

UNITED WAY OF EAST CENTRAL ALABAMA, INC.

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

DECEMBER 31, 2023 AND 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
United Way of East Central Alabama, Inc.

Opinion

I have audited the accompanying financial statements of United Way of East Central Alabama, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of East Central Alabama, Inc. as of December 31, 2023 and 2022, 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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the presentation 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way

of East Central Alabama, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

I am 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 I have identified during the audit.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of agency allocations on pages 37-38 are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Curvin Accounting, LLC

Jacksonville, Alabama
November 8, 2024

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

| ASSETS | <u>General</u> | <u>ASECCC</u> | <u>HFI</u> | <u>Total</u> |
|---|---------------------|-----------------|------------------|---------------------|
| Current Assets | | | | |
| Cash | \$ 714,865 | \$ 838 | \$ 39,772 | \$ 755,475 |
| Investments | 394,049 | - | - | 394,049 |
| Prepaid assets | 4,707 | - | - | 4,707 |
| Accounts receivable | 32,155 | - | - | 32,155 |
| Pledges receivable (net of reserve for uncollectibles) | <u>271,151</u> | <u>709</u> | <u>-</u> | <u>271,859</u> |
| Total Current Assets | 1,416,926 | 1,547 | 39,772 | 1,458,245 |
| Property and Equipment (net) | 494,293 | - | - | 494,293 |
| Other Assets | | | | |
| Investments | <u>66,453</u> | <u>-</u> | <u>-</u> | <u>66,453</u> |
| Total Other Assets | <u>66,453</u> | <u>-</u> | <u>-</u> | <u>66,453</u> |
| Total Assets | <u>\$ 1,977,674</u> | <u>\$ 1,547</u> | <u>\$ 39,772</u> | <u>\$ 2,018,993</u> |
| LIABILITIES AND NET ASSETS | | | | |
| Current Liabilities | | | | |
| Accounts payable | \$ 10,729 | \$ - | \$ - | \$ 10,729 |
| Payroll liabilities | 1,831 | - | - | 1,831 |
| Accrued compensation | 29,587 | - | - | 29,587 |
| Deferred revenue | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Current Liabilities | 42,147 | - | - | 42,147 |
| Net Assets | | | | |
| Without restrictions | 1,804,911 | 1,547 | 39,772 | 1,846,230 |
| With restrictions | <u>130,616</u> | <u>-</u> | <u>-</u> | <u>130,616</u> |
| Total Net Assets | <u>1,935,527</u> | <u>1,547</u> | <u>39,772</u> | <u>1,976,846</u> |
| Total Liabilities and Net Assets | <u>\$ 1,977,674</u> | <u>\$ 1,547</u> | <u>\$ 39,772</u> | <u>\$ 2,018,993</u> |

See notes to financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

| ASSETS | <u>General</u> | <u>ASECCC</u> | <u>HFI</u> | <u>Total</u> |
|---|----------------------------|------------------------|-------------------------|----------------------------|
| Current Assets | | | | |
| Cash | \$ 601,255 | \$ 1,608 | \$ 13,688 | \$ 616,551 |
| Investments | 585,034 | - | - | 585,034 |
| Prepaid assets | 3,266 | - | - | 3,266 |
| Accounts receivable | 27,345 | - | - | 27,345 |
| Pledges receivable (net of reserve for uncollectibles) | <u>229,327</u> | <u>1,583</u> | <u>-</u> | <u>230,910</u> |
| Total Current Assets | 1,446,227 | 3,192 | 13,688 | 1,463,107 |
| Property and Equipment (net) | 249,273 | - | - | 249,273 |
| Other Assets | | | | |
| Investments | <u>68,658</u> | <u>-</u> | <u>-</u> | <u>68,658</u> |
| Total Other Assets | <u>68,658</u> | <u>-</u> | <u>-</u> | <u>68,658</u> |
| Total Assets | <u>\$ 1,764,158</u> | <u>\$ 3,192</u> | <u>\$ 13,688</u> | <u>\$ 1,781,038</u> |
| LIABILITIES AND NET ASSETS | | | | |
| Current Liabilities | | | | |
| Accounts payable | \$ 6,271 | \$ - | \$ - | \$ 6,271 |
| Payroll liabilities | 3,284 | - | - | 3,284 |
| Accrued compensation | 23,507 | - | - | 23,507 |
| Deferred revenue | - | - | - | - |
| Total Current Liabilities | 33,061 | - | - | 33,061 |
| Net Assets | | | | |
| Without restrictions | 1,643,579 | 3,192 | 13,688 | 1,660,460 |
| With restrictions | <u>87,521</u> | <u>-</u> | <u>-</u> | <u>87,521</u> |
| Total Net Assets | <u>1,731,100</u> | <u>3,192</u> | <u>13,688</u> | <u>1,747,982</u> |
| Total Liabilities and Net Assets | <u>\$ 1,764,158</u> | <u>\$ 3,192</u> | <u>\$ 13,688</u> | <u>\$ 1,781,038</u> |

See notes to financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

| | Without Restrictions | | | With | Total |
|--|-------------------------|-----------------|------------------|-------------------|---------------------|
| | General | ASECCC | HFI | Restrictions | |
| REVENUES | | | | | |
| Public support | \$ 901,447 | \$ 12,787 | \$ - | \$ 142,012 | \$ 1,056,246 |
| Grant income | - | - | 213,600 | 516,575 | 730,175 |
| Disaster relief income | - | - | - | - | - |
| Interest income | 23,185 | - | 78 | - | 23,262 |
| Investment income | 89,464 | - | - | - | 89,464 |
| Rental and copier income | 4,015 | - | - | - | 4,015 |
| Sponsorship income | - | - | - | 55,741 | 55,741 |
| Miscellaneous income | 10,856 | - | - | 3,473 | 14,329 |
| Net assets released from restrictions | | | | | |
| Satisfaction of program restrictions | 674,706 | - | - | (674,706) | - |
| Total Revenue | 1,703,672 | 12,787 | 213,678 | 43,095 | 1,973,232 |
| EXPENSES | | | | | |
| Program services | 1,380,351 | 14,432 | 187,593 | - | 1,582,377 |
| Supporting services | 161,989 | - | - | - | 161,989 |
| Total Expenses | 1,542,340 | 14,432 | 187,593 | - | 1,744,366 |
| Increase (Decrease) in Net Assets | 161,332 | (1,645) | 26,084 | 43,095 | 228,866 |
| Net Assets, Beginning | 1,643,579 | 3,192 | 13,688 | 87,521 | 1,747,982 |
| Net Assets, Ending | \$ 1,804,911 | \$ 1,547 | \$ 39,772 | \$ 130,616 | \$ 1,976,846 |

