

UNITED WAY OF SOUTHEAST ALASKA

Financial Statements  
(with Independent Accountant's Review Report Thereon)

Years Ended August 31, 2020 and 2019

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UNITED WAY OF SOUTHEAST ALASKA

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**Independent Accountant's Review Report**

Members of the Board of Directors  
United Way of Southeast Alaska  
Juneau, Alaska

We have reviewed the accompanying financial statements of United Way of Southeast Alaska (a nonprofit organization), which comprise the statements of financial position as of August 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the Financial Statements**

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

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Altman, Rogers & Co.*

Anchorage, Alaska  
December 10, 2020

UNITED WAY OF SOUTHEAST ALASKA

Statements of Financial Position

August 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets:		
Current:		
Cash and cash equivalents	\$ 943,473	8,202
Investments	4,549	1,906
Promises to give	67,304	95,314
Other receivable	44	44
Grant receivable	24,486	58,203
Prepaid expenses	6,734	4,125
Total current assets	<u>1,046,590</u>	<u>167,794</u>
Liabilities:		
Current:		
Accounts payable	25,576	20,602
Current portion of notes payable	856	-
Designations payable	61,823	73,746
Accrued payroll	37,754	21,672
PPP loan	37,800	-
Refundable advances	795,526	29,182
Total current liabilities	<u>959,335</u>	<u>145,202</u>
Notes payable, less current portion	49,044	-
Total liabilities	<u>1,008,379</u>	<u>145,202</u>
Net assets:		
With donor restrictions -		
Literacy Program	19,098	19,710
Disabilities Awareness and Empathy Training	2,513	2,513
Financial Literacy	1,450	1,450
Total net assets with donor restrictions	<u>23,061</u>	<u>23,673</u>
Without donor restrictions -		
Undesignated	15,150	(1,081)
Total net assets	<u>38,211</u>	<u>22,592</u>
Total liabilities and net assets	<u>\$ 1,046,590</u>	<u>167,794</u>

See accompanying notes to financial statements and independent accountant's review report.

UNITED WAY OF SOUTHEAST ALASKA

Statements of Activities

Years ended August 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and support:						
SHARE campaign	\$ 58,371	-	58,371	69,080	-	69,080
Private campaign	230,546	-	230,546	204,233	-	204,233
Designations from other united ways	8,407	-	8,407	12,825	-	12,825
Total campaign results	<u>297,324</u>	<u>-</u>	<u>297,324</u>	<u>286,138</u>	<u>-</u>	<u>286,138</u>
Less:						
Donor designations	(93,966)	-	(93,966)	(124,764)	-	(124,764)
Net campaign results	<u>203,358</u>	<u>-</u>	<u>203,358</u>	<u>161,374</u>	<u>-</u>	<u>161,374</u>
Collections of prior year campaign contributions greater than amount anticipated	12,127	-	12,127	2,375	-	2,375
Non-campaign contributions	148,906	-	148,906	242,440	-	242,440
Miscellaneous income	34,747	-	34,747	36,511	-	36,511
Program fees	180,071	-	180,071	87,968	-	87,968
Investment income (loss)	2,663	-	2,663	(96)	-	(96)
Net assets released from restriction	612	(612)	-	4,180	(4,180)	-
Total revenues and support	<u>582,484</u>	<u>(612)</u>	<u>581,872</u>	<u>534,752</u>	<u>(4,180)</u>	<u>530,572</u>
Expenses:						
Program services:						
Fund distributions	-	-	-	11,120	-	11,120
Community impact	318,813	-	318,813	314,220	-	314,220
Total program services	<u>318,813</u>	<u>-</u>	<u>318,813</u>	<u>325,340</u>	<u>-</u>	<u>325,340</u>
Supporting services:						
Management and general	200,383	-	200,383	148,390	-	148,390
Fundraising	47,057	-	47,057	51,496	-	51,496
Total supporting services	<u>247,440</u>	<u>-</u>	<u>247,440</u>	<u>199,886</u>	<u>-</u>	<u>199,886</u>
Total expenses	<u>566,253</u>	<u>-</u>	<u>566,253</u>	<u>525,226</u>	<u>-</u>	<u>525,226</u>
Change in net assets	16,231	(612)	15,619	9,526	(4,180)	5,346
Net assets at beginning of year	(1,081)	23,673	22,592	(10,607)	27,853	17,246
Net assets at end of year	<u>\$ 15,150</u>	<u>23,061</u>	<u>38,211</u>	<u>(1,081)</u>	<u>23,673</u>	<u>22,592</u>

See accompanying notes to financial statements and independent accountant's review report.

