UNITED WAY OF THE GREATER CAPITAL REGION, INC.
AND AFFILIATES

Consolidated Financial Statements as of
June 30, 2021
Together with
Independent Auditor's Report

Bonadio & Co., LLP
Certified Public Accountants

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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

January 27, 2022

To the Board of Directors of
United Way of the Greater Capital Region, Inc. and Affiliates:

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of United Way of the Greater Capital Region, Inc. (a New York State not-for-profit corporation) and Affiliates (collectively referred to as the Organization), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

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(Continued)

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of United Way of the Greater Capital Region, Inc. and Affiliates as of June 30, 2021, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information
We have previously audited the United Way of the Greater Capital Region, Inc. and State Employees Federated Appeal's 2020 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated October 26, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Report on Combining Information
Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements of United Way of the Greater Capital Region, Inc. and Affiliates as a whole. The consolidating information presented in Schedules I and II is presented for the purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of activities of the individual companies and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

The 2020 supplementary information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of activities of the individual companies and is not a required part of the consolidated 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 2020 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of those combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 supplementary information is fairly stated in all material respects in relation to the combined financial statements from which it has been derived.

Bonadio & Co., LLP

UNITED WAY OF THE GREATER CAPITAL REGION, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021
(With Comparative Totals for 2020)

	2021	2020
ASSETS		
Cash and cash equivalents	$ 647,101	$ 1,361,115
Investments	10,248,347	3,898,088
Pledges receivable, net	1,301,618	1,699,856
Other receivables	212,437	220,353
Property and equipment, net	419,603	208,651
Beneficial interest in perpetual trust	673,431	475,499
	$ 13,502,537	$ 7,863,562
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable and accrued expenses	$ 192,632	$ 107,427
Grants and investments payable	642,825	901,551
Due to designated agencies	683,932	1,155,330
Paycheck Protection Program	287,954	277,963
Total liabilities	1,807,343	2,442,271
NET ASSETS:		
Without donor restrictions -		
Undesignated	1,271,207	1,555,108
Board designated	9,574,566	3,214,694
Total without donor restrictions	10,845,773	4,769,802
With donor restrictions -	849,421	651,489
Total net assets	11,695,194	5,421,291
	$ 13,502,537	$ 7,863,562

The accompanying notes are an integral part of these statements.

UNITED WAY OF THE GREATER CAPITAL REGION, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Totals for 2020)

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2021 Total	2020 Total
SUPPORT, REVENUE AND GAINS:				
Support -				
Contributions received	$ 3,448,970	$ -	$ 3,448,970	$ 4,439,931
Contributions received - COVID	-	-	-	346,549
Less: Donor designations	(1,353,267)	-	(1,353,267)	(2,005,252)
Allowance for uncollectible pledges	(283,948)	-	(283,948)	(338,950)
Subtotal	1,811,755	-	1,811,755	2,442,278
Grants	5,695,512	-	5,695,512	296,788
Payment protection loan forgiveness	277,963	-	277,963	-
Contributed goods and services	418,749	-	418,749	298,392
Legacies and bequests	42,749	-	42,749	37,340
Sponsorships	250	-	250	68,844
Events	117,107	-	117,107	138,613
Total support	8,364,085	-	8,364,085	3,282,255
Revenue and gains -				
Federated campaign income	193,441	-	193,441	219,887
Contract revenue	-	-	-	35,232
Donor designated service fees	9,593	-	9,593	22,080
Interest and dividends	118,505	-	118,505	107,100
Rental revenue	41,614	-	41,614	47,800
Gain (loss) on investments	1,005,847	-	1,005,847	(111,319)
Miscellaneous	8,630	-	8,630	4,423
Net assets released from donor restrictions	-	-	-	-
Gain (loss) on beneficial interest in trust	-	197,932	197,932	(5,133)
Total revenue and gains	1,377,630	197,932	1,575,562	320,070
Total support, revenue, and gains	9,741,715	197,932	9,939,647	3,602,325
EXPENSES:				
Program services:				
Community impact	1,874,775	-	1,874,775	1,926,014
SEFA	230,026	-	230,026	262,336
The Blake Annex	140,155	-	140,155	-
Total program services	2,244,956	-	2,244,956	2,188,350
Supporting services:				
Management and general	305,737	-	305,737	394,756
Fundraising	1,115,051	-	1,115,051	950,007
Total supporting services	1,420,788	-	1,420,788	1,344,763
Total expenses	3,665,744	-	3,665,744	3,533,113
CHANGE IN NET ASSETS	6,075,971	197,932	6,273,903	69,212
NET ASSETS - beginning of year	4,769,802	651,489	5,421,291	5,352,079
NET ASSETS - end of year	$ 10,845,773	$ 849,421	$ 11,695,194	$ 5,421,291

The accompanying notes are an integral part of these statements.

