



FINANCIAL STATEMENTS  
(WITH SUPPLEMENTARY INFORMATION)

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

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**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

To the Board of Directors  
United Way of the Eastern Panhandle, Inc.  
Martinsburg, West Virginia

**Report on the Financial Statements**

We have audited the accompanying financial statements of the United Way of the Eastern Panhandle, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, 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.

**Auditor's 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 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 the United Way of the Eastern Panhandle, Inc. as of June 30, 2021 and 2020, 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.

**Other Matters**

## Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on page 18 is presented for purposes of additional analysis and is 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 our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Decker & Company PLLC*

November 12, 2021

**United Way of the Eastern Panhandle, Inc.**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2021 and 2020

	2021	2020
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,784,699	\$ 1,674,859
Pledges receivable (net of allowance of \$52,700 and \$51,000, respectively)	260,329	194,234
Prepaid expenses	29,814	1,295
	<b>2,074,842</b>	1,870,388
<b>Noncurrent Assets</b>		
Beneficial interest in assets held by others	202,475	161,154
Investments	982,287	817,569
Property and equipment, net	13,188	11,043
	<b>1,197,950</b>	989,766
<b>Other Assets</b>		
Restricted assets:		
Cash	4,716	4,920
	<b>\$ 3,277,508</b>	\$ 2,865,074
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 4,324	\$ 4,396
Compensation liabilities	18,044	9,115
Other liabilities	24,449	5,422
Note Payable-PPP	52,444	50,100
Deferred revenue	103,583	90,073
	<b>202,844</b>	159,106
<b>NET ASSETS</b>		
Without donor restrictions	1,866,382	1,916,347
With donor restrictions	1,208,282	789,621
	<b>3,074,664</b>	2,705,968
<b>Total liabilities and net assets</b>	<b>\$ 3,277,508</b>	\$ 2,865,074

The accompanying notes are an integral part of the financial statements.

**United Way of the Eastern Panhandle, Inc.**  
**STATEMENT OF ACTIVITIES**  
For the year ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT, REVENUES AND RECLASSIFICATIONS</b>			
Campaign contributions	\$ 626,811	\$ 481,119	\$ 1,107,930
Community projects	229,215	-	229,215
In-kind contributions	39,975	-	39,975
Investment and other income	207,947	-	207,947
PPP loan forgiveness	50,100	-	50,100
Reclassifications			
Satisfaction of passage of time restrictions	62,448	(62,448)	-
<b>Total support, revenue and reclassifications</b>	<b>1,216,496</b>	<b>418,671</b>	<b>1,635,167</b>
<b>EXPENSES</b>			
Program services:			
Agency allocations	339,405	-	339,405
Non-Agency allocations	16,789	-	16,789
Covid recovery distributions	203,750	-	203,750
Other community support	11,796	-	11,796
Total community support	571,740	-	571,740
Teen Court	7,247	-	7,247
Summer Youth Employment	150,317	-	150,317
Other program services	310,981	-	310,981
Supporting Services:			
Management and general	97,089	-	97,089
Fundraising	129,097	-	129,097
<b>Total expenses</b>	<b>1,266,471</b>	<b>-</b>	<b>1,266,471</b>
<b>Change in net assets</b>	(49,975)	418,671	368,696
<b>Net assets, beginning of year</b>	<b>1,916,347</b>	<b>789,621</b>	<b>2,705,968</b>
<b>Net assets, end of year</b>	<b>\$1,866,372</b>	<b>\$ 1,208,292</b>	<b>\$ 3,074,664</b>

The accompanying notes are an integral part of the financial statements.