UNITED WAY OF SOUTHEAST ALASKA

Statements of Functional Expenses

Years ended August 31, 2020 and 2019

		2020			Total Program and Supporting Services	
		Program Services	Supporting Services			
		Community Impact	Management and General	Fundraising		Total
Expenses:						
Salaries and benefits	\$	91,251	94,790	10,957	105,747	196,998
Stipend		121,317	-	-	-	121,317
Payroll taxes		10,735	7,695	922	8,617	19,352
Professional fees		28,180	50,005	1,394	51,399	79,579
Office rent		-	17,905	-	17,905	17,905
Telephone and Internet		4,423	115	-	115	4,538
Office supplies		1,075	2,996	13	3,009	4,084
Printing		266	-	13,224	13,224	13,490
Postage		344	95	152	247	591
Advertising		1,327	975	17,371	18,346	19,673
Fees and licenses		622	5,453	748	6,201	6,823
Bank fees		337	208	1,669	1,877	2,214
Insurance		886	1,636	-	1,636	2,522
Events and meetings		10,513	1,568	84	1,652	12,165
Electronic media		5,680	13,832	168	14,000	19,680
Training and development		2,080	721	-	721	2,801
SE travel		4,468	834	-	834	5,302
Recognition awards		585	1,555	355	1,910	2,495
Other		34,724	-	-	-	34,724
Total expenses	\$	<u>318,813</u>	<u>200,383</u>	<u>47,057</u>	<u>247,440</u>	<u>566,253</u>

(continued)



UNITED WAY OF SOUTHEAST ALASKA

Statements of Functional Expenses, continued

		2019					Total Program and Supporting Services
		Program Services		Supporting Services			
	Fund Distributions	Community Impact	Total	Management and General	Fundraising	Total	
Expenses:							
Salaries and benefits	\$ -	117,513	117,513	70,170	13,110	83,280	200,793
Stipend	-	137,063	137,063	-	-	-	137,063
Payroll taxes	-	2,447	2,447	5,006	1,140	6,146	8,593
Professional fees	11,120	5,893	17,013	17,597	4,440	22,037	39,050
Office rent	-	15	15	17,338	-	17,338	17,353
Telephone and internet	-	319	319	3,265	-	3,265	3,584
Office supplies	-	3,057	3,057	1,900	175	2,075	5,132
Printing	-	80	80	-	8,779	8,779	8,859
Postage	-	19	19	821	2,958	3,779	3,798
Advertising	-	1,314	1,314	14,807	15,513	30,320	31,634
Fees and licenses	-	778	778	4,657	1,235	5,892	6,670
Bank fees	-	127	127	367	1,505	1,872	1,999
Insurance	-	60	60	2,473	-	2,473	2,533
Events and meetings	-	2,088	2,088	4,736	640	5,376	7,464
Training and development	-	1,220	1,220	340	1,354	1,694	2,914
SE travel	-	8,059	8,059	4,038	102	4,140	12,199
Recognition awards	-	1,236	1,236	875	545	1,420	2,656
Other	-	32,932	32,932	-	-	-	32,932
Total expenses	\$ <u>11,120</u>	<u>314,220</u>	<u>325,340</u>	<u>148,390</u>	<u>51,496</u>	<u>199,886</u>	<u>525,226</u>

See accompanying notes to financial statements and independent accountant's review report.

