



United Way of San Antonio
and Bexar County

Consolidated Financial Statements

June 30, 2022 and 2021



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
United Way of San Antonio and Bexar County
San Antonio, Texas

Opinion

We have audited the accompanying consolidated financial statements of United Way of San Antonio and Bexar County ("UWSA"), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021 and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements and have issued our separate report thereon dated November 29, 2022.

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

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 UWSA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to your 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, 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 UWSA'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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 and *Government 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 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 consolidated financial statements.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements – continued

In performing an audit in accordance with generally accepted auditing standards and *Government 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 UWSA'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 UWSA's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of distributions to agencies and programs, consolidating statements of financial position and activities and, schedule of indirect costs are presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U. S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 29, 2022 on our consideration of UWSA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of UWSA's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering UWSA's internal control over financial reporting and compliance.

ADKF, PC

ADKF, P.C.
San Antonio, Texas
November 29, 2022

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 14,913,984	\$ 12,273,133
Investments	39,192,520	46,995,526
Receivables:		
Pledges, net of allowance for uncollectible pledges	12,491,946	11,327,767
Grants and other receivables	889,508	914,909
Prepaid expenses and other assets	128,078	179,173
Total Current Assets	<u>67,616,036</u>	<u>71,690,508</u>
Noncurrent Assets:		
Endowment and Legacy Fund:		
Restricted cash	25,000	-
Investments	15,649,271	15,052,705
Beneficial Interests in Perpetual Trusts	2,078,328	2,215,924
Property and Equipment, at cost, net of accumulated depreciation	<u>1,495,681</u>	<u>1,180,184</u>
Total Noncurrent Assets	<u>19,248,280</u>	<u>18,448,813</u>
TOTAL ASSETS	<u><u>\$ 86,864,316</u></u>	<u><u>\$ 90,139,321</u></u>
 LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 5,759,875	\$ 3,135,029
Donor designations payable	<u>6,709,204</u>	<u>8,610,441</u>
TOTAL LIABILITIES	<u>12,469,079</u>	<u>11,745,470</u>
Commitments - Note 9		
Net Assets:		
Without donor restrictions	30,820,388	34,590,887
With donor restrictions:		
Temporary in nature	30,953,132	31,080,713
Perpetual in nature	<u>12,621,717</u>	<u>12,722,251</u>
TOTAL NET ASSETS	<u>74,395,237</u>	<u>78,393,851</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 86,864,316</u></u>	<u><u>\$ 90,139,321</u></u>

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

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

CONSOLIDATED STATEMENT OF ACTIVITIES

For The Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total 2022
<u>PUBLIC SUPPORT AND OTHER REVENUE</u>			
Community campaign	\$ -	\$ 46,336,667	\$ 46,336,667
Non-UWSA designations	-	(10,318,283)	(10,318,283)
Donor designations	-	(7,297,248)	(7,297,248)
Provision for uncollectible pledges	-	(1,386,265)	(1,386,265)
Net carryover pledges	-	(149,230)	(149,230)
Net amount available to UWSA	-	27,185,641	27,185,641
Net assets released from restrictions	26,294,335	(26,294,335)	-
Collection of prior year campaign contributions in excess of (less than) amount anticipated	806,361	-	806,361
Contributions (non-campaign)	3,095,149	1,009,166	4,104,315
Grants and contracts	5,570,969	-	5,570,969
Investment earnings/(loss), net of fees	(5,167,796)	(1,853,587)	(7,021,383)
In-kind revenue	326,549	-	326,549
Other income	443,775	-	443,775
TOTAL PUBLIC SUPPORT AND OTHER REVENUE	31,369,342	46,885	31,416,227
<u>EXPENSES</u>			
Program Services:			
Distributions to Agencies and Programs	34,428,003	275,000	34,703,003
Less donor designations	(9,085,540)	-	(9,085,540)
Net funds distributed	25,342,463	275,000	25,617,463
Other program services	5,109,561	-	5,109,561
Total Program Services	30,452,024	275,000	30,727,024
Support Services:			
Fund-raising	3,330,044	-	3,330,044
Management & general	1,357,773	-	1,357,773
Total Support Services	4,687,817	-	4,687,817
TOTAL EXPENSES	35,139,841	275,000	35,414,841
CHANGE IN NET ASSETS	(3,770,499)	(228,115)	(3,998,614)
Net assets at beginning of year	34,590,887	43,802,964	78,393,851
NET ASSETS AT END OF YEAR	\$ 30,820,388	\$ 43,574,849	\$ 74,395,237

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

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY**CONSOLIDATED STATEMENT OF ACTIVITIES**

For The Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total 2021
PUBLIC SUPPORT AND OTHER REVENUE			
Community campaign	\$ -	\$ 47,975,739	\$ 47,975,739
Non-UWSA designations	-	(10,291,266)	(10,291,266)
Donor designations	-	(9,085,540)	(9,085,540)
Provision for uncollectible pledges	-	(355,156)	(355,156)
Net carryover pledges	-	(1,949,442)	(1,949,442)
Net amount available to UWSA	-	26,294,335	26,294,335
Net assets released from restrictions	25,839,621	(25,839,621)	-
Collection of prior year campaign contributions in excess of (less than) amount anticipated	(241,637)	-	(241,637)
Contributions (non-campaign)	20,000,000	-	20,000,000
Grants and contracts	5,540,150	-	5,540,150
Investment earnings, net of fees	4,736,128	3,187,248	7,923,376
In-kind revenue	482,956	-	482,956
Other income	365,038	-	365,038
PPP loan forgiveness grant	1,464,630	-	1,464,630
TOTAL PUBLIC SUPPORT AND OTHER REVENUE	58,186,886	3,641,962	61,828,848
EXPENSES			
Program Services:			
Distributions to Agencies and Programs	28,351,166	-	28,351,166
Less donor designations	(9,044,021)	-	(9,044,021)
Net funds distributed	19,307,145	-	19,307,145
Other program services	5,398,814	-	5,398,814
Total Program Services	24,705,959	-	24,705,959
Support Services:			
Fund-raising	3,141,373	-	3,141,373
Management & general	1,056,921	-	1,056,921
Total Support Services	4,198,294	-	4,198,294
TOTAL EXPENSES	28,904,253	-	28,904,253
CHANGE IN NET ASSETS	29,282,633	3,641,962	32,924,595
Net assets at beginning of year	5,308,254	40,161,002	45,469,256
NET ASSETS AT END OF YEAR	\$ 34,590,887	\$ 43,802,964	\$ 78,393,851