See notes to financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Without Restrictions | | | With | Total |
|--|-------------------------|-----------------|------------------|------------------|---------------------|
| | General | ASECCC | HFI | Restrictions | |
| REVENUES | | | | | |
| Public support | \$ 792,124 | \$ 15,783 | \$ - | \$ - | \$ 807,907 |
| Grant income | 5,900 | - | 180,000 | 299,241 | 485,141 |
| Disaster relief income | - | - | - | 11,501 | 11,501 |
| Interest income | 1,494 | - | 30 | - | 1,523 |
| Investment income | (139,563) | - | - | - | (139,563) |
| Rental and copier income | 2,508 | - | - | - | 2,508 |
| Sponsorship income | 70,876 | - | - | - | 70,876 |
| Miscellaneous income | 39,613 | - | - | - | 39,613 |
| Net assets released from restrictions | | | | | |
| Satisfaction of program restrictions | 291,462 | - | - | (291,462) | - |
| Total Revenue | 1,064,414 | 15,783 | 180,030 | 19,280 | 1,279,507 |
| EXPENSES | | | | | |
| Program services | 1,094,251 | 15,271 | 183,394 | - | 1,292,917 |
| Supporting services | 165,055 | - | - | - | 165,055 |
| Total Expenses | 1,259,307 | 15,271 | 183,394 | - | 1,457,972 |
| Increase (Decrease) in Net Assets | (194,893) | 512 | (3,365) | 19,280 | (178,466) |
| Net Assets, Beginning | 1,838,472 | 2,680 | 17,053 | 68,241 | 1,926,445 |
| Net Assets, Ending | \$ 1,643,579 | \$ 3,192 | \$ 13,688 | \$ 87,521 | \$ 1,747,982 |

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL PROGRAM SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2023

| Program Services | Allocations and Agency Relations | Imagination Library | Communications | Forever Fund | ASECCC | ESG | General |
|----------------------------|---|----------------------------|-----------------------|---------------------|-----------------|-------------|-------------------|
| Advertising | \$ - | \$ - | \$ 6,080 | \$ - | \$ - | \$ - | \$ - |
| Agency allocations | - | - | - | - | - | - | 351,846 |
| Awards and grants | - | - | - | - | - | - | 10,161 |
| Conferences and education | 2,659 | - | - | - | 300 | - | - |
| Copies and printing | 63 | 33 | 2,868 | - | 23 | - | - |
| Depreciation | - | - | - | - | - | - | - |
| Disaster relief | - | - | - | - | - | - | 3,347 |
| Dues and subscriptions | - | - | 20 | - | - | - | 11,362 |
| Equipment rental/service | 18,464 | - | 777 | - | - | - | - |
| Imagination library | - | 72,116 | - | - | - | - | - |
| Insurance | 494 | - | 575 | 138 | 16 | - | - |
| Insurance-employees | 3,236 | - | 4,355 | 912 | - | - | - |
| Miscellaneous/sponsorships | - | - | - | 5,433 | - | - | 69,740 |
| Office supplies | - | - | - | - | - | - | - |
| Payroll tax expense | 2,332 | - | 3,000 | 505 | 307 | - | - |
| Postage and shipping | 48 | 274 | - | - | 22 | - | - |
| Professional fees | 2,439 | 570 | 1,509 | 570 | - | - | - |
| Public relations | - | - | 118 | - | - | - | - |
| Repairs and maintenance | - | - | - | - | - | - | - |
| Retirement | 3,207 | - | 4,342 | 913 | - | - | - |
| Salaries | 32,339 | - | 40,787 | 6,979 | 4,036 | - | - |
| Supplies | - | - | - | - | - | - | - |
| Travel | - | - | 16 | - | 305 | - | - |
| Utilities and telephone | 623 | - | 309 | - | 180 | - | - |
| Total | \$ 65,903 | \$ 72,994 | \$ 64,757 | \$ 15,450 | \$ 5,189 | \$ - | \$ 446,456 |

See notes to financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF FUNCTIONAL EXPENSE-GENERAL PROGRAM SERVICES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

| Program Services | Net | | | Work | | | 2023 Totals |
|----------------------------|------------------------|------------------------|---------------------|--------------------|---------------------|----------------------|---------------------|
| | The Success Academy | Facility Operations | Community Impact | Randolph County | Volunteer Center | Force Connections | |
| Advertising | \$ - | \$ - | \$ 400 | \$ - | \$ - | \$ 215 | \$ 6,695 |
| Agency allocations | - | - | - | - | - | - | 351,846 |
| Awards and grants | - | - | - | - | 161 | - | 10,322 |
| Conferences and education | 3,035 | - | 503 | 552 | - | 23,618 | 30,667 |
| Copies and printing | 122 | - | 265 | 720 | 445 | - | 4,540 |
| Depreciation | - | 13,020 | - | - | - | - | 13,020 |
| Disaster relief | - | - | - | - | - | - | 3,347 |
| Dues and subscriptions | 395 | - | 25 | 52 | - | - | 11,854 |
| Equipment rental/service | 13,500 | 55 | 1,871 | - | 380 | - | 35,047 |
| Imagination library | - | - | - | - | - | - | 72,116 |
| Insurance | 2,234 | 6,287 | 538 | 218 | 1,207 | 1,150 | 12,857 |
| Insurance-employees | 9,671 | 2,323 | 4,724 | 1,922 | 3,236 | 12,621 | 43,001 |
| Miscellaneous/sponsorships | 5,943 | - | 70,172 | 23,651 | 3,290 | 246 | 178,475 |
| Office supplies | 17,884 | - | - | - | - | 7,132 | 25,016 |
| Payroll tax expense | 6,825 | 1,293 | 6,005 | 1,245 | 2,255 | 7,368 | 31,136 |
| Postage and shipping | 75 | - | 40 | 161 | 22 | - | 642 |
| Professional fees | 19,426 | - | 2,409 | 1,899 | 1,899 | 1,010 | 31,730 |
| Public relations | - | - | - | - | - | - | 118 |
| Repairs and maintenance | 8,286 | 6,657 | 900 | - | - | - | 15,843 |
| Retirement | 355 | 2,294 | 5,519 | 1,908 | 3,207 | 3,500 | 25,243 |
| Salaries | 89,342 | 17,570 | 79,974 | 16,794 | 30,881 | 96,722 | 415,424 |
| Supplies | - | - | - | - | 2,923 | 18,851 | 21,774 |
| Travel | 762 | (762) | 192 | 1,981 | - | 6,164 | 8,657 |
| Utilities and telephone | 10,194 | 13,900 | 585 | 1,177 | 675 | 3,339 | 30,981 |
| Total | \$ 188,049 | \$ 62,637 | \$ 174,122 | \$ 52,280 | \$ 50,581 | \$ 181,934 | \$ 1,380,351 |

