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November 30, 2021

We are pleased to submit the audited financial statements for United Way Miami and its subsidiaries for the fiscal year ending June 30, 2021. Our independent auditors, Marcum, LLP, issued an unqualified opinion on the United Way's financial statements. Enclosed please find a copy of Marcum, LLP's report.

United Way Miami focuses on improving education, financial stability and health, the building blocks for a good life, in Miami-Dade and beyond. A good education leads to a better job with better pay. A stable income is key to greater financial independence. Good health allows children to learn better, adults to increase their income through productive work, and older adults to remain independent in their homes. We are proud of our many accomplishments of this past fiscal year, including our response to the COVID pandemic, and the collapse of the building in Surfside, in addition to our ongoing activities in the areas of education, financial stability, health and veterans' services. To answer the needs raised by the crises, United Way activated Operation Helping Hands (OHH), our fundraising mechanism to address disasters through a partnership with The Miami Herald/El Nuevo Herald. In addition to the funds raised through OHH for pandemic relief, Miami-Dade County allocated CARES Act funding to United Way to help households in need as a result of the pandemic. In total United Way distributed over \$32 million in direct assistance to help 20,885 households representing 68,205 individuals, and 448 small businesses weather the financial difficulties from the COVID-19 pandemic by providing rent, food and other living assistance, and technical support.

United Way also responded to the Surfside building collapse in a number of ways. Through today, we have processed airline flights through a generous donation from American Airlines to facilitate family reconnections and distributed gift cards at the family assistance center. We provided funding to the Red Cross for short-term case management (\$50,000) and to Jewish Community Services for long-term case management (\$130,000). We also provided direct financial assistance to victim households and former employees (\$70,932).

In December of 2020, United Way received the largest single gift in its history: a \$25 million unrestricted gift from MacKenzie Scott. Through an intensive and deliberative process with internal and external stakeholders, United Way's board approved utilization of the grant on an evergreen fund to promote reskilling and upskilling opportunities in our community. Planning is underway with a targeted pilot launch in the first quarter of 2022.

The Ansin Building
3250 SW 3 Avenue
Miami, FL 33129-2712
tel (305) 646-7000
unitedwaymiami.org

In addition to all the work done to support families and business during difficult crises, United Way continued its mission work to create an equitable and thriving community for all. Following are the highlights of that work that reflect our promise to drive for a better Miami-Dade:

Education

- 3,180 children received quality early education experiences
- 713 early childhood professionals received 30,384 hours of professional learning
- 17,170 youth attended after-school programs that enabled them to improve academic skills and avoid risky behaviors, such as drinking, alcohol, smoking and taking drugs
- Successfully advocated for an additional \$5.1 million in state funding for early learning programs across Miami-Dade
- Completed second year of five-year \$22.5 million federal early Head Start-Child Care partnership grant, reaching 320 infants and toddlers in under-resourced areas of our community

Financial Stability

- 135,900 people received emergency food and shelter assistance
- 3,497 individuals and families received counseling that will enable them to improve their financial stability and achieve their goals
- Assisted 8,389 Miami-Dade taxpayers receive approximately \$12.3 million in tax refunds and 1,950 receive Earned Income Tax Credits of more than \$3.1 million
- 285 veterans and their families received food assistance through United Way's Mission United

Health

- 3,557,318 meals were coordinated for older adults, including: 18,264 through senior center sites, 3,278,990 delivered to frail, homebound older adults, and 260,064 specially prepared for nutritionally high-risk older adults.
- 692 unpaid, family caregivers received support and training to improve the stress and ability to continue caring for an older parent or family member.
- 139,147 hours of respite care for homebound older adults and people with disabilities to provide a critical break for family caregivers in need of self-care.
- 32 intellectually challenged older adults without family to care for them benefitted from special guardianship relationships to maximize independence and maintain stable living conditions.
- 32,258 life-saving health screenings for children and adults

- Advocated for improved notification by Florida’s Medicaid program – resulting in older adults applying for home and community-based services being notified of screening results, rights to appeal, and local resources.
- Co-led the Miami-Dade Age Friendly Initiative – resulting in sustainability of collaboration and coordination among eight major partners committed to make Miami-Dade more age friendly (as per the framework of the World Health Organization).

Fiscal Agent Projects

- Continued serving as fiscal sponsor to community projects and other Not for Profit organizations that provide much needed social services to the community.

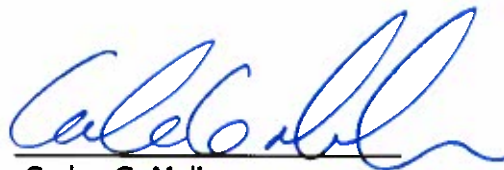
United Way also provided program monitoring, financial stewardship and oversight, health and human services planning and collaboration, outcome measurement training and tracking, community partnerships, and community outreach including advocacy, volunteerism, disaster planning and response, as well as office and conference room facilities for other not-for-profits. We were able to provide \$2.34 in benefits to our community for every \$1 in discretionary income generated by United Way through collaborative efforts and partnerships with other agencies, grants, volunteer work, investment revenues, matching and in-kind donations. In total, revenues of \$76.1 million generated an additional \$102.1 million in services for a total impact in the community of \$178.2 million.

For a more in-depth look into United Way Miami’s work in education, financial stability and health, please visit us at www.unitedwaymiami.org

Furthermore, we hereby certify that we have reviewed the financial statements and based on our knowledge, these financial statements do not contain any untrue statements of a material fact or omit a material fact necessary to make the statements, in light of the circumstances under which such statements were made, not misleading; and, based on our knowledge, the financial statements and other financial information included in this report, fairly present, in all material respect, the financial condition, results of operations and cash flows of the United Way Miami as of, and for the year ended June 30, 2021.



 Maria C. Alonso
 President and Chief Executive Officer



 Carlos G. Molina
 Chief Financial Officer

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED JUNE 30, 2021

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
United Way Miami, Inc. and Subsidiaries

Report on the Financial Statements

We have audited the accompanying financial statements of United Way Miami, Inc. and Subsidiaries (collectively, the "United Way"), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the year 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 consolidated financial position of United Way Miami, Inc. and Subsidiaries as of June 30, 2021, and the consolidated 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.

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 schedules, as listed in the supplementary information section and compliance section (as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)) in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such 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 accompanying supplementary schedules, as listed in the supplementary information section and compliance section in the table of contents, are fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited United Way's June 30, 2020 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated December 10, 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 financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021 on our consideration of United Way's internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way's internal control over financial reporting and compliance.

Marcum LLP

Miami, FL
November 30, 2021

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2020)

	2021	2020
Assets		
Cash and cash equivalents	\$ 3,873,635	\$ 8,133,659
Restricted cash	15,119,471	7,762,509
Investments (including restricted amounts of \$6,255,121 and \$4,936,616, respectively)	80,525,200	40,297,545
Pledges receivable, net	8,265,414	8,558,686
Donor-designated pledges receivables, net	2,881,093	3,260,859
Interest in limited partnership	8,166,551	8,166,551
Receivables, net and other assets	2,758,663	2,239,778
Property and equipment, net	26,395,947	27,271,559
Total Assets	\$ 147,985,974	\$ 105,691,146
 Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 3,748,804	\$ 3,603,084
Approved allocations payable	7,975,116	7,427,839
Donor-designated allocations payable	27,106,405	17,817,241
Special contributions allocations payable	8,166,551	8,166,551
Refundable advance	--	2,625,800
Note payable	9,825,843	10,527,200
Total Liabilities	56,822,719	50,167,715
 Commitments and Contingencies		
Net Assets		
Without donor restrictions	81,898,661	46,111,361
With donor restrictions	9,264,594	9,412,070
Total Net Assets	91,163,255	55,523,431
Total Liabilities and Net Assets	\$ 147,985,974	\$ 105,691,146

The accompanying notes are an integral part of these consolidated financial statements.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)

	Without Donor Restrictions	With Donor Restrictions	2021	2020
Public Support, Investment Gains and Other Income				
Public Support				
Annual campaign, net of allowance	\$ 35,175,036	\$ 212,452	\$ 35,387,488	\$ 38,371,880
Special contribution and capital gains	--	679,482	679,482	816,664
Less donor designations	<u>(21,677,859)</u>	<u>--</u>	<u>(21,677,859)</u>	<u>(23,786,921)</u>
Annual campaign, net	13,497,177	891,934	14,389,111	15,401,623
Grants	45,114,798	--	45,114,798	11,494,020
Special events, net	786,584	--	786,584	1,011,917
Contributions to programs	2,049,029	--	2,049,029	1,865,020
Other contributions	26,226,830	--	26,226,830	5,911,229
Legacies and bequests	<u>3,198,465</u>	<u>--</u>	<u>3,198,465</u>	<u>1,025,116</u>
Total Public Support	<u>90,872,883</u>	<u>891,934</u>	<u>91,764,817</u>	<u>36,708,925</u>
Investment Gains and Other Income				
Interest and dividend income	1,232,723	--	1,232,723	1,315,104
Realized gains on sale of investments, net of fees of \$27,308 and \$14,228, respectively	1,806,453	--	1,806,453	1,047,791
Unrealized gains (losses) on investments, net	9,610,048	--	9,610,048	(704,657)
Tuition income	465,297	--	465,297	501,451
Rental income	879,636	--	879,636	607,512
Other income, net	1,825,071	--	1,825,071	279,727
Less donor restricted investment income	<u>(1,965,724)</u>	<u>--</u>	<u>(1,965,724)</u>	<u>(65,119)</u>
Total Investment Gains and Other Income	<u>13,853,504</u>	<u>--</u>	<u>13,853,504</u>	<u>2,981,809</u>
Net Assets Released from Restrictions				
Expiration of time restrictions	<u>1,039,410</u>	<u>(1,039,410)</u>	<u>--</u>	<u>--</u>
Total Public Support, Investments Gains and Other Income	<u>\$ 105,765,797</u>	<u>\$ (147,476)</u>	<u>\$ 105,618,321</u>	<u>\$ 39,690,734</u>

The accompanying notes are an integral part of these consolidated financial statements.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)**

	Without Donor Restrictions	With Donor Restrictions	2021	2020
Distributions to Agencies and Grant Expenses				
Distributions to agencies	\$ 36,639,298	\$ --	\$ 36,639,298	\$ 37,180,047
Disaster relief fund uses	33,147,860	--	33,147,860	--
Less donor designations	<u>(23,643,583)</u>	<u>--</u>	<u>(23,643,583)</u>	<u>(23,852,040)</u>
Total Distributions to Agencies and Grant Expenses	<u>46,143,575</u>	<u>--</u>	<u>46,143,575</u>	<u>13,328,007</u>
Functional Expenses				
Program services	15,198,503	--	15,198,503	15,360,782
Supporting activities	<u>8,166,834</u>	<u>--</u>	<u>8,166,834</u>	<u>8,939,740</u>
Total Functional Expenses	<u>23,365,337</u>	<u>--</u>	<u>23,365,337</u>	<u>24,300,522</u>
Other Expenses	<u>469,585</u>	<u>--</u>	<u>469,585</u>	<u>516,072</u>
Total Distributions and Expenses	<u>69,978,497</u>	<u>--</u>	<u>69,978,497</u>	<u>38,144,601</u>
Change in Net Assets	35,787,300	(147,476)	35,639,824	1,546,133
Net Assets - Beginning	<u>46,111,361</u>	<u>9,412,070</u>	<u>55,523,431</u>	<u>53,977,298</u>
Net Assets - Ending	<u>\$ 81,898,661</u>	<u>\$ 9,264,594</u>	<u>\$ 91,163,255</u>	<u>\$ 55,523,431</u>

