Counties. Trained and certified information and referral specialists are available 24 hours per day, 365 days per year by phone to provide information about human service agencies in Volusia and Flagler counties. A searchable index of services is available at the Organization's online website.

Volunteer Center – This program is devoted solely to the promotion and nurturing of volunteerism and community service. The Volunteer Center recruits, develops, places and recognizes volunteers for hundreds of organizations and agencies community wide, and trains and matches potential leadership-caliber volunteers for various boards and committees. The Volunteer Center also administers the Reading Pals Program. It is a United Way program where volunteers provide positive reinforcement and personal attention to a child (kindergarten through 3rd grade) who would benefit from extra reading support. The goal is to improve children's reading skills and impart a love of reading.

Community Impact - The Organization engages in community impact by attending local meetings for the purposes of assessing community needs, coordinating public and private funding, and aiding in the development of other human services efficiencies and collaborations.

(b) **Financial statement presentation**—These financial statements, which are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. The Foundation reports information regarding its financial position and activities according to two classes of net assets: with and without donor restrictions.

(1) **Summary of Significant Accounting Policies:** (Continued)

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. The Organization's management and Board of Directors (the Board) may designate assets without restrictions for specific purposes.

Net assets with donor restrictions—Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

The Organization recognizes revenues as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

The Organization reports contributions of cash and other assets as restricted support 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 statement of activities as net assets released from restrictions.

The Organization reports gifts of property, buildings and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service and/or construction expenses have been incurred.

Contributed services are reflected in the accompanying financial statements at the fair value of the services received, if the services create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would otherwise need to be purchased if not provided by donation. There were no contributed services or nonfinancial assets during the year ended June 30, 2022.

No amounts have been included in the accompanying financial statements for services contributed by campaign volunteers since such services generally do not require specialized skills. Nevertheless, approximately 1,000 volunteers from the area donated over 17,000 hours of their time with a value of $439,000 based on estimated hourly rates.

A portion of the Organization's revenue is derived from cost-reimbursable federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions.

Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

(c) **Cash and cash equivalents**—For purposes of reporting cash flows, cash and cash equivalents include money market funds and investments with original maturities of three months or less when purchased.

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Investments**—Investments are reported at fair value. Realized gains and losses are recognized at date of disposition based on the difference between the net proceeds received and the purchased value of the investment sold, using the specific identification method. Unrealized gains and losses are recognized for the change in fair value between reporting periods. Interest and dividend income is recognized when earned. Investment income (loss) is included in the change in net assets without donor restrictions, unless its use is restricted by donor stipulations or law. When a donor restriction is met the amount is reclassified and reported as released from restriction.

(e) **Property and equipment**—Purchases of land, buildings, and equipment having cost of $2,500 or more are capitalized at cost. Donated assets are capitalized at the estimated fair-market value at the time of receipt. Depreciation is computed on the straight-line method and is based on estimated useful lives ranging from five to thirty-three years. Depreciation expense was $18,052 for the year ended June 30, 2022.

(f) **Annual campaign pledges receivable**—Annul campaigns are conducted from July 1 through June 30 to raise funds for allocation to participating agencies in the subsequent calendar year. Unconditional promises to give are recognized as revenues or grants in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. An allowance for uncollectible pledges is established by the Organization's management based on past collection experience and current economic conditions. Because of uncertainties in the estimation process it is at least reasonable possible that management's estimate of uncollectible pledges will change in the near term. It is the Organization's policy to write-off uncollectible pledges within two years after an annual campaign has ended. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

(g) **Donor designations**—The Organization offers contributors the opportunity to designate their contributions to specific agencies. Contributions over which the Organization has little or no discretion in determining how funds are to be used are considered an agency relationship and, therefore, not recorded as a contribution when received or an agency allocation when disbursed. Donor designations are shown as reductions in gross annual campaign and agency allocations in the accompanying statement of activities.

(h) **Conditional agency allocations**—Allocations to agencies are distributed over the year from July 1 through June 30, based on the preceding year's campaign. The Organization follows professional standards for contributions received and contributions made. Professional standards require recognition as an expense as the conditions of the allocation are met. In addition, the allocation payments to funded agencies stop if the condition of allocation is not met. The Board of Directors has approved a conditional allocation for Fiscal Year 2022/2023 totaling $1,237,100.