See notes to financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL PROGRAM SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2022

| Program Services | Allocations and Agency Relations | Imagination Library | Communications | Forever Fund | ASECCC | ESG | General |
|----------------------------|---|----------------------------|-----------------------|---------------------|-----------------|-------------|-------------------|
| Advertising | \$ - | \$ - | \$ 4,063 | \$ - | \$ - | \$ - | \$ - |
| Agency allocations | - | - | - | - | - | - | 335,030 |
| Awards and grants | - | - | - | - | - | - | 22,215 |
| Conferences and education | 1,434 | - | - | - | 352 | - | - |
| Copies and printing | 39 | 255 | 2,667 | - | 26 | - | - |
| Depreciation | - | - | - | - | - | - | - |
| Disaster relief | - | - | - | - | - | - | 30,306 |
| Dues and subscriptions | - | - | - | - | - | - | 9,858 |
| Equipment rental/service | 18,329 | - | 842 | - | - | - | - |
| Imagination library | - | 84,156 | - | - | - | - | - |
| Insurance | 382 | - | 347 | 199 | 15 | - | - |
| Insurance-employees | 3,490 | - | 4,362 | 872 | - | - | - |
| Miscellaneous/sponsorships | - | - | - | 5,635 | - | - | 72,727 |
| Office supplies | - | - | - | - | 250 | - | - |
| Payroll tax expense | 2,287 | - | 2,951 | 614 | 287 | - | - |
| Postage and shipping | 60 | 411 | - | - | 28 | - | - |
| Professional fees | 1,970 | 591 | 1,379 | 591 | - | - | - |
| Public relations | - | - | 1,194 | - | - | - | - |
| Repairs and maintenance | - | - | - | - | - | - | - |
| Retirement | 2,718 | - | 3,398 | 679 | - | - | - |
| Salaries | 31,172 | - | 39,605 | 8,383 | 3,722 | - | - |
| Supplies | - | - | - | - | - | - | - |
| Travel | 48 | - | 25 | - | - | - | - |
| Utilities and telephone | 479 | - | 441 | - | 180 | - | - |
| Total | \$ 62,408 | \$ 85,414 | \$ 61,274 | \$ 16,974 | \$ 4,860 | \$ - | \$ 470,137 |

See notes to financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL PROGRAM SERVICES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

| Program Services | Net | | | | | Work Force | | 2022 Totals |
|----------------------------|---------------------|---------------------|------------------|------------------|------------------|-------------------|---------------------|-------------|
| | The Success Academy | Facility Operations | Community Impact | Randolph County | Volunteer Center | Connections | Totals | |
| Advertising | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,848 | \$ 5,911 | |
| Agency allocations | - | - | - | - | - | - | 335,030 | |
| Awards and grants | - | - | - | 320 | 252 | - | 22,787 | |
| Conferences and education | - | - | 3,211 | 207 | - | 28,893 | 34,097 | |
| Copies and printing | - | - | 25 | 1,526 | 397 | - | 4,935 | |
| Depreciation | - | 12,738 | - | - | - | - | 12,738 | |
| Disaster relief | - | - | - | - | - | - | 30,306 | |
| Dues and subscriptions | - | - | 25 | 302 | - | - | 10,185 | |
| Equipment rental/service | - | 50 | 1,709 | - | 300 | - | 21,230 | |
| Imagination library | - | - | - | - | - | - | 84,156 | |
| Insurance | - | 2,941 | 257 | 85 | 1,200 | 790 | 6,218 | |
| Insurance-employees | - | 2,617 | 2,908 | 2,036 | 3,490 | 8,912 | 28,686 | |
| Miscellaneous/sponsorships | - | - | 13,740 | 8,101 | 3,445 | 5,597 | 109,245 | |
| Office supplies | - | - | 3,301 | - | - | 5,992 | 9,544 | |
| Payroll tax expense | - | 1,541 | 1,727 | 1,208 | 2,167 | 6,976 | 19,759 | |
| Postage and shipping | - | - | - | 120 | 23 | - | 643 | |
| Professional fees | - | - | 26,308 | 1,970 | 1,970 | - | 34,779 | |
| Public relations | - | - | - | - | - | - | 1,194 | |
| Repairs and maintenance | - | 11,753 | - | - | - | - | 11,753 | |
| Retirement | - | 2,039 | 2,265 | 1,586 | 2,718 | 3,857 | 19,261 | |
| Salaries | - | 20,545 | 23,703 | 16,034 | 29,250 | 90,445 | 262,859 | |
| Supplies | - | - | - | - | 2,495 | 392 | 2,887 | |
| Travel | - | 762 | 405 | 1,496 | 33 | 3,080 | 5,849 | |
| Utilities and telephone | - | 14,293 | 478 | 1,142 | 815 | 2,372 | 20,200 | |
| Total | \$ - | \$ 69,280 | \$ 80,062 | \$ 36,133 | \$ 48,556 | \$ 159,154 | \$ 1,094,251 | |

See notes to financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL SUPPORTING SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2023

| | <u>Management and General</u> | <u>Fundraising</u> | <u>2023 Totals</u> |
|-----------------------------|-----------------------------------|--------------------|------------------------|
| SUPPORTING SERVICES | | | |
| Account coordinator expense | \$ - | \$ - | \$ - |
| Advertising | - | 3,334 | 3,334 |
| Awards and grants | - | 522 | 522 |
| Bank charges | 5,230 | - | 5,230 |
| Conferences and education | 4,362 | 150 | 4,512 |
| Copies and printing | 3,169 | 1,362 | 4,531 |
| Dues and subscriptions | 3,452 | - | 3,452 |
| Equipment rental/service | 8,306 | - | 8,306 |
| Insurance | 989 | 934 | 1,923 |
| Insurance-employees | 4,868 | 4,868 | 9,736 |
| Office supplies | 4,975 | 474 | 5,449 |
| Payroll tax expense | 2,507 | 3,007 | 5,514 |
| Postage and shipping | 156 | 930 | 1,086 |
| Professional fees | 8,008 | 3,848 | 11,856 |
| Retirement | 4,868 | 4,868 | 9,736 |
| Salaries | 41,097 | 40,716 | 81,813 |
| Travel | 1,608 | 1,162 | 2,769 |
| Utilities and telephone | 1,153 | 1,067 | 2,220 |
| Total | <u>\$ 94,747</u> | <u>\$ 67,242</u> | <u>\$ 161,989</u> |

See notes to financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL SUPPORTING SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Management and General</u> | <u>Fundraising</u> | <u>2022 Totals</u> |
|-----------------------------|-----------------------------------|--------------------|------------------------|
| SUPPORTING SERVICES | | | |
| Account coordinator expense | \$ - | \$ - | \$ - |
| Advertising | - | 3,653 | 3,653 |
| Awards and grants | - | 282 | 282 |
| Bank charges | 3,154 | - | 3,154 |
| Conferences and education | 7,376 | 712 | 8,088 |
| Copies and printing | 2,082 | 6,636 | 8,719 |
| Dues and subscriptions | 2,293 | - | 2,293 |
| Equipment rental/service | 7,541 | - | 7,541 |
| Insurance | 1,016 | 855 | 1,871 |
| Insurance-employees | 4,653 | 4,653 | 9,306 |
| Office supplies | 5,502 | 346 | 5,848 |
| Payroll tax expense | 2,582 | 3,048 | 5,630 |
| Postage and shipping | 449 | 685 | 1,134 |
| Professional fees | 9,085 | 4,925 | 14,010 |
| Retirement | 3,625 | 3,625 | 7,249 |
| Salaries | 39,518 | 40,604 | 80,123 |
| Travel | 2,105 | 1,367 | 3,473 |
| Utilities and telephone | 1,625 | 1,058 | 2,683 |
| Total | <u>\$ 92,606</u> | <u>\$ 72,449</u> | <u>\$ 165,055</u> |

See notes to financial statements.

