

**FINANCIAL STATEMENTS OF  
UNITED WAY OF TOMPKINS COUNTY, INC.  
YEARS ENDED JUNE 30, 2022 AND 2021**

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
United Way of Tompkins County, Inc.  
Ithaca, New York 14850

### Opinion

We have audited the accompanying financial statements of United Way of Tompkins County, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Tompkins County, Inc. as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Way of Tompkins County, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Tompkins County, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

*Sciarabba Walker & Co. LLP*

Sciarabba Walker & Co., LLP

Ithaca, New York  
September 26, 2022

**UNITED WAY OF TOMPKINS COUNTY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30,**  
**ASSETS**

	2022	2021
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 187,171	\$ 439,339
Short-term investments	10,210	161,149
Unconditional promises to give, net of allowance for doubtful accounts of \$53,800 and \$56,000, respectively	450,939	433,789
Grant receivable	20,000	-
Other accounts receivable	-	3,746
Prepaid expenses	19,873	26,551
<b>TOTAL CURRENT ASSETS</b>	688,193	1,064,574
<b>LONG-TERM INVESTMENTS</b>	699,083	907,540
<b>FUNDS HELD IN TRUST BY OTHERS</b>	125,800	167,213
<b>PROPERTY AND EQUIPMENT:</b>		
Property and equipment, net of accumulated depreciation of \$308,235 and \$300,361, respectively	14,535	22,409
<b>TOTAL ASSETS</b>	<b>\$ 1,527,611</b>	<b>\$ 2,161,736</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 9,791	\$ 5,303
Agency allocations payable	-	72,046
Deferred designations payable	122,919	127,030
Current portion of SBA PPP loan payable	-	3,030
<b>TOTAL CURRENT LIABILITIES</b>	132,710	207,409
<b>NON-CURRENT LIABILITIES:</b>		
SBA PPP loan, net of current portion	-	92,779
<b>TOTAL LIABILITIES</b>	132,710	300,188
<b>NET ASSETS:</b>		
Without donor restrictions	( 36,148)	289,904
With donor restrictions	1,431,049	1,571,644
<b>TOTAL NET ASSETS</b>	1,394,901	1,861,548
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,527,611</b>	<b>\$ 2,161,736</b>

See accompanying notes.

**UNITED WAY OF TOMPKINS COUNTY, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**For the year ended June 30,**

	2022		
	Net assets without donor restrictions	Net assets with donor restrictions	Total
<b>PUBLIC SUPPORT AND REVENUE:</b>			
Contributions:	\$ -	\$ 1,738,235	\$ 1,738,235
Less: designations	-	( 479,236)	( 479,236)
Less: collection loss	-	( 55,995)	( 55,995)
Non-campaign grants	-	20,000	20,000
Investment income (loss)	( 4,776)	1,327	( 3,449)
Realized gain on investments	66,974	16,957	83,931
Unrealized loss on investments	( 214,530)	( 49,991)	( 264,521)
Rental income	12,960	-	12,960
Other income	2,755	-	2,755
Contributed nonfinancial assets	301,699	-	301,699
Gain on SBA PPP loan forgiveness	95,809	-	95,809
Assets released from restrictions:			
Released from restrictions by time	1,331,892	( 1,331,892)	-
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<u>1,592,783</u>	<u>( 140,595)</u>	<u>1,452,188</u>
<b>EXPENSES:</b>			
Program services	1,413,328	-	1,413,328
Management and general	280,493	-	280,493
Fundraising	225,014	-	225,014
<b>TOTAL EXPENSES</b>	<u>1,918,835</u>	<u>-</u>	<u>1,918,835</u>
<b>CHANGE IN NET ASSETS</b>	( 326,052)	( 140,595)	( 466,647)
<b>NET ASSETS, beginning of year</b>	<u>289,904</u>	<u>1,571,644</u>	<u>1,861,548</u>
<b>NET ASSETS, end of year</b>	<u><u>\$ ( 36,148)</u></u>	<u><u>\$ 1,431,049</u></u>	<u><u>\$ 1,394,901</u></u>

See accompanying notes.