(i) **Use of estimates**—The preparation of financial statements in conformity with GAAP requires management to make various estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

(1) **Summary of Significant Accounting Policies:** (Continued)

(j) **Income taxes**—The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under similar provisions of the Florida Statutes. The Organization follows accounting standards relating to accounting for uncertainly in income taxes. The Organization assessed whether there were any uncertain tax provisions which may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying financial statements.

The Organization files tax returns in the U.S. federal jurisdiction. The Organization's income tax returns for the past three years are subject to examination by tax authorities, and may change upon examination.

(k) **Functional allocation of expenses**—Expenses are charged directly to program, management or fundraising in general categories based on specific identification. Indirect expenses are allocated based on program revenue and other bases, as determined by management. Although methods of allocation used are considered reasonable and appropriate, other methods could be used that would produce different results. The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and in the statement of functional expenses.

(l) **Subsequent events**—The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 11, 2022, the date the financial statements were available to be issued. No subsequent events have been recognized. The following summarized significant events occurred subsequent to year end:

> On July 20, 2022, United Way of Volusia-Flagler Counties, Inc. sold its office building to the County of Volusia for $625,000.
>
> On July 11, 2022, United Way of Volusia-Flagler Counties, Inc. signed a five-year lease agreement for office space commencing in January 2023.

(m) **Recent accounting pronouncements**—The Financial Accounting Standards Board (FASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with the required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the Organization's financial statements.

In February 2016, the FASB issued ASU 2016-02: "Leases (Topic 842)", to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The ASU is effective for the year ending December 31, 2022, and may be adopted early.

(n) **Comparative financial information—**The financial statements include certain prior year summarized comparative information. With respect to the statements of financial position and activities, the prior year information is presented in total, not by net asset class. With respect to the statement of functional expenses, the prior year expenses are presented by expense classification in total rather than functional category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

(2) Annual Campaign Pledges Receivable:

At June 30, 2022, annual campaign pledges receivable consists of the following:

2020 - 2021 campaign	$	590,324
2019 - 2020 campaign		254,337
		844,661
2020 - 2021 allowance for uncollectible pledges		(119,660)
2019 - 2020 allowance for uncollectible pledges		(254,337)
Annual campaign pledges receivable, net	$	470,664

(3) Fair Value Measurements:

The fair value measurement accounting literature 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below as follows:

Level 1 –Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 – Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in inactive markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (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's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies used during the year.

Cash and cash equivalents and certificates of deposit – Valued at cost, which approximates fair value.

Contributions receivable and designations payable – For contributions receivable and for designations payable that are due within one year, carrying amount is a reasonable estimate of fair value. For contributions receivable and designations payable that are due in more than one-year, fair value is estimated at the present value of estimated future cash flows, using a discount rate reflective of current interest rates.

Mutual funds and equity securities – Valued at the closing price reported on the active markets on which the individual funds are traded.

(3) **Fair Value Measurements:** (Continued)

Alternative investments–These investments may include limited partnerships, private equity funds, and other types of non-traditional investments. These investments are not listed on national exchanges or over-the-counter markets, and quoted market prices are not available. These investments are valued based on a review of all available information provided by fund managers and general partners. Fair value is based on the net asset value (NAV) of the number of ownership interests held as a practical expedient. Estimated values are based on appraisals of underlying real assets less liabilities. Fair value estimates are evaluated on a regular basis and are susceptible to revisions as more information becomes available. Because of these factors, it is reasonably possible that the estimated fair values of these investments may change materially in the near term.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table summarizes the assets of the Organization for which fair values are determined on a recurring basis:

	Fair Value Measurements as of June 30, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual funds				
Equity funds	$ 7,538,079	$ -	$ -	$ 7,538,079
Fixed income funds	3,632,840	-	-	3,632,840
Total assets in the fair value hierarchy	11,170,919	-	-	11,170,919
Assets measured at NAV				
Real estate investment fund				1,333,895
Total assets at fair value				$ 12,504,814

There were no purchases, issues, or transfers into or out of level 3 for the year ended June 30, 2022.