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.
 SCHEDULE OF FUNCTIONAL EXPENSES - ASECCC
 FOR THE YEAR ENDED DECEMBER 31, 2023**

| | <u>Supporting Services</u> | <u>Program Services</u> | <u>2023 Totals</u> |
|----------------------------|--------------------------------|-----------------------------|------------------------|
| SUPPORTING SERVICES | | | |
| Agency allocations | \$ - | \$ 9,572 | \$ 9,572 |
| Miscellaneous/sponsorships | - | 4,860 | 4,860 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total | <u>\$ -</u> | <u>\$ 14,432</u> | <u>\$ 14,432</u> |

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.
 SCHEDULE OF FUNCTIONAL EXPENSES - ASECCC
 FOR THE YEAR ENDED DECEMBER 31, 2022**

| | <u>Supporting Service</u> | <u>Program Services</u> | <u>2022 Totals</u> |
|----------------------------|-------------------------------|-----------------------------|------------------------|
| SUPPORTING SERVICES | | | |
| Agency allocations | \$ - | \$ 10,848 | \$ 10,848 |
| Miscellaneous/sponsorships | - | 4,354 | 4,354 |
| Bank charges | - | 69 | 69 |
| Total | <u>\$ -</u> | <u>\$ 15,271</u> | <u>\$ 15,271</u> |

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES-HFI
FOR THE YEAR ENDED DECEMBER 31, 2023

| | <u>Supporting Services</u> | <u>Program Services</u> | <u>2023 Totals</u> |
|------------------------------|--------------------------------|-----------------------------|------------------------|
| SUPPORTING SERVICES | | | |
| Contract labor | \$ - | \$ 175,000 | \$ 175,000 |
| Auto allowance | - | 6,440 | 6,440 |
| Bank charges | - | 10 | 10 |
| Cell phone allowance | - | 2,700 | 2,700 |
| Client assistance | - | 598 | 598 |
| Conferences and training | - | 2,535 | 2,535 |
| Equipment/laptops/technology | - | 150 | 150 |
| Professional fees | - | - | - |
| Office supplies | - | 160 | 160 |
| Total | <u>\$ -</u> | <u>\$ 187,593</u> | <u>\$ 187,593</u> |

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF FUNCTIONAL EXPENSES-HFI
FOR THE YEAR ENDED DECEMBER 31, 2022**

| | <u>Supporting Services</u> | <u>Program Services</u> | <u>2022 Totals</u> |
|------------------------------|--------------------------------|-----------------------------|------------------------|
| SUPPORTING SERVICES | | | |
| Contract labor | \$ - | \$ 163,750 | \$ 163,750 |
| Admin fee reimbursement | - | 6,300 | 6,300 |
| Auto allowance | - | 6,300 | 6,300 |
| Bank charges | - | 20 | 20 |
| Cell phone allowance | - | 2,700 | 2,700 |
| Client assistance | - | 394 | 394 |
| Conferences and training | - | 3,206 | 3,206 |
| Equipment/laptops/technology | - | 105 | 105 |
| Professional fees | - | - | - |
| Office supplies | - | 620 | 620 |
| Total | <u>\$ -</u> | <u>\$ 183,394</u> | <u>\$ 183,394</u> |

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

| | <u>2023</u> | <u>2022</u> |
|---|---------------------|---------------------|
| Cash Flows From Operating Activities | | |
| Increase (decrease) in net assets | \$ 228,866 | \$ (178,466) |
| Adjustments to reconcile increase in net assets to net cash provided by operating activities | | |
| Depreciation | 13,020 | 12,738 |
| (Increase) decrease in receivables | (45,760) | (11,956) |
| (Increase) decrease in prepaid assets | (1,441) | (438) |
| Increase (decrease) in payroll liabilities | (1,453) | (27) |
| Increase (decrease) in accounts payable | 4,458 | (15,047) |
| Increase (decrease) in accrued compensation | <u>6,080</u> | <u>3,948</u> |
| Net Cash Provided By Operating Activities | 203,770 | (189,247) |
| Cash Flows From Investing Activities | | |
| Purchases of property and equipment | <u>(258,036)</u> | <u>(1,800)</u> |
| Net Cash Used By Investing Activities | <u>(258,036)</u> | <u>(1,800)</u> |
| Net Increase in Cash | (54,266) | (191,047) |
| Cash and Investments, Beginning of Year | <u>1,270,243</u> | <u>1,461,290</u> |
| Cash and Investments, End of Year | <u>\$ 1,215,977</u> | <u>\$ 1,270,243</u> |
| Cash | \$ 755,475 | \$ 616,551 |
| Investments - current | 394,049 | 585,034 |
| Investments - non-current | 66,453 | 68,658 |
| Cash and Investments, End of Year | <u>\$ 1,215,977</u> | <u>\$ 1,270,243</u> |

See notes to financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

United Way East Central Alabama, Inc. is a non-profit agency organized for the purpose of conducting a campaign to raise money for and support non-profit agencies in Calhoun, Cleburne, and Randolph Counties.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles, and reflect significant receivables, payables and other liabilities. Allowances are provided for amounts that are expected to be uncollectible. Annual campaigns are conducted prior to the calendar year that funds are allocated to participating agencies.

Use of Estimates

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

Functional Expenses

The costs of providing Organization programs and the administration of the organization have been summarized on a functional basis in the Schedule of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and Cash Equivalents

The Organization considers all cash on hand, demand deposit accounts and short-term investments purchased with a maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts that may periodically exceed federally insured limits.

Prepaid Expenses

Prepaid expenses consist of insurance policies paid in advance.

Income Taxes

The United Way of East Central Alabama, Inc. is incorporated under the laws of the State of Alabama as a nonprofit corporation and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code that is exempt from taxation. Therefore, no provision or liability for income taxes has been included in these financial statements.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Organization’s Forms 990, *Return of Organization Exempt from Income Tax*, for the years 2021, 2022, and 2023 are subject to examination by the IRS, generally for three years after they were filed.

Property and Equipment

Property and equipment are stated at historical cost less accumulated depreciation or, if donated, at the approximate fair value at the date of donation less accumulated depreciation. All expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs, and minor expenditures are charged to activities as incurred. When property and equipment is retired or otherwise disposed of, the related costs and accumulated depreciation are removed from their respective accounts, and any gain or loss on the disposition is credited or charged to operations.