UNITED WAY OF THE GREATER CAPITAL REGION, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Totals for 2020)

	Community Impact	SEFA	The Blake Annex	Management and General	Fundraising	2021 Total	2020 Total
Salaries and payroll taxes	$ 213,152	$ -	$ 15,135	$ 186,997	$ 553,157	$ 968,441	$ 856,393
Retirement expenses	12,082	-	-	10,910	24,997	47,989	50,456
Other employee benefits	23,162	-	796	18,801	52,221	94,980	115,058
Contract and grant funded payroll expenses	243,182	94,737	-	-	79,678	417,597	398,124
Total salaries and related expenses	491,578	94,737	15,931	216,708	710,053	1,529,007	1,420,031
Community Care Fund allocations	621,540	-	-	-	-	621,540	876,700
Contributed goods and services	266,216	-	-	-	149,686	415,902	-
Professional fees and services	235,331	-	81,717	26,978	30,232	374,258	443,319
Federated Campaign expenses	-	135,289	-	-	-	135,289	173,284
Advertising, publicity, and special events	38,865	-	7,857	8,586	79,460	134,768	191,660
Other community distributions	96,747	-	-	-	2,188	98,935	130,565
Subscriptions and dues	32,622	-	201	21,667	33,529	88,019	66,472
Depreciation	12,135	-	26,700	6,104	24,417	69,356	49,604
Equipment, software, and hardware	24,868	-	367	8,655	20,232	54,122	33,243
Occupancy	15,984	-	-	5,769	24,306	46,059	47,315
Telephone and postage	11,258	-	545	6,106	18,915	36,824	30,789
Employee expenses	8,454	-	-	2,379	15,589	26,422	22,838
General office supplies and printing	16,300	-	6,837	1,016	2,735	26,888	10,593
Insurance	2,701	-	-	1,559	3,483	7,743	6,147
Travel and related costs	167	-	-	167	217	551	8,381
Interest expense	9	-	-	17	9	35	-
Miscellaneous	-	-	-	26	-	26	22,172
	$ 1,874,775	$ 230,026	$ 140,155	$ 305,737	$ 1,115,051	$ 3,665,744	$ 3,533,113

The accompanying notes are an integral part of these statements.

UNITED WAY OF THE GREATER CAPITAL REGION, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Totals for 2020)

	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES:		
Change in net assets	$ 6,273,903	$ 69,212
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	69,356	49,604
Provision for bad debts	(283,948)	(338,950)
Payment protection program loan forgiveness	(277,963)	-
(Gain) loss on investments	(1,005,847)	111,319
(Gain) loss on beneficial interest in trust	(197,932)	5,133
Changes in:		
Pledges receivable	682,186	250,571
Other receivables	7,916	109,745
Prepaid expenses and other assets	-	49,750
Accounts payable and accrued expenses	85,205	(49,135)
Grants and investments payable	(258,726)	(16,749)
Due to designated agencies	(471,398)	98,930
Paycheck Protection Program	287,954	277,963
Net cash flow from operating activities	4,910,706	617,393
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchases of investments	(11,527,650)	(2,265,318)
Proceeds from sales of investments	6,183,238	2,218,949
Purchases of property and equipment	(280,308)	(17,545)
Net cash flow from investing activities	(5,624,720)	(63,914)
CHANGE IN CASH AND CASH EQUIVALENTS	(714,014)	553,479
CASH AND CASH EQUIVALENTS - beginning of year	1,361,115	807,636
CASH AND CASH EQUIVALENTS - end of year	$ 647,101	$ 1,361,115

The accompanying notes are an integral part of these statements.

1. ORGANIZATION AND HISTORY

United Way of the Greater Capital Region, Inc. (UWGCR), a New York not-for-profit corporation, provides services to individuals and corporations in the Capital Region. Our mission is to improve lives and advance the common good in the Capital Region by mobilizing the caring power of donors, volunteers, and community partners to give, volunteer, and advocate for people in need within our region.