UNITED WAY OF SOUTHEAST ALASKA

Statements of Cash Flows

Years Ended August 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from (used) by operating activities:		
Change in net assets	\$ 15,619	5,346
Adjustments to reconcile change in net assets to net cash flows provided (used) by operating activities:		
Unrealized investment (gains) losses	(2,643)	103
(Increase) decrease in:		
Promises to give	28,010	15,776
Other receivable	-	3,444
Grants receivable	33,717	(28,591)
Prepaid expenses	(2,609)	1,184
Increase (decrease) in:		
Accounts payable	4,974	8,819
Designations payable	(11,923)	(8,848)
Accrued payroll	16,082	(11,996)
Deferred revenue	766,344	10,817
Net cash provided (used) by operating activities	<u>847,571</u>	<u>(3,946)</u>
Cash flows from investing activities:		
Purchase of investments	<u>-</u>	<u>(2,009)</u>
Cash flows from financing activities:		
Proceeds from issuance of PPP loan	37,800	-
Proceeds from issuance of Emergency Income Disaster loan	49,900	-
Net cash provided by investing activities	<u>87,700</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	935,271	(5,955)
Cash and cash equivalents at beginning of year	<u>8,202</u>	<u>14,157</u>
Cash and cash equivalents at end of year	<u>\$ 943,473</u>	<u>8,202</u>

See accompanying notes to financial statements and independent accountant's review report.

UNITED WAY OF SOUTHEAST ALASKA

Notes to Financial Statements

August 31, 2020 and 2019

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. General Organization and Purpose**

United Way of Southeast Alaska (UWSEAK) was organized for the purpose of assessing on a continuing basis the need for health and social service programs; to seek solutions to human problems; to assist in the development of United Way member agencies; to promote preventive activities; and to foster cooperation among local, state, and national agencies serving the community. In fulfilling these purposes, UWSEAK receives and distributes both private and public pledges in accordance with the donor wishes through two different fundraising campaigns: the private campaign, and SHARE (State of Alaska) Campaign.

The private campaign is administered by United Way of Southeast Alaska who is responsible for managing the fundraising drives, and collecting and disbursing all moneys received from the annual campaigns. The SHARE campaign is administered by United Way of Anchorage but UWSEAK is responsible for disbursing all promises to give per the donor's designation.

**B. Basis of Accounting**

United Way of Southeast Alaska's financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and accordingly reflect all significant receivables, payables, and other liabilities.

**C. Basis of Presentation**

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:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

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, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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.

UNITED WAY OF SOUTHEAST ALASKA

Notes to Financial Statements, Continued

**D. Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, UWSEAK considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

**E. Investments**

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

**F. Fair Value of Financial Instruments**

The fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Organization discloses its estimate of the fair value of material financial instruments, including those recorded as assets or liabilities in its financial statements and derivative financial instruments.

The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) investments, (3) receivables, net, (4) certain other current assets, (5) accounts payable and (6) other current liabilities. The carrying amounts reported in the statements of financial position for the above financial instruments closely approximates their fair value due to the short-term nature of these assets and liabilities.

**G. Promises to Give and Donor Designations**

Contributions from campaigns are recorded as revenue when United Way is notified in writing of an unconditional pledge. Donor designations are recognized as a receivable and a payable at the time the pledge is made to United Way and are not included in net campaign results.

Annual campaigns are predominantly conducted in the fall. The total results from the annual campaign are reduced by promises to give collected on behalf of others (donor designations) and by a provision for amounts promised but not paid (uncollectible promises to give).

Differences between amounts provided for uncollectible promises to give in each campaign and actual losses are an accounting adjustment in the year following the campaign.

**H. Prepaid Expenses**

Payments made to vendors for services that are applicable to future accounting periods are recorded as prepaid expenses.

## UNITED WAY OF SOUTHEAST ALASKA

### Notes to Financial Statements, Continued

#### **I. Equipment**

Purchased equipment and software are recorded at cost and are depreciated on the straight-line method using useful lives ranging from 3 to 5 years. Acquisitions in excess of \$5,000 are capitalized.

#### **J. Designations Payable**

Designations payable are based on designated amounts pledged during each of the annual campaigns. This is in accordance with the Code of Federal Regulations for the Combined Federal Campaign. Distributions to agencies are made on a quarterly basis, and are paid net of each agency's share of allocable campaign expenses. Combined Federal and Private Campaign expenses are allocated to each agency in proportion to their percentage of designated contributions.

SHARE campaign expenses are deducted by United Way of Anchorage before releasing the promises to give to United Way of Southeast Alaska for distribution. Designations payable consist of current year end amounts due from the Fall 2020 and 2019 campaign pledges.

