

**UNITED WAY OF RACINE COUNTY, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
United Way of Racine County, Inc.  
Racine, Wisconsin

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of United Way of Racine County, Inc., which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Racine County, Inc. as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Racine County, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Change in Accounting Principle***

As discussed in Note 8 to the financial statements, in 2022 United Way of Racine County, Inc. adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-of-use asset and corresponding liability for all operating and finance leases with lease terms greater than one year. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Racine County, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

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

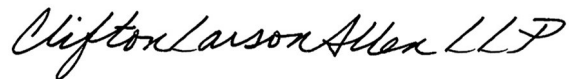
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

**Report on Summarized Comparative Information**

We have previously audited United Way of Racine County, Inc.'s 2021 financial statements, and our report dated March 16, 2022 expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of revenue and expenses by function, restricted program revenue and expenses and allocations are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



**CliftonLarsonAllen LLP**

Racine, Wisconsin  
March 17, 2023

**UNITED WAY OF RACINE COUNTY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2022**  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2021)

<b>ASSETS</b>	2022	2021
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 2,475,470	\$ 1,723,349
Certificates of Deposit	630,689	1,091,396
Short-Term Investments	4,682,693	5,525,156
Accrued Interest Receivable	496	510
Accounts Receivable	-	2,729
Grants Receivable	137,279	95,661
Prepaid Expenses and Other Assets	43,608	26,344
Current Portion of Promises to Give, Less Allowance of \$262,829 in 2022 and \$238,936 in 2021	1,834,105	1,795,193
Total Current Assets	9,804,340	10,260,338
 <b>PROPERTY AND EQUIPMENT, NET</b>	 25,661	 20,520
 <b>OTHER ASSETS</b>		
Right of Use Assets - Operating, Net	149,664	-
Long-Term Certificates of Deposit	606,858	605,589
Investments - Racine Community Foundation	1,592,441	1,879,773
Promises to Give, Less Current Portion	80,000	120,000
Total Other Assets	2,428,963	2,605,362
 <b>Total Assets</b>	 <b>\$ 12,258,964</b>	 <b>\$ 12,886,220</b>

See accompanying Notes to Financial Statements.

**UNITED WAY OF RACINE COUNTY, INC.**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**DECEMBER 31, 2022**  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2021)

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts Payable	\$ 75,036	\$ 171,723
Accrued Vacation	61,715	47,058
Deferred Grant Revenue	1,000,000	-
Lease Liability - Operating	149,664	-
Campaign Funds Payable to Agencies	409,063	422,633
Agency Allocations Payable	737,334	742,680
Agency Fund Liability	400,000	200,000
Total Liabilities	2,832,812	1,584,094

**NET ASSETS**

Without Donor Restrictions:		
Undesignated	(172,811)	535,131
Invested in Property and Equipment	25,661	20,520
Designated by the Board for Community Initiatives	3,134,754	3,805,686
Designated by the Board for Operating Reserve	1,762,993	1,982,091
Designated by the Board for Endowment Fund	410,508	474,013
Total Without Donor Restrictions	5,161,105	6,817,441
With Donor Restrictions:		
Perpetual in Nature	566,818	566,818
Timing Restrictions	1,678,868	1,968,963
Purpose Restrictions	2,019,361	1,948,904
Total With Donor Restrictions	4,265,047	4,484,685
Total Net Assets	9,426,152	11,302,126
Total Liabilities and Net Assets	\$ 12,258,964	\$ 12,886,220

See accompanying Notes to Financial Statements.