The accompanying notes are an integral part of these consolidated financial statements.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)**

	Program Services							Supporting Activities					
	Early Child Education	Education II	Financial Stability	Health	Mission United	Fiscal Agent Projects	Other Community Projects	Total Program Services	Fund Raising	Management and General	Total Supporting Activities	2021	2020
Distributions to agencies	\$ 4,226,068	\$ 2,220,642	\$ 2,859,869	\$ 2,950,094	\$ 34,875	\$	\$ 24,347,750	\$ 36,639,298	\$ --	\$ --	\$ --	\$ 36,639,298	\$ 37,180,047
Disaster relief fund uses	--	--	--	--	--	--	33,147,860	33,147,860	--	--	--	33,147,860	--
Less: donor designated distributions	--	--	--	--	--	--	(23,643,583)	(23,643,583)	--	--	--	(23,643,583)	(23,852,040)
Total Distributions	<u>4,226,068</u>	<u>2,220,642</u>	<u>2,859,869</u>	<u>2,950,094</u>	<u>34,875</u>	<u>--</u>	<u>33,852,027</u>	<u>46,143,575</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>46,143,575</u>	<u>13,328,007</u>
Salaries and related expenses	5,533,531	469,846	730,869	681,518	303,584	12,789	41,563	7,773,700	2,185,740	2,534,352	4,720,092	12,493,792	12,598,070
Employee benefits	1,150,462	62,749	110,659	103,424	43,792	1,891	6,145	1,479,124	306,067	381,959	688,026	2,167,150	2,064,368
Payroll taxes	409,790	34,233	52,737	48,490	22,350	885	2,878	571,363	159,572	175,031	334,603	905,966	904,644
Total Salaries and Related Expenses	<u>7,093,784</u>	<u>566,828</u>	<u>894,265</u>	<u>833,432</u>	<u>369,726</u>	<u>15,565</u>	<u>50,586</u>	<u>9,824,186</u>	<u>2,651,379</u>	<u>3,091,343</u>	<u>5,742,721</u>	<u>15,566,908</u>	<u>15,567,082</u>
Conferences and non-local meetings	1,098,123	125,368	157,402	173,620	42,938	4,614	14,996	1,617,062	333,224	489,579	822,803	2,439,865	242,001
Occupancy	1,265,311	29,953	66,681	33,913	41,494	546	1,774	1,439,672	40,742	400,315	441,057	1,880,729	2,326,195
Office and other operating expenses	814,812	31,996	54,834	50,589	117,155	1,314	4,272	1,074,971	193,974	276,205	470,179	1,545,151	2,867,206
School and other program expenses	603,430	17,767	3,886	12,873	839	177	574	639,545	4,967	12,693	17,660	657,205	800,273
Professional fees and contractual services	252,444	2,973	2,993	4,584	588	124	403	264,109	8	22,097	22,105	286,214	1,500,889
Total Expenses Before Depreciation and Amortization	<u>11,127,904</u>	<u>774,885</u>	<u>1,180,060</u>	<u>1,109,010</u>	<u>572,741</u>	<u>22,340</u>	<u>72,605</u>	<u>14,859,545</u>	<u>3,224,294</u>	<u>4,292,233</u>	<u>7,516,527</u>	<u>22,376,072</u>	<u>23,303,646</u>
Depreciation and Amortization of Property and Equipment	<u>57,722</u>	<u>73,539</u>	<u>67,297</u>	<u>112,986</u>	<u>14,468</u>	<u>3,046</u>	<u>9,899</u>	<u>338,957</u>	<u>258,892</u>	<u>391,416</u>	<u>650,308</u>	<u>989,265</u>	<u>996,876</u>
Total Functional Expenses	<u>11,185,626</u>	<u>848,424</u>	<u>1,247,357</u>	<u>1,221,996</u>	<u>587,209</u>	<u>25,386</u>	<u>82,504</u>	<u>15,198,503</u>	<u>3,483,186</u>	<u>4,683,648</u>	<u>8,166,834</u>	<u>23,365,337</u>	<u>24,300,522</u>
Other Expenses	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>469,585</u>	<u>469,585</u>	<u>469,585</u>	<u>516,072</u>
Total Distributions and Expenses	<u>\$ 15,411,694</u>	<u>\$ 3,069,066</u>	<u>\$ 4,107,226</u>	<u>\$ 4,172,090</u>	<u>\$ 622,084</u>	<u>\$ 25,386</u>	<u>\$ 33,934,531</u>	<u>\$ 61,342,078</u>	<u>\$ 3,483,186</u>	<u>\$ 5,153,233</u>	<u>\$ 8,636,419</u>	<u>\$ 69,978,497</u>	<u>\$ 38,144,601</u>

The accompanying notes are an integral part of these consolidated financial statements.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2021

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)

	2021	2020
Cash Flows From Operating Activities		
Change in net assets	\$ 35,639,824	\$ 1,546,133
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	989,265	996,876
Refundable advance	(2,625,800)	2,625,800
Change in allowance for uncollectible pledges	(210,807)	426,803
Realized gains on sale of investments, net of fees	(1,806,453)	(1,047,791)
Unrealized losses (gains) on investments, net	(9,610,048)	704,657
Change in operating assets and liabilities:		
Pledges receivables (including donor-designated)	883,845	806,542
Interest in limited partnership	--	(10)
Receivables and other assets	(518,885)	58,643
Accounts payable and accrued expenses	145,720	(105,396)
Approved allocations payable	547,277	(559,268)
Donor-designated allocations payable	9,289,164	2,527,477
Special contributions allocations payable	--	10
Total Adjustments	(2,916,722)	6,434,343
Net Cash Provided by Operating Activities	<u>32,723,102</u>	<u>7,980,476</u>
Cash Flows From Investing Activities		
Proceeds from sale of investments	8,628,040	12,729,182
Purchase of investments	(37,439,194)	(14,320,778)
Purchase of property and equipment	(113,653)	(140,820)
Net Cash Used in Investing Activities	<u>(28,924,807)</u>	<u>(1,732,416)</u>
Net Cash From Financing Activities		
Repayment of notes payable	(701,357)	(680,101)
Net Cash Used in Financing Activities	<u>(701,357)</u>	<u>(680,101)</u>
Net Change in Cash, Cash Equivalents and Restricted Cash	3,096,938	5,567,959
Cash, Cash Equivalents and Restricted Cash - Beginning	<u>15,896,168</u>	<u>10,328,209</u>
Cash, Cash Equivalents and Restricted Cash - Ending	<u>\$ 18,993,106</u>	<u>\$ 15,896,168</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	\$ 319,931	\$ 361,973

The accompanying notes are an integral part of these consolidated financial statements.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE ORGANIZATION

United Way Miami, Inc. (the “Organization”) is an independent, Florida not-for-profit philanthropic organization. In June of 2021, the Organization changed its name to United Way Miami, Inc. The Organization works to advance the common good in Miami-Dade County by creating opportunities for a better life for all. The Organization is focused on improving education, income and health-the building blocks for a good life. The Organization invests in quality programs, advocates for better policies, engages people in the community and generates resources.

The Organization’s wholly-owned subsidiaries include Center for Excellence LLC (“CFE”), Children's Advocacy Complex LLC (“CAC”), 3250 Real Estate Holdings LLC (“3250 REH”), United Way of Miami-Dade Real Property Holdings LLC, 3107 Coral Way, LLC, 3125 Coral Way, LLC, 3195 Coral Way, LLC, Rauw Littleton LLC and Rauw Pittsfield LLC. The subsidiaries are organized under the laws of the State of Florida as single member limited liability companies, which for Federal income tax purposes are disregarded as separate reporting entities.

CFE operates an early childhood development demonstration school located at 350 SW 32nd Road, Miami, Florida, as part of an integrated research, developmental and training center for early childhood issues.

CAC owns, operates and manages an eight floor parking garage and office building located at 3150 SW 3rd Avenue, Miami, Florida. CAC leases the office space on the 8th floor to an unrelated not-for-profit organization, which is a grantor of the Organization that deals with children's issues. During the year ended June 30, 2021, the Organization received grant funding from this not-for-profit organization amounting to \$1,984,793, which is included as a component of grants in the accompanying consolidated statement of activities and changes in net assets.

3250 REH owns the two buildings located at 3250 SW 3rd Avenue, Miami, Florida and at 350 SW 32nd Road, Miami, Florida comprising of the Ansin Building (the Organization’s corporate office) and the CFE Building. 3250 REH leases available office space in the Ansin Building to various unrelated charitable organizations in the community.

United Way of Miami-Dade Real Property Holdings LLC serves to receive in-kind real properties contributed to the Organization. During the year ended June 30, 2021, this entity did not receive any real properties.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

THE ORGANIZATION (CONTINUED)

3107 Coral Way, LLC owns the property located at 3107 Coral Way, which is used as a parking lot for the Organization and other tenants. 3125 Coral Way, LLC, owns the property located at 3125 Coral Way, which serves as an early childhood educational hub under a Head Start initiative undertaken by the CFE. 3195 Coral Way, LLC owns the property located at 3195 Coral Way, for the purpose of housing the program Mission United and Center for Financial Stability to provide assistance to veterans in the Miami-Dade County area.

Rauw Littleton, LLC and Rauw Pittsfield, LLC were formed for the purpose to own certain properties in Littleton and Pittsfield, New Hampshire. Both properties were sold and both entities were dissolved during the year ended June 30, 2021 (refer to Note 11).

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Organization and its wholly-owned subsidiaries referred to above (collectively, "United Way"). All significant transactions and account balances among the entities have been eliminated in consolidation.

USE OF ESTIMATES

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

FINANCIAL STATEMENT PRESENTATION

The consolidated financial statements of United Way have been prepared on the accrual basis of accounting in accordance with GAAP. Net assets, revenues and expenses are classified based on the existence or absence of donor-imposed restrictions as follows:

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL STATEMENT PRESENTATION (CONTINUED)

Without Donor Restrictions

Net assets which are free of donor-imposed restrictions; all revenues, expenses, gains and losses that are not changes in net assets with donor restrictions. As of June 30, 2021, United Way has board designated net assets included in without donor restrictions net assets (see Note 12).

