UNITED WAY OF CHAMPAIGN COUNTY, ILLINOIS, INC.

Savoy, Illinois

Financial Statements

For the Years Ended

June 30, 2019 and 2018

CONTENTS

Martin | Hood

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INDEPENDENT AUDITOR'S REPORT

Board of Directors and Management
United Way of Champaign County, Illinois, Inc.
Savoy, Illinois

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Martin Hood LLC

Champaign, Illinois
September 23, 2019

Exhibit A

UNITED WAY OF CHAMPAIGN COUNTY, ILLINOIS, INC.
Statements of Financial Position
June 30, 2019 and 2018

ASSETS

	2019	2018
Current Assets		
Cash and Cash Equivalents	$ 1,057,231	$ 1,694,741
Campaign Promises to Give, Net of Allowance of $164,420 and $170,683, respectively	764,026	826,170
Grants Receivable	18,064	18,064
Other Current Assets	35,589	23,345
Total Current Assets	1,874,910	2,562,320
Property and Equipment, Net	707,207	525,044
Other Assets		
Investments	2,890,763	1,772,571
Endowment Promises to Give	782,443	67,000
Total Other Assets	3,673,206	1,839,571
Total Assets	$ 6,255,323	$ 4,926,935
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable and Accrued Expenses	$ 72,128	$ 57,593
Unearned Grant Revenue	32,731	21,863
Designations Payable	335,489	352,256
Allocations Payable	1,370,382	1,383,382
Total Current Liabilities	1,810,730	1,815,094
Net Assets		
Without Donor Restrictions	2,131,514	1,890,030
With Donor Restrictions — Temp & Perm	2,313,079	1,221,811
Total Net Assets	4,444,593	3,111,841
Total Liabilities and Net Assets	$ 6,255,323	$ 4,926,935

See Accompanying Notes

Exhibit B

UNITED WAY OF CHAMPAIGN COUNTY, ILLINOIS, INC.
Statements of Activities
For The Years Ended June 30, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Campaign Contributions	$ 2,334,535	$ 94,262	$ 2,428,797	$ 2,400,610	$ 143,984	$ 2,544,594
Future Campaign Contributions	-	130,750	130,750	-	120,530	120,530
Provision for Uncollectible Promises to Give	(58,294)	(39,979)	(98,273)	(85,701)	(40,477)	(126,178)
Net Campaign Contributions	2,276,241	185,033	2,461,274	2,314,909	224,037	2,538,946
Non-Campaign Contributions	29,333	1,150,220	1,179,553	-	157,942	157,942
Management Fees - Designated Promises to Give	43,977	-	43,977	44,525	-	44,525
Sponsorships	-	32,200	32,200	-	29,610	29,610
Grant Revenue	57,819	-	57,819	77,660	-	77,660
Special Events, Net of Direct Costs of Donor Benefits	(3,725)	98,632	94,907	(1,108)	83,280	82,172
Other Income	2,672	-	2,672	4,620	-	4,620
Change in Fair Value of Endowment Promise to Give	-	-	-	-	(21,000)	(21,000)
Interest and Dividends	24,897	-	24,897	12,774	-	12,774
Net Realized and Unrealized Gain (Loss) on Investments	38,690	(3,726)	34,964	25,410	37,018	62,428
Net Assets Released from Restrictions	371,091	(371,091)	-	313,053	(313,053)	-
Gain on Sale of Property	-	-	-	193,490	-	193,490
Total Support and Revenue	2,840,995	1,091,268	3,932,263	2,985,333	197,834	3,183,167
Expenses						
Program Services	2,018,266	-	2,018,266	2,036,008	-	2,036,008
Supporting Services						
Resource Development	391,665	-	391,665	375,736	-	375,736
Administration and General	189,580	-	189,580	209,524	-	209,524
Total Supporting Services	581,245	-	581,245	585,260	-	585,260
Total Expenses	2,599,511	-	2,599,511	2,621,268	-	2,621,268
Increase (Decrease) in Net Assets	241,484	1,091,268	1,332,752	364,065	197,834	561,899
Net Assets, Beginning of Year	1,890,030	1,221,811	3,111,841	1,525,965	1,023,977	2,549,942
Net Assets, End of Year	$ 2,131,514	$ 2,313,079	$ 4,444,593	$ 1,890,030	$ 1,221,811	$ 3,111,841