Our vision is to be a recognized leader in the development and investment of philanthropic and volunteer resources in programs and initiatives that fight for the health, education, and financial stability of every person in every community.

UWGCR is a member of the United Way Worldwide. To maintain membership within this organization, UWGCR must make a membership investment to United Way Worldwide based on a percentage of annual contributions received. This membership fee paid to United Way Worldwide was $67,430 and $42,643 for the years ended June 30, 2021 and 2020, respectively.

During 2021, UWGCR issued grants to 55 local programs and special initiatives representing 47 agencies. More than 100,000 Greater Capital Region residents benefited from United Way funded programs in 2020-2021.

UWGCR also helped mobilize more than 2,000 volunteers who contributed their time and expertise to community projects, organizational leadership and planning, fundraising, and more.

State Employees Federated Appeal (SEFA)
Workplace fund-raising campaigns – UWGCR is responsible for developing, implementing, and evaluating fund-raising programs with respective volunteer committees for 12 county areas in New York State.

SEFA is an annual fund-raising campaign that occurs during the fall season. The program was established to accommodate the wishes of New York State employees who wanted a single fund-raising campaign that would reduce multiple charitable solicitations.

New York State regulations assign the responsibility of campaign oversight to the Capital Region SEFA Committee whose members include state employees and representatives of charitable agencies. Campaign administrative and fiscal management services are performed by personnel of UWGCR.

The Blake Annex, Inc. (The Blake)
An impact-driven coworking community for Capital Region non-profits to share services and collaborate to create and develop a unique coworking space focused on providing coworking sites as well as educational opportunities, advancement, and support for individuals and companies in the not-for-profit and tax-exempt sectors to stimulate collaborative economic development in economically depressed, high-density, urban areas in the Greater Capital Region of the State of New York.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The amounts in the consolidated financial statements include the accounts of the United Way of the Greater Capital Region, Inc. (UWGCR), State Employees Federated Appeal (SEFA), and The Blake Annex, Inc. (The Blake). All significant intercompany balances and transactions have been eliminated in the consolidation. The financial statements have been consolidated because of common control and interrelated operating activities.

These organizations are hereafter referred to as “the Organization”.

Basis of Accounting

The accompanying consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America. The significant accounting policies followed by UWGCR, SEFA, and The Blake, are described below to enhance the usefulness of the consolidated financial statements.

Use of Estimates

Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates, particularly given the economic disruptions and uncertainties associated with the on-going COVID pandemic, and such differences may be significant.

Cash and Cash Equivalents

Cash and cash equivalents include bank demand deposit accounts, money market accounts, and all highly liquid debt instruments purchased with a maturity of three months or less. The Organization’s cash balances may at times exceed federally insured limits. The Organization has not experienced any losses in these accounts and believes it is not exposed to any significant risk with respect to cash and cash equivalents.

Investments

All investments in publicly traded equity and fixed income mutual funds are stated at fair value. Fair value is determined using quoted market prices. All realized and unrealized gains and losses are reported directly in the accompanying consolidated statement of activities.

Marketable securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain marketable securities, it is at least reasonably possible that changes in the values of marketable securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

Pledges Receivable

The Organization provides an allowance for uncollectible pledges based upon collection history and a review open accounts by management. Open accounts are written off after all collection efforts have been exhausted and the pledge is determined to be uncollectible. The allowance for uncollectible pledge was $314,000 and $354,000 as of June 30, 2021 and 2020, respectively. Although management has reviewed the collection history while projecting the allowance, it is reasonably possible that actual uncollectible pledges may differ from the estimated allowance.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are stated at cost, except for donated assets, which are recorded at their fair market value at the date of the gift. The Organization does not imply a time restriction, based on the assets' estimated useful lives, on donations of property and equipment that are restricted as to their use by the donor. Accordingly, those donations are recorded as support, increasing net assets without donor restrictions.

Expenditures for acquisitions, renewals, and betterments are capitalized, whereas maintenance and repair costs are expensed as incurred. When property and equipment are disposed of, the appropriate accounts are relieved of costs, and accumulated depreciation and any resultant gain or loss is reported as a change in net assets.