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

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities:		
Changes in net assets	\$ (3,998,614)	\$ 32,924,595
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided By Operating Activities:		
Net realized and unrealized (gain)/loss on investments	6,931,440	(6,947,125)
Loss on disposal of assets	-	14,572
Contributions received restricted to permanent endowment	(37,062)	-
Depreciation expense	160,459	147,203
PPP loan forgiveness	-	(1,464,630)
Increase in receivables, net	(1,138,778)	1,061,081
Decrease (increase) in prepaid expenses and other assets	51,095	(59,582)
Decrease (increase) in beneficial interests in perpetual trusts	137,596	(351,191)
Increase (decrease) in accounts payable and accrued expenses	2,624,846	(402,825)
Increase (decrease) in donor designations payable	(1,901,237)	494,147
Net Cash Provided by Operating Activities	<u>2,829,745</u>	<u>25,416,245</u>
Cash Flows from Investing Activities:		
Proceeds from the sale and maturity of investments	12,220,469	8,267,150
Purchases of investments	(11,945,469)	(29,424,797)
Purchases of property and equipment	(475,956)	(199,532)
Net Cash Used by Investing Activities	<u>(200,956)</u>	<u>(21,357,179)</u>
Cash Flows from Financing Activities:		
Proceeds from contributions permanently restricted by donor	37,062	-
Net Cash Provided by Financing Activities	<u>37,062</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents, and Restricted Cash	2,665,851	4,059,066
Cash, Cash Equivalents, and Restricted Cash at Beginning of Year	<u>12,273,133</u>	<u>8,214,067</u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF YEAR	<u><u>\$ 14,938,984</u></u>	<u><u>\$ 12,273,133</u></u>
As presented on the Statements of Financial Position		
Cash and cash equivalents	\$ 14,913,984	\$ 12,273,133
Endowment and Legacy Fund restricted cash	25,000	-
Cash, cash equivalents and restricted cash at end of year	<u><u>\$ 14,938,984</u></u>	<u><u>\$ 12,273,133</u></u>

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

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For The Year Ended June 30, 2022

	Program	Support Services		Total	Total Expenses
	Services	Fund	Management	Support	
		Raising	And General	Services	2022
Salaries and employee benefits	\$ 3,804,049	\$ 2,712,362	\$ 985,342	\$ 3,697,704	\$ 7,501,753
Advertising and public relations	1,563	47,966	542	48,508	50,071
Advertising In-Kind - UWW	208,349	-	-	-	208,349
Building repairs and maintenance	70,629	24,528	22,272	46,800	117,429
Campaign events	-	41,664	-	41,664	41,664
Computer technology	96,480	87,822	35,522	123,344	219,824
Computer technology In-Kind - Qlik	118,200	-	-	-	118,200
Conferences and seminars	1,785	1,075	1,926	3,001	4,786
Copier	11,927	4,955	877	5,832	17,759
Insurance	21,333	7,877	29,738	37,615	58,948
Meetings	20,041	5,739	3,302	9,041	29,082
Membership dues - affiliates	393,844	280,840	101,976	382,816	776,660
Postage and shipping	2,622	4,493	4,398	8,891	11,513
Printing and publications	2,830	7,583	4,622	12,205	15,035
Professional fees	21,000	-	77,659	77,659	98,659
Supplies and other	167,565	39,398	32,905	72,303	239,868
Telephone	23,305	8,119	8,988	17,107	40,412
Transportation	3,111	6,162	3,163	9,325	12,436
Utilities	44,653	15,765	14,053	29,818	74,471
Depreciation	96,275	33,696	30,488	64,184	160,459
TOTAL	5,109,561	3,330,044	1,357,773	4,687,817	9,797,378
Program Services - Net Funds Distributed	25,617,463	-	-	-	25,617,463
TOTAL FUNCTIONAL EXPENSES 2022	\$ 30,727,024	\$ 3,330,044	\$ 1,357,773	\$ 4,687,817	\$ 35,414,841

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

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For The Year Ended June 30, 2021

	Program Services	Support Services Fund Raising	Management And General	Total Support Services	Total Expenses 2021
Salaries and employee benefits	\$ 4,047,637	\$ 2,548,371	\$ 758,537	\$ 3,306,908	\$ 7,354,545
Advertising and public relations	546	4,387	803	5,190	5,736
Advertising In-Kind - UWW	364,756	-	-	-	364,756
Building repairs and maintenance	69,815	20,872	19,828	40,700	110,515
Campaign events	-	3,804	-	3,804	3,804
Computer technology	79,928	42,116	28,939	71,055	150,983
Computer technology In-Kind - Qlik	118,200	-	-	-	118,200
Conferences and seminars	239	120	4,957	5,077	5,316
Copier	7,366	5,942	2,815	8,757	16,123
Insurance	20,886	7,356	27,207	34,563	55,449
Meetings	636	4,084	737	4,821	5,457
Membership dues - affiliates	464,692	418,223	46,469	464,692	929,384
Postage and shipping	2,802	5,464	4,086	9,550	12,352
Printing and publications	610	6,323	4,029	10,352	10,962
Professional fees	20,500	-	71,940	71,940	92,440
Supplies and other	40,841	19,983	31,348	51,331	92,172
Telephone	16,706	5,881	8,151	14,032	30,738
Transportation	990	3,473	4,348	7,821	8,811
Utilities	51,870	15,534	14,758	30,292	82,162
Depreciation	89,794	29,440	27,969	57,409	147,203
TOTAL	5,398,814	3,141,373	1,056,921	4,198,294	9,597,108
Program Services - Net Funds Distributed	19,307,145	-	-	-	19,307,145
TOTAL FUNCTIONAL EXPENSES 2021	\$ 24,705,959	\$ 3,141,373	\$ 1,056,921	\$ 4,198,294	\$ 28,904,253

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

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 1: ORGANIZATION, MISSION, AND SIGNIFICANT ACCOUNTING POLICIES

Organization and Mission – United Way of San Antonio and Bexar County (UWSA) is a not-for-profit organization with over 80 years of experience caring for and helping children, families and individuals. The Organization’s mission statement is, “We unite the community to identify and solve our most critical issues.” UWSA is the largest private health and human services organization in Bexar County, supporting 117 outcome-based programs at 59 agencies.