**UNITED WAY OF TOMPKINS COUNTY, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**For the year ended June 30,**

	2021		
	Net assets without donor restrictions	Net assets with donor restrictions	Total
<b>PUBLIC SUPPORT AND REVENUE:</b>			
Contributions:	\$ -	\$ 1,699,285	\$ 1,699,285
Less: designations	-	( 350,441)	( 350,441)
Less: collection loss	-	( 55,983)	( 55,983)
Investment income (loss)	7,458	( 786)	6,672
Realized gain on investments	52,165	6,865	59,030
Unrealized gain on investments	157,044	22,499	179,543
Rental income	13,860	-	13,860
Other income	7,754	-	7,754
Contributed nonfinancial assets	305,935	-	305,935
Gain on SBA PPP loan forgiveness	107,700	-	107,700
Assets released from restrictions:			
Released from restrictions by time	1,323,504	( 1,323,504)	-
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>1,975,420</b>	<b>( 2,065)</b>	<b>1,973,355</b>
<b>EXPENSES:</b>			
Program services	1,324,748	-	1,324,748
Management and general	286,461	-	286,461
Fundraising	241,026	-	241,026
<b>TOTAL EXPENSES</b>	<b>1,852,235</b>	<b>-</b>	<b>1,852,235</b>
<b>CHANGE IN NET ASSETS</b>	123,185	( 2,065)	121,120
<b>NET ASSETS, beginning of year</b>	166,719	1,573,709	1,740,428
<b>NET ASSETS, end of year</b>	<b>\$ 289,904</b>	<b>\$ 1,571,644</b>	<b>\$ 1,861,548</b>

See accompanying notes.

**UNITED WAY OF TOMPKINS COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the year ended June 30, 2022**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 278,537	\$ 108,089	\$ 29,101	\$ 415,727
Other benefits	13,595	5,276	1,420	20,291
Employee benefits	40,588	15,750	4,240	60,578
Payroll taxes	21,938	8,513	2,292	32,743
<b>TOTAL SALARIES AND RELATED EXPENSES</b>	<b>354,658</b>	<b>137,628</b>	<b>37,053</b>	<b>529,339</b>
Community Care Fund grants	733,850	-	-	733,850
Flexible funds grants	15,000	-	-	15,000
UW/211 ALICE program grants	85,849	-	-	85,849
Special grants	1,726	-	-	1,726
Student engagement grants	44,600	-	-	44,600
Livermore operating expenses	-	30,527	-	30,527
Professional fees	15,063	54,254	2,624	71,941
Payroll processing fees	1,195	464	125	1,784
Supplies	6,597	2,560	689	9,846
Telephone	4,975	1,931	520	7,426
Postage and shipping	2,700	1,048	282	4,030
Printing and copying expense	4,384	1,701	458	6,543
Marketing	3,166	927	1,623	5,716
Marketing - in-kind	120,724	-	180,975	301,699
Bank, credit card, and stock fees	-	8,463	-	8,463
Travel, conferences, conventions, and meetings	2,513	1,437	4	3,954
Insurance	5,951	4,089	622	10,662
Miscellaneous	10,377	1,487	39	11,903
<b>TOTAL EXPENSES BEFORE DUES</b>	<b>1,413,328</b>	<b>246,516</b>	<b>225,014</b>	<b>1,884,858</b>
Membership dues	-	33,977	-	33,977
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 1,413,328</b>	<b>\$ 280,493</b>	<b>\$ 225,014</b>	<b>\$ 1,918,835</b>

See accompanying notes.