Depreciation is computed on a straight-line basis using the estimated useful lives (2 to 40 years) of the various assets.

Long-Lived Assets

The Organization assesses its long-lived assets for impairment when events or circumstances indicate their carrying amounts may not be recoverable. This is accomplished by comparing the expected undiscounted future cash flows of the long-lived assets with the respective carrying amount as of the date of assessment. If the expected undiscounted future cash flows exceed the respective carrying amount as of the date of assessment, the long-lived assets are considered not to be impaired. If the expected undiscounted future cash flows are less than the carrying value, an impairment loss is recognized and measured as the difference between the carrying value and the fair value of the long-lived assets. No impairment of long-lived assets was recognized in 2021 or 2020.

Due to Affiliated Agencies/Pledge Income

Contributions which are designated to a specific third-party beneficiary are recorded as a liability at the time the contribution is received, net of campaign costs and allowance for uncollectible pledges. All pledges received by SEFA are considered donor restricted. These pledges are passed directly to the designated recipients and are excluded from the Organization's revenue and expenses, except for a small portion that is allocated to revenue to cover direct campaign costs.

Financial Reporting

To ensure observance of limitations of restrictions placed on the use of resources available to the Organization, the resources are classified for reporting purposes into groups of net assets established according to their nature and purpose. Accordingly, all financial transactions have been recorded and reported by net asset group. Net assets of the Organization are classified and reported as follows:

<u>Net assets without donor restrictions – undesignated</u> – This category of net assets includes resources that are available for the support of the Organization's operating activities.

<u>Net assets without donor restrictions – board designated</u> – This category of net assets includes resources that the Board of Directors has designated for specific purposes.

<u>Net assets with donor restrictions</u> – This category of net assets includes resources that have been donated to the Organization subject to restrictions as defined by the donor. The satisfaction of the restrictions is reflected as net assets released from restrictions in the consolidated statement of activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recognition of Donor Restrictions

Support that is restricted by the donor is reported as an increase in net assets without restrictions if the restriction expires in the reporting period in which the support is received. All other donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Donated and Contributed Services

The services donated require specialized skills and are reflected in the consolidated statement of activities at their estimated fair value. For the years ended June 30, 2021 and 2020, the amount recognized was $418,749 and $298,392, respectively.

Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and changes in net assets and in the consolidated statement of functional expenses. Payroll and benefits are allocated based on time spent in the various programs. Depreciation, maintenance, and occupancy related costs are allocated based on management's estimates. Allocations to funded agencies are all considered program expenses.

Advertising

The Organization expenses advertising costs as incurred. Advertising expense was $134,768 and $191,660 for the years ended June 30, 2021 and 2020, respectively.

Financial Instruments Measured at Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP 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) and the lowest priority to unobservable inputs (level 3 measurements).

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation methodology used for the Organization's assets measured at fair value is to value the investments at quoted market prices on the last business day of the fiscal year.

The fair value of the beneficial interest in perpetual trusts is determined to be a level 2 measurement using the market approach as the carrying amount of these investments approximates fair value based on the value of similar assets at which the Organization could invest in.

Income Taxes

UWGCR, SEFA, and The Blake are exempt from federal income tax as a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and have been classified as entities that are not private foundations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Financial Information

The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class and functional expense classification. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's combined financial statements for the year ended June 30, 2020, from which the summarized information was derived.

3. LIQUIDITY

The Organization has a goal to maintain financial assets on hand to meet normal operating expenses. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization's financial assets available within one year of the consolidated statement of financial position date for general expenditure are as follows:

	2021	2020
Financial assets		
Cash and cash equivalents	$ 647,101	$ 1,361,115
Investments	10,248,347	3,898,088
Pledges receivable, net	1,301,618	1,699,856
Other receivables	212,437	220,353
Beneficial Interest in perpetual trust	673,431	475,499
Total financial assets	13,082,934	7,654,911
Less: those unavailable for general expenditures within one year due to:		
Board designated	(4,473,737)	(3,214,694)
Restricted by donor with purpose or time restriction	(849,421)	(651,489)
Financial assets available to meet cash needs for general expenditures within one year	$ 7,759,776	$ 3,788,728

The Organization maintains sufficient cash that is readily available for general expenditures. Additionally, the Organization's ability to meet its cash needs is further dependent, in part, on timely collection of its promises to give. The Organization's promises to give are due primarily from organizations and individuals. The Organization employs procedures specifically designed to collect from these payers as quickly as possible. However, timeliness of payment from these payers varies and is sometimes difficult to predict. Additionally, the Organization has a line-of-credit which can be drawn upon as necessary.