UWSA strives to achieve its mission through community service programs, community initiatives, and the investment of funds raised from community campaigns. The following are some of the program services:

- UWSA manages a series of public sector and private foundation grants that align with United Way’s priority focus areas. For the fiscal year ended June 30, 2022, UWSA received \$1.3 million in private foundation grants, and \$4.2 million was awarded to UWSA to support 18 programs operated by 13 agency partners.
- 2-1-1 Texas is a twenty-four hour, seven day-a-week telephone information and referral service.
- The Volunteer Center matches skills, abilities, and interests of prospective volunteers with the needs of nonprofit agencies.
- The work of the Community Impact Department (CID) includes the annual investment of contributed funds in health and social services, management of subcontracts for grant funds awarded, and the regular monitoring of these programs, services, and agencies. CID also analyzes social problems and health issues that affect the community. As issues are identified and prioritized, CID, in partnership with other community stakeholders, develops, plans, and executes initiatives and strategies to address the underlying causes of these problems.
- Mission United Information and Referral program was formed to help the military and veteran community achieve and maintain self-sufficiency to the greatest extent possible. This veteran peer-to-peer support model facilitates conversation about needs and resources available to veterans and their families.

The United Way of San Antonio and Bexar County Endowment and Legacy Fund (the Endowment) was established in 2016. The Endowment is a perpetual fund for the support of the charitable efforts of UWSA. The Endowment will make distributions to UWSA that will enhance allocations to UWSA programs and agencies.

Significant Accounting Policies – The following is a summary of significant accounting policies used in the preparation of these consolidated financial statements:

Consolidation Policy – These consolidated financial statements include the accounts of UWSA and the Endowment because UWSA has both control and an economic interest in the Endowment. All significant intercompany accounts and transactions have been eliminated in consolidation. Unless otherwise noted, these consolidated entities are hereinafter referred to as “the Organization”. The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents - Cash and cash equivalents include cash in operating and money-market accounts and all investments with an original maturity of three months or less.

Pledges Receivable – Pledges receivable consist of unconditional promises to give that are received in the fiscal year the promise is made. Unconditional promises to give are generally expected to be collected within one year of the pledge and are recorded at their net realizable value. An allowance for uncollectible pledges receivable is provided based on management’s judgment, including such factors as prior collection history, an assessment of economic conditions, and a review of subsequent collections. The allowance totaled \$1,799,457 at June 30, 2022 and \$1,895,000 at June 30, 2021 for the 2021 and 2020 campaigns, respectively. These allowances are further adjusted by actual

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)

results of the prior year for presentation purposes.

Grants and Other Receivables - At June 30, 2022 and 2021, no allowance for bad debts was established for grants and other receivables as it is management's opinion that losses, if incurred, would not materially affect the financial statements.

Investments – Investments are reported at fair value based on quoted market prices. Realized and unrealized gains and losses for the reporting period are included in the consolidated statement of activities. Investment expenses are netted against investment return in the consolidated statement of activities. Investments available to fund operations are segregated from Endowment investments which are restricted by donors in perpetuity.

Fair Value of Financial Instruments - GAAP establishes a three-level valuation hierarchy for disclosure of fair value measurements. An instrument's categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets that the Organization can access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability. Inputs are typically based on an entity's own assumptions, as there is little, if any, related market activity.

Restricted Cash – Restricted cash represents cash collected for, and restricted to the Endowment and Legacy Fund, and pending transfer to Endowment investment accounts.

Beneficial Interests in Perpetual Trusts – UWSA has been named as an irrevocable beneficiary of perpetual trusts held and administered by independent trustees. Perpetual trusts provide for the distribution of the net income to UWSA; however, UWSA will never receive the assets of the trusts. At the date UWSA receives notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the statement of activities, and a beneficial interest in perpetual trust is recorded in the statement of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trusts' assets in the statement of financial position, with trust distributions and changes in fair value recognized in the statement of activities.

Property and Equipment – The Organization follows the practice of capitalizing expenditures in excess of \$5,000 for land, buildings, and equipment at the cost of acquisition, or if donated, at fair value on the date of donation. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, which range from 3 to 40 years. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed.

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

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor or certain grantor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor or certain grantor-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 gifts to the Endowment, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue and Revenue Recognition – The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. No conditional promises to give have been received.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state 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, if any, would therefore be reported as refundable advances in the statement of financial position. No such advances were held by the Organization at June 30, 2022 or 2021.

Volunteers contribute significant amounts of time to our program services, administration, and fundraising campaigns; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles.

Expenses – Expenses are recognized by the Organization on an accrual basis. Expenses paid in advance are recorded as prepaid assets until the applicable period to which the expense applies.

Functional Allocation of Expenses – The costs of providing various program and supporting activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to specific functional areas of the Organization are reported as expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated among the various functional areas based on the number of employees involved or the amount of time spent. Functional expenses, including advertising costs, are an expense of the year in which incurred and accordingly, are charged to operations on a current basis.

Federal Income Tax Status - UWSA and the Endowment are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC); therefore, no provision for income taxes has been made in these consolidated financial statements. GAAP requires recognition and disclosure of uncertain tax positions in the financial statements. Management believes that it has appropriate support for any tax positions taken and that it has no material uncertain tax positions. Accordingly, it has not recognized any liability for uncertain tax positions. For the years ended June 30, 2022, and 2021, UWSA and the Endowment did not recognize any tax related interest or penalties in the financial statements. Tax years 2021-2019 remain open to examination by the taxing jurisdictions that the Organization is subject to, and these periods have not been extended beyond the applicable statute of limitations.

Estimates - The process of preparing financial statements in conformity with GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenue, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts, and those differences could be material.

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments and Credit Risk – The Organization manages deposit concentration risk by placing cash, money market accounts and investment securities with creditworthy financial institutions. Amounts on deposit may exceed insured limits. To date, the Organization has not experienced losses in any of these accounts due to institutional losses that exceed insured limits. Credit risk associated with grants receivable and promises to give is considered to be limited due to high historical collection rates and because grants receivable are from government agencies and private foundations supportive of our mission. Diversified investment managers whose performance is monitored by UWSA and the endowment and finance committees of the Boards of Directors make investment allocations. Although the total fair value of investments is subject to fluctuation, UWSA's endowment and finance committees believe that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

New Accounting Pronouncements - In February 2016, the FASB issued ASU 2016-02, a new accounting pronouncement regarding lease accounting for reporting periods beginning after December 15, 2021. A lessee will be required to recognize on the balance sheet the assets and liabilities for leases with lease terms of more than 12 months. Management does not expect the new standard to have a significant impact on its financial position, results of operations and related disclosures.