**UNITED WAY OF TOMPKINS COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the year ended June 30, 2021**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 259,500	\$ 103,800	\$ 35,931	\$ 399,231
Other benefits	16,219	6,487	2,246	24,952
Employee benefits	32,624	13,050	4,517	50,191
Payroll taxes	21,231	8,492	2,940	32,663
<b>TOTAL SALARIES AND RELATED EXPENSES</b>	<b>329,574</b>	<b>131,829</b>	<b>45,634</b>	<b>507,037</b>
Community Care Fund grants	728,800	-	-	728,800
Flexible funds grants	13,650	-	-	13,650
Covid-19 grants	27,002	-	-	27,002
Special grants	3,786	-	-	3,786
Student engagement grants	62,838	-	-	62,838
Livermore operating expenses	-	48,259	-	48,259
Professional fees	13,130	49,837	6,592	69,559
Payroll processing fees	1,131	452	157	1,740
Supplies	3,512	1,405	486	5,403
Telephone	4,511	1,805	625	6,941
Postage and shipping	2,151	860	298	3,309
Printing and copying expense	4,468	1,787	619	6,874
Marketing	1,898	582	1,541	4,021
Marketing - in-kind	121,345	280	184,310	305,935
Bank, credit card, and stock fees	-	8,593	-	8,593
Travel, conferences, conventions, and meetings	1,533	636	14	2,183
Insurance	5,419	3,887	750	10,056
Miscellaneous	-	1,338	-	1,338
<b>TOTAL EXPENSES BEFORE DUES</b>	<b>1,324,748</b>	<b>251,550</b>	<b>241,026</b>	<b>1,817,324</b>
Membership dues	-	34,911	-	34,911
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 1,324,748</b>	<b>\$ 286,461</b>	<b>\$ 241,026</b>	<b>\$ 1,852,235</b>

See accompanying notes.



**UNITED WAY OF TOMPKINS COUNTY, INC.**  
**STATEMENT OF CASH FLOWS**  
**For the years ended June 30,**

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Changes in net assets	\$ ( 466,647)	\$ 121,120
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation expense	7,874	9,045
PPP loan forgiveness income	( 95,809)	( 107,700)
Realized gain on investments	( 83,931)	( 59,030)
Unrealized loss (gain) on investments	264,521	( 179,543)
Changes in unconditional promises to give	( 17,150)	179,536
Changes in prepaid expenses	6,678	32,881
Changes in grant receivable	( 20,000)	-
Changes in other accounts receivable	3,746	11,155
Changes in accounts payable	4,488	2,281
Changes in agency allocations payable	( 72,046)	( 19,736)
Changes in deferred designations payable	( 4,111)	( 239,180)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>( 472,387)</b>	<b>( 249,171)</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Short-term investments, net	150,939	51,660
Proceeds from sale of long-term investments	293,785	349,982
Purchases of long-term investments	( 224,505)	( 256,590)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>220,219</b>	<b>145,052</b>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from PPP loan	-	95,809
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>-</b>	<b>95,809</b>
 <b>NET CHANGE IN CASH</b>	<b>( 252,168)</b>	<b>( 8,310)</b>
 <b>CASH, beginning of year</b>	<b>439,339</b>	<b>447,649</b>
 <b>CASH, end of year</b>	<b>\$ 187,171</b>	<b>\$ 439,339</b>
 <b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>		
<b>CASH PAID DURING THE YEAR FOR:</b>		
Interest	\$ -	\$ -
Taxes	-	-

See accompanying notes.

**UNITED WAY OF TOMPKINS COUNTY, INC.**  
**Notes to Financial Statements**  
**For the years ended June 30, 2022 and 2021**

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

1. *Organization* – The goal of the United Way of Tompkins County, Inc., (the “Organization”) is to help provide the means by which citizens, businesses, and agencies may join in a community-wide effort to help provide efficient human service programs related to the needs of the people of Tompkins County. The Organization assists in evaluating the needs of the people of the community, provides managerial and financial assistance to agencies, and evaluates the effectiveness of human service programs in the area.
2. *Basis of Accounting* – The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America.
3. *Income Taxes* – The Organization is exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code and, therefore, no income taxes are payable by the Organization. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(a)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization accounts for income taxes in accordance with FASB Accounting Standards Codification (ASC) 740, *Income Taxes*. FASB ASC 740-10 clarifies the accounting for income taxes, by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements.

