

UNITED WAY OF WINDHAM COUNTY, INC.

FINANCIAL STATEMENTS

Years Ended June 30, 2019 and 2018

UNITED WAY OF WINDHAM COUNTY, INC.

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June 30, 2019 and 2018

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LEE A. WHITE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANT

Lee A. White, CPA, CFP™, PFS



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Barre, Vermont 05641

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
United Way of Windham County, Inc.

We have audited the accompanying financial statements of United Way of Windham County, Inc. (a non-profit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Windham County, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of Allocations and Initiatives on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was not derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Lee A. White & Associates

Barre, Vermont

VT Registration No.: 92-0000340

March 9, 2020

UNITED WAY OF WINDHAM COUNTY, INC.

STATEMENTS OF FINANCIAL POSITION

June 30, 2019 and 2018

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash		
Unrestricted	\$ 77,324	\$ 121,233
Restricted for agencies allocation	53,034	32,897
Board designated accounts (Note 14)	409,952	405,822
Total cash	540,310	559,952
Accounts receivable	91,811	2,707
Pledges receivable (net of \$15,000 and \$13,000)	101,824	127,524
Prepaid expenses	2,925	8,544
	736,870	698,727
TOTAL CURRENT ASSETS		
PROPERTY AND EQUIPMENT (Notes 1 and 2)		
Property and equipment	24,410	22,920
Dental equipment and leasehold improvements	189,735	-
Less: accumulated depreciation	(24,223)	(16,394)
	189,922	6,526
TOTAL ASSETS		
	\$ 926,792	\$ 705,253
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 145	\$ 532
Allocations payable	10,973	10,775
Accrued wages	16,245	13,985
Benefit liabilities	1,068	-
Deferred revenue (Note 10)	77,617	71,858
	106,048	97,150
TOTAL CURRENT LIABILITIES		
NET ASSETS		
Without donor restrictions (Note 8)	239,005	(27,489)
With donor restrictions (Note 9)	581,739	635,592
	820,744	608,103
TOTAL NET ASSETS		
	\$ 926,792	\$ 705,253

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF WINDHAM COUNTY, INC.

STATEMENTS OF ACTIVITIES
Years ended June 30, 2019 and 2018

	2019	2018
Net Assets without donor restrictions:		
Unrestricted operating revenues and support:		
Net assets with donor restrictions released from restrictions due to satisfaction of terms	\$ 587,532	\$ 458,997
Interest	132	97
Special events	11,370	29,421
Dental Center – Other income	2,408	-
Dental Center – Medicaid	15,095	-
Dental Center – Donations	3,080	-
Bad debt recoveries	245	6,254
In kind revenue (Note 1)	29,777	22,402
In kind revenue – Dental Center	117,764	-
	767,403	517,171
Allocations and functional expenses:		
Agency allocations and initiatives (See page 16)	161,244	174,504
Unallocated payments to national organization	-	-
	161,244	174,504
Functional expenses:		
Program services	179,880	191,307
Support services:		
Management and general	101,129	55,110
Fundraising	58,656	109,880
Total support services	159,785	164,990
Total functional expenses	339,665	356,297
Total allocations and functional expenses	500,909	530,801
Increase or (decrease) in Net assets without donor restrictions	266,494	(13,630)
Net Assets with donor restrictions:		
Contributions, current campaign	283,270	340,123
Recoveries of previous pledges not received	-	-
Less provision for pledges not received	(18,709)	(13,000)
Less donor designations	(20,978)	(16,720)
Grants, bequests and other revenue	290,096	139,380
Net Assets with donor restrictions released from restrictions due to satisfaction of terms	(587,532)	(458,997)
Increase or (decrease) in Net Assets with donor restrictions	(53,853)	(9,214)
Increase or (decrease) in Net Assets	212,641	(22,844)
NET ASSETS, BEGINNING OF YEAR	608,103	630,947
NET ASSETS, END OF YEAR	\$ 820,744	\$ 608,103

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF WINDHAM COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2019