In June 2016, the FASB issued ASU No. 2016-13 *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on financial Instruments* which requires the application of a current expected credit loss (CECL) impairment model to financial assets measured at amortized cost, including trade accounts receivable. Under the CECL model, lifetime expected credit losses on such financial assets are measured and recognized at each reporting date based on historical, current, and forecasted information. Furthermore, financial assets with similar risk characteristics are analyzed on a collective basis. This ASU, as amended, is effective for periods beginning after December 15, 2022 with early adoption permitted. Management does not expect the new standard to have a significant impact on its financial position, results of operations and related disclosures.

Recently Adopted Accounting Pronouncements - The Organization has adopted Accounting Standards Update (ASU) No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)* as management believes the standard improves the usefulness and understandability of the Organization's financial reporting. No significant adjustments were required to implement the standard.

In September 2020, the FASB issued ASU No. 2020-07 *Not-for-Profit (Topic 958): Presentation and Disclosures by Not-for-Profit entities for Contributed Nonfinancial Assets* to increase the transparency of contributed non-financial assets by enhancing the presentation and disclosures. The update includes the presentation of contributed non-financial assets as a separate line item in the statement of activities while disclosing disaggregated information about the types of contributed non-financial assets, how the contribution was used and various other disclosures. Adoption of the new standard did not have a significant impact on the statement of activities and related disclosures.

Reclassifications – Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between reporting periods presented.

Public Sector Campaigns and CFC - UWSA manages public sector campaigns for the State Employee Charitable Campaign, the Combined School Districts Charitable Campaign, the City of San Antonio Charitable Campaign, the Bexar County Charitable Campaign, and the San Antonio Water System Campaign. UWSA does not include cash held on behalf of those campaigns on the statement of financial position as part of cash and cash equivalents, as UWSA has no discretion as to how those funds are distributed. Cash held on behalf of these campaigns at June 30, 2022 and 2021 was \$721,942 and \$697,435, respectively.

UWSA participates in the Combined Federal Campaign (CFC) as a local federation and receives designations for its member agencies. UWSA honors those designations by distributing a proportionate share of receipts based on donor designations to each member.

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 2: LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the consolidated statements of financial position date for general expenditure, including distributions to partner agencies, are as follows:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents – UWSA Operating	\$ 14,532,301	\$ 11,235,450
Cash and Cash Equivalents – Special Gifts Fund	381,683	1,037,683
UWSA Investments – Operating	24,660,155	27,255,914
UWSA Investments – Special Gifts Fund	14,532,365	19,739,612
UWSA Pledges Receivable	12,441,946	11,187,767
Grants and Other Receivables	889,508	914,909
Less: Gifts Restricted by Donors	(1,546,991)	(1,005,235)
Less: Amount Restricted for Donor Designations	<u>(6,709,204)</u>	<u>(8,610,441)</u>
Net Financial Assets Available Within One Year	<u>\$ 59,181,763</u>	<u>\$ 61,755,659</u>

Endowment funds consist of donor-restricted contributions to the Endowment. Income from endowment investments, net of investment fees, is restricted for distribution to UWSA. Endowment funds, including earnings, are not available for general expenditure.

NOTE 3: INVESTMENTS

The cost and estimated fair market value of investments at June 30, 2022 were as follows:

	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>	<u>Fair Value</u>
UWSA:			
Raymond James Money Market	\$ 280,572	\$ -	\$ 280,572
Raymond James Fixed Income	10,789,468	(1,325,894)	9,463,574
Raymond James Equities	9,581,504	269,423	9,850,927
Frost Investments – Money Market	1,040,319	-	1,040,319
Frost Investments – Fixed Income	11,846,489	(484,148)	11,362,341
Frost Investments – Equities	7,014,956	179,831	7,194,787
Sub-Total UWSA	<u>\$ 40,553,308</u>	<u>\$ (1,360,788)</u>	<u>\$ 39,192,520</u>
Endowment and Legacy Fund:			
Money Market Funds	\$ 247,172	\$ -	\$ 247,172
Fixed Income	5,905,555	(491,678)	5,413,877
Equities	7,885,585	740,510	8,626,095
Alternative Assets	1,345,421	16,706	1,362,127
Sub-Total Endowment	<u>\$ 15,383,733</u>	<u>\$ 265,538</u>	<u>\$ 15,649,271</u>
Consolidated	<u>\$ 55,937,041</u>	<u>\$ (1,095,250)</u>	<u>\$ 54,841,791</u>

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 3: INVESTMENTS (continued)

The cost and estimated fair market value of investments at June 30, 2021 were as follows:

	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>	<u>Fair Value</u>
UWSA:			
Raymond James Money Market	\$ 278,545	\$ -	\$ 278,545
Raymond James Fixed Income	9,923,642	59,210	9,982,852
Raymond James Equities	13,296,975	1,947,646	15,244,621
Frost Investments – Money Market	1,178,569	-	1,178,569
Frost Investments – Fixed Income	11,765,517	206,342	11,971,859
Frost Investments – Equities	5,682,702	2,656,378	8,339,080
Sub-Total UWSA	\$ 42,125,950	\$ 4,869,576	\$ 46,995,526
Endowment and Legacy Fund:			
Money Market Funds	\$ 189,577	\$ -	\$ 189,577
Fixed Income	4,826,285	123,290	4,949,575
Equities	5,644,035	3,074,291	8,718,327
Alternative Assets	1,018,388	176,839	1,195,227
Sub-Total Endowment	\$ 11,678,285	\$ 3,374,420	\$ 15,052,705
Consolidated	\$ 53,804,235	\$ 8,243,996	\$ 62,048,231

NOTE 4: BENEFICIAL INTERESTS IN PERPETUAL TRUSTS

Beneficial Interests in Perpetual Trusts represent UWSA's interests in trusts established by Marrs & Verna McLean and Ruth Chapman & Andrew G. Cowles. Trust assets are held by a third-party trustee and are invested primarily in marketable securities, real estate, and mineral interests. UWSA's interest in the corpus of the trusts, capital transactions, and fluctuation in value of the corpus are reported as net assets with donor restrictions – perpetual in nature, while distributable interest and dividend income are reported as net assets without donor restrictions when distributed by the trustee.