**United Way of the Eastern Panhandle, Inc.**  
**STATEMENT OF ACTIVITIES**  
For the year ended June 30, 2020

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>SUPPORT, REVENUES AND RECLASSIFICATIONS</b>			
Campaign contributions	\$ 35,966	\$ 1,138,269	\$ 1,174,235
Bequests	100,000	428,081	528,081
Community projects	309,326	-	309,326
In-kind contributions	48,033	-	48,033
Investment and other income	26,333	-	26,333
Reclassifications			
Satisfaction of passage of time restrictions	<u>1,156,499</u>	<u>(1,156,499)</u>	<u>-</u>
<b>Total support, revenue and reclassifications</b>	<u>1,676,157</u>	<u>409,851</u>	<u>2,086,008</u>
<b>EXPENSES</b>			
Program services:			
Agency allocations	367,948	-	367,948
Unity campaign distributions	185,171	-	185,171
Covid recovery distributions	61,114	-	61,114
Non-Agency allocations	17,983	-	17,983
Other community support	<u>202,960</u>	<u>-</u>	<u>202,960</u>
Total community support	835,176	-	835,176
Teen Court	8,543	-	8,543
Summer Youth Employment	141,954	-	141,954
Other program services	278,761	-	278,761
Supporting Services:			
Management and general	86,150	-	86,150
Fundraising	<u>116,297</u>	<u>-</u>	<u>116,297</u>
<b>Total expenses</b>	<u>1,466,881</u>	<u>-</u>	<u>1,466,881</u>
<b>Change in net assets</b>	209,276	409,851	619,127
<b>Net assets, beginning of year</b>	<u>1,707,071</u>	<u>379,770</u>	<u>2,086,841</u>
<b>Net assets, end of year</b>	<u>\$1,916,347</u>	<u>\$ 789,621</u>	<u>\$ 2,705,968</u>

The accompanying notes are an integral part of the financial statements.

**United Way of the Eastern Panhandle, Inc.**  
**STATEMENTS OF CASH FLOW**  
For the years ended June 30, 2021 and 2020

	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	<b>\$ 368,696</b>	\$ 619,127
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	<b>2,768</b>	1,213
PPP loan forgiveness	<b>(50,100)</b>	-
Changes in assets and liabilities		
(Increase) decrease in pledges receivable	<b>(66,095)</b>	51,406
(Increase) decrease in prepaid expenses	<b>(28,519)</b>	(31)
(Increase) decrease in restricted assets	<b>204</b>	267
Increase (decrease) in accounts payable	<b>(72)</b>	3,781
Increase (decrease) in compensation liabilities	<b>8,929</b>	277
Increase (decrease) in agency liabilities	<b>32,537</b>	19,587
	<b>268,348</b>	695,627
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	<b>(164,718)</b>	(817,569)
Purchase of equipment	<b>(4,913)</b>	(6,198)
(Increase) in beneficial interest in assets held by others	<b>(41,321)</b>	(3,692)
	<b>(210,952)</b>	(827,459)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from note payable	<b>52,444</b>	50,100
	<b>52,444</b>	50,100
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>109,840</b>	(81,732)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>1,674,859</b>	1,756,591
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 1,784,699</b>	\$ 1,674,859

The accompanying notes are an integral part of the financial statements.

**United Way of the Eastern Panhandle, Inc.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the year ended June 30, 2021

	Program Services				Supporting Services			
	Community Support	Teen Court	YPS Program	Other Program Services	Total	Management and General	Fund Raising	Total
Agency & other allocations	\$ 356,194	\$ -	\$ -	\$ -	\$ 356,194	\$ -	\$ -	\$ 356,194
Community projects	-	-	10,545	310,981	321,526	-	-	321,526
Salaries and wages	124,031	-	59,947	-	183,978	54,263	54,264	292,505
Contractual costs	-	6,862	65,000	-	71,862	-	-	71,862
In-kind expenses	19,987	-	-	-	19,987	9,994	9,994	39,975
Employee benefits	19,156	-	-	-	19,156	8,381	8,381	35,918
Payroll taxes	16,237	-	4,586	-	20,823	7,103	7,103	35,029
Marketing/ Program Supplies	-	-	-	-	-	-	26,263	26,263
Equipment maintenance and contracts	10,469	-	-	-	10,469	4,580	4,580	19,629
Payments to affiliated organizations	5,162	-	-	-	5,162	5,161	5,161	15,484
Occupancy and maintenance	2,430	-	6,000	-	8,430	810	2,160	11,400
Training and meetings	4,436	-	-	-	4,436	1,478	3,942	9,856
Professional Fees	4,987	-	-	-	4,987	2,181	2,182	9,350
Telephone	1,426	-	1,656	-	3,082	475	1,268	4,825
Insurance	2,063	-	-	-	2,063	903	903	3,869
Misc. items	1,690	-	47	-	1,737	563	1,501	3,801
Depreciation	1,476	-	-	-	1,476	646	646	2,768
Travel	-	-	2,488	-	2,488	-	-	2,488
Community expense	1,100	-	-	-	1,100	236	236	1,572
Office supplies	355	385	48	-	788	118	315	1,221
Postage	344	-	-	-	344	151	151	646
Dues and subscriptions	175	-	-	-	175	37	38	250
Printing and advertising	22	-	-	-	22	9	9	40
<b>Total</b>	<b>\$ 571,740</b>	<b>\$ 7,247</b>	<b>\$ 150,317</b>	<b>\$ 310,981</b>	<b>\$1,040,285</b>	<b>\$ 97,089</b>	<b>\$ 129,097</b>	<b>\$ 1,266,471</b>

The accompanying notes are an integral part of the financial statements.