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries	\$ 76,718	\$ 59,847	\$ 24,668	\$ 84,515
Payroll taxes	6,882	5,341	2,202	7,543
Employee benefits	7,222	7,535	3,106	10,641
	<u>90,822</u>	<u>72,723</u>	<u>29,976</u>	<u>102,699</u>
Payroll service expense	426	552	228	780
Workers compensation insurance	120	155	64	219
Training and professional development	634	613	252	865
Rent (Note 5)	6,164	7,982	3,290	11,272
Telephone	1,059	874	360	1,234
Software	9,274	-	2,000	2,000
Campaign expenses	-	-	766	766
Office supplies	3,829	549	226	775
Postage and delivery	1,475	-	1,994	1,994
Printing	274	301	124	425
Publication and subscriptions	868	177	73	250
Dues - other	2,899	1,349	555	1,904
Marketing	695	241	99	340
Travel	467	605	249	854
Meetings	1,058	594	244	838
Special events	1,892	2,450	1,010	3,460
Maintenance and repairs	1,650	1,629	672	2,301
Equipment service contracts	1,262	1,194	492	1,686
Audit/accounting services	1,732	2,243	925	3,168
Bookkeeping services	2,508	3,248	1,338	4,586
Consulting services	17,747	-	-	-
Bond insurance	601	146	60	206
Directors & officers liability insurance	228	315	121	436
Property/casualty insurance	2,361	727	300	1,027
Credit card fees	520	437	180	617
Bank fees	29	38	15	53
Miscellaneous expenses	5,815	551	-	551
In kind expense	17,326	-	12,451	12,451
	<u>173,735</u>	<u>99,693</u>	<u>58,064</u>	<u>157,757</u>
Depreciation and amortization expense	6,145	1,436	592	2,028
Total expenses	<u>\$ 179,880</u>	<u>\$ 101,129</u>	<u>\$ 58,656</u>	<u>\$ 159,785</u>
				<u>\$ 339,665</u>

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF WINDHAM COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2018

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries	\$ 115,297	\$ 24,739	\$ 54,389	\$ 79,128
Payroll taxes	11,113	2,202	5,256	7,458
Employee benefits	10,897	4,944	5,801	10,745
	<u>137,307</u>	<u>31,885</u>	<u>65,446</u>	<u>97,331</u>
Payroll service expense	208	139	69	208
Workers compensation insurance	1,936	250	694	944
Training and professional development	-	111	111	222
Rent (Note 5)	9,446	1,376	3,918	5,294
Telephone	907	456	278	734
Software	5,800	1,299	2,275	3,574
Campaign expenses	-	-	1,064	1,064
Office supplies	309	1,272	167	1,439
Postage and delivery	571	636	2,114	2,750
Printing	510	-	100	100
Publication and subscriptions	-	119	28	147
Dues - other	259	236	4,752	4,988
Marketing	2,371	-	5,736	5,736
Travel	770	73	108	181
Meetings	2,626	406	293	699
Special events	4,058	1,232	5,660	6,892
Maintenance and repairs	487	2,282	314	2,596
Equipment service contracts	825	4,031	338	4,369
Audit/accounting services	-	4,700	-	4,700
Bookkeeping services	2,663	1,775	887	2,662
Consulting services	9,660	300	-	300
Bond insurance	172	114	57	171
Directors & officers liability insurance	-	664	-	664
Property/casualty insurance	689	459	229	688
Credit card fees	122	72	974	1,046
Bank fees	188	-	-	188
Miscellaneous expenses	-	-	-	-
In kind expense	-	-	-	-
	<u>8,167</u>	<u>386</u>	<u>13,849</u>	<u>14,235</u>
Depreciation expense	190,051	54,273	109,461	163,734
Total expenses	<u>1,256</u>	<u>837</u>	<u>419</u>	<u>1,256</u>
	<u>\$ 191,307</u>	<u>\$ 55,110</u>	<u>\$ 109,880</u>	<u>\$ 164,990</u>
				<u>\$ 356,297</u>

The accompanying notes are an integral part of these financial statements. (6)

UNITED WAY OF WINDHAM COUNTY, INC.