See Accompanying Notes

Exhibit C

UNITED WAY OF CHAMPAIGN COUNTY, ILLINOIS, INC.
Statements of Functional Expenses
For The Years Ended June 30, 2019 and 2018

	2019					2018				
		Supporting Services					Supporting Services			
	Program Services	Resource Development	Administration and General	Total Supporting Services	Total	Program Services	Resource Development	Administration and General	Total Supporting Services	Total
Direct Program Costs										
Program Funding Allocations	$ 1,451,182	$ -	$ -	$ -	$ 1,451,182	$ 1,391,652	$ -	$ -	$ -	$ 1,391,652
Special Projects	125,528	-	-	-	125,528	207,842	-	-	-	207,842
Personnel Costs										
Salaries	274,832	212,209	91,885	304,094	578,926	270,040	207,177	90,204	297,381	567,421
Employee Benefits	49,961	46,666	13,645	60,311	110,272	49,807	39,562	14,744	54,306	104,113
Payroll Taxes	20,618	15,862	6,933	22,795	43,413	20,452	15,627	6,774	22,401	42,853
Contractual Services	-	-	8,430	8,430	8,430	-	-	9,200	9,200	9,200
Workers Compensation	924	714	309	1,023	1,947	1,302	999	435	1,434	2,736
Professional Services										
Audit Services	-	-	14,300	14,300	14,300	-	-	14,375	14,375	14,375
Legal Services	-	-	6,652	6,652	6,652	-	-	25	25	25
Office Expenses										
Postage	3,722	2,874	1,245	4,119	7,841	3,335	2,559	1,114	3,673	7,008
Office Supplies	2,356	1,819	788	2,607	4,963	2,074	1,592	693	2,285	4,359
Stationery/Printing	-	-	-	-	-	1,699	1,304	568	1,872	3,571
Occupancy Costs										
Depreciation	10,934	8,443	3,655	12,098	23,032	15,578	11,951	5,204	17,155	32,733
Moving Expense	-	-	1,877	1,877	1,877	-	-	27,841	27,841	27,841
Computer Support Agreement	8,563	11,400	2,863	14,263	22,826	6,772	9,491	2,262	11,753	18,525
Building Maintenance	9,699	7,489	3,242	10,731	20,430	7,479	5,738	2,498	8,236	15,715
Utilities	4,059	3,134	1,358	4,492	8,551	5,946	4,562	1,986	6,548	12,494
Telephone	5,063	3,909	1,693	5,602	10,665	5,377	4,125	1,797	5,922	11,299
Equipment Maintenance	3,083	2,381	1,031	3,412	6,495	2,591	1,988	866	2,854	5,445
Building Insurance	2,548	1,968	852	2,820	5,368	2,328	1,786	778	2,564	4,892
Marketing and Communication Costs										
Materials - Development and Production	12,063	28,249	-	28,249	40,312	10,724	26,443	-	26,443	37,167
Events and Programs	4,457	17,307	-	17,307	21,764	5,778	11,155	-	11,155	16,933
Recognitions	1,082	3,896	-	3,896	4,978	898	2,751	-	2,751	3,649
Other Expenses										
Affiliation Dues	18,459	14,253	6,172	20,425	38,884	18,586	14,259	6,209	20,468	39,054
Service Charges	-	-	16,792	16,792	16,792	-	-	16,446	16,446	16,446
Meals and Events	1,933	1,768	3,164	4,932	6,865	1,876	2,289	3,252	5,541	7,417
Training and Conferences	2,125	2,660	590	3,250	5,375	163	5,580	-	5,580	5,743
Dues and Subscriptions	1,760	1,235	1,378	2,613	4,373	1,599	1,370	1,565	2,935	4,534
Directors/Officers/Programs Insurance	1,464	1,130	490	1,620	3,084	1,463	1,122	489	1,611	3,074
Mileage	1,146	1,755	-	1,755	2,901	50	1,848	-	1,848	1,898
Miscellaneous	705	544	236	780	1,485	597	458	199	657	1,254
Total Expenses	$ 2,018,266	$ 391,665	$ 189,580	$ 581,245	$ 2,599,511	$ 2,036,008	$ 375,736	$ 209,524	$ 585,260	$ 2,621,268

