

UNITED WAY OF AIKEN COUNTY, INC.  
FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018

TABLE OF CONTENTS

PAGE

INDEPENDENT AUDITORS' REPORT ..... 1 - 2

FINANCIAL STATEMENTS:

    Statements of Financial Position ..... 3

    Statements of Activities ..... 4

    Statements of Functional Expenses ..... 5 - 6

    Statements of Cash Flows ..... 7

NOTES TO FINANCIAL STATEMENTS ..... 8 - 14

SUPPLEMENTARY SCHEDULES:

    Schedule of Budgeted Allocations Due in 2020 and 2019 ..... 15

    Corporate Designations Directly from United Way of America..... 16

Michelle Bennett, CPA  
Rick L. Evans, CPA  
E.J. Maddocks, CPA  
Jay Sanders, CPA  
Wanda F. Scott, CPA  
Abram Serotta, CPA  
Joel R. Stewart, CPA  
Andrea Usry, CPA  
Paul Wade, CPA



## INDEPENDENT AUDITORS' REPORT

To The Board of Directors  
United Way of Aiken County, Inc.  
Aiken, South Carolina

We have audited the accompanying financial statements of United Way of Aiken County, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 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 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditors' 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 auditors consider 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 Aiken County, Inc. as of December 31, 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.

## **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Budgeted Allocations Due in 2020 and 2019 on page 15, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That 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 our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. Corporate Designations Directly from United Way of America, marked “Unaudited” on page 16, has not been subjected to the audit procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

*Serotta Maddocks Evans & Co.*

SEROTTA MADDOCKS EVANS & CO., CPAs

Augusta, Georgia  
April 21, 2020

UNITED WAY OF AIKEN COUNTY, INC.  
 STATEMENTS OF FINANCIAL POSITION  
 DECEMBER 31, 2019 AND 2018

	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,541,128	\$ 1,758,029
Pledges receivable	1,928,440	2,011,508
Allowance for uncollectible pledges	(330,375)	(384,770)
Investments	7,711	6,377
Total Current Assets	\$ 3,146,904	\$ 3,391,144
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Allocations payable	\$ 2,279,437	\$ 2,272,265
Designations payable	258,460	342,175
United Way dues payable	41,583	41,583
Accounts payable and accrued expenses	17,390	16,375
Deferred revenue	1,539	37,825
Other liabilities	662	662
Total Current Liabilities	2,599,071	2,710,885
<b>NET ASSETS</b>		
Net assets without donor restrictions		
Board designated	547,833	680,259
Total Net Assets	547,833	680,259
	\$ 3,146,904	\$ 3,391,144

SEE NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF AIKEN COUNTY, INC.  
STATEMENTS OF ACTIVITIES  
YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Revenue		
Annual campaign	\$ 2,500,766	\$ 2,541,061
Less: Donor designations	(242,536)	(234,315)
Less: Provision for uncollectible pledges	(123,100)	(126,500)
Net campaign revenue	2,135,130	2,180,246
Recovery of excess provision for uncollectible pledges	61,925	92,656
Other public support and revenue	103,102	124,784
Administrative fees	-	7,724
In-kind contributions	3,985	4,970
Fundraising income	10,093	2,573
Interest and dividend income	5,887	4,029
Unrealized investment income (loss)	1,310	(193)
	2,321,432	2,416,789
Functional expenses		
Program services		
Allocations to agencies	2,139,868	2,188,344
Less: Donor designations	(242,536)	(234,315)
Net funds awarded/distributed	1,897,332	1,954,029
Volunteer services	107,739	116,850
Community services	179,620	192,935
Total program services	2,184,691	2,263,814
Supporting services		
Organizational administration	63,891	78,021
Fundraising	163,693	139,337
United Way dues	41,583	41,583
Total supporting services	269,167	258,941
	2,453,858	2,522,755
Change in net assets	(132,426)	(105,966)
NET ASSETS - beginning of year	680,259	786,225
NET ASSETS - end of year	\$ 547,833	\$ 680,259

SEE NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF AIKEN COUNTY, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2019