With Donor Restrictions

Net assets used by United Way which are limited by donor-imposed restrictions that either expire with the passage of time, that can be fulfilled or otherwise removed by actions of United Way pursuant to those stipulations or are subject to donor-imposed restrictions that are required to be maintained in perpetuity by United Way. As of June 30, 2021, United Way had net assets with donor restrictions of \$9,264,594.

SUMMARIZED COMPARATIVE FINANCIAL INFORMATION

The consolidated financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2020, from which the summarized information was derived.

CONCENTRATION OF CREDIT AND MARKET RISK

Financial instruments that potentially expose United Way to concentrations of credit and market risk consist primarily of cash and cash equivalents (including restricted cash), investments, and pledges receivable (including donor-designated).

Cash and Cash Equivalents (Including Restricted Cash)

Financial instruments that potentially subject United Way to concentrations of credit risk consist of deposit accounts. At June 30, 2021 and at certain times during the year, the United Way had amounts on deposit that were in excess of the federally insured limits. United Way maintains these balances in what it believes to be high quality financial institutions, which it believes limits its risk.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONCENTRATION OF CREDIT AND MARKET RISK (CONTINUED)

Investments

United Way has investment accounts at financial institutions and broker/dealers, which are not insured by the FDIC. These accounts may be subject to insurance by the Securities Investor Protection Corporation ("SIPC"). Management believes that the risk of loss with respect to maintaining these accounts with the financial institutions and broker/dealers has been limited by selecting high quality institutions with which to do business.

Pledges Receivable (Including Donor-Designated)

Concentrations of credit risk with respect to pledges receivable are limited due to United Way's large number of donors. United Way maintains allowances for potential losses, which are based on amounts estimated to be uncollectible based on historical experience and any specific collection issues that management has identified. Actual losses have historically been within management's expectations and estimates.

ANNUAL FUNDRAISING/CONTRIBUTIONS/PROMISE TO GIVE

United Way conducts year-round fundraising activities via direct solicitation to individual and corporate contributors in addition to major fundraising events. Funds contributed to the Community Plan are allocated in accordance with the United Way of Miami-Dade Community Impact Committee allocation process. Donors may also limit their gift by directing the gift to a particular health and human service organization in accordance with the United Way Board of Directors' policy. Community Plan funds are distributed monthly, commencing the subsequent July, while funds that are contributor restricted to specific agencies are disbursed quarterly.

Contributions are recognized as revenue when they are received or unconditionally pledged. An unconditional promise to give that is expected to be collected within one year is recorded at its net realizable value. Unconditional promises to be collected in future years are recorded at their present value of estimated future cash flows using a risk-free interest rate applicable to the year which the promise was made. Contributions that are not directed to another agency are presented net of any allowance for doubtful accounts. As of June 30, 2021, the allowance was approximately \$1,556,000. Contributions that are directed to another agency are also recognized as revenue when the pledge is received with an offsetting counter revenue. Directed contributions do not include an allowance for doubtful accounts as the payment to agencies are based on actual collection.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ANNUAL FUNDRAISING/CONTRIBUTIONS/PROMISE TO GIVE (CONTINUED)

Contributions with donor or grantor restrictions that limit the use of donated assets are reported as with donor restriction support in the accompanying consolidated statement of activities and changes in net assets. When donor or grantor restrictions are satisfied, with donor restriction net assets are reclassified as without donor restriction net assets and reported in the accompanying consolidated statement of activities and changes in net assets as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reflected as without donor restriction revenue in the accompanying consolidated statement of activities and changes in net assets.

REVENUE FROM CONTRACTS WITH CUSTOMERS

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, “*Revenue from Contracts with Customers (Topic 606)*”, which supersedes nearly all existing revenue recognition guidance under GAAP. This ASU outlines a single comprehensive model for recognizing revenue as performance obligations, defined in a contract with a customer as goods or services transferred to the customer in exchange for consideration, are satisfied. The standard also requires expanded disclosures regarding the Organization’s revenue recognition policies and significant judgments employed in the determination of revenue. Effective July 1, 2020 the Organization adopted this ASU. Based on the Organization’s evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No changes were required to previously reported revenues as a result of the adoption; therefore, the adoption of this ASU did not have a material impact on the consolidated financial statements and did not result in a prior period adjustment.

The Organization’s revenue streams that fall within the scope of this ASU are revenue derived from tuition income, and rental income. Revenue from tuition income is recognized over the term of the school year as the performance obligation is satisfied ratably throughout the school year. Revenue from tuition income received prior to the beginning of the applicable period is recorded as deferred revenue in the accompanying consolidated statement of financial position. Rental income is recognized over the term of lease as the performance obligation is satisfied ratably throughout the lease term. Rental payments received prior to the time of the lease period is recorded as deferred revenue in the accompanying consolidated statement of financial position.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH EQUIVALENTS

All highly liquid investments with original maturities of three months or less when acquired are considered to be cash equivalents.

RESTRICTED CASH

Restricted cash are segregated Donor Advised Fund (“DAF”) accounts held in a local financial institution. DAF accounts are accounts set up by United Way on behalf of donors within the guidelines provided by the Internal Revenue Service. Under these guidelines, contributions received from donors are deposited into separate bank accounts and the funds are available to be directed by the donor at a later date. These segregated funds are pending release to United Way until the respective donor advises and United Way approves recipients and amounts to be distributed. These contributions are agency transactions and revenues or expenses related to these accounts are not reflected in United Way’s net assets at June 30, 2021. Accordingly, United Way has recorded a liability of \$21,148,243 at June 30, 2021, as a component of donor-designated allocations payable in the accompanying consolidated statement of financial position, representing the restricted funds that had not been released by the donors. As of June 30, 2021, the restricted cash component of that liability was \$14,893,123; there are restricted investments attributed directly to the DAF accounts at June 30, 2021 amounting to \$6,255,121.

RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statement of financial position that sum to the total of the same such amounts shown in the consolidated statement of cash flows.

Cash and cash equivalents	\$ 3,873,635
Restricted cash	<u>15,119,471</u>
Total Cash, Cash Equivalents, and Restricted Cash Presented in the Consolidated Statement of Cash Flows as of June 30, 2021	<u>\$ 18,993,106</u>

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS

Investments in equity and mutual fund securities with readily determinable fair values and investments in debt securities are measured at fair value in the accompanying consolidated statement of financial position. Investments in lending and private equity funds are measured by using their net asset values (used as a practical expedient). Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in the accompanying consolidated statement of activities and changes in net assets as increases or decreases in without donor restriction net assets unless the income or loss is restricted by donor or law.

INTEREST IN LIMITED PARTNERSHIP

Under a charitable agreement dated June 30, 2004, United Way was selected as the sole beneficiary of a net income with makeup charitable remainder trust ("NIMCRUT"). The NIMCRUT assets consists of a preferred interest in a limited partnership. On December 15, 2009, the NIMCRUT was partially terminated and United Way received \$5,027,115 in preferred interest in the limited partnership. The preferred interest was valued at the fair market value of the underlying investment instruments at the time of the termination. The carrying value of the preferred interest in the limited partnership, recorded on the cost basis, changes based on redemptions of the donor and reported capital gains during each fiscal year. In December 2012, there was an additional partial termination of the NIMCRUT with a net capital investment of \$8,993,099 of preferred interest in the limited partnership. During the year ended June 30, 2021, redemptions made by the donor were approximately \$817,000. During the year ended June 30, 2021, capital gains were approximately \$817,000. As of June 30, 2021, United Way had under a 1% interest in the limited partnership. As of June 30, 2021, the carrying value of the preferred interest in limited partnership was \$8,166,551.

During the year ended June 30, 2019, the remaining interest in NIMCRUT was terminated which resulted in United Way receiving interest in another limited partnership. Management determined that the fair market value of this interest was insignificant at the time of termination.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECEIVABLES AND OTHER ASSETS

Receivables and other assets represent receivables from various sources, which include tenants, special events sponsorships and unconditional grant awards from various sources. Grant receivables may include awards from private donors, federal, state, and local governmental agencies, and other not-for-profit agencies. Grant receivables that are expected to be received within one year are recorded at their net realizable value. Grant receivables that are expected to be received in future years are recorded at the present value of future cash flows. The discounts on those amounts are computed using a risk-free interest rate applicable to the year in which the grant is awarded. As of June 30, 2021, all grant receivables were current (refer to Note 6).

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments is determined by reference to various market data and other valuation techniques, as appropriate. Unless otherwise disclosed in the notes to the consolidated financial statements, the fair value of financial instruments, including cash and cash equivalents (including restricted cash), receivables, accounts payable and accrued liabilities and allocation payables approximate their recorded values due generally to their short-term nature.

PROPERTY AND EQUIPMENT

Property and equipment, valued in excess of \$5,000, with a useful life over one year are capitalized. These assets are recorded at cost or, if donated, at fair value at the date of the donation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are amortized over the lesser of the estimated useful life of the asset or the term of the lease. Major renewals and improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. When items are retired or otherwise disposed of, the related costs and accumulated depreciation or amortization are removed from the accounts and any resulting gains or losses are recognized.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IMPAIRMENT OF LONG-LIVED ASSETS

In accordance with FASB Accounting Standards Codification (“ASC”) No. 360, *Property, Plant and Equipment*, the carrying value of long-lived assets is reviewed whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by determining if the carrying value of the asset exceeds the sum of the projected undiscounted cash flows expected to result from the use and eventual disposition of the asset over the remaining economic life of the asset. If recoverability is not assured, impairment is determined based on comparing the carrying value of the asset and the estimated fair value of the asset. Management does not believe that long-lived assets were impaired as of June 30, 2021.

REFUNDABLE ADVANCE

As noted in Note 17, the United Way received funding from the Paycheck Protection Program (“PPP”) on April 23, 2020. During the year ended June 30, 2020, the Organization recorded the note proceeds as a refundable advance (conditional contribution) pursuant to FASB ASC 958-605, *Not-for-Profit Entities: Revenue Recognition*. The note was fully forgiven as of June 8, 2021 and recognized as other contributions in the accompanying consolidated statement of activities and changes in net assets for the year ended June 30, 2021.

GRANTS

Grants from governmental agencies and other entities are recognized as revenue when the grant funds have been expended in accordance with the grant provisions of the respective agreements.

SPECIAL EVENTS

Annually, United Way hosts various special events to supplement its fundraising activities. United Way classifies these events as peripheral from its activities and reports revenues at net amounts in the accompanying consolidated statement of activities and changes in net assets. For the year ended June 30, 2021, gross revenues from special events amounted to \$1,238,367. For the year ended June 30, 2021, the direct costs related to special events amounted to \$451,783.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONTRIBUTED GOODS AND SERVICES

Contributed goods and services are reflected in the accompanying consolidated financial statements at their estimated fair value, if reasonably determined. The contributions of services are recognized if the services received (a) create or enhance non-financial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations. For the year ended June 30, 2021, there were no significant non-cash contributions.