4. INVESTMENTS

Investments are managed in accordance with an investment policy that was approved by the Board of Directors. A summary of investments as of June 30, 2021 and 2020 is as follows:

	2021	2020
Mutual funds- equities	$ 4,605,403	$ 2,549,284
Mutual funds- fixed income	5,642,944	1,348,804
	$ 10,248,347	$ 3,898,088

For the years ended June 30, 2021 and 2020, the investments earned interest and dividends of $118,505 and $107,100, respectively. There were no investment management fees incurred for the years ended June 30, 2021 and 2020.

5. FAIR VALUE MEASUREMENTS

The Organization's investments at fair value, within the fair value hierarchy, are as follows as of June 30:

Description	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
June 30, 2021:				
Mutual funds - equities	$ 4,605,403	$ -	$ -	$ 4,605,403
Mutual funds - fixed income	5,642,944	-	-	5,642,944
Beneficial interest in perpetual trust	-	673,431	-	673,431
	$ 10,248,347	$ 673,431	$ -	$ 10,921,778
June 30, 2020:				
Mutual funds - equities	$ 2,549,284	$ -	$ -	$ 2,549,284
Mutual funds - fixed income	1,348,804	-	-	1,348,804
Beneficial interest in perpetual trust	-	475,499	-	475,499
	$ 3,898,088	$ 475,499	$ -	$ 4,373,587

6. PROPERTY AND EQUIPMENT

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

	2021	2020
Land	$ 102,300	$ 102,300
Building and building improvements	878,384	878,384
Office equipment	518,652	238,343
	1,499,336	1,219,027
Less: Accumulated depreciation	(1,079,733)	(1,010,376)
	$ 419,603	$ 208,651

Depreciation expense for the years ended June 30, 2021 and 2020 was approximately $69,000 and $50,000.

7. LINE-OF-CREDITS

The Organization has a secured $250,000 line-of-credit with Pioneer Savings Bank. Borrowings against the line are due on demand and interest is payable monthly at the Bank's prime rate plus one percent, with a floor percentage rate of 5.25%. The balance is secured by all assets of the Organization. The line-of-credit was closed during 2021.

During 2021, the Organization secured a line-of-credit with Keybank. Borrowings against the line are due on demand and interest is payable monthly at the Bank's prime rate plus one percent (3.75% at June 30, 2021), with a floor percentage of 3.75%. The balance is secured by all assets of the Organization. At June 30, 2021, there was an outstanding balance of $406.

8. NET ASSETS

Net assets with donor restrictions are available for the following purposes at June 30:

	2021	2020
Percy Waller Perpetual Charitable Trust	$ 679,225	$ 475,499
Bequests from estates to be held in perpetuity	113,061	113,061
Capital City Fund	56,658	62,452
United in action	477	477
	$ 849,421	$ 651,489

8. NET ASSETS (Continued)

Board designated net assets are available for the following purposes at June 30:

	2021	2020
ELAP	$ 4,600	$ 4,600
Funds functioning as endowment	4,469,137	3,210,094
Mackenzie Scott funds	5,100,829	-
	$ 9,574,566	$ 3,214,694

Mackenzie Scott Funds
In December of 2020, United Way of the Greater Capital Region was awarded a $5 million donation from author and philanthropist MacKenzie Scott.

United Way GCR was selected as one of 384 non-profits across the country recognized for their effective response and recovery work including both filling basic needs and addressing systemic inequities.

In her announcement on Medium, Scott said,

"These 384 carefully selected teams have dedicated their lives to helping others, working and volunteering and serving real people face-to-face at bedsides and tables, in prisons and courtrooms and classrooms, on streets and hospital wards and hotlines and frontlines of all types and sizes, day after day after day. They help by delivering vital services, and also through the profound encouragement felt each time a person is seen, valued, and trusted by another human being."