4. *Property and Equipment* – Property and equipment are reported at cost if purchased or fair value if donated. Depreciation expense is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 27.5 years. Expenditures for repairs and maintenance are charged to expense as incurred whereas major betterments having a cost basis exceeding \$5,000 and greater than one-year service life are capitalized.
5. *Estimates* – Management of the Organization uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that management uses.
6. *Cash and Cash Equivalents* – For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments purchased with maturity of three months or less to be cash and cash equivalents.
7. *Financial Statement Presentation* – The Organization reports information regarding its financial position and activities according to two classes of net assets - net assets without donor restrictions and net assets with donor restrictions.

8. *Revenue Recognition* – Contributions received are recorded as those without donor or with donor restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions. When a 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.

In accordance with U.S. generally accepted accounting principles, the Organization records contributions that are designated to specified organizations as a liability.

9. *Donated Property and Equipment* – The Organization reports gifts of land, buildings, and equipment as unrestricted support at their estimated fair value at the date of donation 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 restricted support. In the absence 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.
10. *Donated Services* – Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers have also provided fund raising services throughout the year that were not recognized as contributions in the financial statements, as the recognition criteria under generally accepted accounting principles were not met.
11. *Investments* – The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities are stated at their fair values in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statements of Activities and Changes in Net Assets.
12. *Investment Income and Gain* – Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (when either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.
13. *Unconditional Promises to Give and Contributions Receivable* – All contributions are available for unrestricted use unless specifically restricted by the donor. Promises to give for contributions are recorded as received and allowances are provided for amounts estimated as uncollectible.
14. *Functional Expense Allocation* – The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets and in the Statements of Functional Expenses. Most expenses have been allocated based on actual function. Salaries and some other expenses have been allocated and reasonably estimated based on staff time.

15. *Deferred Designations Payable* – Deferred designations payable represents the amount of restricted contributions received with specific beneficiaries that have not been distributed for the years ended June 30, 2022 and 2021.

16. *Reclassifications* – Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

## B. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions:

	2022	2021
Total assets	\$ 1,527,611	\$ 2,161,736
Less: other assets (prepaids)	19,873	26,551
Less: property and equipment	14,535	22,409
Financial assets	<u>1,493,203</u>	<u>2,112,776</u>
Less: those unavailable for general expenditures within one year, due to:		
Pledges receivable due to designations	132,321	79,826
Investments - restricted funds held in trust by others	125,800	167,213
Investments - donor restricted to maintain an endowment	17,149	17,149
	<u>275,270</u>	<u>264,188</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 1,217,933</u>	<u>\$ 1,848,588</u>

The Organization in typical years seeks to maintain at least \$200,000 in operating cash accounts to meet at least four months of normal operating expenses per the operating reserve fund policy. As part of the Organization’s liquidity management, it invests cash in certificates of deposits and carries investments in marketable securities with readily determinable fair values, upon which it could draw in the event of an unanticipated liquidity need.

## C. INVESTMENTS

The cost, fair value, and unrealized appreciation for the investments of the Organization for the years ended June 30, are as follows:

	2022		
	Cost	Fair Value	Unrealized Depreciation
Short-Term Investments:			
Certificates of deposit	\$ 10,210	\$ 10,210	\$ -
Long-Term Investments:			
Equities/fixed income	\$ 616,514	\$ 615,820	\$ ( 694)
Mutual funds	96,042	83,263	( 12,779)
Total Long-Term Investments	<u>\$ 712,556</u>	<u>\$ 699,083</u>	<u>\$ ( 13,473)</u>