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 212,641	\$ (22,844)
Adjustments to reconcile change in net assets to net cash (used) or provided by operating activities:		
Depreciation	8,173	2,512
Accounts receivable	(89,104)	(2,249)
Pledges receivable	25,700	9,055
Prepaid expenses	5,619	(4,491)
Accounts payable	(387)	(977)
Allocations payable	198	(2,938)
Accrued expenses	2,260	5,116
Benefit liabilities	1,068	-
Deferred revenue	5,759	33,467
Net cash (used) provided by operating activities	171,927	16,651
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment and leasehold improvements	(191,569)	(2,014)
Net cash (used) provided by investing activities	(191,569)	(2,014)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowing	-	-
Net cash (used) provided by financing activities	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(19,642)	14,637
CASH AND CASH EQUIVALENTS, BEGINNING	559,952	545,315
CASH AND CASH EQUIVALENTS, ENDING	\$ 540,310	\$ 559,952
SUPPLEMENTAL SCHEDULE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	\$ -	\$ -
Cash paid during the year for income taxes	-	-
Non-cash transactions:		
In-kind revenue	\$ 147,541	\$ 22,402
In-kind expense	29,777	22,402

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF WINDHAM COUNTY, INC.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2019 and 2018

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Change in Accounting Principle:

On August 18, 2016, the FAS issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*, which is effective for this fiscal year. The Organization has adjusted the presentation of its financial statements accordingly. The new standards change the following aspects of the financial statements:

- The unrestricted net assets class has been renamed *net assets without donor restrictions*.
- The temporarily restricted and permanently restricted net assets have been renamed net assets with donor restrictions (Note 9).
- The financial statements include a new disclosure about liquidity and availability of resources (Note 15).

This summary of significant accounting policies of the United Way of Windham County, Inc. is presented to assist in understanding the United Way of Windham County, Inc.'s financial statements. The financial statements and notes are representations of the organization's management.

Nature of Activities:

United Way of Windham County, Inc. (the Organization) located in Brattleboro, Vermont, raises funds for allocation to other not-for-profit organizations in Windham County that meet the human service needs of the area. It facilitates community volunteers to annually review each applicant organization's funding request and then recommends to the United Way board of directors where the funds should responsibly be distributed. The Organization facilitates the greater human service community to work to bring together all available resources to solve current community problems in the most effective and efficient manner possible.

Use of Estimates:

The preparation of 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 and disclosure of contingent 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.

Income Taxes:

The United Way of Windham County, Inc. is an organization which is not a private foundation within the meaning of section 509(a) of the Internal Revenue Code and qualifies for exemption from federal income tax under Section 501(c)(3) of the Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

UNITED WAY OF WINDHAM COUNTY, INC.

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019 and 2018

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Allocations of Functional Expenses:

The Organization allocates direct expenses to its programs and supporting services on a specific identification basis. Indirect expenses are allocated based on an estimate of employee time spent in each functional area. These estimates may be revised during the year if the actual costs are found to be significantly different than anticipated.

Cash and Cash Equivalents:

For the purposes of the statement of cash flows, the Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents.

In-Kind Contributions:

The Organization receives donations of products and services from various donors. These contributions are recorded at their estimated fair market value at their date of donation. The estimated fair value of such products and services received for fiscal years ended June 30, 2019 and 2018 was \$147,541 and \$22,402 respectively.

Contributions of services are recognized in the financial statements if the services enhance or created non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteer services are not recorded in the financial statements as these contributions do not meet the requirements to be recorded as revenue and expense. Donated goods and services consisted of the following:

Item or Service	2019 Estimated Fair Market Value	2018 Estimated Fair Market Value
Administrative	\$ 6,070	\$ 386
CI	100	400
Volunteer	-	550
United at Work	-	1,700
Campaign	-	13,849
Dental	117,764	950
VITA	2,600	2,600
Kids in Coats	7,117	1,967
Resource Development	13,290	-
Handbags for Hope	600	-
Total	\$ 147,541	\$ 22,402

UNITED WAY OF WINDHAM COUNTY, INC.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2019 and 2018

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Public support/revenue recognition:

The Organization conducts an annual fundraising campaign accounting for pledges received from July 1 through June 30 of each fiscal year. Pledges are recognized as revenue when the pledge is received by the Organization. Campaign contributions and pledges are reported as Net Assets with donor restrictions for use in the subsequent year unless specifically restricted by the donor. Campaign pledges recorded in the current fiscal year are paid out as allocations to agencies over the subsequent fiscal year, typically with a 12-month period. Donor designations are accounted for separately from annual campaign revenue.

Compensated Absences:

The Organization does not record leave time earned by employees. Management determined the impact on these financial statements is immaterial.

Contributions and Net Assets:

United Way of Windham County, Inc. contributions received are recorded as with or without donor restrictions depending upon the existence or nature of donor restriction.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending upon the nature of the restrictions. When the restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: nets assets without donor restrictions and net assets with donor restrictions.

Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Nets assets without donor restrictions are resources available to support operations and not subject to donor restrictions.

The Organization's net assets with donor restrictions at June 30, 2019 and 2018 was \$581,739 and \$635,592 respectively.

UNITED WAY OF WINDHAM COUNTY, INC.

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019 and 2018

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment:

Equipment is stated at cost or at estimated fair value at the date of gift. All expenditures for equipment over \$750 are recorded at cost and are capitalized. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is provided by the straight line method over the estimated useful lives of the assets, generally, as follows:

<u>Asset Class</u>	<u>Estimated Lives</u>
Equipment	5-7 years
Leasehold Improvements	39 years

Depreciation expense for the years ended June 30, 2019 and 2018 was \$8,012 and \$2,512 respectively and amortization expense for the year ended June 30, 2019 was \$161 respectively.

Note 2. PROPERTY AND EQUIPMENT

At June 30, 2019, the costs and related accumulated depreciation of property and equipment consisted of the following:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Equipment	\$ 24,410	\$ 19,187	\$ 5,223
Dental Center	<u>189,735</u>	<u>5,036</u>	<u>184,699</u>
Total 2019	<u>\$ 214,145</u>	<u>\$ 24,223</u>	<u>\$ 189,922</u>
Total 2018	<u>\$ 22,920</u>	<u>\$ 16,394</u>	<u>\$ 6,526</u>

Note 3. FUND RAISING AND ADMINISTRATIVE EXPENSE RATIO

The United Way of Windham County, Inc.'s overhead ratio for June 30, 2019 and 2018 is 24.8% and 30.6% respectively. The overhead ratio is calculated using the gross ratio as recommended by the United Way of America. This percentage is calculated by dividing the general and administrative and fundraising expenses by total revenue, as reported on form 990.

UNITED WAY OF WINDHAM COUNTY, INC.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2019 and 2018

Note 4. PLEDGES RECEIVABLE

Pledges receivable consist of payroll deduction pledges to be received by United Way of Windham County, Inc. within the next fiscal year. Unconditional promises to give are recognized as receivables and as revenues in the period in which the Organization is notified by the donor of their commitment to make a contribution.

Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables from pledges. For the years ending June 30, 2019 and 2018, actual bad debts on prior year pledges were \$18,709 and \$13,000 respectively. The amount of \$245 and \$6,254 were bad debts recoveries for the fiscal years ending June 30, 2019 and 2018 respectively.

Note 5. OFFICE LEASE

United Way of Windham County, Inc. leases its office space under a three year lease expiring March 1, 2022. The terms of the lease call for annual rent of:

Year ending June 30, 2020	\$ 22,640
Year ending June 30, 2021	\$ 22,640
Year ending June 30, 2022	\$ 22,640

Annual rent expense was \$17,436 in 2019 and \$14,740 in 2018.

Note 6. DATE OF MANAGEMENT REVIEW

Management has evaluated subsequent events through March 9, 2020, the date of the audit report. Management is not aware of any subsequent events which require disclosure.

Note 7. RETIREMENT PLAN

The Organization sponsors a defined contribution retirement plan which qualifies for deferred tax treatment by the employee. The Organization matches employee contributions up to 3% of eligible compensation for qualified participants. Employees may contribute up to the maximum allowed by law. Contributions totaled \$3,606 and \$5,941 for the years ending June 30, 2019 and 2018.

UNITED WAY OF WINDHAM COUNTY, INC.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2019 and 2018

Note 8. NET ASSETS WITHOUT DONOR RESTRICTIONS

The board of directors has designated a portion of the net assets as an emergency reserve in the case of the loss of a major employer participant in the annual campaign. The net assets for this fund are as follows:

	2019	2018
Reserve Fund People's United-Designated	\$ 111,483	\$ 110,354
Undesignated	127,522	(137,843)
Total without donor restrictions	\$ 239,005	\$ (27,489)

Note 9. NET ASSETS WITH DONOR RESTRICTIONS

With donor restrictions consisted of the following as of June 30, 2019 and 2018:

	2019	2018
Current campaign revenue to be distributed in the subsequent year	\$ 283,270	\$ 340,123
Bequest to establish an endowment Fund	298,469	295,469
Total with donor restrictions	\$ 581,739	\$ 635,592

The bequest to establish an endowment fund is restricted. The policy restricts any use until a balance of \$300,000 is reached and then only income can be used.