**United Way of the Eastern Panhandle, Inc.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the year ended June 30, 2020

	Program Services				Total	Supporting Services		
	Community Support	Teen Court	YPS Program	Other Program Services		Management and General	Fund Raising	Total
Agency allocations & other distributions	\$ 632,215	\$ -	\$ -	\$ -	\$ 632,215	\$ -	\$ -	\$ 632,215
Community projects	-	-	24,825	278,761	303,586	-	-	303,586
Salaries and wages	123,194	-	36,892	-	160,086	53,898	53,898	267,882
Contractual costs	-	6,637	65,000	-	71,637	-	-	71,637
In-kind expenses	28,820	-	-	-	28,820	9,607	9,607	48,034
Marketing/Program Supplies	-	-	-	-	-	-	26,634	26,634
Employee benefits	13,738	-	-	-	13,738	6,010	6,010	25,758
Equipment maintenance and contracts	10,531	338	-	-	10,869	4,608	4,608	20,085
Payroll taxes	8,661	-	2,800	-	11,461	3,789	3,789	19,039
Occupancy & Maintenance	2,430	-	6,000	-	8,430	810	2,160	11,400
Professional Fees	4,986	-	-	-	4,986	2,182	2,182	9,350
Payments to affiliated organizations	2,175	-	-	-	2,175	2,175	2,175	6,525
Telephone	1,542	500	1,656	-	3,698	514	1,371	5,583
Travel	511	-	3,787	-	4,298	170	454	4,922
Insurance	1,950	-	-	-	1,950	853	853	3,656
Miscellaneous items	1,127	-	913	-	2,040	376	1,002	3,418
Community expense	1,191	-	-	-	1,191	255	255	1,701
Training and meetings	244	949	-	-	1,193	81	217	1,491
Office supplies	466	119	70	-	655	155	415	1,225
Depreciation	607	-	-	-	607	303	303	1,213
Postage	575	-	11	-	586	287	287	1,160
Dues and subscriptions	174	-	-	-	174	37	37	248
Printing and advertising	39	-	-	-	39	40	40	119
<b>Total</b>	<b>\$ 835,176</b>	<b>\$ 8,543</b>	<b>\$ 141,954</b>	<b>\$ 278,761</b>	<b>\$ 1,264,434</b>	<b>\$ 86,150</b>	<b>\$ 116,297</b>	<b>\$ 1,466,881</b>

The accompanying notes are an integral part of the financial statements.

**United Way of the Eastern Panhandle, Inc.**  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021 and 2020

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

The United Way of the Eastern Panhandle, Inc. is an organization of contributors dedicated to providing a voluntary organization to supply the means by which a cross section of citizens and agencies, governmental and voluntary, may join in a community-wide effort to deliver efficient human service programs effectively related to current needs. Our mission is to inspire our community to create change. Together we will give, advocate, and volunteer to improve Education, Health, and Financial stability The Organization serves the citizens of Berkeley, Jefferson, and Morgan Counties, West Virginia.

**Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Under this basis, revenues are recognized when earned and expenses are recognized when incurred.

**Adoption of New Accounting Standard**

On January 1, 2020 the Organization adopted FASB Accounting Standards Codification 606. Revenue from Contracts with Customers (FASB ASC606), which is a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services and satisfaction of performance obligations to a customer in an amount that reflects the consideration expected to be received in exchange for those goods and services. See Revenue Recognition policy in this note for the Organization's policy. There was not a material impact to revenues as a result of applying FASB ASC 606 for the year ended June 30, 2021, and there have not been significant changes to the Organization's business processes, systems, or internal controls as a result of implementing the standard.

Also on January 1, 2020, the Organization adopted Accounting Standards Update (ASU) 2018-08. Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made. This ASU includes specific criteria to consider when determining whether a contract or agreement should be accounted for as a contribution or as an exchange transaction. It also provides framework for determining whether a contribution is conditional or unconditional for which will impact the timing of revenue recognition. See Revenue Recognition policy in this note for the Organization's policies. There was not a material impact to revenues as a result of applying ASU 2018-08 for the year ended June 30, 2021, and there have not been significant changes to the Organization's business processes, systems, or internal controls as a result of implementing the standard.