As of June 30, 2022, and 2021, UWSA's interest in the fair value of the perpetual trusts was as follows:

	<u>2022</u>	<u>2021</u>
Marrs & Verna McLean Trust	\$ 893,122	\$ 1,058,089
Ruth Chapman & Andrew G. Cowles Trust	1,185,206	1,157,835
Interest in Perpetual Trusts	<u>\$ 2,078,328</u>	<u>\$ 2,215,924</u>

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 5: FAIR VALUE OF FINANCIAL INSTRUMENTS

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities to determine fair value disclosures. For additional information on how the Organization measures fair value, refer to Note 1, Significant Accounting Policies.

The following is a description of the valuation methods and assumptions used in estimating the fair value disclosures for financial investments:

- UWSA investments – Valued at the fair value of instruments held at fiscal year-end at quoted market prices.
- Endowment investments – Valued at the fair value of instruments held at fiscal year-end at quoted market prices.
- Interests held in perpetual trusts – Marketable Securities are valued at the fair value of instruments held at fiscal year-end at quoted market prices. Trust investments also include mineral interests and real estate holdings that are not traded regularly, and valuation inputs are not observable.

Total consolidated investments as of June 30, 2022, and June 30, 2021, are \$54,841,791 and \$62,048,231, respectively, and are considered Level 1 financial instruments.

Total interests held in perpetual trusts as of June 30, 2022, and June 30, 2021, are \$2,078,328 and \$2,215,924, respectively, and are considered Level 3 financial instruments.

NOTE 6: PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	2022	2021
Land and improvements	\$ 610,693	\$ 610,693
Buildings	2,351,657	1,968,250
Computer equipment	415,767	427,980
Office and other equipment	557,348	622,542
Less: accumulated depreciation	(2,439,784)	(2,449,281)
Net Land, Buildings and Equipment	\$ <u>1,495,681</u>	\$ <u>1,180,184</u>

NOTE 7: DONOR DESIGNATIONS PAYABLE

Donors to the Organization's campaign may designate all or part of their contributions to specific agencies. For accounting purposes, these specific designations are not considered to be part of the amount allocated to agencies and are deducted from the campaign amount available to UWSA. Donor designations deducted from the community campaign on the statement of activities (\$7,297,248 and \$9,085,540) represent total designations, including restricted gifts, for Campaigns 2021 and 2020, respectively; the statement of financial position amounts (\$6,709,204) and \$8,610,441) represent the designations payable, less prepaid designations for Campaigns 2021 and 2020, respectively.

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 8: LOAN PAYABLE UNDER SBA PPP LOAN PROGRAM

In April 2020, UWSA received \$1,464,630 in loan proceeds from Texas Capital Bank through the Paycheck Protection Program (PPP) offered by the Small Business Administration (SBA). According to the terms of the loan, proceeds were forgivable by the SBA if used for specific costs, including payroll, certain employee benefits, and utilities over the twenty-four-week period following receipt of the proceeds. UWSA applied for and received forgiveness of 100% of the loan proceeds in April of 2021, thereby eliminating any further obligation to pay the loan. The proceeds are included as income in the statement of activities for the year ended June 30, 2021.

NOTE 9: COMMITMENTS

Annual campaigns are conducted from June to January (campaign period) to raise support for programs. Program funds are distributed to participating agencies in the fiscal year that begins July 1 following the campaign period. Allocations, restricted gifts and grants payable to agencies and programs in fiscal year 2023 are estimated to total \$25,319,036.

NOTE 10: UNSOLICITED NON-CAMPAIGN CONTRIBUTION

In November of 2020, the Organization was notified that it was the recipient of a \$20,000,000 unrestricted gift from the National Philanthropic Trust. The gift is unrestricted as to use and imposes no significant reporting or performance requirements. The proceeds were recorded as a contribution without donor restrictions in the statement of activities for the year ended June 30, 2021.

As of June 30, 2022, the board of directors had committed \$10,200,000 of the funds to be spent as follows:

- \$3,000,000 for the UWSA Endowment and Legacy Fund (Note 12).
- \$6,330,000 for the UWSA Dual Generation program.
- \$600,000 for technology upgrades and capital improvements.
- \$200,000 as the initial funding for the “United with Uvalde” fund.
- \$70,000 to conduct a Bexar County veteran and military family needs assessment.

NOTE 11: 403(b) THRIFT PLAN

UWSA sponsors a 403(b)-thrift plan to enable employees to accumulate long-term savings for their retirement in a tax-deferred plan. Employer matching contributions are available to employees who have completed 12 months of service and are at least 21 years of age. UWSA provides a base contribution of 3% of an eligible employee's compensation and matches employee contributions up to 6% of salary. For the years ended June 30, 2022, and 2021, UWSA's contributions totaled \$458,521 and \$458,224, respectively.

NOTE 12: UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY ENDOWMENT AND LEGACY FUND

General Information

The Organization's donor restricted endowment is known as United Way of San Antonio and Bexar County Endowment and Legacy Fund (the Endowment; see Note 1). The Endowment consists of donor-restricted endowment contributions and accumulated earnings on those funds not yet appropriated for expenditure. The Endowment was established to provide funds to support UWSA programs and agency allocations.

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 12: UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY ENDOWMENT AND LEGACY FUND (continued)

Endowment “Principal” Interpretation

The Organization’s Board of Directors has interpreted the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As of the date of these financial statements, there were no such donor stipulations. As a result of this interpretation, the Endowment will retain in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give at fair value) donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Endowment in a manner consistent with the standard of prudence prescribed by TUPMIFA.

Endowment “Income” Appropriation (Spending Policy)

When the fair market value of the fund exceeds the endowment principal, up to 4% of the fair market value may be appropriated for expenditure in any year. This is calculated on the basis of market values determined at least quarterly and averaged over a period of three years immediately preceding the year in which the appropriation for expenditure is to be made. These funds may only be appropriated and distributed in accordance with donor use restrictions.

In accordance with TUPMIFA, in all its endowment spending activity, the Endowment will consider the following factors in making a determination to appropriate (spend) or accumulate donor-restricted endowment funds:

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

Endowment Investment Policy

The Endowment has adopted an investment policy that attempts to provide a predictable stream of funds for UWSA programs while seeking to maintain the purchasing power of the Endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. To satisfy these objectives, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Substantially all of the funds are invested to seek growth of principal over time.