	2021		
	Cost	Fair Value	Unrealized Appreciation
Short-Term Investments:			
Certificates of deposit	\$ 161,149	\$ 161,149	\$ -
Long-Term Investments:			
Equities/fixed income	\$ 605,973	\$ 807,566	\$ 201,593
Mutual funds	99,966	99,974	8
Total Long-Term Investments	<u>\$ 705,939</u>	<u>\$ 907,540</u>	<u>\$ 201,601</u>

The following schedule summarizes the investment return for the years ended June 30:

	2022	2021
Investment (loss) income	\$ ( 3,449)	\$ 6,672
Realized gain	83,931	59,030
Unrealized gain (loss)	( 264,521)	179,543
Totals	<u>\$ ( 184,039)</u>	<u>\$ 245,245</u>

#### D. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give for the years ended June 30, is as follows:

	2022	2021
Unconditional promises to give:		
Program year under audit	\$ 103,561	\$ 67,338
Program year subsequent to audit	401,178	422,451
Less: reserve for unconditional promises	( 53,800)	( 56,000)
Total unconditional promises to give	<u>\$ 450,939</u>	<u>\$ 433,789</u>

Actual amounts written off for the campaign year, two years prior to the year under audit, were \$55,995 and \$55,983, as of June 30, 2022 and 2021, respectively.

#### E. LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment for the years ended June 30, is as follows:

	2022		
	Cost	Accumulated Depreciation	Net Book Value
Land	\$ 5,000	\$ -	\$ 5,000
Building	25,000	25,000	-
Building improvements	180,094	171,895	8,199
Equipment	112,676	111,340	1,336
Totals	<u>\$ 322,770</u>	<u>\$ 308,235</u>	<u>\$ 14,535</u>

	2021		
	Cost	Accumulated Depreciation	Net Book Value
Land	\$ 5,000	\$ -	\$ 5,000
Building	25,000	25,000	-
Building improvements	180,094	168,490	11,604
Equipment	112,676	106,871	5,805
Totals	<u>\$ 322,770</u>	<u>\$ 300,361</u>	<u>\$ 22,409</u>

Depreciation expense for the years ended June 30, 2022 and 2021 amounted to \$7,874 and \$9,045, respectively.

#### F. REVENUE

Total contributions of \$1,258,999 and \$1,348,844 for the years ended June 30, 2022 and 2021, respectively were recognized. The total Campaign revenue includes amounts designated for other agencies, which are not included in reported contributions.

#### G. DEFINED CONTRIBUTION PLAN

The Organization maintains a defined contribution plan for their employees. Each year, the Organization contributes money to the Plan on behalf of eligible employees. Benefits will vest and become available upon termination.

The effective date of the Plan is February 1, 1995, and the Plan year is January 1 through December 31. The Plan administrator is the Organization. The Plan trustee is Tompkins Trust Company.

*Eligibility and Participation Requirements* – All employees become eligible to participate in the Plan after they have completed one year of service and have attained age 21. An employee can be hired, fully vested, and eligible based on service with another employer.

*Vesting* – Vesting refers to the point at which the employees participating in the Plan start to receive a benefit. Employees participating in the Plan will become vested in the Plan based on the number of years of service in accordance with the following schedule:

1 year	20%
2 years	40%
3 years	60%
4 years	80%
5 years	100%

*Break in Service* – A one-year break in service is a computation period during which employees participating in the Plan have not completed more than 500 hours of service.

*Contributions to the Plan* – Once an employee becomes a participant in the Plan, the Organization will contribute each year on the employees' behalf an amount equal to 6% of their total compensation.

The employer contributions to the Plan for the years ended June 30, 2022 and 2021 were \$21,400 and \$17,420, respectively.

**H. CONCENTRATION OF CREDIT RISK**

During the year, the Organization will have bank deposits in excess of the FDIC insured limits.

**I. CONTRIBUTED SERVICES**

Contributed services with an estimated value of \$62,788 and \$38,519 for the years ended June 30, 2022 and 2021, were not recognized in the financial statements because they did not meet the criteria for recognition under generally accepted accounting principles.