**UNITED WAY OF RACINE COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED DECEMBER 31, 2021)

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2022	2021
<b>REVENUES, GAINS, AND PUBLIC SUPPORT</b>				
Gross Campaign Results (Net of Uncollectible Pledges of \$117,099 in 2022 and \$117,685 in 2021)	\$ -	\$ 3,410,538	\$ 3,410,538	\$ 3,693,869
Less: Donor Designations	-	(409,063)	(409,063)	(422,633)
Net Campaign Revenue - Current Year	-	3,001,475	3,001,475	3,271,236
Gross Campaign Results, Prior Period Campaigns	399,725	-	399,725	513,964
Less: Donor Designations	(142,656)	-	(142,656)	(174,187)
Net Campaign Revenue - Prior Year	257,069	-	257,069	339,777
Grants:				
Full Service Community School Grant	501,344	-	501,344	387,371
Community Development Block Grant	-	-	-	147,972
Nita M. Lowey 21st Century Community Learning Centers (21st CCLC)	44,091	-	44,091	72,562
Contributions	130,572	-	130,572	5,242,160
Investment Income (Loss)	(738,352)	-	(738,352)	365,406
Endowment Fund Investment Gains (Losses)	(63,505)	(188,487)	(251,992)	231,891
Net Assets Released from Restrictions	3,032,626	(3,032,626)	-	-
Total Revenues, Gains, and Public Support	3,163,845	(219,638)	2,944,207	10,058,375
<b>EXPENSES</b>				
Allocation Expenses	2,692,661	-	2,692,661	3,646,355
Functional Expenses:				
Community Impact	254,231	-	254,231	213,468
Schools of Hope	37,106	-	37,106	36,030
Imagination Library	146,773	-	146,773	149,966
LIFT	195,943	-	195,943	134,313
VITA	60,323	-	60,323	51,685
Full Service Community School Grant	476,221	-	476,221	342,786
Fundraising	443,161	-	443,161	479,990
Management and General	513,762	-	513,762	511,161
Total Functional Expenses	2,127,520	-	2,127,520	1,919,399
Total Expenses	4,820,181	-	4,820,181	5,565,754
<b>CHANGES IN NET ASSETS</b>	(1,656,336)	(219,638)	(1,875,974)	4,492,621
Net Assets - Beginning of Year	6,817,441	4,484,685	11,302,126	6,809,505
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 5,161,105</b>	<b>\$ 4,265,047</b>	<b>\$ 9,426,152</b>	<b>\$ 11,302,126</b>

See accompanying Notes to Financial Statements.



**UNITED WAY OF RACINE COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2022**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED DECEMBER 31, 2021)

	2022							2021				
	Program Services				Total Program Services			Supporting Services			Total Functional Expenses	Total Functional Expenses
	Community Impact	Schools of Hope	Imagination Library	LIFT	Volunteer Income Tax Assistance	FSCS	Fundraising	Management and General	Total Supporting Services	Total Functional Expenses	Total Functional Expenses	
<b>EXPENSES</b>												
Salaries	\$ 133,982	\$ 25,486	\$ 6,185	\$ 91,378	\$ 29,028	\$ 154,535	\$ 440,594	\$ 217,838	\$ 254,899	\$ 472,737	\$ 913,331	\$ 847,796
Temporary Help	-	-	-	-	10,270	-	10,270	-	6,946	6,946	17,216	21,309
Payroll Taxes and Employee Benefits	54,539	4,860	1,360	32,621	6,855	45,334	145,569	79,033	100,665	179,698	325,267	282,740
Total Payroll Expenses	188,521	30,346	7,545	123,999	46,153	199,869	596,433	296,871	362,510	659,381	1,255,814	1,151,845
Professional Fees	39,962	1,061	115	5,420	3,411	-	49,969	16,057	25,379	41,436	91,405	90,689
Contracted Services	-	-	-	-	-	252,208	252,208	-	-	-	252,208	164,300
Office Expenses:												
Supplies	1,255	624	136,864	13,352	2,463	9,175	163,733	3,909	9,853	13,762	177,495	198,526
Telephone	2,581	859	106	6,025	1,058	3,897	14,526	5,815	7,511	13,326	27,852	27,277
Postage	433	71	639	787	111	-	2,041	1,756	1,546	3,302	5,343	7,986
Occupancy	15,454	3,015	778	31,402	4,373	-	55,022	34,887	40,957	75,844	130,866	130,837
Repairs and Maintenance	-	-	-	-	-	-	-	-	6,285	6,285	6,285	7,062
Printing and Publications	-	-	450	-	1,242	-	1,692	67,901	8,519	76,420	78,112	43,361
Travel and Training	217	25	-	2,917	1,295	11,072	15,526	3,027	16,225	19,252	34,778	16,071
Meeting Expenses	6	-	-	105	106	-	217	-	-	-	217	279
Membership Dues	-	1,031	258	11,138	-	-	12,427	-	11,706	11,706	24,133	25,174
Professional Liability Insurance	388	74	18	798	111	-	1,389	865	825	1,690	3,079	2,933
State and National Dues	5,414	-	-	-	-	-	5,414	12,073	11,515	23,588	29,002	40,088
Depreciation	-	-	-	-	-	-	-	-	10,931	10,931	10,931	12,971
Total Expenses	\$ 254,231	\$ 37,106	\$ 146,773	\$ 195,943	\$ 60,323	\$ 476,221	\$ 1,170,597	\$ 443,161	\$ 513,762	\$ 956,923	\$ 2,127,520	\$ 1,919,399