Investment expense was $35,051 for the year ended June 30, 2022, and is netted against net investment income (loss).

The following table represents fair value measurements of investments in certain entities using NAV as a practical expedient:

	Fair Value	**Unfunded Commitments**	**Redemption Frequency**	**Redemption Notice Period**
U.S. Real Estate Investment Fund	$ 1,333,895	$ -	Quarterly	90 days

(4) **Concentrations and Credit Risk:**

The Organization's financial instruments that are exposed to concentrations of credit risk consist of checking and money market accounts held at creditworthy financial institutions. Such accounts may at times exceed federally insured limits. The Organization has not experienced any losses on such accounts.

(4) **Concentrations and Credit Risk:** (Continued)

The Organization maintains cash balances at a financial institution. Funds at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. Cash for the year ended June 30, 2022 exceeded federally insured limits by $141,592. Money market funds included as cash equivalents are not insured by FDIC and totaled $259,513.

In the current year, approximately 41% of gross annual campaign contributions and 26% of total public support was provided by one corporation and their employees. It is always considered reasonably possible that benefactors, grantors or contributors might be lost in the near term.

(5) **Pooled Income Funds:**

For the Pooled Income Fund, the donor has contributed funds to United Way Worldwide. All similar donations are pooled in an investment account managed by United Way Worldwide. The responsibility for future payments to the donor is held by United Way Worldwide. At the death of the last surviving income beneficiary, the value of the principal of the gift will be distributed to the Organization.

The organization records an asset for the estimated current value of the Pooled Income Fund. At June 30, 2022 the estimated value is $58,016.

(6) **Property and Equipment:**

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

Land	$	92,056
Building and improvements		401,591
Furniture and equipment		140,183
Less: accumulated depreciation		(526,180)
Property and equipment, net	$	107,650

(7) **Employee Benefit Plan:**

The Organization sponsors a 403(b)-thrift plan that covers all salaried employees with at least one year of service and who are at least 21 years of age and work over 1,000 hours in the calendar year. The Organization contributes 2% of the participant's salary and will match up to 5% of the employees' contributions. Participant's account balance shall be 100% non-forfeitable after completion of 3 years of vesting services or at 59.5 years of age. Total expense for the year ended June 30, 2022 was $30,847.

(8) **Gift Annuity Obligations:**

The Organization sells and administers several charitable gift annuities. A charitable gift annuity is an arrangement between a donor and the Organization in which the donor contributes assets in exchange for a promise by the Organization to pay a fixed amount for a specified period of time (typically the life of the donor or a designated beneficiary). Subject to certain reserve and other regulatory requirements, the contributed assets are held as general assets of the Organization and the annuity liability is a general obligation of the Organization.

(8) **Gift Annuity Obligations:** (Continued)

The assets received are recognized at fair value when received, and an annuity payment liability is recognized at the present value of annuity payments expected to be paid. The annuity payment liability is based on life expectancies of the donors and payout rate from 6.8% to 14.2% depending upon the year of the donation. Contribution revenue (gift value) is recognized as the difference between these two amounts. Payments to beneficiaries reduce the annuity liability. Adjustments are made to the annuity liability at the end of each subsequent year to reflect the current present value of future annuity payments. These adjustments are recognized in the statement of activities as changes in the value of gift annuities in net assets without donor restrictions. Reserve funds required by the State of Florida amounted to $41,923 as of June 30, 2022.

As of June 30, 2022, the present value of future annuity payments for existing gift annuities was $33,538.

The Organization's endowments consist of 13 funds established to support a variety of programs and specific agencies. Its endowments consist of only donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the 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 with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

(9) **Endowments:**

In accordance with FUPMIFA, the Organization considers the following factors in taking a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor originally contributed as an endowment fund to the Organization. In accordance with generally accepted accounting principles, deficiencies of this nature are reported in net assets without donor restrictions. There were no such deficiencies for the year ended June 30, 2022.