Services provided by volunteers throughout the year are not recognized as contributions in the accompanying consolidated financial statements since these services are not susceptible to objective measurement or valuation.

DEFERRED RENT

United Way records rent revenue from operating leases, which generally call for escalating payments and free rents over the terms of the leases, on a straight-line basis over the lease term, as required in FASB ASC No. 840, *Leases*. The difference between the rent payments received and straight-line basis of such rent is recorded as deferred rent. As of June 30, 2021, the deferred rent was insignificant.

FUND-RAISING ACTIVITIES

United Way's consolidated financial statements are presented in accordance with FASB ASC 958 "*Accounting for Costs of Activities of Not-for-Profit Organizations that Included Fund Raising*". FASB ASC 958 establishes criteria for accounting and reporting for any entity that solicits contributions.

FUNCTIONAL ALLOCATION OF EXPENSES

The cost of providing the various programs and other activities has been summarized on a functional basis in the accompanying consolidated statement of activities and changes in net assets and on a detailed basis in the accompanying consolidated statement of functional expenses. Expenses are charged directly to functions based on a combination of specific identification and allocation by management. Salaries and other expenses, which are associated with a specific program, are charged directly to that program. Salaries and other expenses, which benefit more than one program, are allocated to the various programs based on an analysis of time spent and effort.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAXES

United Way Miami, Inc. is a not-for-profit organization, as described in Section 501(c)(3) of the Internal Revenue Code and as such is subject to Federal income taxes only on unrelated business income. For the year ended June 30, 2021, there was no significant unrelated business income tax resulting from unrelated business income. United Way Miami, Inc.'s subsidiaries are all single member limited liability corporations and are disregarded for income tax purposes.

GAAP requires management to evaluate tax positions taken and recognize a tax liability (or asset) if United Way has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken and has concluded that as of June 30, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the accompanying consolidated financial statements. If United Way were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense, and penalties on any income tax liability would be reported as income taxes. United Way is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

RECENT ACCOUNTING PRONOUNCEMENTS

On August 28, 2018, the FASB issued ASU 2018-13, *Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. This ASU applies to all entities that are required, under existing GAAP, to make disclosures about recurring or nonrecurring fair value measurements. This ASU's objective is to improve the effectiveness of disclosures in the notes to the financial statements by facilitating clear communication of the information required by GAAP that is most important to the users of the entity's financial statements. United Way implemented this ASU effective July 1, 2020. The adoption did not have a significant impact on United Way's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which amends the guidance relating to the definition of a lease, recognition of lease assets and liabilities on the balance sheet, and the related disclosure requirements. This ASU is applicable for the Organization for its annual reporting period beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Earlier application is permitted; however, the Organization did not early adopt the ASU. Management is currently in the process of evaluating the ASU for the potential impact on its consolidated financial statements upon adoption.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. This ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. This ASU requires the new standard to be applied retrospectively, with amendments taking effect for annual reporting periods beginning after June 15, 2021, and interim periods within annual reporting periods beginning after June 15, 2022. This ASU does allow for early adoption. Management is in the process of evaluating the ASU for the potential impact on its consolidated financial statements upon adoption.

Refer to Sub Section “Revenue from Contracts with Customers” in Note 1 for adoption of ASU 2014-09, “*Revenue from Contracts with Customers (Topic 606)*”.

SUBSEQUENT EVENTS

United Way has evaluated subsequent events through November 30, 2021, which is the date the consolidated financial statements were available to be issued.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES

United Way regularly monitors liquidity required to meet its operating needs and contractual commitments, while also striving to maximize the investments of its funds. United Way maintains two investment portfolios, general and endowment with short and long term strategies. Portfolios are managed by staff and a committee of investment professionals charged to address allocation, investment strategies and spending policies. United Way’s cash flow has variations during the year attributable to campaign activity. Large inflows occur from November through April and smaller inflows during the summer months. Excess cash during large inflows months are transferred to the general portfolio for investing. Seasonal cash needs are transferred from the general portfolio.

In addition to the financial assets available to meet expenditures over the 12 months, United Way operates with a balanced budget and anticipates collecting sufficient revenues to cover expenditures. Refer to the accompanying consolidated statement of cash flows which identifies the sources and uses of the Organization’s cash for the twelve months ended June 30, 2021.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

As of June 30, 2021, the following financial assets (net of any associated restrictions and designations) could be readily made available within one year of the consolidated statement of financial position to meet general expenditures.

Financial Assets

Cash, cash equivalents and restricted cash	\$ 18,993,106
Accounts receivable, net - collected in less than one year	2,482,303
Pledge receivable, net - collected in less than one year	10,770,995
Investments and restricted investments	<u>80,525,200</u>

Total Financial Assets 112,771,604

Less: contractual or donor-imposed restrictions:

Donor designated and advised funds	(27,106,405)
Endowment funds	(8,417,548)

Less: board designations

Fixed contingency	(1,131,458)
Emergency Relief Funds	(1,000,000)
Community Impact Funds	(30,387,001)
Board designated endowment	(27,332,995)
Add back endowment distribution	1,455,004
Unrealized gains	<u>(3,549,148)</u>

**Financial Assets Available to Meet Cash Needs
for Expenditures Within One Year** \$ 15,302,053

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - INVESTMENTS

Investments as of June 30, 2021 are comprised of the following:

U.S. Corporate Bonds	<u>\$ 10,520,823</u>
Equity Securities	
Domestic	3,004,931
International	71,373
Alternative	<u>732,020</u>
Total Equity Securities	<u>3,808,324</u>
Mutual Funds	
Investment Grade Taxable	19,247,776
U.S. Fund Large Growth	6,125,795
Large Value	6,076,094
Large Blend	5,827,790
Large Growth	4,931,848
U.S. Fund Large Blend	2,906,970
U.S. Fund Foreign Large Blend	2,719,048
Global High Yield Taxable	2,510,000
Mid-Cap Value	2,472,497
Small Value	2,301,108
Foreign Large Blend	1,711,796
High Yield Bond	1,265,163
U.S. Fund Emerging Markets	1,010,228
Small Growth	715,836
International Developed Bonds	619,481
U.S. Fund High Yield Bond	572,054
U.S. Mid-Cap Growth	566,000
Intermediate Core-Plus Bond	543,454
Multi-Sector Bond	510,820
Nontraditional Bond	305,964
U.S. Fund Intermediate Core Bond	134,244
Mid-Cap Growth	132,419
U.S. Fund Small Blend	115,275

Continued

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - INVESTMENTS (CONTINUED)

Mutual Funds (continued)	
Short Term Bond	\$ 60,146
U.S. Fund Mid-Cap Blend	59,338
U.S. Fund Short Term Bond	41,853
U.S. Fund Multi-Strategy	39,519
Small Blend	27,274
Intermediate-Term Bond	12,439
U.S. Fund Large Value	9,293
Mid-Cap Blend	<u>2,009</u>
Total Mutual Funds	<u>63,573,531</u>
Lending Fund	<u>1,316,622</u>
Private Equity	<u>944,486</u>
Strategy Event Driven	<u>258,906</u>
Real Estate Fund	<u>50,078</u>
Certificates of Deposit	<u>52,430</u>
Total Investments	<u><u>\$ 80,525,200</u></u>

The following summarizes the contractual scheduled maturities of the investments in debt securities (U.S. Corporate Bonds) as of June 30, 2021:

For the Year Ending	Amount
June 30,	
2022	\$ 1,095,787
2023	1,746,117
2024	1,183,490
2025	2,063,140
2026	828,748
Thereafter	<u>3,603,541</u>
Total	<u><u>\$ 10,520,823</u></u>

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 - FAIR VALUE MEASUREMENTS

FASB ASC 820, “*Fair Value Measurements and Disclosures*”, 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) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under this FASB guidance are described as follows:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that United Way has the ability to access at the measurement date.

Level 2

Inputs to the valuation methodology include:

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

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

Level 3

Valuation is based on unobservable inputs for an asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of a market participant. Therefore, unobservable inputs reflect the assumptions that market participants would use in valuing the asset or liability, including assumptions about risk. Unobservable inputs are developed based on the best information available in the circumstances, which might include information provided by United Way’s investment manager. The data used to develop unobservable inputs are adjusted if information is reasonably available without undue cost and effort that indicates market participants would use different assumptions. Investment types which have been valued using this approach generally include investments in investee funds that have lockups that are greater than 3 months.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

There have been no changes in the methodologies used at June 30, 2021.

Following is a description of the valuation methodologies used for assets measured at fair value.

The U.S. Corporate Bond Portfolio consist of investments in securities issued by the U.S. Treasury, U.S. government agencies, and corporate bonds through independent investment advisors. These investments are valued at the closing price reported in the active market in which the individual securities are traded.

The Equity Portfolio consists of equity securities managed primarily through investments held by independent investment advisors with discretionary investment authority. Equity securities consist primarily of common stocks. Equity securities are valued at the closing price reported in the active market in which the individual securities are traded.

The Mutual Fund Portfolio consists of mutual funds managed primarily through investments held by independent investment advisors with discretionary investment authority. Mutual funds are valued at the closing price reported in the active market in which the individual securities are traded.

The Lending Funds, Private Equity, Strategy Event Driven, and Real Estate Fund investments are valued at net asset value ("NAV") available from the individual fund. The underlying investments of the funds are valued at fair value on a monthly basis by United Way. The net asset value is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported net asset value. The underlying investments of the funds are valued at fair value on a monthly basis by the Organization. Certain funds are redeemable at their net asset value per share on a monthly, quarterly or annual basis.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

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

The following table represent United Way's consolidated financial instruments measured at fair value on a recurring basis for each of the fair value hierarchy levels:

	Fair Value Measurements at June 30, 2021			
	Level 1	Level 2	Level 3	Total
Assets				
U.S. corporate bonds	\$ 10,520,823	\$ --	\$ --	\$ 10,520,823
Equity securities	3,808,324	--	--	3,808,324
Mutual funds	63,573,531	--	--	63,573,531
Total Assets	\$ 77,902,678	\$ --	\$ --	77,902,678
Investments Measured at the Net Asset Value (NAV)*:				
				1,316,622
			Lending Funds	
			Private Equity Funds	944,486
			Strategy Event Driven	258,906
			Real Estate Fund	50,078
			Total Investments Measured at NAV	2,570,092
			Total Investments **	\$ 80,472,770

* As required by GAAP, certain investments that are measured using the net asset value as a practical expedient have not been classified in the fair value hierarchy. The value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the accompanying consolidated statement of financial position.

** Total investments exclude Certificates of Deposit, which are recorded at cost plus accrued interest. The Organization had Certificates of Deposits totaling \$52,430 as of June 30, 2021.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

NET ASSET VALUE PER SHARE PRACTICAL EXPEDIENT

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions.