	Program Services				Support Services				Total
	Allocation Services	Volunteer Services	Community Services	Total Program Services	Organizational Administration	Fundraising	United Way Dues	Total Support Services	
Salaries	\$ 54,099	\$ 53,977	\$ 91,761	\$ 199,837	\$ 23,369	\$ 72,722	\$ -	\$ 96,091	\$ 295,928
Payroll taxes	4,491	4,481	7,619	16,591	1,940	6,035	-	7,975	24,566
Employee benefits	10,529	10,505	17,859	38,893	4,548	14,154	-	18,702	57,595
Sub-total	<u>69,119</u>	<u>68,963</u>	<u>117,239</u>	<u>255,321</u>	<u>29,857</u>	<u>92,911</u>	<u>-</u>	<u>122,768</u>	<u>378,089</u>
Contract services	-	-	-	-	9,049	8,187	-	17,236	17,236
Supplies	-	16,237	26,120	42,357	2,209	1,999	-	4,208	46,565
Printing, postage and shipping	-	5,129	8,251	13,380	4,683	4,237	-	8,920	22,300
Telephone and networks	-	2,417	3,889	6,306	2,207	1,997	-	4,204	10,510
Occupancy	-	7,127	11,465	18,592	6,507	5,888	-	12,395	30,987
Meeting expense	-	387	623	1,010	354	320	-	674	1,684
Travel	-	177	285	462	162	146	-	308	770
Insurance	-	608	979	1,587	555	503	-	1,058	2,645
Bank and merchant fees	10,288	-	-	10,288	530	11	-	541	10,829
Miscellaneous	-	-	-	-	1,665	1,507	-	3,172	3,172
Technology	-	2,211	3,557	5,768	2,019	1,826	-	3,845	9,613
Equipment	-	4,483	7,212	11,695	4,094	3,704	-	7,798	19,493
Sub-total	<u>10,288</u>	<u>38,776</u>	<u>62,381</u>	<u>111,445</u>	<u>34,034</u>	<u>30,325</u>	<u>-</u>	<u>64,359</u>	<u>175,804</u>
Fundraising expenses	-	-	-	-	-	9,473	-	9,473	9,473
Campaign costs	-	-	-	-	-	30,984	-	30,984	30,984
United Way of America	-	-	-	-	-	-	28,678	28,678	28,678
United Way of South Carolina	-	-	-	-	-	-	12,905	12,905	12,905
Annual allocations	1,791,267	-	-	1,791,267	-	-	-	-	1,791,267
Special allocations	269,194	-	-	269,194	-	-	-	-	269,194
Less donor designations	(242,536)	-	-	(242,536)	-	-	-	-	(242,536)
Sub-total	<u>1,817,925</u>	<u>-</u>	<u>-</u>	<u>1,817,925</u>	<u>-</u>	<u>40,457</u>	<u>41,583</u>	<u>82,040</u>	<u>1,899,965</u>
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u>\$ 1,897,332</u>	<u>\$ 107,739</u>	<u>\$ 179,620</u>	<u>\$ 2,184,691</u>	<u>\$ 63,891</u>	<u>\$ 163,693</u>	<u>\$ 41,583</u>	<u>\$ 269,167</u>	<u>\$ 2,453,858</u>

SEE NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF AIKEN COUNTY, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2018