**Basis of Presentation**

Financial statement presentation follows the requirements of the Not-for-Profit Entities Presentation of Financial Statements Topic of the FASB Accounting Standards Codification. Under the Standards, the Organization is required to report information regarding its financial position and activities according to two classes of net assets. Net assets, revenues, and expenses are classified based on the existence or absence of donor imposed restrictions. Net assets with donor restrictions consist of assets whose use is limited by donor imposed time and/or purpose restrictions, or those contributed with donor stipulations that they be held in perpetuity with use of income with or without donor restrictions. Net assets without donor restrictions are those currently available for use in the Organization's general operations under the direction of the board. Donor restricted contributions whose restrictions are met in the same reporting period are reported as revenue within net assets without donor restrictions.

**United Way of the Eastern Panhandle, Inc.**  
NOTES TO FINANCIAL STATEMENTS (continued)  
June 30, 2021 and 2020

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates. Significant estimates used in preparing these financial statements include determining the allowance for uncollectable pledges.

**Cash and Cash equivalents**

For the years ended June 30, 2021 and 2020, the Organization's cash in bank balances exceeded the insured FDIC limits on certain occasions. Management deems collateral risk of excess deposits to be minimal.

For purposes of reporting, management considers certificates of deposit to be cash equivalents.

Management does not include restricted cash as cash equivalents because of the agency nature of these accounts.

**Pledges Receivable**

The Organization accounts for bad debts using the allowance method to estimate the possible losses in the collection of its pledges and other receivables. The estimate is based on historic collection experience, a review of the current status of the receivables and management's judgment. Receivables are written off as bad debt expense in the period management feels that they become uncollectible.

**Investment Securities**

Investments are carried at fair value. Realized gains and losses on sales of securities are recognized based on the carrying value of specified securities sold and are included in revenue. Changes in unrealized gains and losses are included in the determination of changes in net assets.

**Property and Equipment**

Property and equipment are stated at cost and are being depreciated over estimated useful lives of 5-40 years using the straight-line method.

The Organization's policy is to capitalize all property and equipment costs in excess of \$500.

**Revenue Recognition**

Unconditional promises to give are recognized as revenue when the underlying promises are received by the Organization. Contributions received are recorded as net assets with or without restrictions, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as an increase in net assets with donor restriction, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

The Organization recognizes donor direct designations as campaign revenue and agency allocations as allowed by the Not-for-Profit Entities Presentation of Financial Statements Topic of the FASB Accounting Standards Codification as a result of campaign literature that grants the Organization variance power over donor direct designations from restrictions.

**United Way of the Eastern Panhandle, Inc.**  
NOTES TO FINANCIAL STATEMENTS (continued)  
June 30, 2021 and 2020

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Donated Services**

The Organization receives a substantial amount of donated services from volunteers who assist in fund raising and special projects. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition under the Not-for Profit Entities Revenue Recognition Topic of the FASB Accounting Standards Codification.

**Income Tax Status**

The Organization is a not-for profit organization and is generally exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and it files its information returns in the United States federal jurisdiction. These information returns are subject to examination by that jurisdiction generally for three years after they were filed.

**Expenses by Nature and Function**

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses are allocated on the basis of time and effort studies, as well as, specific identification by the Organization's staff.

**PLEDGES RECEIVABLE**

Pledges receivable consist of the following at June 30, 2021:

Pledges-2021 Campaign	\$ 313,029
Less allowance for uncollectable pledges	<u>(52,700)</u>
Net pledges receivable at June 30, 2021	<u>\$ 260,329</u>

Pledges receivable consist of the following at June 30, 2020:

Pledges-2020 Campaign	\$ 245,234
Less allowance for uncollectable pledges	<u>(51,000)</u>
Net pledges receivable at June 30, 2020	<u>\$ 194,234</u>

All of the above pledges are due in less than one year.

**BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS**

The Organization has established agency endowment funds with the Eastern West Virginia Community Foundation which were valued at \$202,475 and \$161,154 as of June 30, 2021 and 2020, respectively. The funds are intended as perpetual endowments for charitable purposes and are dedicated to the payment of grants from time to time as calculated under the Foundation's spending policy. The funds are subject to the terms and provisions of the articles of incorporation and bylaws of the Foundation including the ability of the Board of Directors of the Foundation to modify any restriction or condition on the distribution of funds for any specified charitable purpose or purposes or to a specified charitable organization or organizations if in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served.