	Fair Value as of June 30, 2021	Valuation Method	Input Rate Applied	Unfunded Commitments as of June 30, 2021	Redemption Frequency	Redemption Notice Period
Alternative Strategies						
Lending Fund						
Goldman Sachs Middle Market Lending Corp. (a)	\$ 193,059	Practical expedient	N/A	\$ --	N/A	N/A
Star Mountain Fund II-A, L.P. (b)	878,296	Practical expedient	N/A	37,500	N/A	N/A
Canyon Laurel Master Funds (c)	245,267	Practical expedient	N/A	136,787	N/A	N/A
Private Equity						
Blackstone BTAS IV Private Investors, L.P. (d)	683,459	Practical expedient	N/A	150,627	N/A	N/A
Glendower Capital Secondary Opportunities Fund (e)	261,027	Practical expedient	N/A	202,500	N/A	N/A
Strategy Event Driven						
HG Vora Special Opportunities Fund (f)	258,906	Practical expedient	N/A	--	Quarterly	90 Days
Real Estate Fund						
Rialto Real Estate Fund IV - Property, LP (g)	25,828	Practical expedient	N/A	61,250	N/A	N/A
Rialto Real Estate Fund IV - Debt, LP (g)	<u>24,250</u>	Practical expedient	N/A	<u>138,250</u>	N/A	N/A
Total Alternative Strategies	<u>\$ 2,570,092</u>			<u>\$ 726,914</u>		

The following is a summary of the investment strategy of the investment valued at net asset value:

- (a) The Fund's investment strategy focuses on leading the negotiation and structuring of the loans and securities in which the fund invests and holding the investments in the portfolio to maturity. In many cases the fund is the sole investor in the loan or security in the portfolio. The fund seeks to control or obtain significant influence over the rights of investors in the loan or security.
- (b) The Fund was formed for the purpose of creating a highly diversified and current yielding portfolio composed primarily of private U.S. small and medium sized business loans with equity upside by making Primary Fund Investments and Secondary Fund Investments, as well as making direct debt and equity investments in small and medium sized businesses.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

NET ASSET VALUE PER SHARE PRACTICAL EXPEDIENT (CONTINUED)

- (c) The Fund strategy is to originate loans and make other debt and preferred equity investments in commercial properties in densely populated U.S. urban and suburban markets. The fund will seek to capitalize on opportunities created by the implementation of new regulatory regimes that constrain the lending ability of banks and other traditional lenders.
- (d) The Fund primary objective is to invest across a broad mix of Blackstone's private equity, real estate, credit and opportunistic alternative asset management strategies.
- (e) The Fund strategy aims to build a globally diversified portfolio of seasoned funds, GP-led transactions and co-investments on the secondary market along with value creation through in-depth fundamental analysis as opposed to deal structuring.
- (f) The Fund invests substantially all of its assets through a master-feeder structure in HR Vora Special Opportunities Master Fund, Ltd. and Subsidiaries, an investment company that has the same investment objectives as the Fund. The Master Fund was organized for the purpose of trading and investing in a mix of securities including common and preferred stocks, bank debt, corporate and convertible bonds, private placements, and real estate investment trusts, as well as derivative contracts including option contracts and return swaps for bank debt, common stocks, and fixed income warrants.
- (g) The Fund invests in newly issued and secondarily traded commercial mortgage backed securities, sub-performing and non-performing loan portfolios, secured credit, including mezzanine loans, B-notes, and preferred equity, and other high yield located primarily in the United States.

The Organization has unfunded commitments in its Lending Funds, Private Equity, Strategy Event Driven and Real Estate Fund portfolio of approximately \$727,000 at June 30, 2021. In addition, the Organization does not expect to receive distributions through liquidation of the underlying assets of the private equity funds until the end of each respective fund's life.

NOTE 5 - PLEDGES RECEIVABLE

United Way has entered into certain agreements to receive pledge contributions, including donor-designated. Pledge contributions to be received in one year or less from the consolidated statement of financial position date are recorded at net realizable value (fair value, less any applicable doubtful account allowances). Pledge contributions to be received after one year from the statement of financial position date are recorded at fair value, which is

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 - PLEDGES RECEIVABLE (CONTINUED)

determined based on the value of the estimated discounted future cash flows, less any doubtful account allowances. As of June 30, 2021, United Way used a discount rate (risk-free interest rate) ranging from 0.5% to 1.23% on such pledge contributions. The unamortized discount was insignificant as of June 30, 2021.

Outstanding pledges receivable as of June 30, 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Subtotal	Donor- Directed	Total
Less than one year	\$ 9,446,398	\$ --	\$ 9,446,398	\$ 2,831,193	\$ 12,277,591
One to five years	<u>--</u>	<u>375,512</u>	<u>375,512</u>	<u>49,900</u>	<u>425,412</u>
Net of discounts	9,446,398	375,512	9,821,910	2,881,093	12,703,003
Allowance for doubtful accounts	<u>(1,556,496)</u>	<u>--</u>	<u>(1,556,496)</u>	<u>--</u>	<u>(1,556,496)</u>
Net of Allowance	<u>\$ 7,889,902</u>	<u>\$ 375,512</u>	<u>\$ 8,265,414</u>	<u>\$ 2,881,093</u>	<u>\$ 11,146,507</u>

For the year ended June 30, 2021, three donors accounted for 60% of the total donor designated campaign.

NOTE 6 - RECEIVABLES AND OTHER ASSETS

Receivables and other assets are comprised of the following as of June 30, 2021:

Grants receivable	\$ 1,790,847
Other receivables	691,456
Prepaid expenses and other assets	<u>276,360</u>
Total Receivables and Other Assets	<u>\$ 2,758,663</u>

As of June 30, 2021, all grants and other receivables are due within one year.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 - PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2021 consist of the following:

	Amount	Estimated Useful Lives
Land	\$ 7,019,338	--
Building and improvements	30,314,024	39 years
Computer equipment	817,234	3 years
Office furniture and equipment	2,756,030	5 years
Vehicles	<u>60,313</u>	5 years
Total	40,966,939	
Less: accumulated depreciation and amortization	<u>(14,570,992)</u>	
Property and Equipment, Net	<u>\$ 26,395,947</u>	

For the year ended June 30, 2021, depreciation and amortization expense was \$989,265.

NOTE 8 - DONOR-DESIGNATED CONTRIBUTIONS

United Way receives certain pledges designated by donors for distribution to organizations both affiliated and unaffiliated with United Way, including funds that are held in DAF accounts (see Note 1 - Restricted Cash). All restricted pledges, subject to collection and net of administrative fees, are distributed as designated by the donors. Investment income from designated funds held by United Way are also deemed agency transactions and available to the donor to direct, if the donor so chooses. The income amount is included in the accompanying consolidated statement of financial activities and changes in net assets. A contra-revenue amount is also included that represents the agency transaction related to that revenue.

Donor-designated contributions available for distribution for the year ended June 30, 2021 were as follows:

Donor designations	\$ 20,998,377
Investment income from donor advised funds	1,965,724
Special contribution and capital gains	<u>679,482</u>
Total Donor-Designated Contributions	<u>\$ 23,643,583</u>

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - DISTRIBUTIONS TO AGENCIES

As discussed in Note 1, the United Way conducts year-round fundraising activities via direct solicitation to individual and corporate contributors in addition to major fundraising events. Funds contributed to the Community Plan are allocated in accordance with the United Way of Miami-Dade Community Impact Committee allocation process. While the United Way's Board of Directors sets a general declaration on Impact Partners program funding on a three-year cycle, the annual program funds to Impact Partners are accrued and expensed during the fiscal year that the actual funding amounts are approved by the United Way's Board of Directors and usually adheres to same fiscal year when a particular campaign revenue is recorded. Normally the distribution of the accrued funding begins on July 1st and ends on June 30th of the ensuing fiscal year.

During the year ended June 30, 2021, the amount accrued and expensed for distributions to Impact, Strategic Partners and Collective Impact was \$7,975,116. They are included in distributions to agencies and grant expenses in the accompanying consolidated statement of activities and changes in net assets.

Donors contributing to United Way campaigns may choose to direct all or part of their contributions to specific agencies as described in the Internal Revenue Service Code Section 501(c)(3). These transactions are reported in the accompanying consolidated statement of activities and changes in net assets as part of the United Way annual campaign and amounts designated to others are then deducted to arrive at net campaign revenue. These transactions are also presented as distribution to agencies and deducted to arrive at the net expense from public support. Amounts deducted are carried as liabilities until paid to the designated agencies. No allowance for doubtful accounts is recorded against these pledges as designated contributions are not paid until the related pledges have been collected from the donors; any uncollected receivable is written-off against the corresponding liability established.

NOTE 10 - NOTES PAYABLE

TAX EXEMPT INDUSTRIAL REVENUE BONDS

In May 2008, United Way executed a loan agreement, payable on demand, with the Miami-Dade County Industrial Development Authority ("Issuer") in conjunction with the issuance of the Tax-exempt Industrial Revenue Bonds ("Bonds"), par values totaling \$16,000,000. Additionally, as security for the payment of the Issuer loan, United Way negotiated an irrevocable letter of credit issued by a financial institution for an amount not to exceed \$16,240,000. Pursuant to the Issuer loan agreement, the Issuer lends the proceeds from the sale of the Bonds to United Way. The funds were used to pay down prior notes payable and

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - NOTES PAYABLE (CONTINUED)

TAX EXEMPT INDUSTRIAL REVENUE BONDS (CONTINUED)

an interest rate swap agreement related to the Ansin, CFE and CAC buildings and to fund the cost related to the issuance of the Bonds, as discussed below. In conjunction with the Issuer loan agreement, United Way entered into an interest rate swap agreement dated May 23, 2008 to hedge its exposure to interest rate fluctuations by fixing the interest rate at 3.4% on the Bonds.

In December 2012, United Way executed a refinancing agreement with Bank United, ("Bondholder") and the Miami-Dade County Industrial Development Authority in conjunction with the issuance of the Tax-exempt Revenue Refunding Bonds, par values totaling \$15,415,000. Pursuant to the Bondholder loan agreement, United Way used bond proceeds to pay off the then outstanding principal balance, \$13,615,000, of the Issuer loan. In connection with the transaction, United Way incurred bond costs of \$238,090 of which \$165,783 was capitalized as loan costs and is amortized under the straight line method over the life of the Bonds. As of June 30, 2021, the remaining unamortized loan costs was insignificant. The effective interest rate of the new debt with Bank United is 2.32% per annum.

Effective December 12, 2017, the Bondholder loan was amended to modify certain financial covenants and the effective interest rate to 2.54%, along with extending the maturity date through December 2032.

Effective January 1, 2018, a new tax reform took place, affecting interest rates of established tax-exempt bank-owed debt, requiring to increase an corporate debt interest rate due to the decrease in the marginal corporate income tax rate from 39% to 21% and failure to implement the rate change could cause the bonds to become taxable. In May 2018, the Organization entered into an Interest Rate Adjustment with Bank United for an Interest Rate Adjustment based on a tax rate change. The Interest Rate Adjustment would result in an adjustment in the interest rate to 3.08%. The interest start date is as of June 12, 2018, with the first payment due on July 12, 2018.