Note 10. DEFERRED REVENUE

Deferred revenues are a result of grants and contracts received but unearned. Revenue is recognized only to the extent that related expenses have been incurred. Deferred revenue at June 30, 2019 and 2018 is as follows:

	2019	2018
Dental Clinic	\$ 52,063	\$ 39,219
Kids in Coats	25,554	32,639
Total	\$ 77,617	\$ 71,858

UNITED WAY OF WINDHAM COUNTY, INC.

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019 and 2018

Note 11. ENDOWMENT FUND

The Community Bank N/A Trust investments consist of various investments which are presented at fair market value. Fair market value is based on price quotations on publicly traded securities. Fair value of the Endowment investments as of June 30, 2019 is as follows:

	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Appreciation</u>
Cash	\$ 33,543	\$ 33,543	\$ -
Equity Mutual Funds	114,683	163,812	49,129
Bond Mutual Funds	<u>102,743</u>	<u>101,114</u>	<u>(1,629)</u>
 Total 6/30/19	 <u>\$ 250,969</u>	 <u>\$ 298,469</u>	 <u>\$ 47,500</u>
 Total 6/30/18	 <u>\$ 242,112</u>	 <u>\$ 295,468</u>	 <u>\$ 53,356</u>

Investment income activity at year end consists of the following:

	<u>2019</u>	<u>2018</u>
Unrealized gain	\$ (8,167)	\$ 9,846
Realized gain	5,196	-
Interest	690	344
Dividends	10,746	10,849
Investment fees	<u>(4,335)</u>	<u>(4,216)</u>
	<u>\$ 4,130</u>	<u>\$ 16,823</u>

Note 12. CONCENTRATION OF CREDIT RISK

The Organization places its cash accounts with four major financial institutions and, by policy, limits the amount of credit exposure to any one financial institution. No amounts exceeded the FDIC insurance levels at June 30, 2019 and 2018.

Note 13. ACCOUNTING STANDARD FOR TAX BENEFITS

In accordance with ASC 740, Income taxes, the Organization must record the tax benefit associated with tax deductions taken for tax return purposes when it is more likely than not the position will not be sustained. This standard had no impact on the Organization's financial statements for the year ending June 30, 2019. The Organization does not believe there are any material uncertain tax positions and, according, it has not recognized any liability for unrecognized tax benefits. For the year ended June 30, 2019, there were no interest or penalties recorded or included in the financial statement.

UNITED WAY OF WINDHAM COUNTY, INC.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2019 and 2018

Note 14. BOARD DESIGNATED ACCOUNTS

The balance in this account at year end consists of the following:

	<u>2019</u>	<u>2018</u>
Reserve Fund at People's United	\$ 111,483	\$ 110,354
Endowment Fund (Note 11)	<u>298,469</u>	<u>295,468</u>
	<u>\$ 409,952</u>	<u>\$ 405,822</u>

Note 15. LIQUIDITY

The Organization has the following financial assets available within one year of the statement of financial positions to meet cash needs for general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position.

Cash	\$ 77,324
Accounts receivable	91,811
Pledges receivable	<u>101,824</u>
Total	<u>\$ 270,959</u>

SUPPLEMENTARY INFORMATION

UNITED WAY OF WINDHAM COUNTY, INC.

SCHEDULE OF ALLOCATIONS AND INITIATIVES

June 30, 2019 and 2018

	2019	2018
AHS Direct Service Dollars	\$ 8,444	\$ 3,300
AIDS Project of Southern Vermont	2,500	2,500
Boys & Girls Club	5,000	10,000
Green Mountain Camp for Girls	10,000	10,000
Groundworks Collaborative/Morningside Shelter	30,000	32,500
Our Place Drop in Center	2,500	-
CI Venture/Spark Fund	3,330	2,500
Denture Fund	9,600	6,400
Parks Place Community Resource Center	-	10,000
Prevent Child Abuse Vermont	10,000	10,000
Senior Solutions	-	7,500
Turning Point	500	-
VT Partnership for Fairness	500	-
Vermont 211	5,631	5,571
VITA Tax Prep	-	416
Windham Child Care -- Education Incentive	12,500	10,000
Windham Childcare Association	10,000	10,000
Youth Services	25,000	30,000
Kids in Coats	25,739	23,817
	<u>25,739</u>	<u>23,817</u>
Total Allocations	<u>\$ 161,244</u>	<u>\$ 174,504</u>