**J. ALLOCATIONS, FLEXIBLE FUND AWARDS, AND EMERGENCY GRANT**

The following are amounts paid to agencies and towns, excluding direct designations, during the years ended June 30, 2022 and 2021. These allocations are from the 2020-2021 and 2019-2020 campaign.

	<u>2022</u>	<u>2021</u>
<b>AGENCY ALLOCATIONS:</b>		
Alcohol and Drug Council of Tompkins County	\$ 20,000	\$ 20,000
Alliance for Childhood	-	10,000
Brooktondale Community Center, Inc.	1,700	1,700
Cancer Resource Center of the Finger Lakes	7,500	7,500
Catholic Charities of Tompkins/Tioga	38,000	38,000
Challenge Industries, Inc.	16,000	16,000
Child Development Council	55,000	55,000
Community Dispute Resolution Center	10,000	10,000
Cooperative Extension Association of Tompkins County	36,500	36,500
Danby Community Council	-	4,500
Downtown Ithaca Children's Center	11,800	11,800
Dryden Community Council	5,500	1,500
Enfield Community Council	11,750	4,750
Family and Children's Services of Ithaca	80,000	80,000
Family Reading Partnership	8,000	8,000
Food Bank of the Southern Tier	-	5,000
Foodnet Meals on Wheels	30,000	30,000
Gadabout Transportation Services	11,000	11,000
Greater Ithaca Activities Center	57,000	57,000
Groton Community Council	4,300	4,300
Groundswell Center for Local Food and Farming	2,000	2,000
Habitat for Humanity of Tompkins and Cortland Counties	2,000	2,000
Human Services Coalition of Tompkins County	20,000	20,000
Ithaca Children's Garden	-	7,500
Ithaca Community Childcare Center	10,500	10,500

Ithaca Health Alliance	35,000	35,000
Ithaca Neighborhood Housing Services	10,000	10,000
Ithaca Welcomes Refugees	10,000	-
Lansing Community Council	-	3,750
Learning Web	40,000	40,000
Legal Assistance of Western NY	5,000	5,000
Lifelong (Tompkins County Senior Citizens' Council)	5,500	5,500
Loaves and Fishes of Tompkins County	22,000	22,000
Newfield Community Council	10,300	2,500
Open Doors English	10,000	10,000
Opportunities, Alternatives, and Res. (OAR)	14,000	14,000
Racker	8,175	8,175
Second Wind Cottages	7,500	7,500
St. John's Community Service	20,000	20,000
Suicide Prevention & Crisis Service	17,275	17,275
The Advocacy Center of Tompkins County	21,000	21,000
Tompkins County Food Distribution Network	5,000	-
Tompkins County Office American Red Cross	5,000	5,000
Tompkins County Workforce Development	2,000	-
Tompkins Learning Partners (Literacy Volunteers)	9,000	9,000
Ulysses Community Council	11,550	11,550
Village at Ithaca	12,000	12,000
Women's Opportunity Center	5,000	5,000
Y.M.C.A. of Ithaca and Tompkins County	10,000	10,000
Total Allocations	<u>733,850</u>	<u>728,800</u>
Total Flexible Fund Awards	15,000	40,652
Total Special Grants	1,726	3,786
Total Student Engagement Grants	44,600	62,838
Total UW/211 ALICE Program Grants	85,849	-
Total Allocations, Awards and Grants	<u>\$ 881,025</u>	<u>\$ 836,076</u>

#### K. NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions are classified as follows as of June 30:

	<u>2022</u>	<u>2021</u>
Undesignated	\$ ( 227,202)	\$ 98,850
Board designated:		
Reserves	162,302	162,302
Capital maintenance/equipment	28,752	28,752
Total net assets without donor restrictions	<u>\$ ( 36,148)</u>	<u>\$ 289,904</u>

The Organization has two types of net assets without donor restrictions - undesignated funds and Board designated funds. The Board designated funds have been designated by the Organization's board for the specific purposes noted above.