The Organization provides for depreciation of property and equipment using the straight-line method to amortize costs over estimated useful lives as follows:

| Item | Estimated Useful Life |
|-----------------------|-----------------------|
| Buildings | 40 years |
| Building Improvements | 10-15 years |
| Equipment | 5-7 years |

Revenues and Support

Revenues of the Organization consist mostly of funds received from private donations and have been recognized on an accrual basis when pledges are received. All public support is considered available for unrestricted use unless specifically restricted to certain use by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with restrictions support that increases those net asset classes. When a temporary restriction expires, net assets with restrictions are reclassified to net assets without restrictions and reported in the statement of activities as net assets released from restrictions.

Date of Management’s Review

Subsequent events were evaluated through November 8, 2024, the date the financial statements were available to be issued.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE B – CASH

The Organization maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The following is a summary of the insured and uninsured portion of the balances at December 31, 2023:

| | General | ASECCC | HFI |
|-------------------|-------------------|---------------|---------------|
| Cash held in bank | \$ 789,096 | \$ 838 | \$ 49,289 |
| Insured by FDIC | <u>463,087</u> | <u>838</u> | <u>49,289</u> |
| Uninsured cash | <u>\$ 326,009</u> | <u>\$ 0</u> | <u>\$ 0</u> |

NOTE C – DONATED MATERIALS AND SERVICES

Donated materials and services are recorded in the financial statements at their estimated fair values at the date of receipt. No amounts have been reflected in these financial statements for the donated services of a substantial number of volunteers that have donated significant amounts of time to assist in the operations of the United Way of East Central Alabama, Inc. because no objective basis is available to measure the value of such services.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE D – INVESTMENTS

Investments are all level one inputs reported at fair market value. Investments represent money market accounts, stocks, bonds and universal life insurance policies as follow:

| December 31, 2023 | Market Value | Cost |
|---|---------------------|-------------------|
| CSV Life Insurance | \$ 66,453 | \$ N/A |
| *Regions Trust Deposit Accounts | 21,544 | 21,544 |
| *664 Shares-Brown Advisory Sustainable Growth | 31,955 | 29,796 |
| *978 Shares-Diamond Hill Large Cap Fund | 31,111 | 24,504 |
| *143 Shares-Vanguard 500 Index Fund | 63,134 | 32,601 |
| *279 Shares-Artisan Mid Cap Fund | 11,610 | 12,030 |
| *169 Shares-iShares S&P Small-Cap 600 Value ETF | 17,419 | 16,360 |
| *604 Shares-John Hancock Disciplined Value Mid Cap Fund | 16,513 | 15,704 |
| *327 Shares-Virtus KAR Small Cap Grow | 10,956 | 11,084 |
| *501 Shares-Artisan Developing World Fund | 8,450 | 6,816 |
| *1,421 Shares-Baron Emerging Markets Fund | 19,917 | 19,386 |
| *527 Shares-Harding Loevner International Equity | 13,671 | 11,312 |
| *1,742 Shares-Baird Aggregate Bond Fund | 17,174 | 17,922 |
| *834 Shares-Schwab Fundamental International Large Company Index | 28,131 | 23,409 |
| *272 Shares-Vanguard International Growth Fund | 27,684 | 28,051 |
| *2,367 Shares-Fidelity Investment Grade Bond Fund | 17,206 | 17,929 |
| *1,012 Shares-JPMorgan Core Plus Bond Fund | 7,350 | 7,573 |
| *1,033 Shares-PGIM High Yield Fund | 4,894 | 5,234 |
| *106 Shares-Vanguard Emerging Markets Bond Fund | 2,451 | 2,336 |
| *394 Shares-Absolute Convertible Arbitrage Fund | 4,304 | 4,304 |
| *1,101 Shares-American Beacon AHL Managed Futures Strategy Fund | 10,906 | 12,202 |
| *694 Shares-JPMorgan Hedged Equity Fund | 19,622 | 13,504 |
| *605 Shares-BlackRock Tactical Opp Fund | 8,046 | 8,476 |
| | <u>\$ 460,501</u> | <u>\$ 342,077</u> |

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE D – INVESTMENTS (Continued)

| December 31, 2022 | Market Value | Cost |
|---|---------------------|-------------------|
| CSV Life Insurance | \$ 68,658 | \$ N/A |
| *Regions Trust Deposit Accounts | 21,692 | 21,692 |
| *1,600 Shares-Diamond Hill Large Cap Fund | 46,491 | 40,534 |
| *2,599 Shares-Loomis Sayles Growth Fund | 42,367 | 38,436 |
| *274 Shares-Vanguard 500 Index Fund | 96,882 | 62,166 |
| *503 Shares-Artisan Mid Cap Fund | 16,827 | 22,433 |
| *283 Shares-iShares S&P Small-Cap 600 Value ETF | 25,841 | 27,713 |
| *1,070 Shares-John Hancock Disciplined Value Mid Cap Fund | 26,118 | 28,309 |
| *494 Shares-Virtus KAR Small Cap Grow | 14,463 | 16,732 |
| *1,779 DWS RREEF Real Assets Fund | 19,999 | 22,722 |
| *964 Shares-Artisan Developing World Fund | 12,532 | 14,118 |
| *2,295 Shares-Baron Emerging Markets Fund | 29,932 | 31,574 |
| *734 Shares-Harding Loevner International Equity | 17,186 | 14,684 |
| *1,690 Shares-JOHCM International Select Fund | 33,823 | 39,930 |
| *2,787 Shares-Baird Aggregate Bond Fund | 26,759 | 29,081 |
| *1,154 Shares-Schwab Fundamental International Large Company Index | 33,547 | 30,822 |
| *3,764 Shares-Fidelity Investment Grade Bond Fund | 26,610 | 28,988 |
| *1,608 Shares-JPMorgan Core Plus Bond Fund | 11,448 | 12,026 |
| *1,650 Shares-PGIM High Yield Fund | 7,489 | 8,657 |
| *177 Shares-DoubleLine Emerging Markets Fixed Income Fund | 1,490 | 1,812 |
| *108 Shares-Vanguard Emerging Markets Bond Fund | 2,360 | 2,592 |
| *1,503 Shares-American Beacon AHL Managed Futures Strategy Fund | 15,666 | 16,964 |
| *1,492 Shares-JPMorgan Hedged Equity Fund | 36,726 | 29,043 |
| *1,303 Shares-BlackRock Tactical Opp Fund | 18,787 | 18,276 |
| | <u>\$ 653,693</u> | <u>\$ 559,304</u> |

Net unrealized gains and losses are recorded annually in the unrestricted fund balance. Net unrealized gain for 2023 was \$26,243 and unrealized loss for 2022 was \$139,869.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE D – INVESTMENTS (Continued)

| Regions Morgan Keegan Forever Fund Account Activity | 2023 | 2022 |
|--|-------------------|-------------------|
| Beginning Balance | \$ 585,034 | \$ 757,070 |
| Additions/Withdrawals | (277,002) | (28,200) |
| Realized Gain/Loss | 54,099 | (9,342) |
| Unrecognized Gain/(Loss) | 26,242 | (139,869) |
| Income Earned | 11,084 | 11,010 |
| Fees | <u>(5,408)</u> | <u>(5,635)</u> |
| Ending Balance | <u>\$ 394,049</u> | <u>\$ 585,034</u> |

*Indicates investments held and managed by Regions Morgan Keegan. Fees charged in 2023 and 2022 were \$5,408 and \$5,635, respectively.