See Accompanying Notes

UNITED WAY OF CHAMPAIGN COUNTY, ILLINOIS, INC.
Statements of Cash Flows
For The Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities		
Increase (Decrease) in Net Assets	$ 1,332,752	$ 561,899
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	23,032	32,733
Net Realized and Unrealized (Gain) Loss on Investments	(34,964)	(62,428)
Change in Fair Value of Endowment Promise to Give	-	21,000
Gain on Sale of Property and Equipment	-	(193,490)
Contributions Received in the Form of Investments	(39,899)	(2,125)
(Increase) Decrease in Assets:		
Campaign Promises to Give, Net of Allowance	62,144	(38,350)
Other Current Assets	(12,244)	(1,264)
Endowment Promises to Give	(715,443)	-
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	14,535	(1,512)
Unearned Grant Revenue	10,868	46
Designations Payable	(16,767)	(3,027)
Allocations Payable	(13,000)	42,496
Total Adjustments	(721,738)	(205,921)
Net Cash Provided by (Used in) Operating Activities	611,014	355,978
Cash Flows From Investing Activities		
Purchases of Property and Equipment	(205,195)	(517,543)
Proceeds From Sale of Property and Equipment	-	500,000
Purchases of Investments	(1,837,815)	(297,357)
Reinvested Interest and Dividends	(19,412)	(11,759)
Proceeds From Sales and Maturities of Investments	813,898	243,116
Net Cash (Used in) Provided by Investing Activities	(1,248,524)	(83,543)
Net Increase (Decrease) in Cash	(637,510)	272,435
Cash and Cash Equivalents, Beginning of Year	1,694,741	1,422,306
Cash and Cash Equivalents, End of Year	$ 1,057,231	$ 1,694,741

See Accompanying Notes

1. Description of Operations

United Way of Champaign County, Illinois, Inc. (the Organization) is a nonprofit corporation organized to bring people and resources together to create positive change and lasting impact for the community. The Organization focuses on the most pressing needs of Champaign County by mobilizing financial, volunteer, and informational resources.

The Organization focuses its resources on three investment areas based on the results of a local community-wide needs assessment. The investment areas are (listed in no particular priority order):

a. Health – Building healthier, more resilient communities by promoting healthy eating and physical activity; expanding access to quality health care; and integrating health into early childhood development.

b. Education – Focuses on lifelong education strategies that provide a firm foundation at an early age and continue to develop our children into successful adults who can contribute to their communities.

c. Income – Empowers people to get on a stable financial ground with proven methods like job training, financial wellness classes, and more.

The Organization's responsibility is to mobilize the Champaign County community to create sustained changes in community conditions, thereby improving lives on a long-term basis. The Organization's primary means of positively impacting the community is through funding processes and program funding. Organizations must apply for funding each biennial cycle for on-going program support. While program funding is a two-year commitment to support a program's ongoing needs, the Organization also administers a Safety Net Fund to meet emergent needs in the community. All funded programs are expected to provide measurable results through clearly defined outcomes.

The Organization's major source of support and revenue is contributions from employer campaigns as well as individual donors. The Organization also receives support and revenue from special events, grants and sponsorships, and investments.