## L. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions comprised the following at June 30:

	<u>2022</u>	<u>2021</u>
Promises to give, with donor restrictions designated for special initiatives	\$ 75,246	\$ 190,968
Promises to give, available for designation for subsequent year allocations to agencies	1,212,854	1,196,314
Net assets held by the Organization or held by others that are subject to investment in perpetuity - principal in investment account	117,149	117,149
Net assets held by the Organization or held by others that are subject to investment in perpetuity - earnings in investment account	25,800	67,213
Total net assets with donor restrictions	<u>\$ 1,431,049</u>	<u>\$ 1,571,644</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. The total assets released from restrictions amounted to \$1,331,892 and \$1,323,504 for the years ended June 30, 2022 and 2021, respectively.

The income from the endowments held by the Organization along with those held in trusts can be used to fund the operations of the Organization.

## M. LIVERMORE BUILDING

The Livermore Building holds the administrative offices of the Organization. In addition, office space is rented to other professionals. Expenses relating to the building for the years ended June 30 are as follows:

	<u>2022</u>	<u>2021</u>
Utilities	\$ 6,687	\$ 5,208
Repairs and upkeep	13,670	30,432
Property taxes	710	2,620
Building supplies	930	294
Equipment contracts	656	660
Depreciation	7,874	9,045
	<u>\$ 30,527</u>	<u>\$ 48,259</u>

## N. FUNDS HELD IN TRUST BY OTHERS

Funds held in trust by others represent investments associated with a trust held in perpetuity. The income from the trust is distributed annually and may be used for general operating purposes. Funds held in trust are recognized at the estimated fair value of the assets. These funds had unrealized depreciation and appreciation of \$41,413 and \$27,420 for the years ended June 30, 2022 and 2021, respectively. This activity is included with the investment

returns. The composition of the investments associated with the funds held in trust at fair market value at June 30 is as follows:

	<u>2022</u>	<u>2021</u>
Cash	\$ 2,275	\$ 5,569
Equities/fixed income	81,247	48,733
Mutual Funds	42,278	112,911
Total Long-Term Investments	<u>\$ 125,800</u>	<u>\$ 167,213</u>

#### O. FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) 820 established a three-tier hierarchy for fair value measurements, which prioritizes the inputs used in measuring fair value as follows:

- Level 1 – Observable inputs such as quoted prices for identical instruments in active markets.
- Level 2 – Inputs other than quoted prices in active markets that are observable either directly or indirectly through corroboration with observable market data.
- Level 3 – Unobservable inputs in which there is little or no market data, which would require the Organization to develop its own assumptions.

As of June 30, 2022, the Organization held certain assets that were measured at fair value on a recurring basis. The fair value of investments is obtained from readily available market prices. The following table presents the Organization’s financial assets measured at fair value on a recurring basis as of June 30, 2022 and 2021 subject to the disclosure requirements of ASC 820:

<b>Fair Value Measurements as of June 30, 2022</b>				
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>ASSETS:</b>				
Investments	\$ 709,293	\$ 709,293	\$ -	\$ -
Funds held in trust	125,800	-	-	125,800
Pledges receivable	450,939	-	-	450,939
<b>Fair Value Measurements as of June 30, 2021</b>				
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>ASSETS:</b>				
Investments	\$ 1,068,689	\$ 1,068,689	\$ -	\$ -
Funds held in trust	167,213	-	-	167,213
Pledges receivable	433,789	-	-	433,789

Reconciliation of Level 3 amounts:

Pledges due at June 30, 2020	\$ 613,325
New pledges during 2020-2021	1,699,285
Pledges collections in 2020-2021	(1,822,838)
Pledges written off during 2020-2021	( 55,983)
Pledges due at June 30, 2021	<u>\$ 433,789</u>
Funds held in trust, June 30, 2020	\$ 139,900
Increased value of funds held in trust during 2020-2021	27,313
Funds held in trust, June 30, 2021	<u>\$ 167,213</u>
Pledges due at June 30, 2021	\$ 433,789
New pledges during 2021-2022	1,738,235
Pledges collections in 2021-2022	(1,665,090)
Pledges written off during 2021-2022	( 55,995)
Pledges due at June 30, 2022	<u>\$ 450,939</u>
Funds held in trust, June 30, 2021	\$ 167,213
Decreased value of funds held in trust during 2021-2022	( 41,413)
Funds held in trust, June 30, 2022	<u>\$ 125,800</u>

**P. CONCENTRATIONS OF CONTRIBUTIONS**

The Organization received approximately 30% and 35% of its annual campaign from donors at Cornell University for the years ended June 30, 2022 and 2021, respectively.

**Q. COMMITMENTS**

The Organization has one active lease agreement. It is a five (5) year lease, commencing September 1, 2019, for eighteen (18) of thirty (30) parking spaces located in the parking lot at 313 North Aurora Street, Ithaca, New York. During the initial five (5) year lease, the tenant will pay a monthly rental fee of \$1,080 due on the first day of each month. There is an option to extend the lease for an additional five (5) years, with a monthly rental fee of \$1,350. The future payments are as follows:

2023	\$ 12,960
2024	12,960
2025	2,160
Total	<u>\$ 28,080</u>

Rental income was \$12,960 and \$13,860 for the years ended June 30, 2022 and 2021, respectively.

**R. PAYCHECK PROTECTION PROGRAM LOAN**

During January 2021, the Organization applied for and received a Second Draw Paycheck Protection Program Loan of \$95,809 as created by the Consolidated Appropriations Act of

2021. The loan had an interest rate of 1% and a maturity date of five years and loan payments were deferred until ten months from the end of the Organization’s covered period. The loan was eligible for forgiveness based on the Organization maintaining or quickly rehiring employees and maintaining salary levels. The Organization received forgiveness of the entire loan amount and related accrued interest on October 28, 2021. In addition, the Organization’s First Draw PPP Loan of \$107,700 was fully forgiven in November 2020. These amounts are shown on the Statements of Activities and Changes in Net Assets for the years ended June 30, 2022 and 2021.

The AICPA has issued TQA 3200.18 outlining treatment options for PPP loans by non-governmental entities. These options include treating the amount as a loan in accordance with FASB ASC 470 and accruing interest in accordance with FASB ASC 835-30, or as a governmental grant by analogy to International Accounting Standards (IAS) 20, Accounting for Government Grants and Disclosure or Government Assistance. The Organization had elected to treat the PPP loan utilizing the option provided by FASB ASC 470.

**S. ADOPTION OF NEW ACCOUNTING PRONOUNCEMENTS**

In September 2020 the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) No. 2020-07 “Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets.” The core principle of the guidance is that a not-for-profit organization presents contributed non-financial assets as a separate line item in the statement of activities and changes in net assets, apart from other contributions of cash or financial assets with applicable footnote disclosures. The Organization adopted the provisions of this guidance retrospectively in 2021. There was no impact on the Organization’s financial statements. See Note T for additional disclosures.

**T. CONTRIBUTED NONFINANCIAL ASSETS:**

For the years ended June 30, contributed nonfinancial assets recognized within the statements of activities and changes in net assets included:

	<u>2022</u>	<u>2021</u>
Professional services	\$ 301,699	\$ 305,935

The Organization was provided professional services at no cost in order to run professional service announcement messages, including production services for radio advertisements along, with video production and messaging for their annual campaign. Based on current market rates for professional services, the Organization would have paid \$301,699 and \$305,935 for the years ended June 30, 2022 and 2021, respectively.

All gifts-in-kind received by the Organization for the years ended June 30, 2022 and 2021 were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

**U. SUBSEQUENT EVENTS**

The Organization has evaluated the subsequent events through September 26, 2022, the date when the financial statements were available to be issued. There were no subsequent events that required disclosure.