NOTE E – PLEDGES RECEIVABLE

Pledges receivable are expected to be collected within one year. Pledges receivable consist of following:

| December 31, 2023 | |
|-----------------------------------|-------------------|
| Pledges Receivable- 2023 Campaign | \$ 758,244 |
| Less collections | (604,497) |
| Less shrinkage | <u>(48,836)</u> |
| Net Pledges Receivable - 2023 | 104,911 |
| | |
| Pledges- 2024 Campaign | 321,594 |
| Less collections | (130,786) |
| Less shrinkage | <u>(24,568)</u> |
| Net Pledges Receivable-2024 | <u>166,240</u> |
| Total Net Pledges Receivable | <u>\$ 271,151</u> |

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE E – PLEDGES RECEIVABLE (Continued)

| December 31, 2022 | |
|-----------------------------------|-------------------|
| Pledges Receivable- 2022 Campaign | \$ 755,633 |
| Less collections | (653,500) |
| Less shrinkage | (49,430) |
| Net Pledges Receivable - 2022 | <u>52,703</u> |
| | |
| Pledges- 2023 Campaign | 329,327 |
| Less collections | (131,621) |
| Less shrinkage | (21,082) |
| Net Pledges Receivable-2023 | <u>176,624</u> |
| Total Net Pledges Receivable | <u>\$ 229,327</u> |

NOTE F – PROPERTY AND EQUIPMENT

The summary of changes in property and equipment are as follows:

| | Beginning Balance 12-31-22 | Additions | Deletions | Ending Balance 12-31-23 |
|---------------------------------|---------------------------------------|-------------------|------------------|------------------------------------|
| Non-depreciable Assets | | | | |
| Land | \$ 100,000 | \$ 50,906 | \$ - | \$ 150,906 |
| Depreciable Assets | | | | |
| Building & Improvements | 300,315 | 203,502 | - | 503,817 |
| Equipment | 163,799 | 3,632 | - | 167,431 |
| Total Depreciable Assets | <u>464,114</u> | <u>207,134</u> | <u>-</u> | <u>671,248</u> |
| | | | | |
| Total Fixed Assets | 564,114 | 258,040 | - | 822,154 |
| Less Accum Depreciation | (314,841) | (13,020) | - | (327,861) |
| Property & Equipment, Net | <u>\$ 249,273</u> | <u>\$ 245,020</u> | <u>\$ -</u> | <u>\$ 494,293</u> |

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE F – PROPERTY AND EQUIPMENT (Continued)

| | Beginning Balance 12-31-21 | Additions | Deletions | Ending Balance 12-31-22 |
|---------------------------------|---------------------------------------|-------------------|------------------|------------------------------------|
| Non-depreciable Assets | | | | |
| Land | \$ 100,000 | \$ - | \$ - | \$ 100,000 |
| Depreciable Assets | | | | |
| Building & Improvements | 300,315 | - | - | 300,315 |
| Equipment | 161,999 | 1,800 | - | 163,799 |
| Total Depreciable Assets | <u>462,314</u> | <u>1,800</u> | <u>-</u> | <u>464,114</u> |
| Total Fixed Assets | 562,314 | 1,800 | - | 564,114 |
| Less Accum Depreciation | <u>(302,103)</u> | <u>(12,738)</u> | <u>-</u> | <u>(314,841)</u> |
| Property & Equipment, Net | <u>\$ 260,211</u> | <u>\$(10,938)</u> | <u>\$ -</u> | <u>\$ 249,273</u> |

Depreciation expense for the years ended December 31, 2023 and 2022 was \$13,020 and \$12,738, respectively.

NOTE G – ACCOUNTS PAYABLE

Accounts payable consisted of amounts due to vendors. The balance at December 31, 2023 and 2022 was \$10,729 and \$6,271, respectively

NOTE H – COMPENSATION AND RELATED EXPENSES

Accrued compensation at December 31 consisted of following:

| | 2023 | 2022 |
|------------------|------------------|------------------|
| Accrued vacation | \$ 29,587 | \$ 23,507 |
| Total | <u>\$ 29,587</u> | <u>\$ 23,507</u> |

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE I- DEFINED CONTRIBUTION PENSION PLAN

United Way of East Central Alabama, Inc. is the plan administrator of a retirement plan covering employees 21 years of age or older having one year of full-time service. The basis for determining contributions is seven percent of the participant's regular annual salary. The Organization is currently funding 7% of gross salaries of participating employees. The expense recognized during 2023 and 2022 was \$34,979 and \$26,510, respectively.

NOTE J – ADVERTISING COSTS

The Organization expenses advertising costs as they are incurred. The Organization has no-response advertising costs. Advertising costs were \$10,029 and \$9,564 at December 31, 2023 and 2022, respectively.

NOTE K- CONTRIBUTED SERVICES

During the years ended December 31, 2023 and 2022, the Organization received professional computer services in the amount of \$4,160 and \$4,160, respectively. These services consisted of weekly server maintenance, data backups and server updates. This amount has been reflected in the financial statements.

During the years ended December 31, 2023 and 2022, the Organization received lawn services in the amount of \$600 and \$600, respectively. This amount has been reflected in the financial statements.

The Organization received donated media based on dues paid to United Way Worldwide. The amount calculated for the years ended December 31, 2023 and 2022 was \$3,335 and \$3,636, respectively. This amount has been reflected in the financial statements.

During the year ended December 31, 2023, the Organization received donated items for the Homeless Initiative in the amount of \$22,858. This amount is reflected in the financial statements.

NOTE L- INSURANCE

Liability insurance coverage of \$1,000,000 for the officers, staff, Board of Directors and volunteers is carried from June 1, 2023 through June 1, 2024 with a deductible of \$2,500.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE M – RESTRICTIONS ON NET ASSETS

The Organization maintains several separate bank accounts in order to maintain a level of funded reserves to use as follows:

Calhoun Reserve Funds – Board Restricted

Accounts held at: NobleBank Reserve A, Southern States Reserve B, and Regions Bank Working Capital Sweep Account

The UWECA Board established Financial Policy calls for UWECA to maintain a funded reserve unencumbered and uncommitted at a minimum level equal to an average of six (6) months of Program Funding and Operating Costs. The goal of the fund is to grow the reserve beyond the six (6) month minimum to secure UWECA's long-term financial viability. The Board may utilize these funds as needed to meet financial commitments to agencies in the event of a short-fall of United Way collections, meet unexpected United Way needs including those caused by catastrophic circumstances, meet unexpected agency needs caused by catastrophic circumstances, such as agency facility is destroyed and funds are needed for temporary housing, equipment, etc., and support unbudgeted events/programs which support the mission of United Way. The Finance Committee and Board reviews and sets the six (6) month required level amount annually after the close of the fiscal year and during review of the annual budget. Funds are added to the Calhoun Reserve annually from unspent Pledge Reserve dollars held short-term at F&M Bank.