The terms of the Bondholder loan require monthly payments of principal and interest and requires compliance with certain financial covenants. The Bondholder loan is secured by certain property of the Organization. As of June 30, 2021, the Organization was in compliance with all financial covenant requirements. For the year ended June 30, 2021, interest expense was approximately \$320,000. At June 30, 2021, the outstanding balance of the Bondholder loan was \$9,825,843.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - NOTES PAYABLE (CONTINUED)

TAX EXEMPT INDUSTRIAL REVENUE BONDS (CONTINUED)

Future payments on the Bondholder loan as of June 30, 2021 are as follows:

For the Year Ending June 30,	Amount
2022	\$ 723,255
2023	745,849
2024	769,148
2025	793,175
2026	817,953
Thereafter	<u>5,976,463</u>
Total	<u>\$ 9,825,843</u>

NOTE 11 - CONTINGENCIES

In the normal course of business, United Way has received grants which are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. The Board of Directors believes that all the expenditures are properly recorded and that the liability, if any, for any reimbursement which may arise as the result of audits would not be significant.

From time to time, the United Way is subject to legal proceedings and claims arising in the normal course of business. There are currently no pending legal proceedings to which the United Way is a party that management and its legal counsel believe will have a material effect on the United Way's consolidated financial position or results of operations.

NEW HAMPSHIRE PROPERTIES

On August 21, 2020, the Organization finalized a settlement agreement with an unrelated third party regarding a dispute over the Organization's remainder interest in two New Hampshire properties ("Properties") that were set to vest (transfer to the Organization) in 2025. As part of the settlement agreement, the Organization agreed to pay the other party \$1,000,000 plus rents received from the Properties for the period of June 2020 through August 2020 (insignificant amounts). In return, the other party released all legal interest in the various LLC's owning the Properties with the Organization becoming the sole owner (vesting immediately). Additionally, the Organization paid off the two bank notes associated with the Properties for approximately \$1,800,000. The appraised value,

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 11 – CONTINGENCIES (CONTINUED)

NEW HAMPSHIRE PROPERTIES (CONTINUED)

determined by an independent appraiser, of the Properties was approximately \$5,650,000. The Properties' collective appraised value, net of payments made to the unrelated third party, payments made for legal fees and the payoff of the two bank notes, for a total of approximately \$1,940,000 was recognized as other contributions in the accompanying consolidated statement of activities and changes in net assets for the year ended June 30, 2021. The Organization sold the Properties during the year ended June 30, 2021, resulting in an insignificant gain.

NOTE 12 - NET ASSETS

As of June 30, 2021, without donor restrictions net assets consisted of the following:

Net assets without donor restrictions as of June 30, 2021 are as follows:

Board Designated Programs

Fixed Contingency	\$ 1,131,458
Community Emergency Relief Fund	1,000,000
Community Impact Contingency Fund	30,514,312
Property Fund	<u>15,870,261</u>

Total Board Designated Programs 48,516,031

Board designated endowment	27,332,995
Unrealized gains on investments	3,549,148
Unrestricted and undesignated	<u>2,500,487</u>

Total Net Assets Without Donor Restrictions \$ 81,898,661

The Fixed Contingency net asset designation corresponds to a reserve used for ongoing United Way administrative operations in the event of a natural or fiscal emergency so that United Way can continue operations on a "cut back" basis for up to four months.

The Community Emergency Relief Fund net asset designation reflects the response capability that United Way should demonstrate in the event of a community-wide catastrophe.

The Community Impact Contingency Fund net asset designation sets aside funds for prospective community plan programmatic needs. The allocation of funds is evaluated by Impact staff and approved by the Volunteer Committee at the time of request.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 12 - NET ASSETS (CONTINUED)

The Property Fund net asset designation represents the book value of land, building, automobiles, computers, furniture and fixtures representing set aside funds to cover cost of replacements.

Board designated endowment net asset designation represents donations received by United Way that are earmarked by the Board of Directors as quasi-endowments to be invested separately to generate earnings that can be used to pay for operating expenses.

Net assets with donor restrictions as of June 30, 2021 are as follows:

Subject to Expenditures for Specified Purpose

Unrestricted Campaign	\$	665,690
Grants		250,629
Mission United		60,665
Center for Financial Stability		55,000
Less: DOP Campaign Release from Restrictions		<u>(184,938)</u>

Total Net Assets Subject to Expenditures for Specified Purpose 847,046

Subject to Organization Spending Policy and Appropriation

Investment in perpetuity:		
Center for Excellence	\$	8,227,548
Women United for Our Future		<u>190,000</u>

Total Net Assets Subject to Organization Spending Policy and Appropriation 8,417,548

Total Net Assets With Donor Restrictions \$ 9,264,594

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors during the year ended June 30, 2021 as follows:

Purpose and Time Restrictions Accomplished

Unrestricted Campaign	\$	501,043
Grants		320,867
Mission United		25,000
Center for Financial Stability		<u>192,500</u>

Total Net Assets Released from Donor Restriction \$ 1,039,410

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 13 - ENDOWMENTS

The United Way's Board of Directors has control over board designated endowment funds and can distribute the corpus or income of the funds at its discretion. The United Way's Board of Directors may designate from the annual campaign such amounts to grow an endowment fund to provide for operating resources in the future. These funds are classified as unrestricted net assets in the accompanying consolidated statement of financial position.

INTERPRETATION OF RELEVANT LAW

In June 2011, the State of Florida adopted the Florida Uniform Prudent Management of Institutional Funds Act ("FUPMIFA"). United Way has interpreted the FUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

In accordance with the FUPMIFA, United Way considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of United Way and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of United Way
- (7) The investment policies of United Way

With donor restrictions endowment funds consist of contributions received from donors who have instructed the United Way that the corpus of their gifts remain in perpetuity while the income from such gifts be used to support the operations of the Center for Excellence in Early Education and other purposes. The Board of Directors may allow additional contributors to make gifts that would support the operations of the Center for Excellence in Early Education. These gifts are recorded as with donor restrictions in the accompanying consolidated statement of financial position.

United Way will administer and invest the funds directly or through its agents as directed by the Finance and Administration Committee and approved by the Board of Directors. United Way has adopted investment and spending policies for endowment assets to provide a predictable stream of funding to programs supported by its endowments. Distributions from with donor restrictions endowment funds will be calculated using a three year rolling average of the asset balance held, not to exceed five percent (5%). The general objectives of the investment policy include: achieving optimal long-term return within an acceptable volatility/risk level, providing growth and maintaining safety of the principal.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 13 – ENDOWMENTS (CONTINUED)

INTERPRETATION OF RELEVANT LAW (CONTINUED)

For the year ended June 30, 2021, United Way had the following endowment related activities:

	Endowment Net Asset Composition by Net Asset Type For the Year Ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment	\$ --	\$ 8,417,548	\$ 8,417,548
Board-designated endowment	<u>27,332,995</u>	<u>--</u>	<u>27,332,995</u>
Total Endowment Funds	<u>\$ 27,332,995</u>	<u>\$ 8,417,548</u>	<u>\$ 35,750,543</u>

	Endowment Net Asset Composition by Net Asset Type For the Year Ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions*	Total
Net Assets - Beginning of Year	<u>\$ 17,509,909</u>	<u>\$ 8,417,548</u>	<u>\$ 25,927,457</u>
Investment Return			
Investment income	691,354	--	691,354
Gains	<u>7,388,271</u>	<u>--</u>	<u>7,388,271</u>
Total Investment Return	8,079,625	--	8,079,625
Contributions to Endowment	3,198,465	--	3,198,465
Amounts Appropriated for Expenditure	<u>(1,455,004)</u>	<u>--</u>	<u>(1,455,004)</u>
Total Change in Endowment Funds	<u>9,823,086</u>	<u>--</u>	<u>9,823,086</u>
Net Assets - End of Year	<u>\$ 27,332,995</u>	<u>\$ 8,417,548</u>	<u>\$ 35,750,543</u>

* Donor restricted investment income whose restrictions are met within the same year as earned are reflected as without donor restriction investment income in the accompanying consolidated statement of activities and changes in net assets.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 14 - INTEREST IN LIMITED PARTNERSHIP

2012 AMENDED AND RESTATED COMPREHENSIVE CHARITABLE CONTRIBUTION AGREEMENTS

On December 1, 2012, the United Way entered into a preferred interest in a limited partnership and a redemption agreement, as the sole recipient of a trust corpus to be distributed upon termination of certain trusts created by a donor (“Donor”). The aggregate value of the preferred interest in the limited partnership was \$8,993,099. The agreement amended all prior existing agreements between United Way and Donor. As of June 30, 2021, United Way had under a 1% interest in the Partnership. For the year ended June 30, 2021, the value of the preferred interest in the limited partnership, net of investment gains of \$816,664 and redemptions by Donor of \$816,654 resulted in a balance of \$8,166,551. The investment gains and gift were recorded as special contribution revenue during the year ended June 30, 2021, offset by donor designations for the same amount in the accompanying consolidated statement of activities and changes in net assets. Since the Donor has the right to designate the redemption payments to other 501(c)(3) organizations, the capital gains (losses) and the capital contributed by the Donor are recognized as agency transactions and the corresponding liability is reflected in the accompanying consolidated statement of financial position as of June 30, 2021.

In connection with a related gift received on July 1, 2006, United Way entered into two promissory notes, totaling \$17,223,000, payable to a partnership related to the Donor. The promissory notes allowed United Way to draw funds for remittance to various organizations for charitable purposes as agreed with the Donor. The promissory notes accrue interest at an annual rate of 9%, with interest payable on December 31st of each consecutive year until the entire principal balance matures on June 30, 2019. The promissory notes' interest and principal payments are secured by a guarantee from an individual and a partnership whereby United Way will receive the payments necessary to fulfill the requirements of the promissory notes for interest and ultimately the principal balances and will pay the holder of the notes the amounts received. As these notes do not hold United Way liable to the repayment of the funds drawn if the guarantors do not fulfill their commitment, the liability and corresponding receivable are not presented in United Way's consolidated financial statements.

In May 2019, the NIMRUT was terminated and all outstanding amounts were settled with no financial impact to United Way. During 2019, the remaining interest in NIMCRUT was terminated which resulted in the United Way receiving an interest in another limited partnership. Management determined that the fair value of this interest was insignificant at the time of termination.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 15 - LEASING ARRANGEMENTS

In November 2016, 3250 REH and CAC entered into a 4-year lease agreement to rent office space to an unrelated non-profit organization. The lease was amended in November 2020 to extend for 1 additional year. The lessees have an option to extend for 1 additional year, and each year thereafter through November 2023, with the same terms and conditions, except with a rental rate adjustment of 2% per year.