Changes in the Mackenzie Scott funds are as follows:

Description	
Beginning balance - June 30, 2020	$ -
Additions	5,007,040
Grant expenditures	-
Fees	(6,972)
Investment gains/(losses)	100,761
Ending net assets - June 30, 2021	$ 5,100,829

Beneficial Interest in Perpetual Trusts
The Organization is the beneficiary of the Percy Waller Perpetual Charitable Trust (Trust). The Trust provides for annual distributions of eleven percent of the income earned on the Trust's assets. The donor has placed no restrictions as to the use of the distributions. The Trust is administered by an independent third-party trustee.

The value of the beneficial interest in perpetual trust is recorded at eleven percent of the fair market value of the Trust's assets. The Organization recognized a gain (loss) in the value of this Trust in the amount of $197,932 and $(5,133) for the years ended June 30, 2021 and 2020, respectively.

8. NET ASSETS (Continued)

Other Net Assets With Donor Restrictions
The Organization is the beneficiary of two bequests from estates for which the donor restricted the funds to be held in perpetuity. There are no restrictions placed on the income derived from these funds.

9. EMPLOYER RETIREMENT PLANS

The Organization established a 403(b) plan for its employees. Employer contributions to the Plan are determined annually by the Board of Directors. The Board of Directors approved a revision to the Plan, effective January 1, 2012, which includes an employer match of up to 4% of salary on employee contributions to the Plan. In addition, the Plan includes a service weighted automatic contribution of 3% of salary for employees with up to 10 years of service, and a 5% contribution for employees of over 10 years of service.

A one year waiting period is required for participation in the match and automatic contribution portions of the Plan. During the years ended June 30, 2021 and 2020, the employer contribution was $47,989 and $49,832 respectively.

The Organization had a noncontributory, combination pension and welfare plan available to all employees 21 years of age or older, who completed one year of service. The Plan was a defined benefit plan, which provided benefits that were generally based on years of service and final average salary. The plan was terminated as of June 30, 2016. There were no plan assets as of June 30, 2016 as the plan was terminated and all plan assets were paid to participants. The Board made a resolution to make 11 annual contributions of $6,703 to one employee that had not been paid out. These contributions are the Organization's assets until the employment is terminated.

10. ENDOWMENT

The Organization’s endowment consists of funds established to provide investment income to be used for fundraising and operating costs so that a higher percentage of donor contributions can be directed to the Community Care Fund. Its endowment includes donor-restricted and board designated endowments. As required by generally accepted accounting principles, net assets associated with endowment funds including funds, designated by the Board of Directors to function as endowments, are classified and reported based on the existence of donor-imposed restrictions.

10. ENDOWMENT (Continued)

Endowment net asset composition as of June 30, 2021 and 2020 is as follows:

	Board Designated	With Donor Restrictions	Total
June 30, 2021:			
Endowment funds	$ 4,469,137	$ 786,492	$ 5,255,629
June 30, 2020:			
Endowment funds	$ 3,215,227	$ 588,560	$ 3,803,787

Changes in endowment net assets for the years ended June 30, 2021 and 2020 are as follows:

Description	Board Designated	With Restrictions	Total
Endowment net assets - July 1, 2019	$ 3,351,047	$ 593,693	$ 3,944,740
Releases	(22,843)	-	(22,843)
Net appreciation	(112,977)	(5,133)	(118,110)
Endowment net assets - June 30, 2020	$ 3,215,227	$ 588,560	$ 3,803,787
Releases	-	-	-
Net appreciation	1,253,910	197,932	1,451,842
Endowment net assets - June 30, 2021	$ 4,469,137	$ 786,492	$ 5,255,629

Return Objectives and Risk Parameters
Investments of the Board-designated funds are made for the purpose of providing supplemental funding of fundraising and operational activities. The net assets with restrictions are those donor restricted funds that the Organization must hold in perpetuity.

The Organization recognizes that risk (i.e. the uncertainty of future events), volatility (i.e. the potential for variability of asset values), and the possibility of loss in purchasing power (due to inflation) are present to some degree in all types of investment vehicles. While high levels of risk are to be avoided, the assumption of some risk is warranted in order to allow the investment manager the opportunity to achieve satisfactory long-term results consistent with the objectives of the fund.