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 12: UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY ENDOWMENT AND LEGACY FUND (continued)

Endowment Net Asset Composition by Type of Fund

	<u>Year Ended June 30, 2022</u>	<u>Year Ended June 30, 2021</u>
With Donor Restrictions:		
Donor-restricted endowment - Principal	\$ 10,543,389	\$ 10,506,327
Accumulated investment earnings	2,795,387	4,786,378
Total	<u>\$ 13,338,776</u>	<u>\$ 15,292,705</u>
Without Donor Restrictions:		
Without Donor Restrictions - Principal	\$ 3,075,000	\$ -0-
Accumulated investment earnings	(412,443)	-0-
Total	<u>\$ 2,662,557</u>	<u>\$ -0-</u>

Changes in Endowment Net Assets

	<u>Year Ended June 30, 2022</u>	<u>Year Ended June 30, 2021</u>
With Donor Restrictions:		
Endowment net assets, beginning of year	\$ 15,292,705	\$ 12,456,648
Investment earnings, net	(1,715,991)	2,836,057
Contributions	37,062	-0-
Distributions	(275,000)	-0-
Total	<u>\$ 13,338,776</u>	<u>\$ 15,292,705</u>
Without Donor Restrictions:		
Endowment net assets, beginning of year	\$ -0-	\$ -0-
Investment earnings, net	(412,443)	-0-
Contributions	3,075,000	-0-
Total	<u>\$ 2,662,557</u>	<u>\$ -0-</u>

Underwater Endowment Funds

The Organization considers an endowment fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization complies with the TUPMIFA and has interpreted that law to permit spending from underwater funds in accordance with the prudent measures required under the law. The Organization's endowment fund was not underwater as of June 30, 2022 or 2021. The endowment appropriated \$275,000 for distribution for the year ended June 30, 2022.

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 13: NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2022</u>	<u>2021</u>
Subject to the passage of time and purpose:		
Pledges, uncollected and collected	\$ 27,156,409	\$ 26,294,335
United with Uvalde Fund	<u>1,001,336</u>	<u>-0-</u>
Total Subject to the Passage of Time and Purpose	28,157,745	26,294,335
Endowments:		
Subject to endowment spending policy and appropriation:		
Contributions to perpetually restricted endowment	10,543,389	10,506,327
Endowment earnings subject to appropriation	<u>2,795,387</u>	<u>4,786,378</u>
Total Endowments	13,338,776	15,292,705
Not subject to spending policy or appropriation:		
Beneficial interests in perpetual trusts	<u>2,078,328</u>	<u>2,215,924</u>
Total Net Assets with Donor Restrictions	<u>\$ 43,574,849</u>	<u>\$ 43,802,964</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors in the amounts of \$26,294,335 and \$25,839,621 for the years ended June 30, 2022, and 2021, respectively. These amounts primarily represent releases of promises to give restricted for future campaigns.

NOTE 14: RELATED PARTY TRANSACTIONS

UWSA pays annual affiliation fees for membership in United Ways of Texas (\$72,934 and \$142,991 for the years ended June 30, 2022, and 2021, respectively) and United Way Worldwide (\$703,726 and \$786,393 for the years ended June 30, 2022, and 2021, respectively) for which UWSA receives the right to use the national brand in charitable endeavors, national advocacy of issues, member education, training and other support.

NOTE 15: IN-KIND REVENUE

United Way Worldwide (UWW) maintains relationships with the National Football League (NFL), the Ad Council and other organizations on behalf of the local United Ways and underwrites the cost to produce Public Service Announcements (PSAs) that promote the programs of United Way. The NFL, the Ad Council and other organizations provide the media space such as television and radio airtime, newspaper and magazine print space, billboards, etc. throughout the year at no cost to United Ways. The Organization's share of the combined value of the donated media was estimated to be \$208,349 and \$364,756 respectively, for the years ended June 30, 2022, and 2021, and are included as in-kind revenue and expense in the statements of activities and functional expenses.

UWSA received a non-cash grant from Qlik, a business intelligence software company, to provide a platform that allows UWSA to bring together two types of data—community indicator data that describes community conditions that are measurable proxies for the results we want to see in the community and program performance data from our impact council partner agencies. The use of Qlik products aims to tie together these sources of data to tell a visual story about the type, scale, and progression of community impact over time of investments made to the programs, and to allow for ongoing analysis of the data to be fed into UWSA's decision making process.

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 15: IN-KIND REVENUE (continued)

The Organization's share of the combined value of the donated products and services was estimated to be \$118,200 and \$118,200 for the years ended June 30, 2022 and 2021, respectively and these amounts included as in-kind revenue and expense in the statement of activities and functional expenses.

For the years ended June 30, 2022 and 2021, the in-kind revenue was \$326,549 and \$482,956, respectively, and all the in-kind was unrestricted. The in-kind was valued using estimated prices of identical or similar services provided by the donor at the time of the contribution. The Organization does not sell donated in-kind and only used the in-kind for program use.

NOTE 16: UNITED WITH UVALDE FUND

In response to the violent act at Robb Elementary School in Uvalde, Texas, United Way of San Antonio and Bexar County has created the "United with Uvalde" fund. Money from the "United with Uvalde" fund will be used to support immediate and long-term mental health services for the Uvalde community. The funds will also address any emerging needs that develop in the future. 100% of the fund will support the students, teachers and families in Uvalde. Funds will be made available to nonprofit organizations with experience and expertise in providing direct mental health services for communities impacted by trauma.

NOTE 17: SUBSEQUENT EVENTS

Management has evaluated events subsequent to year end and through November 29, 2022, which is the date the financial statements were available to be issued.

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

SCHEDULE OF DISTRIBUTIONS TO AGENCIES AND PROGRAMS

For The Years Ended June 30, 2022 and 2021

	Totals	
	2022	2021
Alamo Colleges Foundation, Inc.	\$ 156,665	\$ 152,102
Alpha Home, Inc.	130,311	116,871
American Heart Association, S.A. Division	118,266	146,850
American Indians in Texas	97,500	81,250
American Red Cross, S.A. Area Chapter	179,749	187,516
Any Baby Can of San Antonio	374,599	363,688
ARC of San Antonio, The	58,597	59,244
Ascension DePaul Services	68,278	66,290
Autism Community Network	231,508	207,779
AVANCE - San Antonio, Inc.	574,980	522,615
Barshop Jewish Community Center	-	1,695
Bexar County Community Health Collaborative	412,800	400,000
Big Brothers Big Sisters of South Texas	325,255	320,642
Blessed Sacrament Academy	130,459	126,660
Boy Scouts of America, Alamo Area Council	-	12,022
Boys and Girls Clubs of San Antonio	287,500	250,000
Boysville, Inc.	567,641	208,097
Brighton Center	239,839	208,120
Catholic Charities, Archdiocese of San Antonio, Inc.	442,361	358,565
CentroMed	-	10,005
Child Advocates San Antonio	168,051	153,387
Children's Association for Maximum Potential	47,717	53,865
Children's Bereavement Center	136,250	128,773
Children's Hospital of San Antonio	130,091	161,454
Children's Shelter, The	307,576	617,898
ChildSafe	533,632	476,081
Christian Assistance Ministry	151,413	147,242
Chrysalis Ministries, Inc.	236,855	202,440
City Year	182,000	175,000
Clarity Child Guidance Center	350,197	339,493
Communities in Schools of San Antonio	620,709	556,334
Crosspoint, Inc.	15,100	15,290
DePelchin Children's Center	129,421	110,616
Education Investment Foundation	4,855	23,823
Ella Austin Community Center	66,683	168,072