**United Way of the Eastern Panhandle, Inc.**  
NOTES TO FINANCIAL STATEMENTS (continued)  
June 30, 2021 and 2020

**BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS (continued)**

Agency funds held at June 30 are as follows:

	<b>2021</b>	<b>2020</b>
United Way of the Eastern Panhandle Fund	<b>\$ 128,492</b>	\$ 102,269
United Way Thriving Children Fund	<b>11,561</b>	9,202
United Way Strong Families Fund	<b>11,561</b>	9,202
United Way Community Safety Net Fund	<b>39,303</b>	31,282
United Way Independent Seniors Fund	<b>11,558</b>	9,199
Total	<b>\$ 202,475</b>	\$ 161,154

**INVESTMENTS/FAIR VALUES ON FINANCIAL INSTRUMENTS**

Generally accepted accounting principles establishes a framework for measuring fair value. That framework provides a fair value 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), quoted prices for similar assets or liabilities in active or inactive markets either observable or corroborated by observable market data (level 2), and the lowest priority to unobservable inputs (level 3 measurements).

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2021.

	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investments:				
Fixed income	<b>\$ 340,221</b>	<b>\$ 340,221</b>	\$ -	\$ -
Equities	<b>631,422</b>	<b>631,422</b>	-	-
	<b>971,643</b>	<b>\$ 971,643</b>	\$ -	\$ -
Money Market Fund	<b>10,644</b>			
Total	<b>\$ 982,287</b>			

**PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at June 30:

	<b>2021</b>	<b>2020</b>
Office equipment	<b>\$ 29,084</b>	\$ 24,171
Less accumulated depreciation	<b>(15,896)</b>	(13,128)
Property and equipment, net of depreciation	<b>\$ 13,188</b>	\$ 11,043

**United Way of the Eastern Panhandle, Inc.**  
 NOTES TO FINANCIAL STATEMENTS (continued)  
 June 30, 2021 and 2020

**NOTE PAYABLE**

In April 2021, the Organization entered into a loan agreement with a local bank in the amount of \$52,444 that is part of the U.S. Small Business Administration's Paycheck Protection Program (PPP). All or a portion of the loan may be forgiven if the Organization uses the loan proceeds for its payroll costs and other expenses in accordance with the requirements of the PPP. As of November 12, 2021, management believes it has used the loan proceeds in accordance with the PPP requirements but has not yet begun the loan forgiveness application process. If all or a portion of the loan is not forgiven then the Organization will be required to repay the unforgiven amount at 1% interest at terms to be modified by the bank in accordance with changes enacted by the Flexibility Act. The loan is unsecured.

In addition, in April 2020, the Organization entered into a loan agreement with a local bank in the amount of \$50,100 that was part of the U.S. Small Business Administrations Paycheck Protection Program (PPP). The loan had the potential to be partially or fully forgiven if the Organization used the loan proceeds for its payroll costs and other expenses in accordance with the requirements of the SBA. The Organization received SBA forgiveness for the full amount in March 2021.

**NET ASSETS**

Net assets with donor restrictions were as follows for the year ended June 30:

	2021	2020
Subject to passage of time:		
Agency and other allocations	\$ 324,082	\$ 361,540
Unity campaign	481,119	-
Warm the Children program	403,081	428,081
Total	\$ 1,208,282	\$ 789,621

In July 2021 \$481,119, that was restricted for the Unity Campaign at June 30, 2021, was distributed to qualified Unity Campaign participants.

**IN-KIND CONTRIBUTIONS**

In-kind contributions consist of donated goods and services that the Organization would normally have to pay for and have been recorded as revenue and expenses in accordance with the criteria for recognition under the Not-for Profit Entities Revenue Recognition Topic of the FASB Accounting Standards Codification.

**MEMORANDUM OF UNDERSTANDING**

The Organization (UWEP) entered into a memorandum of understanding with the Region VII Workforce Investment Board (WIB) on June 18, 2010 and renewed such understanding in June 2021, to establish a partnership to provide payroll support for the Summer Youth Employment Program. UWEP received grant funding from WIB to accomplish this purpose. The grant funding is considered to be an exchange transaction. Accordingly, revenue is recognized when earned and expenses are recognized as incurred.