#### **K. Deferred Revenue**

Deferred revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

#### **L. Advertising**

United Way expenses advertising costs as they are incurred. At August 31, 2020 and 2019 advertising costs were \$19,673 and \$31,634, respectively.

#### **M. Income Tax Status**

United Way funds qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code and, therefore, no provision for federal income taxes has been made. UWSEAK has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Although the Organization is exempt from federal income taxes, any income derived from unrelated business activities is subject to the requirement of filing U.S. Federal Income Tax Form 990-T and a tax liability may be determined on these activities. The Organization's policy is to report interest and penalties associated with uncertain tax positions as interest expense and other expense respectively. Management is not aware of any uncertain tax positions that would require financial statement recognition or disclosure. With few exceptions, the Organization is not subject to audit of its tax returns prior to 2017.

#### **N. Budgets**

Budgets are adopted for operations annually and are revised as necessary throughout the year.

## UNITED WAY OF SOUTHEAST ALASKA

### Notes to Financial Statements, Continued

#### **O. Use of Estimates**

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

#### **P. Donated Goods and Services**

Donated services are recognized as contributions in accordance with FASB ASC 958, Accounting for Contributions Received and Contributions Made, if the services (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. In-kind contributions for space, supplies, and professional services are recorded in the statement of activities at market value and recognized as revenue and expenses in the period they are received, except for donated equipment, which is recorded as revenue in the period received and the asset is depreciated over its estimated useful life.

#### **Q. Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include office rent which is allocated on a square footage basis, as well as salaries and benefits, stipend, payroll taxes, professional fees, telephone and internet, office supplies, printing, postage, advertising, fees and licenses, bank fees, insurance, events and meetings, training and development, travel, technology operations, and recognition awards, which are allocated on the basis of estimates of time and effort.

#### **R. Revenue and Revenue Recognition**

United Way 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.

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 are reported as refundable advances in the statement of financial position.

UNITED WAY OF SOUTHEAST ALASKA

Notes to Financial Statements, Continued

The Organization received cost-reimbursable grants of \$794,117 and \$1,409 that have not been recognized at August 31, 2020 and 2019 respectively, because qualifying expenditures have not yet been incurred, with an advance payment of \$795,526, and \$29,182 recognized in the statement of financial position as a refundable advance as of August 31, 2020 and 2019.

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.

**II. CASH AND CASH EQUIVALENTS**

The bank accounts are maintained at three financial institutions. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000 per bank. At August 31, 2020 and 2019, UWSEAK had uninsured and uncollateralized deposits of \$687,427 and \$0, respectively.

**III. INVESTMENTS**

A summary of investments at August 31 follows:

	2020	2019
Common stock	\$ 4,549	1,906

The components of investment income for the years ended August 31, 2020 and 2019 are as follows:

	2020	2019
Interest and dividends	\$ 20	7
Realized and unrealized gains (losses), net	2,643	(103)
	<u>\$ 2,663</u>	<u>(96)</u>

A fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The fair value of all of United Way of Southeast Alaska's investment is measured using Level 1 inputs.

UNITED WAY OF SOUTHEAST ALASKA

Notes to Financial Statements, Continued

**IV. PROMISES TO GIVE RECEIVABLE**

The pledges receivable balance consist of pledges made during the Fall 2019 and 2018 campaigns, less any amounts received from those campaigns prior to August 31, 2020 and 2019, respectively. The amounts due for each campaign are as follows:

	<u>2020</u>	<u>2019</u>
Private Campaign	\$ 36,858	59,756
SHARE Campaign	<u>30,446</u>	<u>35,558</u>
Total pledges receivable	\$ <u>67,304</u>	<u>95,314</u>

Management has determined all receivables are fully collectible therefore, no allowance for doubtful accounts has been established.

**V. DONATED GOODS AND SERVICES**

UWSEAK recorded no in-kind contributions at August 31, 2020 and 2019.