	Program Services				Support Services				Total
	Allocation Services	Volunteer Services	Community Services	Total Program Services	Organizational Administration	Fundraising	United Way Dues	Total Support Services	
Salaries	\$ 53,526	\$ 55,103	\$ 92,189	\$ 200,818	\$ 34,981	\$ 60,720	\$ -	\$ 95,701	\$ 296,519
Payroll taxes	4,443	4,574	7,653	16,670	2,904	5,038	-	7,942	24,612
Employee benefits	10,527	10,837	18,131	39,495	6,880	11,943	-	18,823	58,318
Sub-total	<u>68,496</u>	<u>70,514</u>	<u>117,973</u>	<u>256,983</u>	<u>44,765</u>	<u>77,701</u>	<u>-</u>	<u>122,466</u>	<u>379,449</u>
Contract services	-	1,825	2,935	4,760	8,957	8,103	-	17,060	21,820
Supplies	-	24,065	38,711	62,776	2,049	1,854	-	3,903	66,679
Printing, postage and shipping	-	5,130	8,253	13,383	4,684	4,239	-	8,923	22,306
Telephone and networks	-	2,280	3,669	5,949	2,082	1,884	-	3,966	9,915
Occupancy	-	7,076	11,384	18,460	6,461	5,846	-	12,307	30,767
Meeting expense	-	276	444	720	252	228	-	480	1,200
Travel	-	308	495	803	281	253	-	534	1,337
Insurance	-	92	148	240	84	76	-	160	400
Bank and merchant fees	11,554	-	-	11,554	596	12	-	608	12,162
Miscellaneous	-	-	423	423	2,986	256	-	3,242	3,665
Technology	-	2,337	3,759	6,096	2,133	1,930	-	4,063	10,159
Equipment	-	2,947	4,741	7,688	2,691	2,435	-	5,126	12,814
Sub-total	<u>11,554</u>	<u>46,336</u>	<u>74,962</u>	<u>132,852</u>	<u>33,256</u>	<u>27,116</u>	<u>-</u>	<u>60,372</u>	<u>193,224</u>
Fundraising expenses	-	-	-	-	-	5,208	-	5,208	5,208
Campaign costs	-	-	-	-	-	29,312	-	29,312	29,312
United Way of America	-	-	-	-	-	-	28,678	28,678	28,678
United Way of South Carolina	-	-	-	-	-	-	12,905	12,905	12,905
Annual allocations	1,791,379	-	-	1,791,379	-	-	-	-	1,791,379
Special allocations	316,915	-	-	316,915	-	-	-	-	316,915
Less donor designations	(234,315)	-	-	(234,315)	-	-	-	-	(234,315)
Sub-total	<u>1,873,979</u>	<u>-</u>	<u>-</u>	<u>1,873,979</u>	<u>-</u>	<u>34,520</u>	<u>41,583</u>	<u>76,103</u>	<u>1,950,082</u>
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u>\$ 1,954,029</u>	<u>\$ 116,850</u>	<u>\$ 192,935</u>	<u>\$ 2,263,814</u>	<u>\$ 78,021</u>	<u>\$ 139,337</u>	<u>\$ 41,583</u>	<u>\$ 258,941</u>	<u>\$ 2,522,755</u>

SEE NOTES TO FINANCIAL STATEMENTS



UNITED WAY OF AIKEN COUNTY, INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (132,426)	\$ (105,966)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Provision for uncollectible pledges	123,100	126,500
Net loss (gain) on investments	(1,332)	83
Changes in operating assets and liabilities:		
Pledges receivable	(94,427)	203,519
Prepaid expenses	-	25
Allocations payable	7,172	(1)
United Way dues payable	-	1,558
Designations payable	(83,715)	(52,815)
Accrued expenses	1,013	4,107
Deferred revenue	(36,286)	37,392
	(216,901)	214,402
Net cash provided by (used in) operating activities		
Net increase (decrease) in cash and cash equivalents	(216,901)	214,402
Cash and cash equivalents at beginning of year	1,758,029	1,543,627
Cash and cash equivalents at end of year	\$ 1,541,128	\$ 1,758,029

SEE NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF AIKEN COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS - The United Way of Aiken County, Inc. (the “Organization”) is a not-for-profit organization that provides a centralized solicitation program to raise and distribute funds to meet health and human service needs served by agencies primarily located in the Aiken County, South Carolina area. Contributions are primarily from individuals and businesses in the Aiken, South Carolina area.

BASIS OF PRESENTATION - Contributions received or promises to give are recorded as without donor restriction or with donor restriction depending on the existence and/or nature of any donor-imposed restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when the donor restrictions have been met. The Organization chooses to show contributions with donor restrictions (including contributions of long-lived assets) whose restrictions are met in the same reporting period as contributions without donor restrictions.

Net assets without donor restrictions - represent resources over which the Organization has discretionary control and are used to carry out the operations of United Way of Aiken County, Inc. in accordance with its bylaws.

Net assets with donor restrictions - represent gifts from contributions restricted for specific programs or time periods.

As a federation, the Organization honors Combined Federal Campaign designations made to each member organization by distributing a proportionate share of receipts based on donor designations to each member.