Strategies Employed for Achieving Objectives
The Organization has adopted investment and spending policies for endowment assets that attempt to maintain the corpus of the fund while allowing the account to grow in order to provide a resource for occasional funding to programs supported by its endowment. Endowment assets include funds without donor restrictions and those with donor restrictions as of June 30, 2021 and 2020. Under this policy, as approved by the Board of Directors, the endowment assets are invested primarily in stocks (generally targeted at 40-60% of the fund), bonds (38-52%), and commodities (2-8%). No target growth rate is stated or implied by the Organization’s investment objectives. Actual investment returns in any given year may vary.

10. ENDOWMENT (Continued)

Strategies Employed for Achieving Objectives (Continued)

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation (see information above) that places a greater emphasis on equity and bond-based investments to achieve its long-term return objectives with prudent risk constraints.

Management periodically presents system level initiatives that they feel worthy of Organization support. The Organization's Board reviews these suggestions and appropriates money on occasion for items they deem worthwhile. There is no annual target for expenditures.

The governing board has interpreted the applicable provisions of New York Not-for-Profit Corporation Law to mean that the classification of appreciation on its restricted endowment gifts, beyond the original gift amount, follows the donor's restrictions on the use of the related income (interest and dividends), and income is classified as restricted until appropriated for expenditure. As of June 30, 2021, all income related to net assets with restrictions have been expended consistent with donor intent.

11. COVID-19

The United States is presently in the midst of a national health emergency related to a virus, commonly known as Novel Coronavirus (COVID-19). The overall consequences of COVID-19 on a national, regional, and local level are unknown, but it has the potential to result in a significant economic impact. However, the impact of this situation on the Organization's future results and financial position is not presently determinable.

Paycheck Protection Program Arrangement

In April 2020, the Organization entered into an arrangement with a bank under the auspices of the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief & Economic Security Act (CARES Act) under which the Organization received $277,963. This arrangement is evidenced by a loan agreement that includes provisions whereby the loan balance can be fully or partially forgiven based on the Organization's use of the funds, maintenance of its personnel complement, and compliance with certain reporting elements to the Bank in accordance with the requirements of the PPP Program.

In April 2021, the Organization entered into a second PPP arrangement for $287,548.

The Organization elected to account for its PPP arrangements as conditional contributions, meaning that revenue is recorded as the conditions meeting the requirements for forgiveness are met. Through June 30, 2021, the Organization estimated that it has administered the full proceeds of its first PPP arrangement and managed its staff complement in a manner that met the conditions for forgiveness of $277,963 received under the PPP arrangement. As such, this amount is recorded as Paycheck Protection Program loan forgiveness in the consolidated statement of activities for the year ended June 30, 2021.

12. SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 27, 2022, which is the date these consolidated financial statements were available to be issued.

UNITED WAY OF THE GREATER CAPITAL REGION, INC. AND AFFILIATES

Schedule I

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Totals for 2020)

	United Way of the Greater Capital Region, Inc.	State Employees Federated Appeal	The Blake Annex, Inc.	Eliminations	2021 Total	2020 Total
ASSETS						
Cash and cash equivalents	$ 539,156	$ 107,945	$ -	$ -	$ 647,101	$ 1,361,115
Investments	10,248,347	-	-	-	10,248,347	3,898,088
Pledges receivable, net	1,028,244	273,374	-	-	1,301,618	1,699,856
Other receivables	211,237	-	1,200	-	212,437	220,353
Due from affiliates	1,019	-	4,111	(5,130)	-	-
Property and equipment, net	188,869	-	230,734	-	419,603	208,651
Beneficial interest in perpetual trust	673,431	-	-	-	673,431	475,499
	$ 12,890,303	$ 381,319	$ 236,045	$ (5,130)	$ 13,502,537	$ 7,863,562
LIABILITIES AND NET ASSETS						
LIABILITIES:						
Accounts payable and accrued expenses	$ 192,632	$ -	$ -	$ -	$ 192,632	$ 107,427
Due to affiliated agencies	646,936	1,019	-	(5,130)	642,825	901,551
Due to designated agencies	289,865	394,067	-	-	683,932	1,155,330
Paycheck Protection Program	287,954	-	-	-	287,954	277,963
Total liabilities	1,417,387	395,086	-	(5,130)	1,807,343	2,442,271
NET ASSETS:						
Without donor restrictions -						
Undesignated	1,048,929	(13,767)	236,045	-	1,271,207	1,555,108
Board designated	9,574,566	-	-	-	9,574,566	3,214,694
Total without donor restrictions	10,623,495	(13,767)	236,045	-	10,845,773	4,769,802
With donor restrictions -	849,421	-	-	-	849,421	651,489
Total net assets	11,472,916	(13,767)	236,045	-	11,695,194	5,421,291
	$ 12,890,303	$ 381,319	$ 236,045	$ (5,130)	$ 13,502,537	$ 7,863,562

The accompanying notes are an integral part of these schedules.