(9) **Endowments:** (Continued)

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs and organizations supported by the endowments. The endowment assets are invested in a manner that is intended to produce positive results, while assuming a moderate level of investment risk.

Strategies Employed for Achieving Objectives

The Organization relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). The Organization targets a diversified asset allocation that emphasizes fixed income securities to achieve its long-term objectives within prudent risk constraints.

Endowment Spending Policy and How the Investment Objectives Relate

The Organization has a policy of appropriating for distribution each year all of its endowment fund's earnings to the programs and organizations the donor has specified.

In establishing this policy, the Organization considered the long-term expected returns on its endowment investments. Accordingly, over the long term, the Organization expects the current spending policy will allow its endowment to retain the original fair value of the gift.

Endowment net asset composition consisted of the following at June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
EDGE - Every Dollar Gets Empowered	$ -	$ 756,719	$ 756,719
Restricted in perpetuity	-	3,577,887	3,577,887
	$ -	$ 4,334,606	$ 4,334,606

Changes in endowment net assets consist of the following for the year ended June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets as of July 1, 2021	$ -	$ 4,688,796	$ 4,688,796
Contributions	-	421,824	421,824
Investment gains (losses)	-	(646,164)	(646,164)
Distributions	-	(86,891)	(86,891)
Fees	-	(42,959)	(42,959)
Endowment net assets as of June 30, 2022	$ -	$ 4,334,606	$ 4,334,606

(10) Liquidity and Availability of Financial Assets:

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

Cash and cash equivalents - Without Donor Restrictions	$	556,082
Annual campaign pledges receivable, net		470,664
Other receivables		17,884
Life insurance cash surrender value		80,218
Investments - Without Donor Restrictions		8,001,910
		9,126,758
Board Designated Net Assets		(7,102,825)
Financial assets available to meet cash needs for general expenses within one year	$	2,023,933

As a federated fundraising organization, The Organization receives significant contributions each year from donors, which are available to meet annual cash needs for general expenditures. Allocations to agencies are paid monthly over a 12-month period from July to June. During a different 12-month period of January to December, additional contributions are received from donors. In addition, all board designated net assets can be made available to meet operating needs if necessary.

(11) Board Designated Net Assets:

At June 30, 2022, the Organization's board of directors has chosen to place the following limitations on net assets without donor restrictions:

Designated for the purpose of EDGE	$	6,595,047
Designated for Donor Advised Funds		416,456
Designated for Women's Affinity Group		91,322
	$	7,102,825

The purpose of EDGE is established to combine legacy gifts, using the growth and income of the corpus to ensure funding for changing community needs for many future years. Currently that fund is managed by the Community Foundation, a Division of the United Way of Volusia-Flagler Counties. The Women's Affinity Group raises funds to improve the life of women and children in Volusia and Flagler Counties. The United Way of Volusia-Flagler Counties currently has six Donor Advised Funds in which the Donors can make recommendations on how to grant monies from these Funds, but ultimately, the United Way of Volusia-Flagler Counties has complete authority on how to grant from these funds as they are unrestricted gifts to the United Way of Volusia-Flagler Counties.

(12) **Net Assets with Donor Restrictions:**

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2022:

Restricted for specified purposes		
Pooled Income Funds directed by United Way Worldwide	$	58,016
Gift annuity reserves in excess of gift annuity obligations		8,385
Donor Designated funds		101,730
Emergency Electric fund		15,832
		183,963
Restricted in perpetuity		
EDGE - Every Dollar Gest Empowered		756,719
Donor Designated funds - endowed		1,401,600
Field of Interest funds - endowed		1,013,145
Endowment funds		1,163,142
		4,334,606
Total net assets with donor restrictions	$	4,518,569

Net assets with donor restrictions that are perpetual in nature consist of the Organization’s 13 endowment funds established to support a variety of programs and specific agencies (See Note 9: Endowments).

Net assets with donor restrictions were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of other events specified by donors as follows:

Utility assistance	$	22,549
Funds with purpose restrictions		184,266
Total donor restricted net assets released from restrictions	$	206,815