USE OF ESTIMATES - The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America 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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

REVENUE RECOGNITION - Annual campaigns are conducted in the fall of each year to raise support for participating agencies in the subsequent calendar year. Campaign production (contributions and pledges) received or receivable is recognized as support in the year of the campaign and is allocated to agencies as an expense in that same year. Written pledges are recorded as receivables, and allowances are provided for amounts estimated to be uncollectible. Subsequent changes in pledges, uncollectible estimates and allocations are recognized when the changes are identified. Revenues from grants are recognized as revenues when such amounts are received.

Donor-designated allocations are not included in revenues, gains, and other support or in allocations to agencies in the statements of activities in accordance with accounting principles generally accepted in the United States of America (“GAAP”), as United Way passes these contributions on to the donor-designated party.

UNITED WAY OF AIKEN COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**CASH AND CASH EQUIVALENTS** - Cash and cash equivalents consist of cash held in checking and money market accounts maintained in several local community and national banks and a repurchase agreement with a local community bank. The repurchase agreement is stated at cost because that approximates market value.

**PLEDGES RECEIVABLE** - Pledges receivable consists of pledges from individuals and businesses and is stated at the amount pledged less an allowance for uncollectible pledges. Management's determination of the allowance for uncollectible pledges is based on an evaluation of the pledges receivable, past experience, current economic conditions, and other risks inherent in the pledges receivable portfolio.

**INVESTMENTS** - Investments are measured at fair value in the statement of financial position. Investment income or loss (including gains and losses on investments, interest and dividends) is included in the statement of activities as increases or decreases in unrestricted net assets.

**FURNITURE AND EQUIPMENT** - Purchased furniture and equipment is recorded at cost. Depreciation is provided over the estimated useful lives of the assets and computed on the straight-line method. Donated assets are recorded at their estimated fair market value at the date of receipt.

**NET ASSETS** - Campaign contributions are presented as support without donor restrictions as the Organization has recognized in the current year the related agency allocations, including the subsequent year's supporting services budget. Revenues from grants are presented as support without donor restrictions when the donor restrictions are met in the same reporting period.

**CONTRIBUTED SERVICES** - A substantial number of unpaid volunteers have made significant contributions of their time to the Organization's programs and fundraising campaigns. These donated services have not been recorded in the financial statements because they do not meet the criteria for recognition as contributed services.

**INCOME TAX STATUS** - The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is included in the accompanying statements.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2019 and 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

UNITED WAY OF AIKEN COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FUNCTIONAL EXPENSES - The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Certain costs have been allocated among the activities based on management's estimate of direct and indirect usage of resources.

ADOPTION OF NEW ACCOUNTING PRONOUNCEMENT - ADOPTION OF NEW ACCOUNTING PRONOUNCEMENT - In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09 (a) removes inconsistencies and weaknesses in revenue requirements, (b) provides a more robust framework for addressing revenue issues, (c) improves comparability of revenue recognition practices across entities, industries, jurisdictions, and capital markets, (d) provides more useful information to users of financial statements through improved disclosure requirements and (e) simplifies the preparation of financial statements by reducing the number of requirements to which an entity must refer. ASU 2014-09 is applied retrospectively, and is effective for years beginning after December 15, 2018. Management adopted ASU 2014-09 effective December 31, 2019 and no restatement was necessary for the 2018 financial statements to conform to the new presentation.

SUBSEQUENT EVENTS - The Organization has evaluated subsequent events through April 21, 2020, the date the financial statements were available to be issued.

NOTE 2 - LIQUIDITY

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows at December 31:

	<u>2019</u>	<u>2018</u>
Cash	\$1,541,128	\$1,758,029
Accounts receivable	1,598,065	1,626,738
Interest and dividends	<u>7,711</u>	<u>6,377</u>
	<u>\$3,146,904</u>	<u>\$3,391,144</u>

The Organization maintains financial assets, which consist of cash, accounts receivable, and investments, on hand to meet 60 days of normal operating expenses, which were, on average, approximately \$225,000 per month for the year ended December 31, 2019. The Organization has a policy to structure its assets to be available as its general expenditures, liabilities and other obligations come due.