On March, 27, 2013, United Way entered into a 10-year lease agreement with another unrelated non-profit organization. In connection with this lease agreement, the lessee received an improvement allowance of \$108,000 to upgrade the leased office space. The allowance will be amortized over the term of the lease offsetting the rental income recognized.

Future estimated minimum rental income under all leases for the next 5 years and thereafter are as follows:

For the Year Ending June 30,	Amount
2022	\$ 687,000
2023	625,000
2024	441,000
Total	\$ 1,753,000

For the year ended June 30, 2021, net rental income amounted to approximately \$880,000, which is included in the accompanying consolidated statement of activities and changes in net assets.

For the year ended June 30, 2021, rent expense on all operating leases was approximately \$95,000. Generally, operating leases whereby United Way is the lessee are for one year terms or less.

NOTE 16 - RETIREMENT PLAN

The Organization maintains a 401(k) retirement plan (the "Plan") for the benefit of all its employees meeting the minimum eligibility requirements pursuant to the Plan document. The Organization contributes 3% of eligible compensation on behalf of each eligible employee. In addition, the Organization may make a discretionary additional matching contribution of up to 3% (50% of the employee contribution up to 6%) of eligible compensation on behalf of each eligible employee. For the year ended June 30, 2021, the Organization contributed approximately \$560,000 to the Plan.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 17 - REFUNDABLE ADVANCE

On April 23, 2020, the Organization entered into a PPP promissory note for total proceeds of \$2,157,800 with a financial institution in relation to the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) administered by the U.S. Small Business Administration (“SBA”). On May 4, 2020, a promissory note amendment was issued to the Organization to increase the loan proceeds to \$2,625,800. In accordance with the requirements of the CARES Act, the Organization used the note proceeds primarily for payroll and other allowable costs. Interest on the note accrued at 1.00% per annum and all principal and accrued interest were due and payable two years from the date of the note unless the loan was forgiven based on specific terms dictated by the SBA. For the year ended June 30, 2021, interest expense from the Note was not significant. During the year ended June 30, 2020, the Organization recorded the note proceeds as a refundable advance (conditional contribution) pursuant to FASB ASC 958-605, *Not-for-Profit Entities: Revenue Recognition*. During the year ended June 30, 2021, the Organization incurred allowable payroll and other allowable costs, applied for full loan forgiveness with the SBA, and received a Forgiveness Notice from the SBA indicating that the loan had been fully forgiven effective June 8, 2021 and recognized as grants in the accompanying consolidated statement of activities and changes in net assets for the year ended June 30, 2021.

NOTE 18 - CORONAVIRUS PANDEMIC

On March 11, 2020, the World Health Organization declared the outbreak of a novel coronavirus (“COVID-19”) as a global pandemic, which continues to spread throughout the United States and around the world. As of November 30, 2021, the Organization is aware of changes in its operations as a result of COVID-19 but is uncertain of the impacts of those changes on its consolidated financial position or activities. As a result of COVID-19, management has supplemented lost operating revenues with government revenues received. Management is not able to estimate the extent of the COVID-19 disruption to its business which could be temporary or permanent.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

SCHEDULE OF DISTRIBUTIONS TO AGENCIES

FOR THE YEAR ENDED JUNE 30, 2021

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Impact Partners			
American Red Cross of Gtr. Miami & The Keys	\$ 267,478	\$ 259,252	\$ 8,226
AMIKids Miami-Dade, Inc.-North	112,981	106,488	6,493
Belafonte Tacolcy Center, Inc.	47,763	45,001	2,762
Big Brothers Big Sisters of Greater Miami	289,159	204,576	84,583
Boys & Girls Clubs of Miami-Dade, Inc. Branches, Inc.	271,659	80,002	191,657
Care Resource	490,084	490,000	84
Catalyst Miami, Inc.	102,292	99,968	2,324
CC Child Development Services	100,059	100,000	59
CC Services for the Elderly	157,261	157,261	--
CCDH, Inc.	73,437	69,630	3,807
Center for Family and Child Enrichment	50,026	50,000	26
Centro Campesino Farmworker Center	70,727	70,000	727
Centro Mater Child Care Services, Inc.	161,673	160,932	741
Children's Home Society of Florida	175,000	175,000	--
Citrus Health Network, Inc.	74,084	69,978	4,106
City Year, Inc.	129,248	129,248	--
Coconut Grove Cares, Inc.	50,000	50,000	--
Common Threads	103,963	85,000	18,963
Community Smiles aka Dade County Dental	60,080	59,981	99
Cuban American National Council, Inc.	69,978	69,978	--
Dave and Mary Alper JCC	32,500	32,500	--
Douglas Gardens Community Mental Health Center	26,098	26,050	48
Easter Seals South Florida, Inc.	54,968	53,983	985
Epilepsy Florida, Inc.	198,905	180,248	18,657
Family Resource Center of South Florida, Inc.	52,614	50,984	1,630
Foster Care Review, Inc. dba Florida Foster Care Review	79,975	79,975	--
Girl Power Rocks, Inc.	62,643	55,252	7,391
Girl Scout Council of Tropical Florida, Inc.	84,422	84,000	422
Goodwill Industries of South Florida, Inc.	127,224	125,000	2,224
Greater Miami Jewish Federation	368,111	340,000	28,111
Greater Miami Service Corps	1,518,728	--	1,518,728
Healthy Start Coalition of Miami-Dade	25,481	25,000	481
Hearing and Speech Center of Florida, Inc.	52,733	52,733	--
Institute for Child and Family Health, Inc.	168,532	168,203	329
Jewish Community Services of South Florida, Inc.	95,112	95,106	6
	1,029,907	1,004,404	25,503

Continued

See independent auditors' report.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Impact Partners (continued)			
Legal Services of Greater Miami, Inc.	\$ 67,985	\$ 50,000	\$ 17,985
Little Havana Activities and Nutrition Ctrs. of Dade County	136,392	136,282	110
Miami Bridge Youth & Family Services	185,578	175,221	10,357
Michael-Ann Russell JCC	90,660	85,420	5,240
New Horizons Community Mental Health Ctr.	51,299	51,000	299
Open Door Health Center, Inc.	52,639	49,984	2,655
Overtown Youth Center, Inc.	322,697	320,342	2,355
Redlands Christian Migrant Association	148,138	147,559	579
Richmond-Perrine Optimist Club, Inc.	92,715	90,000	2,715
Salvation Army - Miami Area Command	78,376	75,000	3,376
Sant La/Haitian Neighborhood Center,	154,866	154,692	174
Southwest Social Services Program, Inc.	90,578	90,578	--
The Arc of South Florida	179,348	177,991	1,357
The Family Christian Association of America, Inc.	135,816	134,470	1,346
United Home Care Services, Inc.	495,844	494,770	1,074
Urban League of Greater Miami, Inc.	187,316	187,000	316
YMCA of South Florida	68,191	57,967	10,224
Youth Co-Op, Inc.	165,159	165,000	159
YWCA of Greater Miami	240,369	239,979	390
Total Payments to Impact Partners	\$ 9,778,871	\$ 7,788,988	\$ 1,989,883

See independent auditors' report.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Special Programs			
<i>Disaster Relief Funds</i>			
A New World Academy	\$ 45,000	\$ 45,000	\$ --
Branches, Inc.	989,507	989,507	--
Catalyst Miami, Inc.	50,000	50,000	--
CCDH, Inc.	50,000	50,000	--
Centro Campesino Farmworker Center	284,071	284,071	--
Easter Seals South Florida, Inc.	60,000	60,000	--
Food for the Poor, Inc.	1,400,000	1,400,000	--
IsraAid (US) Global Humanitarian Assistance, Inc.	300,000	300,000	--
MUJER	315,606	315,606	--
Sant La/Haitian Neighborhood Center,	50,000	50,000	--
Youth Co-Op, Inc.	218,929	218,929	--
Other agencies	35,198	35,198	--
Total Payments to Disaster Relief Funds	3,798,311	3,798,311	--
<i>Financial Assistance Program</i>			
Branches, Inc.	330,362	330,362	--
<i>Other Special Programs</i>			
Catalyst Miami, Inc.	280,000	280,000	--
Health Foundation of South Florida	25,000	25,000	--
Hispanic Unity of Florida, Inc.	280,000	280,000	--
Jewish Community Services of South Florida, Inc.	1,200	1,200	--
PACE Center for Girls, Inc. - Miami-Dade	19,500	19,500	--
University of Miami	136,500	136,500	--
Urban League of Broward County, Inc.	280,000	280,000	--
Total Payments to Other Special Programs	1,022,200	1,022,200	--

Continued

See independent auditors' report.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Special Programs (continued)			
<i>EHS-CCP Child Care Payments</i>			
A New World Academy	\$ 950,213	\$ --	\$ 950,213
Bright Steps Academy	139,733	--	139,733
Disciples ABC Learning	2,362	--	2,362
Easter Seals South Florida, Inc.	414,889	--	414,889
Las Americas Learning Center	174,328	--	174,328
Mitchell Large Family Child Care Home	56,541	--	56,541
Osman Family Day Care Home	28,861	--	28,861
St. Alban's Child Enrichment Center	203,896	--	203,896
St. Alban's Day Nursery, Inc.	141,944	--	141,944
Stephanie E. Clements Family Day Care Home	28,861	--	28,861
Theresa M. Dye-Brooks Family Day Care Home	4,771	--	4,771
Tiny Kingdom Learning Center	473,920	--	473,920
Tiny Smile Learning Center II, Inc.	<u>223,288</u>	<u>--</u>	<u>223,288</u>
Total EHS-CCP Child Care Payments	<u>2,843,607</u>	<u>--</u>	<u>2,843,607</u>
Total Payments to Special Programs	<u>\$ 7,994,480</u>	<u>\$ 5,150,873</u>	<u>\$ 2,843,607</u>