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

SCHEDULE OF DISTRIBUTIONS TO AGENCIES AND PROGRAMS

For The Years Ended June 30, 2022 and 2021

	Totals	
	2022	2021
Endeavors	\$ 178,290	\$ 160,157
Family Service Association of San Antonio, Inc.	2,457,319	2,302,044
Family Violence Prevention Services, Inc.	846,354	827,687
Girl Scouts of Southwest Texas	47,368	77,179
Good Samaritan Community Services	469,988	447,712
Goodwill Industries of San Antonio	660,590	642,608
Greater Randolph Area Services Program, Inc.	112,270	109,801
Guardian House	50,391	78,165
Haven for Hope	1,437,221	1,407,354
Healy-Murphy Center	406,961	371,573
Jefferson Outreach for Older People	9,525	11,739
Jewish Family Service of San Antonio Texas, Inc.	-	6,794
Lifetime Recovery	184,395	165,378
Madonna Neighborhood Center	18,203	21,082
Empower House	172,510	154,855
Meals on Wheels	235,436	221,873
Mission Road Ministries	343,193	309,149
Northeast Senior Assistance (NESA)	6,433	12,867
Presa Community Center	211,047	184,456
Rape Crisis Center, The	342,647	334,293
Respite Care of San Antonio	90,000	128,456
Restore Education	464,515	447,791
Ride Connect Texas	5,205	9,884
Rise Recovery	468,582	422,983
Roy Mass' Youth Alternatives, Inc.	320,754	295,753
SA Hope Center	116,375	112,500
SA Youth	7,850	13,510
Salvation Army, The	581,561	569,375
San Antonio AIDS Foundation	52,270	56,482
San Antonio Council on Alcohol and Drug Awareness	22,849	21,703
San Antonio Food Bank	1,537,101	940,408
SAMMinistries	121,276	128,277
San Antonio Public Library	40,463	43,015
San Antonio Sports	22,627	24,880
Seton Home	95,843	147,802
St. Paul Lutheran Child Development Center	417,968	405,794

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

SCHEDULE OF DISTRIBUTIONS TO AGENCIES AND PROGRAMS

For The Years Ended June 30, 2022 and 2021

	Totals	
	2022	2021
St. Peter - St. Joseph Children's Home	\$ 143,557	\$ 180,781
Texas Diaper Bank	27,139	35,529
ThriveWell Cancer Foundation	57,630	65,234
U.S.O. Council of San Antonio	60,362	120,076
Urban Strategies	178,768	178,768
Young Men's Christian Association of Greater San Antonio	1,320,181	1,242,863
Young Women's Christian Association	649,272	569,830
Youth Centers on Military Installations:		
Joint Base San Antonio - Fort Sam Houston Youth Programs	150,276	150,246
Joint Base San Antonio - Lackland Youth Programs	75,386	75,502
Joint Base San Antonio - Randolph Youth Programs	75,318	75,428
United Way Initiatives and Grant Distributions:		
Community Building & Investment	1,018,486	195,145
Developing Successful Children	2,238,319	1,847,015
Dual Generation	1,271,304	784,979
Eastside Promise Neighborhood	16,786	9,629
Military Information and Referral	2,196	62,000
Strengthening Families Partnership	2,313,809	2,454,302
Students Succeeding in School	254,955	16,800
Safety Net	19,135	-
Other United Ways and Organizations	4,647,886	1,371,881
Special Contributions for Hurricane Harvey:		
United Way of Southeast Louisiana	100,000	-
United Way of St. Charles Parish	50,000	-
Special Contributions for COVID Relief	-	45,000
Special Contributions for Winter Storm Relief	-	125,000
<i>TOTAL DISTRIBUTION</i>	\$ 34,703,003	\$ 28,351,166
<i>TO AGENCIES / PROGRAMS</i>		

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

SCHEDULE OF DISTRIBUTIONS TO AGENCIES AND PROGRAMS

For The Years Ended June 30, 2022 and 2021

Public Sector Campaigns

The United Way of San Antonio and Bexar County has been appointed by the State Employee Charitable Campaign (SECC) Local Employee Committee as the Local Campaign Manager. Additionally, UWSA conducts the Combined School District Charitable Campaign, the City of San Antonio Charitable Campaign, the Bexar County Charitable Campaign and the San Antonio Water Systems Charitable Campaign. UWSA is responsible for managing these campaigns and acting as fiscal agent for all financial activity. UWSA participates in the Combined Federal Campaign (CFC) as a local federation and receives designations for its member agencies. UWSA honors those designations by distributing a proportionate share of receipts based on donor designations to each member.