UNITED WAY OF AIKEN COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - PLEDGES RECEIVABLE

Included in pledges receivable are the following unconditional promises to give at December 31:

	<u>2019</u>	<u>2018</u>
2016 Fall campaign	\$ -	\$ 115,570
Less allowance for uncollectible	-	(115,570)
	<u>-</u>	<u>-</u>
2017 Fall campaign	80,775	195,801
Less allowance for uncollectible	(80,775)	(142,700)
	<u>-</u>	<u>53,101</u>
2018 Fall campaign	151,480	1,700,137
Less allowance for uncollectible	(126,500)	(126,500)
	<u>24,980</u>	<u>1,573,637</u>
2019 Fall campaign	1,696,185	-
Less allowance for uncollectible	(123,100)	-
	<u>1,573,085</u>	<u>-</u>
Total campaign pledges receivable	<u>\$ 1,598,065</u>	<u>\$ 1,626,738</u>

Pledges receivable from members of the board and their affiliated organizations totaled approximately \$1,203,000 and \$1,491,000 as of December 31, 2019 and 2018, respectively. Campaign revenue from members of the board and their affiliated organizations consisted of approximately \$1,765,000 and \$2,040,000 for the years ended December 31, 2019 and 2018, respectively.

NOTE 4 - INVESTMENTS

Changes in investments for the year ending December 31 are as follows:

	<u>2019</u>	<u>2018</u>
Beginning balance	\$ 6,377	\$ 6,460
Interest and dividends	24	110
Realized and unrealized gains (losses)	1,310	(193)
	<u>\$ 7,711</u>	<u>\$ 6,377</u>

Investments, stated at fair value, at December 31, 2019 and 2018 consisted of common stock.

UNITED WAY OF AIKEN COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - FAIR VALUE MEASUREMENTS

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

- Level 1: Quoted prices in active markets for identical securities that the Organization has the ability to access
- Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spreads, credit risk, etc.)
- Level 3: Significant unobservable inputs (including the Organization's own assumptions in determining the fair value of investments)

The inputs and methodology used for valuing the Organization's financial assets and liabilities are not indicators of the risks associated with those instruments. There have been no changes in the methodologies used.

Fair value of long-term investments measured on a recurring basis at December 31, 2019 and 2018 are as follows:

	Fair Value	Quoted Market Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>2019</u>				
Common stock	\$ 7,711	\$ 7,711	\$ -	\$ -
<u>2018</u>				
Common stock	\$ 6,377	\$ 6,377	\$ -	\$ -

UNITED WAY OF AIKEN COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - FURNITURE AND EQUIPMENT

The following is a summary of furniture and equipment at December 31:

	<u>2019</u>	<u>2018</u>
Furniture and equipment	\$ 40,055	\$ 40,055
Less accumulated depreciation	<u>(40,055)</u>	<u>(40,055)</u>
	<u>\$ -</u>	<u>\$ -</u>

NOTE 7 - DESIGNATED NET ASSETS

The Board of Directors has designated net assets without donor restrictions to enable continued support of services and funding to member agencies for approximately two to three months in the case of a major economic loss in the community which might adversely affect the collection of pledges.

NOTE 8 - RETIREMENT PLAN

The Organization sponsors an employee retirement plan covering substantially all of its employees. Contributions are based on a percentage of payrolls approved by the Board of Directors. Retirement plan expense for the years ended December 31, 2019 and 2018 was \$27,598 and \$26,199, respectively.

NOTE 9 - SUPPORT FROM MAJOR DONORS

The Organization recognized support in the amount of approximately \$1,313,000 and \$1,126,000 from three major donors during the years ended December 31, 2019 and 2018, respectively. Included in pledges receivable at December 31, 2019 and 2018, was approximately \$665,000 and \$934,000, respectively, due from these companies, their employees and directly-related enterprises. A significant reduction in the level of this support, if it were to occur, might have a significant effect on the Organization's allocations to agencies. Estimated uncollectible pledges from these contributors for the 2019 and 2018 campaigns included consideration of projected work force reductions. This estimate is subject to change in the near term based on future events, and the change may be material.