The Organization also utilizes several other strategies to strengthen the community. The Organization mobilizes volunteer resources, provides management assistance to funded programs, participates in community-wide organizations to develop alliances and networks, promotes public awareness of community needs, and advocates for issues on local, state, and national levels.

2. Significant Accounting Policies

Following is a summary of the significant accounting policies of the Organization:

a. The financial statements of the Organization have been prepared on the accrual basis of accounting. Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

   - *Net Assets Without Donor Restrictions* – Net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors.

   - *Net Assets With Donor Restrictions* – Net assets subject to donor-imposed stipulations. Purpose driven stipulations may be met, either by actions of the Organization and/or the passage of time. Other stipulations may require that the corpus of the contribution be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

b. For purposes of the statements of cash flows, the Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

c. The Organization's investments are recorded at fair value on the statement of financial position in the other assets section, with the change in fair value during the period recorded in earnings.

   Donated securities are valued at fair value at the time of donation.

   Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near-term and that those changes could materially affect the amounts reported in the financial statements.

d. Promises to give consist of unconditional promises to give to the Organization for operating and restricted activities. Long-term promises to give are discounted to present value based on expected payment schedules and effective interest rates, if applicable.

   The carrying amount of promises to give may be reduced by a valuation allowance based on management's assessment of the collectability of specific promises to give. Campaign promises to give at June 30, 2019, consist of amounts due in the coming year.

e. Property and equipment are recorded at cost, or if donated, at the fair value at the time of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

f. Designations payable consist of pledges that have been directed to other organizations by the donor. The payable is recorded during the campaign year, and it is paid out as the pledges are collected the following fiscal year. The balance has been reduced by an allowance for uncollectible pledges in the amount of $39,979 and $40,447 as of June 30, 2019 and 2018, respectively.

g. Allocations payable reflect the program funds that have been awarded to beneficiary organizations. Allocations payable are paid out the following fiscal year.

h. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

   The Organization has estimated the amount of promises to give that will not be collected based on experience gained from prior years' campaigns. The amount of the allowance is subject to some degree of uncertainty and it is at least reasonably possible that the actual amount of uncollected promises to give will differ from the estimate.

   The Organization has also estimated the amount of a certain future endowment promise to give with unusual payment conditions based on the present value of the amount the Organization expects to receive in the future. The amount reflected as a receivable is subject to some degree of uncertainty and it is at least reasonably possible that the actual amount received will differ from the current estimate.

i. The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. The following costs, as summarized on Exhibit C, have been allocated based upon an analysis of time studies completed by employees daily:

   - Salaries and other employee related expenses, including insurance
   - Office expenses
   - Depreciation
   - Occupancy costs, with the exception of moving expenses
   - Affiliation Dues
   - Miscellaneous

   All other expenses are charged to each program based upon direct expenditures incurred.

j. The Organization is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code.

k. For the year ended June 30, 2019, the Organization adopted Accounting Standard Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958).* The provisions of ASU 2016-14 require the presentation of two classes of net assets, *net assets with donor restrictions* and *net assets without donor restrictions*, rather than the previously required three classes. The provisions also require enhanced disclosures to the notes of the financial statements. This adoption has been applied retrospectively to all periods presented and had no effect on the opening net asset balance.

l. The Organization has evaluated subsequent events through September 23, 2019, the date which the financial statements were available to be issued.

3. Liquidity and Availability

The following reflects the Organization's financial assets available to meet cash flow needs for general expenditures within one year of June 30:

	2019	2018
Financial Assets at Year-End:		
Cash	$ 1,057,231	$ 1,694,741
Campaign Promises to Give, Net	764,026	826,170
Grants Receivable	18,064	18,064
Investments	2,890,763	1,772,571
Endowment Promises to Give	782,443	67,000
	5,512,527	4,378,546
Less those unavailable for general expenditures within one year due due to donor-imposed restrictions	(2,506,378)	(1,820,702)
Financial assets available to meet cash needs for general expenditures within one year	$ 3,006,149	$ 2,557,844

The Organization's goal is generally to maintain financial assets sufficient to meet operating expenses. As part of its liquidity plan, excess cash is invested into highly liquid investment instruments, such as certificates of deposit and treasury bills that can be liquefied upon sufficient notice.