UNITED WAY OF THE GREATER CAPITAL REGION, INC. AND AFFILIATES Schedule II

CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Totals for 2020)

	United Way of the Greater Capital Region, Inc.			State Employees Federated Appeal	The Blake Annex, Inc.			
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Without Donor Restrictions	Eliminations	2021 Totals	2020 Totals
SUPPORT, REVENUE, AND GAINS:								
Support:								
Contributions received	$ 2,797,500	$ -	$ 2,797,500	$ 651,470	$ -	$ -	$ 3,448,970	$ 4,439,931
Contributions received - COVID	-	-	-	-	-	-	-	346,549
Less: Donor designations	(627,415)	-	(627,415)	(725,852)	-	-	(1,353,267)	(2,005,252)
Allowance for uncollectible pledges	(269,998)	-	(269,998)	(13,950)	-	-	(283,948)	(338,950)
Subtotal	1,900,087	-	1,900,087	(88,332)	-	-	1,811,755	2,442,278
Grants	5,320,512	-	5,320,512	-	375,000	-	5,695,512	296,788
Payment protection loan forgiveness	277,963	-	277,963	-	-	-	277,963	-
Contributed goods and services	418,749	-	418,749	-	-	-	418,749	298,392
Legacies and bequests	42,749	-	42,749	-	-	-	42,749	37,340
Sponsorships	250	-	250	-	-	-	250	68,844
Events	117,107	-	117,107	-	-	-	117,107	138,613
Total support	8,077,417	-	8,077,417	(88,332)	375,000	-	8,364,085	3,282,255
Revenue and gains:								
Federated campaign income	193,441	-	193,441	-	-	-	193,441	219,887
Contract revenue	370,889	-	370,889	-	-	(370,889)	-	35,232
Donor designated service fees	9,593	-	9,593	-	-	-	9,593	22,080
Interest and dividends	118,493	-	118,493	12	-	-	118,505	107,100
Rental revenue	40,414	-	40,414	-	1,200	-	41,614	47,800
Gain (loss) on investments	1,005,847	-	1,005,847	-	-	-	1,005,847	(111,319)
Miscellaneous	8,730	-	8,730	(100)	-	-	8,630	4,423
Net assets released from donor restriction	-	-	-	-	-	-	-	-
Gain (loss) on beneficial interest in trust	-	197,932	197,932	-	-	-	197,932	(5,133)
Total revenue and gains	1,747,407	197,932	1,945,339	(88)	1,200	(370,889)	1,575,562	320,070
Total support, revenue, and gains	9,824,824	197,932	10,022,756	(88,420)	376,200	(370,889)	9,939,647	3,602,325
EXPENSES:								
Program services:								
Community impact	2,245,664	-	2,245,664	-	-	(370,889)	1,874,775	1,926,014
SEFA	128,738	-	128,738	101,288	-	-	230,026	262,336
The Blake Annex	-	-	-	-	140,155	-	140,155	-
Total program services	2,374,402	-	2,374,402	101,288	140,155	(370,889)	2,244,956	2,188,350
Supporting services:								
Management and general	305,737	-	305,737	-	-	-	305,737	394,756
Fundraising	1,115,051	-	1,115,051	-	-	-	1,115,051	950,007
Total supporting services	1,420,788	-	1,420,788	-	-	-	1,420,788	1,344,763
Total expenses	3,795,190	-	3,795,190	101,288	140,155	(370,889)	3,665,744	3,533,113
CHANGE IN NET ASSETS	6,029,634	197,932	6,227,566	(189,708)	236,045	-	6,273,903	69,212
NET ASSETS - beginning of year	4,593,861	651,489	5,245,350	175,941	-	-	5,421,291	5,352,079
NET ASSETS - end of year	$ 10,623,495	$ 849,421	$ 11,472,916	$ (13,767)	$ 236,045	$ -	$ 11,695,194	$ 5,421,291

The accompanying notes are an integral part of these schedules.