**VI. DESIGNATIONS PAYABLE**

The designations payable consists of the pass-through portion of pledges received during the fall campaign along with the last quarterly distribution of the previous fall pledges received. These previous fall campaign pledges are payable after August 31, 2020 and 2019, respectively. At August 31, 2020 and 2019, the designations payable balances are as follows:

	<u>2020</u>	<u>2019</u>
Private Campaign	\$ 10,709	29,795
CFC	<u>51,114</u>	<u>43,951</u>
Total agency	\$ <u>61,823</u>	<u>73,746</u>

**VII. NOTES PAYABLE**

Obligations under notes payable at August 31 consist of the following:

	<u>2020</u>	<u>2019</u>
SBA Emergency Income Disaster Relief 2.75% note payable, due in monthly installments of \$214 including interest through May 28, 2050, Secured by the following property that UWSEAK now owns or shall acquire or create immediately upon the acquisition or creation.	\$ 49,900	-



UNITED WAY OF SOUTHEAST ALASKA

Notes to Financial Statements, Continued

Annual maturities of long-term debt for the five years subsequent to fiscal year 2020 and 2019 are as follows:

	2020	2019
2020	\$ -	-
2021	856	-
2022	2,568	-
2023	2,568	-
2024	2,568	-
2025	2,568	-
Thereafter	38,772	-
	49,900	-
Less current portion	856	-
	<u>49,044</u>	<u>-</u>

**VIII. PAYCHECK PROTECTION PROGRAM LOAN**

On March 27, 2020, the “Coronavirus Aid, Relief and Economic Security (CARES) Act” was signed into law. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of the employer share of social security payments, and net operating loss carryback periods. It also appropriated funds for the SBA Paycheck Protection Program (PPP) loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans to provide liquidity to nonprofits harmed by COVID-19. The organization received a PPP loan of \$37,800, which is recorded as a conditional contribution on the Statement of Financial Position. The loan can be forgiven once all conditions have been met, at which point revenue will be recognized. The final condition to be met is the approval of the debt forgiveness application by the Organization’s lender. If any of the conditions are not met, the amount of the PPP loan not forgiven will have an interest rate of 1% and will mature in 2 years. (5 years if the loan is issued after June 5) Loan payments will be deferred for six months.

**IX. LEASE COMMITMENTS**

United Way of Southeast Alaska leases office space located at 3225 Hospital Drive, Juneau, Alaska from United Human Services of Southeast Alaska. The lease went into effect on June 25, 2018 and shall stay in effect through August 31, 2021. Rent expense for the year ending August 31, 2020 and 2019 was \$17,905 and \$17,353, respectively. Future minimum payments are as follows:

Year Ending August 31	Amount
2021	\$ 19,567
Thereafter	-
Total	<u>\$ 19,567</u>

UNITED WAY OF SOUTHEAST ALASKA

Notes to Financial Statements, Continued

**X. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors or contractors. During the years ended August 31, 2020 and 2019, UWSEAK incurred expenses related to the following grants and contributions as required by the donor or grantor:

	2020	2019
Literacy program	\$ 612	4,180

Net assets with donor restrictions are available for the following:

Purposes:	2020	2019
Literacy program	\$ 19,098	19,710
Disabilities awareness	2,513	2,513
Financial literacy	1,450	1,450
Total	\$ 23,061	23,673

**XI. DESCRIPTION OF PROGRAM AND SUPPORTING SERVICES**

**Program Services**

Fund Distributions – Includes funds disbursed to partner agencies at the board discretion.

Community Impact – Includes functions necessary to plan and perform the Organization’s program services within the community the Organization operates.

**Supporting Services**

Management and General – Includes the functions necessary to maintain equitable employment; ensure an adequate working environment; provide coordination of the Organization’s programs; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of the Organization.

Fundraising – Provides the structure necessary to encourage and secure private financial support from individuals, foundations and corporations.

UNITED WAY OF SOUTHEAST ALASKA

Notes to Financial Statements, Continued

**XII. LIQUIDITY AND AVAILABILITY**

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

Cash and cash equivalents	\$	943,473
Promises to give receivable		67,304
Other receivable		44
Grant receivable		24,486
Investments		4,549
	\$	<u>1,039,856</u>

Income from donor-restricted grants are restricted for specific purposes.

**XIII. RECLASSIFICATION**

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets. The reclassifications related to the implementation of FASB issued Accounting Standards Update (ASU) No. 2014-09 – Revenue from Contracts with Customers (Topic 606) and ASU No. 2018-08 Not-for Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605).

**XIV. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 10, 2020, the date which the financial statements were available for issue. No events were identified that would require disclosure in accordance with generally accepted accounting principles.