4. Investments

Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements*, establishes a framework for measuring fair value under U.S. GAAP. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. ASC 820 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

The three levels of the fair-value hierarchy under ASC 820 are described below:

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

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full-term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair-value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at June 30, 2019.

Investments are valued at either quoted market prices, which represent the net asset value of shares held by the Organization at period-end, the closing price reported on the active market on which the individual securities are traded, original cost plus reinvested interest, or based on information regarding the value of the underlying assets as reported by the investment advisor.

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

Investments are summarized within the fair value hierarchy as follows at June 30, 2019:

	Cost	Market	Fair Value Level
Certificates of Deposit	$ 700,000	$ 701,499	1
Money Market	109,785	109,785	1
Pooled Endowment	650,574	818,180	3
Common Stock (Endowment)	101,575	124,615	1
United States Treasury Bond	738,942	740,909	1
Mutual Funds	378,587	395,775	1
	$ 2,679,463	$ 2,890,763	

Investments are summarized within the fair value hierarchy as follows at June 30, 2018:

	Cost	Market	Fair Value Level
Certificates of Deposit	$ 600,000	$ 599,737	1
Money Market	205,298	205,396	1
Pooled Endowment	648,014	815,069	3
Common Stock (Endowment)	101,575	130,452	1
Mutual Funds	21,183	21,917	1
	$ 1,576,070	$ 1,772,571	

The pooled endowment is held and managed by a third party. The allocation among the types of investments is not disclosed to the Organization. The third party provides the Organization the value of their investment based upon the Organization's portion of the pooled funds.

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 assets for the years ended June 30, 2019 and 2018:

Balance, July 01, 2017	$	791,716
Distributions		(27,840)
Contributions		1,500
Net Realized and Unrealized Gain (Loss)		49,693
Balance, June 30, 2018		815,069
Distributions		(27,804)
Contributions		2,460
Net Realized and Unrealized Gain (Loss)		28,455
Balance, June 30, 2019	$	818,180

5. Property and Equipment, Net

Property and equipment consist of the following as of June 30:

		2019		2018
Land	$	20,400	$	20,400
Buildings and Improvements		674,221		488,941
Furniture and Equipment		89,358		81,795
Software		13,424		13,424
Total Property and Equipment		797,403		604,560
Less: Accumulated Depreciation		(90,196)		(79,516)
Property and Equipment, Net	$	707,207	$	525,044

The Organization sold land and a building in May 2018 recognizing a gain of $193,490 for the year ended June 30, 2018.

6. Line of Credit

The Organization has an established line of credit of $300,000, which matures in November 2020. The line of credit is secured by all assets of the Organization. The line of credit calls for interest payable monthly at the U.S. Prime Rate plus 0.75 percent, or 6.25 and 5.75 percent as of June 30, 2019 and 2018, respectively. There was no balance outstanding as of June 30, 2019 and 2018.

7. Net Assets Without Donor Restriction

Net assets without donor restrictions consist of the following at June 30:

	2019	2018
Board Designated Assets:		
Community Impact	$ 255,970	$ 308,470
Building Reserve	24,656	209,495
Emergent Needs in the Community	17,936	25,000
Total Board Designated Assets	298,562	542,965
Undesignated Assets	1,832,952	1,347,065
Total Net Assets Without Donor Restrictions	$ 2,131,514	$ 1,890,030

8. Net Assets With Donor Restrictions

Net assets with donor restrictions consists of funds established by the donors restricted for the following purposes at June 30:

	2019	2018
Perpetually Restricted:		
Endowed Funds	$ 2,023,561	$ 937,540
Purpose Restricted:		
Fall Campaign Contributions	130,750	120,530
Emergency Family Shelter	38,099	33,492
Kindergarten Readiness Initiative	37,439	44,417
Leadership	31,875	32,268
Volunteerism	21,122	21,225
Youth	16,516	16,936
Farmers for Families	701	2,593
Other Program Designations	13,016	12,810
Net Assets With Donor Restrictions	$ 2,313,079	$ 1,221,811

During the years ended June 30, 2019 and 2018, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes set forth by the donors as follows:

	2019	2018
Fall Campaign Contributions	$ 120,530	$ 3,500
Emergency Family Shelter	97,525	65,473
Farmers for Families	44,998	42,491
Kindergarten Readiness Initiative	34,562	87,014
Women's Scholarship	25,000	25,000
Leadership	21,061	15,309
Volunteerism	4,500	4,951
Youth	4,500	4,049
Men's Emergency Shelter	-	53,975
Other Program Designations	18,415	11,291
	$ 371,091	$ 313,053

9. Endowment Funds

The Organization has endowment funds established for the purpose of the operation and the implementation of the Organization's mission. The endowment consists of donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA), adopted by the State of Illinois, 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 a result of this interpretation, the Organization classifies as perpetually restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in perpetually restricted net assets is classified as purpose restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

The objective of the Organization is to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return. Endowment assets, other than the pooled endowment, are invested in a well-diversified asset mix, which includes targets of 65 percent equity and 35 percent fixed income securities that are intended to result in a consistent inflation-protected rate of return. Actual returns in any given year may vary. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to expose the fund to acceptable levels of risk.

The Organization may distribute the earnings on endowed funds towards purposes designated by donor or board stipulations. During the years ended June 30, 2019 and 2018, the Organization took a distribution equivalent to 4.00 percent of the September 30 fair value, based on an average of the previous 16 quarters.

The composition of the endowment funds as of June 30, 2019 and 2018 is summarized as follows:

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	$ -	$ -	$ -
Donor-Restricted Endowment Funds:			
Original donor restricted gift amount and amount required to be retained by donor.	-	2,023,561	2,023,561
Portion subject to appropriation under UPMIFA	123,930	62,414	186,344
	$ 123,930	$ 2,085,975	$ 2,209,905

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Board- Designated Endowment Funds	$ -	$ -	$ -
Donor-Restricted Endowment Funds:			
Original donor restricted gift amount and amount required to be retained by donor.	-	937,540	937,540
Portion subject to appropriation under UPMIFA	107,470	62,214	169,684
	$ 107,470	$ 999,754	$ 1,107,224

Changes in endowment funds by net asset composition as of June 30, 2019 and 2018 are as follows:

		With Donor Restriction		
	Without Donor Restrictions	Purpose Restricted	Perpetually Restricted	Total
Balance, July 01, 2017	$ 96,079	$ 50,694	$ 850,267	$ 997,040
Appropriated For Expenditure	(14,416)	(13,424)	-	(27,840)
Contributions	-	-	96,199	96,199
Net Realized and Unrealized Gain (Loss)	25,807	24,944	(8,926)	41,825
Balance, June 30, 2018	107,470	62,214	937,540	1,107,224
Appropriated For Expenditure	(14,395)	(13,410)	-	(27,805)
Contributions	-	-	1,103,357	1,103,357
Net Realized and Unrealized Gain (Loss)	30,855	13,610	(17,336)	27,129
Balance, June 30, 2019	$ 123,930	$ 62,414	$ 2,023,561	$ 2,209,905

10. Endowment Promises to Give

The Organization's endowment promises to give consist of the following as of June 30, 2019 and 2018:

	2019	2018
Estate Endowment Promise to Give	$ 715,443	$ -
Perpetually Restricted Promise to Give	67,000	67,000
	$ 782,443	$ 67,000

During 2004, a perpetually restricted donation of common stock with a fair market value of approximately $100,000 on the donation date was received along with a promise to contribute an amount equal to the difference between the stock's fair market value and $200,000 as of December 31, 2009. This agreement has been extended indefinitely. Each year, the change in the stock value is reported as a perpetually restricted gain or loss on investments, with an equivalent increase or decrease in the endowment promise to give, which is reported as a perpetually restricted contribution. The fair value of the common stock approximated $125,000 and $130,500 as of June 30, 2019 and 2018, respectively.