NOTE 10 - CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially expose the Organization to concentrations of credit risk consist primarily of cash and pledges receivable. Credit risk is generally diversified due to the large number of entities comprising the pledge base, although the geographic concentration in the Aiken, South Carolina area and support from major contributors (see Note 9) results in the Organization being susceptible to economic conditions in the region.

UNITED WAY OF AIKEN COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - CONCENTRATIONS OF CREDIT RISK (continued)

The Organization maintains cash balances at several financial institutions located in Aiken, South Carolina. At December 31, 2019 and 2018, the Organization's uninsured cash balances total \$532,421 and \$823,547, respectively. These uninsured balances represent the bank balance, at December 31, 2019 and 2018, of the repurchase agreement, and are not insured by the Federal Deposit Insurance Corporation. Shares of a pool of U.S. government agency securities are pledged as collateral for the repurchase agreement of \$532,421 at December 31, 2019 and \$823,547 at December 31, 2018. The market value of the collateral exceeded the repurchase account balance at December 31, 2019 and 2018.

NOTE 11 - RELATED PARTY TRANSACTIONS

The Organization currently has eight accounts at the same bank as four of their board members. The Organization has held these accounts for many years prior to these members joining their board.

NOTE 12 - LEASE COMMITMENTS

The Organization leases office space under a cancelable operating lease with a 7-year agreement. The lease started January 1, 2016. The monthly payments are \$2,200 for the term of the lease agreement. Rent expense for the years ended December 31, 2019 and 2018 was \$26,400 and \$26,400, respectively. Future minimum lease payments are as follows:

2020	\$ 26,400
2021	26,400
2022	26,400
Total	<u>\$ 79,200</u>

NOTE 13 - SUBSEQUENT EVENT

In March 2020, the COVID-19 outbreak in the United States has resulted in the mandated temporary closures of some Aiken County businesses. The impact, if any, on the Organization's pledges receivable balance at December 31, 2019 is unknown at this time.



**SUPPLEMENTARY SCHEDULES**  
(See Independent Auditors' Report)

UNITED WAY OF AIKEN COUNTY, INC.  
SCHEDULE OF BUDGETED ALLOCATIONS DUE IN 2020 AND 2019  
DECEMBER 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
ACTS	\$ 50,670	\$ 50,670
Aiken Area Council on Aging	135,000	135,000
Aiken Boxing/Youth Development	18,900	18,900
Aiken Center (Alcohol and Drug Abuse)	32,842	32,842
Aiken County Help Line	89,100	89,100
American Red Cross - Aiken County Chapter	72,000	72,000
Boy Scouts of America, Georgia-Carolina Council	32,400	32,400
Brothers & Sisters of Aiken County	27,000	27,000
CAC of Aiken County	36,000	36,000
CanHope Foundation	20,000	20,000
Children's Place, Inc.	189,900	189,900
Community Medical Clinic	112,500	112,500
Community Ministry of North Augusta	31,500	31,500
Cumbee Center to Assist Abused Persons	108,000	108,000
The Family Y	20,700	20,700
Girl Scouts of South Carolina - Mountains to Midlands	31,500	31,500
Golden Harvest Food Bank	54,000	54,000
Helping Hands, Inc.	212,130	212,130
Lower Savannah Council of Governments Medical Assistance Program	45,900	45,900
Mental Health Association of Aiken County	106,200	106,200
Project Vision Initiative	81,000	81,000
Salvation Army	107,100	107,100
Tri-Development Center	230,924	230,924
The RECing Crew	27,000	27,000
United Way of Aiken County Allocation	<u>400,000</u>	<u>400,000</u>
 Total budgeted allocations	 <u><u>\$2,272,266</u></u>	 <u><u>\$2,272,266</u></u>

SEE INDEPENDENT AUDITORS' REPORT

UNITED WAY OF AIKEN COUNTY, INC.  
CORPORATE DESIGNATIONS DIRECTLY FROM UNITED WAY OF AMERICA  
YEARS ENDED DECEMBER 31, 2019 AND 2018

	UNAUDITED 2019	UNAUDITED 2018
United Parcel Service	\$ 63,642	\$ 36,238
	<u>\$ 63,642</u>	<u>\$ 36,238</u>

SEE INDEPENDENT AUDITORS' REPORT