F&M Bank – Reserve C – Board Restricted

Pledge Reserve

The UWECA Board established that in an effort to ensure that campaign pledge payments made by donors are utilized during the year for which the campaign represents, all pledge payments collected prior to December 31 for the following year should be held separately in a Pledge Reserve Fund. These monies are then available for transfer the following year to the UWECA operating account, as needed for cash flow. Any Pledge Reserve funds remaining in the account at the end of the fiscal year are reviewed by the Board during budget review and become eligible for transfer as outlined in UWECA's Financial Policy – 40% to Calhoun Reserve and 60% to the new fiscal year's program funding.

Randolph County Reserve-Farmers & Merchants Bank Reserve C

The Randolph County Advisory Board established a Randolph Reserve fund to help ensure that monies remain available to meet the long-term funding needs of Randolph County partner

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE M – RESTRICTIONS ON NET ASSETS (Continued)

agencies. The Randolph County Advisory Board reviews the fund annually when recommending grant amounts for Randolph County partner agencies. The Randolph County Advisory Board retains the right to either add to the Reserve Fund from undesignated campaign dollars or to transfer Reserve Fund dollars to program funding for Randolph County partner agencies for that funding cycle.

Capital Campaign Reserve-Farmers & Merchants Bank Reserve C

In 2023 the UWECA Board of Directors voted to begin a Capital Campaign to raise funds for the construction and future operational costs of an emergency transitional housing facility for individuals experiencing or at risk of experiencing homelessness.

The balance of these accounts at December 31, 2023 and 2022 was \$745, and \$569,796, respectively.

Emergency Assistance Fund (EAF) – F&M Bank - Donor Restricted

The EAF was established to satisfy a restriction placed on 10% of the corporate contribution received annually from Publix Charities. This designation requires that an EAF be established to assist working people in emergency situations. Recipients should reside in UWECA's coverage area and have experienced an unexpected, necessary expense due to loss of income, layoff, economic downturn, catastrophic event, or declared disaster. Recipients may or may not be employed by Publix.

The EAF may also include other donor restricted funds which are designated to assist individuals in specific emergency situations as outlined above.

Randolph County HOPE Fund - First Bank - Donor & Board Restricted

The Randolph County HOPE (Helping our People in Emergencies) Fund was established by the Randolph Advisory Board to create an EAF in Randolph Co. to fill a gap in services in the area. The fund receives monies through donor designations to the fund during the annual campaign as well as monies allocated annually by the Randolph Advisory Board. Recipients of the fund must live in Randolph Co and exhibit a need. Recipients are screened by DHR and presented to UWECA for possible assistance. UWECA retains all final discretionary disbursement decisions. Fund activity is reviewed annually by the Randolph Advisory Board.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE M – RESTRICTIONS ON NET ASSETS (Continued)

Long Term Recovery Fund (LTRF) – Farmers & Merchants Bank – Donor & Board Restricted

The LTRF was initially established as a result of the April 2011 tornadoes which devastated parts of Calhoun County. The UWECA Board deemed that monies remaining after the April 2011 event was closed, should be maintained for future natural disaster recovery efforts and response capability for events occurring within Calhoun County. The fund consists of monies donated by individuals, foundations, and corporations who have made long-term recovery designations for recovery efforts related to a natural disaster event affecting Calhoun County, or to long-term disaster recovery efforts in general. When a natural disaster affects Calhoun County, the Long-Term Recovery Committee (LTRC) is activated. Cases that meet the screening requirements for assistance from the fund are then recommended by the LTRC. UWECA retains the final disbursement decision on each case presented.

Helping Families Initiative (HFI) – Farmers & Merchants Bank – Donor & Board Restricted

The Helping Families Initiative (HFI) is a program of the Alabama Legislature and was established locally as a partnership between UWECA, the Calhoun County School System, and The District Attorney's Office of Calhoun and Cleburne Counties. Cleburne County Schools joined in 2021. The program's objective is to provide a supportive approach to solving chronic absenteeism, providing wrap-around services for students and their families, and providing crisis intervention and case management to improve student outcomes. HFI works to improve graduation rates and family stability, while reducing dropout rates, substance abuse issues, and juvenile arrests. All funds received are restricted to use by the Helping Families Initiative.

COVID-19 Community Crisis Fund-Farmers & Merchants Bank-Donor Restricted

The COVID-19 Community Crisis Fund was established by UWECA in March 2020 as a result of the rise in community needs associated with the surge of COVID-19 in Calhoun, Cleburne, and Randolph Counties. It is funded through individual and corporate donations which are donor restricted for use in alleviating the needs of those directly affected by COVID-19 through direct assistance, testing, and vaccination clinics.

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE M – RESTRICTIONS ON NET ASSETS (Continued)

WorkFORCE Connections – Grant Restricted

WorkFORCE Connections (WFC) is a program funded through the Workforce Innovation & Opportunity Act. UWECA applied for and was granted funds beginning in PY19 to fund WFC in Calhoun County. The program is designed to provide education opportunities and work-readiness skills in tandem with other career preparation services. The goal is to empower at-risk youth in Calhoun County to gain long-term employment success. WFC is funded 100% with federal funds administered through an annual, reimbursement grant from ADECA and is restricted for that purpose.

ADPH COVID-19-Grant Restricted

The ADPH COVID-19 grant provides wrap-around services for local residents impacted by COVID-19. UWECA administers the grant locally with grant funds being administered state-wide by the Alabama Dept. of Public Health (ADPH) and the United Ways of Alabama. The grant is made possible with federal ELC funds through a cooperative agreement with the CDC.