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

CONSOLIDATING SCHEDULE FOR STATEMENT OF FINANCIAL POSITION

As of June 30, 2022

	UWSA	Endowment & Legacy Fnd	Special Gifts Fund	Eliminations	Consolidated
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 14,532,301	\$ -	\$ 381,683	\$ -	\$ 14,913,984
Investments	24,660,155	-	14,532,365	-	39,192,520
Receivables:					
Pledges, net of allowance for uncollectible pledges	12,441,946	50,000	-	-	12,491,946
Grants and other receivables	1,353,167	277,062	-	(740,721)	889,508
Prepaid expenses and other assets	128,078	-	-	-	128,078
Total Current Assets	<u>53,115,647</u>	<u>327,062</u>	<u>14,914,048</u>	<u>(740,721)</u>	<u>67,616,036</u>
Noncurrent Assets:					
Endowment and Legacy Fund:					
Restricted Cash	-	25,000	-	-	25,000
Investments	-	15,649,271	-	-	15,649,271
Beneficial Interests in Perpetual Trusts	2,078,328	-	-	-	2,078,328
Property and Equipment, at cost, net of accumulated depreciation	<u>990,316</u>	<u>-</u>	<u>505,365</u>	<u>-</u>	<u>1,495,681</u>
Total Noncurrent Assets	<u>3,068,644</u>	<u>15,674,271</u>	<u>505,365</u>	<u>-</u>	<u>19,248,280</u>
TOTAL ASSETS	<u>\$ 56,184,291</u>	<u>\$ 16,001,333</u>	<u>\$ 15,419,413</u>	<u>\$ (740,721)</u>	<u>\$ 86,864,316</u>
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts payable and accrued expenses	\$ 5,995,519	\$ -	\$ 505,077	\$ (740,721)	\$ 5,759,875
Donor designations payable	<u>6,709,204</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,709,204</u>
TOTAL LIABILITIES	<u>12,704,723</u>	<u>-</u>	<u>505,077</u>	<u>(740,721)</u>	<u>12,469,079</u>
Net Assets:					
Without donor restrictions	13,243,495	2,662,557	14,914,336	-	30,820,388
With donor restrictions:					
Temporary in nature	28,157,745	2,795,387	-	-	30,953,132
Perpetual in nature	<u>2,078,328</u>	<u>10,543,389</u>	<u>-</u>	<u>-</u>	<u>12,621,717</u>
TOTAL NET ASSETS	<u>43,479,568</u>	<u>16,001,333</u>	<u>14,914,336</u>	<u>-</u>	<u>74,395,237</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 56,184,291</u>	<u>\$ 16,001,333</u>	<u>\$ 15,419,413</u>	<u>\$ (740,721)</u>	<u>\$ 86,864,316</u>

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

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

CONSOLIDATING SCHEDULE FOR STATEMENT OF ACTIVITIES

For The Year Ended June 30, 2022

	Without Donor Restrictions			With Donor Restrictions		
	UWSA Operations	UWSA Endowment & Legacy Fund	Special Gifts Fund	UWSA Operations	UWSA Endowment & Legacy Fund	Consolidated 2022
<u>PUBLIC SUPPORT AND OTHER REVENUE</u>						
Community campaign	\$ -			\$ 46,307,435	\$ 29,232	\$ 46,336,667
Non-UWSA designations	-			(10,318,283)	-	(10,318,283)
Donor designations	-			(7,297,248)	-	(7,297,248)
Provision for uncollectible pledges	-			(1,386,265)	-	(1,386,265)
Net carryover pledges	-			(149,230)	-	(149,230)
Net amount available to UWSA	-	-	-	27,156,409	29,232	27,185,641
Net assets released from restrictions	26,294,335			(26,294,335)	-	-
Collection of prior year campaign contributions in excess of (less than) amount anticipated	806,361			-	-	806,361
Contributions (non-campaign)	20,149	3,075,000		1,001,336	7,830	4,104,315
Grants and contracts	5,570,969			-	-	5,570,969
Investment earnings/(loss), net of fees	(2,551,308)	(412,443)	(2,204,045)	(137,596)	(1,715,991)	(7,021,383)
In-kind revenue	326,549			-	-	326,549
Other income	443,775			-	-	443,775
TOTAL PUBLIC SUPPORT AND OTHER REVENUE	30,910,830	2,662,557	(2,204,045)	1,725,814	(1,678,929)	31,416,227
<u>EXPENSES</u>						
Program Services:						
Distributions to Agencies and Programs	30,902,206	-	3,525,797	-	275,000	34,703,003
Less donor designations	(9,085,540)	-	-	-	-	(9,085,540)
Net funds distributed	21,816,666	-	3,525,797	-	275,000	25,617,463
Other program services	5,052,061	-	57,500	-	-	5,109,561
Total Program Services	26,868,727	-	3,583,297	-	275,000	30,727,024
Support Services:						
Fund-raising	3,330,044	-	-	-	-	3,330,044
Management & general	1,303,618	-	54,155	-	-	1,357,773
Total Support Services	4,633,662	-	54,155	-	-	4,687,817
TOTAL EXPENSES	31,502,389	-	3,637,452	-	275,000	35,414,841
CHANGE IN NET ASSETS	(591,559)	2,662,557	(5,841,497)	1,725,814	(1,953,929)	(3,998,614)
Net assets at beginning of year	13,835,054	-	20,755,833	28,510,259	15,292,705	78,393,851
NET ASSETS AT END OF YEAR	\$ 13,243,495	\$ 2,662,557	\$ 14,914,336	\$ 30,236,073	\$ 13,338,776	\$ 74,395,237

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

UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY

SCHEDULE OF INDIRECT COSTS

For the Year Ended June 30, 2022

	<u>Budget*</u>	<u>Actual</u>	<u>Variance</u>
Indirect Costs			
Salaries and Benefits	\$ 2,224,860	\$ 985,342	\$ 1,239,518
Advertising and Public Relations	-	542	(542)
Campaign Events	10,650	-	10,650
Computer Technology	138,960	35,522	103,438
Conferences and Seminars	6,600	1,926	4,674
Insurance	80,560	29,738	50,822
Professional Fees	72,300	77,659	(5,359)
Membership Dues - Affiliates	-	101,976	(101,976)
Postage and Shipping	14,680	4,398	10,282
Printing and Publications	9,200	4,622	4,578
Building Repairs and Maintenance	105,900	22,272	83,628
Supplies and Other	40,600	32,905	7,695
Net Special Events	-	-	-
Program Services	-	-	-
Capital Expenditures and Other	-	-	-
Copier	3,000	877	2,123
Meetings	6,400	3,302	3,098
Telephone	46,800	8,988	37,812
Transportation	-	3,163	(3,163)
Utilities	54,000	14,053	39,947
Depreciation	-	30,488	(30,488)
Total other indirect costs	<u>589,650</u>	<u>372,431</u>	<u>217,219</u>
Total indirect costs	2,814,510	1,357,773	1,456,737
Less: Admin/fiscal contracts	-	-	-
Net indirect costs	<u><u>2,814,510</u></u>	<u><u>1,357,773</u></u>	<u><u>1,456,737</u></u>
Indirect costs recovered		(282,209)	

Calculation of Indirect Cost Rate

Modified total direct cost	\$ 7,512,572	\$ 6,863,982
Net indirect costs	<u>2,814,510</u>	<u>1,357,773</u>
Indirect rate	37.46%	19.78%

* The budget amounts presented above are prior to the allocation of indirect costs to their respective functional expense category.

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