The estate endowment promise to give noted above represents 11 percent of the Organization's total assets as of June 30, 2019.

As of June 30, 2019, collection of the endowment promises to give are as follows:

Less than One Year	$	715,443
One to Five Years		75,000
Gross Promises to Give		790,443
Less: Discount on Long-Term Pomises to Give		(8,000)
Total Promises to Give, Net	$	782,443

11. **Special Events Revenue**

The composition of the Organization's special events revenue, net of direct cost of donor benefits, for the year ended June 30 is as follows:

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Gross Receipts	$ 12,610	$ 149,034	$ 161,644
Direct Cost of Donor Benefits	16,335	50,402	66,737
Net Special Events Revenue	$ (3,725)	$ 98,632	$ 94,907

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Gross Receipts	$ 8,962	$ 123,477	$ 132,439
Direct Cost of Donor Benefits	10,070	40,197	50,267
Net Special Events Revenue	$ (1,108)	$ 83,280	$ 82,172

12. **Campaign Results**

The Organization's campaign results, reported as Campaign Contributions on Exhibit B, consist of the following for the year ended June 30:

	2019	2018
Gross Contributions	$ 3,188,403	$ 3,313,661
Less: Contributions Raised on Behalf of Others	(759,606)	(769,067)
Campaign Results	$ 2,428,797	$ 2,544,594

The Organization received gross campaign contributions from two employers of $480,515 and $343,112 during the year ended June 30, 2019. These contributions represent 15 and 10 percent, respectively, of the Organization's gross campaign contributions for the year ended June 30, 2019. The Organization received gross campaign contributions from these two employers of $500,672 and $331,028 during the year ended June 30, 2018. These contributions represent 15 and 10 percent, respectively, of the Organization's gross campaign contributions for the year ended June 30, 2018.

13. Employee Retirement Plan

The Organization has a noncontributory defined contribution plan. Contributions to the plan are made for all regular full-time employees who meet certain age and length-of-service requirements. The Organization contributed six percent of the annual compensation of participants to the retirement plan. Employee benefit expense under this plan was $32,281 and $30,910 for the years ended June 30, 2019 and 2018, respectively.

14. Related Party

The Organization pays affiliate dues to the national United Way Organization. Total dues paid for the years ended June 30, 2019 and 2018 were $38,884 and $39,054, respectively.

Contributions received from members of the Board of Directors during the years ended June 30, 2019 and 2018 were $74,130 and $61,755, respectively.

15. Pending Accounting Pronouncements

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958) Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The provisions of the ASU update existing guidance related to the recognition of revenue from contributions and grants. The standard will be effective for fiscal years ending December 31, 2019 and later. The Organization has yet to select a transition method and is currently evaluating the effect, if any, that the updated standard will have on future financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and subsequently issued clarifying ASUs 2015-14, 2016-08, 2016-10, 2016-11, 2016-12, and 2017-13 hereafter referred to as "the clarifying ASUs." The provisions of ASU 2014-09 and the clarifying ASUs require an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The updated standard will be effective for annual reporting periods beginning after December 15, 2018. The Organization has yet to select a transition method and is currently evaluating the effect that the updated standard will have on the financial statements.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820)*. The provisions of the ASU will modify the disclosures on fair value measurements requiring entities to add materiality as consideration for necessity of any singular disclosure requirement. The ASU is effective for periods beginning after December 15, 2019. Early adoption is permitted. The Organization has yet to select a transition method and is currently evaluating the effect, if any, that the updated standard will have on future financial statements.