See independent auditors' report.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Designated Agencies			
Adrienne Arsht Center Foundation, Inc.	\$ 25,006	\$ --	\$ 25,006
Advocates for Children of New York, Inc.	100,000	--	100,000
Alpine Learning Group, Inc.	25,000	--	25,000
American Friends of the Hebrew University, Inc.	25,000	--	25,000
American Heart Association - Orange	60,000	--	60,000
American Heart Association, Inc.	56,162	--	56,162
American Heart Association, Pacific Mountain Affiliate	25,000	--	25,000
American Jewish Committee Gtr. Miami and Broward Chapter	27,000	--	27,000
Anti-Defamation League, Atlanta	25,000	--	25,000
Archbishop's Charities Drive-ABCD	75,810	--	75,810
Atlanta Jewish Film Society, Inc.	25,000	--	25,000
Baptist Health South Florida Foundation	434,881	--	434,881
Baptist Health South Florida Sunshine Fund	33,788	--	33,788
Belen Jesuit Preparatory School, Inc.	56,141	--	56,141
Boca West Community Charitable Foundation, Inc.	131,463	--	131,463
Camillus House, Inc.	37,131	--	37,131
Carnegie Hall Corporation	74,250	--	74,250
Carrollton School of the Sacred Heart	135,602	--	135,602
Cedars-Sinai Medical Center	35,000	--	35,000
Chapman Partnership, Inc.	66,000	--	66,000
Christopher Columbus High School	31,820	--	31,820
Coregiving Co.	25,000	--	25,000
Cristo Rey Miami High School, Inc.	25,000	--	25,000
Crohn's & Colitis Foundation of America	40,195	--	40,195
Disable Sports USA	25,000	--	25,000
East Harlem Tutorial Program	30,000	--	30,000
Economic Development Corporation of Los Angeles County	25,000	--	25,000
Edward M. Kennedy Institute	25,000	--	25,000
Fisher Island Philanthropic Fund	50,963	--	50,963
Florida Atlantic University Foundation	86,000	--	86,000
Florida Grand Opera, Inc.	75,000	--	75,000
Florida International University Foundation, Inc.	239,621	--	239,621
Friends of the Israel Defense Forces	67,460	--	67,460
Friends of The Underline, Inc.	25,000	--	25,000
Headstrong Project, Inc.	50,000	--	50,000

Continued

See independent auditors' report.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Designated Agencies (continued)			
Her Justice, Inc.	\$ 45,000	\$ --	\$ 45,000
Hindu American Foundation, Inc.	50,001	--	50,001
His House Children's Home	38,941	--	38,941
Institute of Contemporary Art Miami	70,450	--	70,450
Jackson Health Foundation, Inc.	88,262	--	88,262
Jewish Federation Council Of Gtr. Los Angeles	100,000	--	100,000
Jewish Federation of South Palm Beach County	50,000	--	50,000
Jewish United Fund of Metropolitan Chicago	160,000	--	160,000
Jorge M. Perez Art Museum of Miami-Dade County, Inc.	52,621	--	52,621
Judges and Lawyers Breast Cancer Alert, Inc.	47,000	--	47,000
Key Biscayne Community Foundation	749,396	--	749,396
Kollel Ohel Torah An Illinois Not for Profit Corporation	50,000	--	50,000
Lawyers Alliance for New York	60,000	--	60,000
Lawyers Committee For Civil Rights	100,000	--	100,000
Lesbian & Gay Community Services Center	27,520	--	27,520
LKas vegas Performing Arts Center Foundation	25,000	--	25,000
Miami Children's Hospital Foundation	30,064	--	30,064
Miami-Dade College Foundation, Inc.	34,516	--	34,516
Miami Lighthouse for the Blind & Visually Impaired, Inc.	29,797	--	29,797
Mobilization for Justice, Inc.	37,500	--	37,500
Mount Sinai Medical Center Foundation	400,250	--	400,250
Musicares Foundation, Inc.	35,000	--	35,000
National Jewish Health - New York Total	33,408	--	33,408
New Jersey Performing Arts Center Corporation	100,000	--	100,000
New World Symphony	50,000	--	50,000
New York Lawyers for the Public Interest, Inc.	50,000	--	50,000
New York Legal Assistance Group, Inc.	25,000	--	25,000
New York University	45,500	--	45,500
NJ Leep, Inc.	25,000	--	25,000
Nsoro Foundation, Inc.	25,000	--	25,000
OneJustice	57,450	--	57,450
Open Doors Solutions, Inc.	50,000	--	50,000
Palmer Trinity Private School, Inc.	51,274	--	51,274
Philanthropy Massachusetts	30,000	--	30,000
Police Officers Assistance Trust, Inc.	144,196	--	144,196

Continued

See independent auditors' report.

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Designated Agencies (continued)			
Pro Bono Institute	\$ 29,730	\$ --	\$ 29,730
Ravinia Festival Association	45,000	--	45,000
Riverside Park Conservancy, Inc.	40,000	--	40,000
Robert F Kennedy Center for Justice and Human Rights	30,000	--	30,000
Root and Rebound	200,000	--	200,000
Roundabout Theatre Company, Inc.	60,000	--	60,000
Secured Finance Foundation	40,000	--	40,000
South Florida PBS, Inc.	95,000	--	95,000
Sponsors for Educational Opportunity	50,000	--	50,000
St. Augustine Church	50,657	--	50,657
St. Thomas University	116,250	--	116,250
Tahirih Justice Center	30,000	--	30,000
Talmudic College of Florida, Inc.	500,000	--	500,000
Tampa Metropolitan Area YMCA, Inc.	25,000	--	25,000
Teach for America-Miami	30,500	--	30,500
Temple Beth AM	38,690	--	38,690
Temple Beth Sholom	41,546	--	41,546
Temple Menorah	28,625	--	28,625
The Administrators of the Tulane	145,000	--	145,000
The Board of Trustees of the Leland	53,000	--	53,000
The Child Center of NY	44,900	--	44,900
The Education Fund	52,543	--	52,543
The Honorable Tina Brozman Foundation, Inc.	50,000	--	50,000
The Juliana Greenfield Family Foundation	100,000	--	100,000
The Miami Foundation, Inc.	99,572	--	99,572
Trustees of Columbia University	100,000	--	100,000
UJA - Federation of New York	36,000	--	36,000
United Ways	130,488	--	130,488
University of Miami Programs	740,144	--	740,144
Voices for Children Foundation, Inc.	25,602	--	25,602
Zoo Miami Foundation, Inc.	28,000	--	28,000
Other Agencies	<u>3,417,113</u>	--	<u>3,417,113</u>
Total Payments to Designated Agencies	<u>\$11,735,799</u>	<u>\$ --</u>	<u>\$11,735,799</u>
Total Payments	<u>\$29,509,150</u>	<u>\$12,939,861</u>	<u>\$16,569,289</u>

This schedule presents actual cash distributions made during the year ended June 30, 2021 and, accordingly, does not agree with the consolidated statement of activities and changes in net assets.

See independent auditors' report.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of
United Way Miami, Inc. and Subsidiaries

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of United Way Miami, Inc. and Subsidiaries (collectively, the "United Way"), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 30, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered United Way's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of United Way's internal control. Accordingly, we do not express an opinion on the effectiveness of United Way's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether United Way's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of United Way's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

Miami, FL
November 30, 2021

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of
United Way Miami, Inc. and Subsidiaries

Report on Compliance for Each Major Federal Program

We have audited the compliance of United Way Miami, Inc. and Subsidiaries (collectively, the “United Way”), with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on United Way's major Federal program for the year ended June 30, 2021. United Way's major Federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its Federal program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for United Way's major Federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about United Way's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for United Way's major Federal program. However, our audit does not provide a legal determination of United Way's compliance.

Opinion on Each Major Federal Program

In our opinion, United Way complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of United Way is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered United Way's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of United Way's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Marcum LLP

Miami, FL
November 30, 2021

**UNITED WAY MIAMI, INC.
AND SUBSIDIARIES**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2021

Federal/Program Title/Pass Through Agency	CFDA Numbers	Contract Number	Federal Expenditures
<i>U.S. Department of Health and Human Services</i>			
Office of Administration for Children and Families			
Head Start:			
Head Start and Early Head Start Grants:			
Early Head Start - Child Care Partnership	93.600	04HP00258-01-02	\$ 297,374
Early Head Start - Child Care Partnership	93.600	04HP00258-02-03	4,469,454
Early Head Start - Child Care Partnership Expansion	93.600	04HP00081-03-02	502,079
Early Head Start - Child Care Partnership Expansion	93.600	04HP00081-04-02	2,712,901
Early Head Start - Child Care Partnership Expansion Coronavirus Response & Relief	93.600	04HE000560-01-00	24,686
Early Head Start - Child Care Partnership Expansion American Rescue Plan Supplement	93.600	04HE000560-01-01	10,589
Pass-through Miami Dade County - Community Action Agency			
Head Start	93.600	04CH010192-05-013/213	857
Head Start	93.600	04CH010192-06-01	237,138
Early Head Start	93.600	04CH010192-05-013/213	82,099
Early Head Start	93.600	04CH010192-06-01	410,468
Total Head Start			<u>8,747,645</u>
School Readiness TANF Cluster			
Indirect Projects Passed Through:			
Early Learning Coalition of Miami-Dade and Monroe Counties School Readiness	93.558	G1082FLTANF	232,655
Total School Readiness TANF Cluster			<u>232,655</u>
Total U.S. Department of Health and Human Services			<u>8,980,300</u>
<i>U.S. Department of the Treasury</i>			
Pass-through:			
Miami-Dade County: Coronavirus Relief Fund	20.019	20-UWMD	30,960,651
Total U.S. Department of the Treasury			<u>30,960,651</u>
<i>U.S. Department of Agriculture</i>			
Office of Food and Nutrition Services:			
Pass-through:			
State of Florida Department of Health:			
Child and Adult Care Food Program	10.558	I-2637	56,021
Child and Adult Care Food Program	10.558	I-5223	9,019
Child and Adult Care Food Program	10.558	I-5553	7,529
Child and Adult Care Food Program	10.558	I-5569	28,298
Total Child and Adult Care Food Program			<u>100,867</u>
Total U.S. Department of Agriculture			<u>100,867</u>
Total Expenditures of Federal Awards			<u>\$40,041,818</u>

See notes to the schedule of expenditures of federal awards.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of United Way Miami, Inc. and Subsidiaries (collectively, the “Organization”) for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Audits of States, Local Government, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the consolidated financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Audits of States, Local Government, and Non-Profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

The Organization has elected to use 21.40% as the indirect cost rate as approved by the U.S. Department of Health and Human Services as of June 30, 2021.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2021

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued: ***UNMODIFIED OPINION***
Internal control over financial reporting:
Material weakness(es) identified? Yes No
Significant deficiency(ies) identified that are
not considered to be material weakness(es)? Yes None Reported
Noncompliance material to financial statement noted? Yes No

FEDERAL PROGRAMS

Internal control over major program:
Material weakness(es) identified? Yes No
Significant deficiency(ies) identified that are not
considered to be material weakness(es)? Yes None Reported

Type of auditors' report issued on compliance of
major Federal programs: ***UNMODIFIED OPINION***

Any audit findings disclosed that are required to be
reported in accordance with Uniform Guidance? Yes No

Identification of major Federal program:

CFDA NUMBER **NAME OF FEDERAL PROGRAM**

20.019 Coronavirus Relief Fund

Dollar threshold used to distinguish between
type A and type B State programs: \$1,201,255

Auditee qualified as low-risk auditee pursuant to
the Uniform Guidance? Yes No

UNITED WAY MIAMI, INC. AND SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

SECTION II - FINANCIAL STATEMENT FINDINGS

None.

SECTION III - FEDERAL PROGRAM FINDINGS AND QUESTIONED COSTS

None.

SECTION IV - PRIOR YEAR FINDINGS

None.