**OPERATING LEASE**

The Organization entered into a lease with United Bank, on September 15, 2014 . The term of this lease was 36 months at a rate of \$450 per month, for it's prorated share of utilities, commencing January 2, 2015 and ending January 1, 2018. The Organization is currently operating on a month to month basis as a new lease has not yet been executed. Lease expense for the years ended June 30, 2021 and 2020 was \$5,400 and \$4,950, respectively.

**United Way of the Eastern Panhandle, Inc.**  
NOTES TO FINANCIAL STATEMENTS (continued)  
June 30, 2021 and 2020

**AVAILABILITY OF FINANCIAL ASSETS**

At June 30, 2021, the Organization has \$3,027,315 of financial assets available within one year of the statement of financial position to meet cash needs, which consists of \$1,784,699 of cash, \$260,329 of pledges receivable, and \$982,287 of investments. \$1,208,282 of those financial assets are subject to donor restrictions which leaves the Organization \$1,819,033 of financial assets available within one year of the statement of financial position to meet cash needs for general expenditures. The Organization has set a goal of having financial assets on hand to meet 3 months of normal operating expenses, which are, on average, around \$313,000. As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due. Should an unforeseen liquidity need arise, the Organization would seek funds from the general public.

**UNCERTAINTY**

Since early 2020, the local and national economy has been negatively impacted by the effects of the worldwide coronavirus pandemic. The Organization is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of these financial statements, the full impact of the Organization's financial position is not known and therefore no adjustment has been made to these financial statements.

**SUBSEQUENT EVENTS**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 12, 2021 the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**United Way of the Eastern Panhandle**  
**SCHEDULES OF AGENCY ALLOCATIONS**  
For the years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
American Red Cross	\$ 8,585	\$ 8,000
Apollo Civic Theatre	150	-
Be-Hive	589	8,076
Berkeley County 4-H Foundation	200	200
Berkeley County Back Pack Program	12,447	13,730
Berkeley County Health Department	-	200
Berkeley County Pre-K Program	2,500	-
Berkeley County Schools	5,000	-
Berkeley Senior Services	22,109	17,335
Black Cat Music Cooperative	6,000	2,500
Boy Scouts of America, SAC	-	200
Boys & Girls Club of the Eastern Panhandle	17,760	18,794
CASA of the Eastern Panhandle	17,233	7,149
Catholic Charities of West Virginia	4,041	11,864
CCAP	11,496	3,515
Charles Town Rotary-Read Jefferson	-	5,000
Children First Child Development Center	13,414	14,937
Children's Home Society	9,697	11,495
Community Alternative to Violence	4,763	4,618
Community Networks	14,059	16,049
Eastern Area Health Education Ctr.	3,245	5,000
Eastern Panhandle Deaf Alliances	2,680	-
Eastern Panhandle Empowerment Center	11,931	9,532
EPIC	10,000	-
EVAK K9 Search and Rescue Team, Inc.	2,500	-
Faith Community Coalition for the Homeless	5,180	7,500
Faith Feeding Freedom	1,180	-
Girls on the Run	2,500	-
Good Samaritan Free Clinic	657	227
Good Shepherd	10,279	11,767
Horses With Hearts	8,801	7,727
JUMP Big Brothers Big Sisters	6,459	8,390
Kidz Power Pacs	150	-
Main Street Martinsburg	150	-
Martinsburg Public Library	-	200
Martinsburg Sunrise Rotary Club	-	5,000
MC Homeless Coalition	1,000	1,000
Meals on Wheels, Berkeley County	14,849	12,326
Meals on Wheels, Jefferson County	3,107	7,738
Morgan County Partnership	10,000	12,008
NAACP-Berkeley Branch	150	-
Norborne Preschool & Daycare	16,775	18,393
Outdoor Education Center	567	45
Panhandle Home Health	16,076	15,757
Parks & Rec, Board-Martinsburg/Berkeley County WV	-	200
Project Aware	10,000	5,000
PurposeFULL Paws	6,100	6,068
Rescue Mission	150	-
Salvation Army	150	-
Shepherdstown Day Care Center	15,836	18,567
Stars that Shine	1,500	-
Starting Points	11,771	10,881
Telemon Corporation	7,500	25,000
Telemon/ I & R	2,500	20,000
United Way of Central West Virginia	-	5,200
University Healthcare Foundation	4,917	2,760
Wildwood Middle School	702	8,000
	<u>\$ 339,405</u>	<u>\$ 367,948</u>

See independent auditors' report.