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

| | 2023 | 2022 |
|---------------------------------|-------------------|------------------|
| Emergency Assistance Fund | \$ 4,556 | \$ 4,445 |
| HOPE Fund | 1,528 | 4,855 |
| Anti Trafficking Initiative | - | 1,424 |
| Elevate Foundation Grant | 8,376 | 6,184 |
| Long Term Recovery | - | 2,160 |
| Imagination Library | 4,106 | 29,730 |
| Randolph Co Meeting Sponsorship | 855 | - |
| CFNEA | 30,721 | - |
| AL Dept of Youth Services | 4,025 | - |
| Homelessness Initiative | - | 25,397 |
| Capital Campaign | 67,000 | - |
| UW Processed Accounts | 164 | - |
| City of Anniston | 9,285 | 13,326 |
| Total | <u>\$ 130,616</u> | <u>\$ 87,521</u> |

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE N - FEDERAL FINANCIAL ASSISTANCE

The Organization was awarded grants from the U. S. Department of Economic and Urban Development (HUD) through Alabama Department of Economic and Community Affairs (ADECA) and U.S. Department of Labor through the State of Alabama Department of Commerce in 2022. The grants are recognized as the required services are performed, and expenses are recognized as incurred. Grant activity for December 31, 2023 was as follows:

| | WorkFORCE Development Grant | ADPH COVID 19 Grant |
|----------------------------------|-----------------------------------|---------------------------|
| Grant receipts | \$ 181,579 | \$ 22,287 |
| Grant expenditures | 208,690 | 27,331 |
| Accounts receivable, end of year | <u>\$ 27,111</u> | <u>\$ 5,044</u> |

NOTE O – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Additionally, the Organization has Board Designated net assets without donor restrictions that, while the Organization does not intend to spend for these purposes other than those identified, the amounts could be made available for current operations, if necessary.

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE O – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (Continued)

| | |
|--|-------------------------|
| Financial assets, at year-end | \$ 1,215,977 |
| Less those unavailable for general expenditures within one year due to: | |
| Contractual or donor-imposed restrictions: | |
| Restricted by donor with time restrictions | (66,453) |
| Subject to satisfaction of donor restrictions | (130,616) |
| Board designations | |
| Amounts set aside for liquidity reserve | <u>(1,008,687)</u> |
| Financial assets available to meet cash needs for general expenditures within one year | <u><u>\$ 10,221</u></u> |

NOTE P - EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through November 8, 2024, the date which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF AGENCY ALLOCATIONS - GENERAL PROGRAM SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2023

| | <u>Cleburne County</u> | <u>General</u> | <u>Randolph County</u> | <u>2023 Total</u> |
|--|----------------------------|-------------------|----------------------------|-----------------------|
| 2nd Chance | \$ - | \$ 12,500 | \$ - | \$ 12,500 |
| Big Brothers/Big Sisters | - | 13,000 | - | 13,000 |
| Boy Scouts | - | 5,000 | 1,000 | 6,000 |
| Boys & Girls Clubs | - | 11,950 | 8,000 | 19,950 |
| Calhoun/Cleburne Children's Center | - | 25,000 | - | 25,000 |
| Community Enabler Developer | - | 22,000 | - | 22,000 |
| Family Services Center of Calhoun County | - | 5,000 | - | 5,000 |
| Girl Scouts of North-Central AL | - | 5,000 | 1,000 | 6,000 |
| Interfaith Ministries | - | 65,100 | - | 65,100 |
| Jacksonville Christian Outreach Center | - | 5,000 | - | 5,000 |
| Jacksonville Meals on Wheels | - | 11,500 | - | 11,500 |
| Piedmont Benevolence Center | - | 11,000 | - | 11,000 |
| Randolph Co. 4-H Clubs | - | - | 4,000 | 4,000 |
| Randolph Co. Learning Center | - | - | 4,000 | 4,000 |
| Randolph Co. Rescue Squad | - | - | 1,500 | 1,500 |
| St. Michael's Medical Clinic | - | 22,000 | - | 22,000 |
| The ARC of Calhoun County | - | 16,450 | - | 16,450 |
| The Learning Tree | - | 30,500 | - | 30,500 |
| Tri-County Children's Advocacy Center | - | - | 7,000 | 7,000 |
| United Way of Alabama-211 | - | 35,346 | - | 35,346 |
| Wedowee Senior Center | - | - | 2,500 | 2,500 |
| Woodland Community Center | - | - | 2,500 | 2,500 |
| YMCA | - | 24,000 | - | 24,000 |
| Total Agency Allocations | <u>\$ -</u> | <u>\$ 320,346</u> | <u>\$ 31,500</u> | <u>\$ 351,846</u> |

UNITED WAY OF EAST CENTRAL ALABAMA, INC.
SCHEDULE OF AGENCY ALLOCATIONS - GENERAL PROGRAM SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Cleburne County</u> | <u>General</u> | <u>Randolph County</u> | <u>2022 Total</u> |
|--|----------------------------|-------------------|----------------------------|-----------------------|
| 2nd Chance | \$ - | \$ 12,500 | \$ - | \$ 12,500 |
| Anniston Soup Bowl | - | 23 | - | 23 |
| Big Brothers/Big Sisters | - | 11,000 | - | 11,000 |
| Boy Scouts | - | 8,500 | 1,000 | 9,500 |
| Boys & Girls Clubs | - | 10,500 | 8,000 | 18,500 |
| Calhoun/Cleburne Children's Center | - | 23,700 | - | 23,700 |
| Children's Services | - | 3,000 | - | 3,000 |
| Community Enabler Developer | - | 20,000 | - | 20,000 |
| Family Services Center of Calhoun County | - | 5,000 | - | 5,000 |
| Girl Scouts of North-Central AL | - | 5,000 | 1,000 | 6,000 |
| Interfaith Ministries | - | 55,700 | - | 55,700 |
| Jacksonville Christian Outreach Center | - | 5,000 | - | 5,000 |
| Jacksonville Meals on Wheels | - | 11,500 | - | 11,500 |
| Piedmont Benevolence Center | - | 19,000 | - | 19,000 |
| Randolph Co. 4-H Clubs | - | - | 4,000 | 4,000 |
| Randolph Co. Learning Center | - | - | 4,000 | 4,000 |
| Randolph Co. Rescue Squad | - | - | 1,500 | 1,500 |
| St. Michael's Medical Clinic | - | 22,000 | - | 22,000 |
| The ARC of Calhoun County | - | 15,000 | - | 15,000 |
| The Learning Tree | - | 29,500 | - | 29,500 |
| The Right Place | - | 1,250 | - | 1,250 |
| Tri-County Children's Advocacy Center | - | - | 7,000 | 7,000 |
| United Way of Alabama-211 | - | 24,357 | - | 24,357 |
| Wedowee Senior Center | - | - | 2,500 | 2,500 |
| Woodland Community Center | - | - | 2,500 | 2,500 |
| YMCA | - | 21,000 | - | 21,000 |
| Total Agency Allocations | <u>\$ -</u> | <u>\$ 303,530</u> | <u>\$ 31,500</u> | <u>\$ 335,030</u> |

ADDITIONAL INFORMATION

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.
BOARD OF DIRECTORS
EXECUTIVE COMMITTEE
2023**

| | |
|-------------------|----------------------------|
| Jacki Lowry | Chair |
| Clay Blackwell | Vice Chair |
| Andy Green | Secretary |
| Bethany Lewis | Treasurer |
| Chief Marcus Wood | Public Relations Chair |
| Myles Chamblee | Community Investment Chair |
| Jonathan Mosley | Immediate Past Chairman |
| Shannon Jenkins | President/CEO |