See accompanying Notes to Financial Statements.

**UNITED WAY OF RACINE COUNTY, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2022**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR YEAR ENDED DECEMBER 31, 2021)

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (1,875,974)	\$ 4,492,621
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	10,931	12,971
Amortization of Right of Use Assets	119,684	-
(Gain) Loss on Endowment Funds	251,992	(231,891)
(Gain) Loss on Mutual Funds	270,936	(305,752)
Net Realized and Unrealized Loss on Investments	530,406	-
Interest Income on Certificates of Deposit	(5,592)	(2,765)
Effects of Changes in Operating Assets and Liabilities:		
Promises to Give	1,088	21,349
Accounts Receivable	2,729	(2,729)
Grants Receivable	(41,618)	(32,839)
Accrued Interest Receivable	14	1,568
Prepaid Expenses and Other Assets	(17,264)	(4,130)
Accounts Payable	(96,687)	106,945
Accrued Vacation	14,657	(13,803)
Deferred Grant Revenue	1,000,000	-
Campaign Funds Payable to Agencies	(13,570)	(20,737)
Agency Allocations Payable	(5,346)	(164,938)
Agency Fund Liability	200,000	200,000
Lease Liability - Operating	(119,684)	-
Net Cash Provided by Operating Activities	226,702	4,055,870
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(16,072)	(12,999)
Purchase of Investments	(2,749,415)	(8,006,390)
Proceeds from Sale of Investments	2,790,536	3,971,433
Sale of Certificates of Deposit	465,030	4,667
Proceeds from Endowment Fund	35,340	3,499
Net Cash Provided (Used) by Investing Activities	525,419	(4,039,790)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	752,121	16,080
Cash and Cash Equivalents - Beginning of Year	1,723,349	1,707,269
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 2,475,470	\$ 1,723,349
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Right of Use Assets Recorded with Adoption of ASC 842	\$ (269,348)	\$ -
Right of Use Liabilities Recorded with Adoption of ASC 842	\$ 269,348	\$ -

See accompanying Notes to Financial Statements.

**UNITED WAY OF RACINE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

United Way of Racine County, Inc. (the Organization) is a human services organization in the Racine County community through which volunteers can channel their concern for people in need. It uses a consolidated effort to raise funds for agency programs which results in more time and money expended for the direct benefit of people in need. The Organization promotes social work in the Racine County area by coordination of the work of supported agencies, as well as other local public and private organizations, to deal with social welfare problems and to promote cooperation and economy in the operation of such organizations. Its central activity in this effort is Community Impact which allocates funds to such organizations and social purposes based on the local community's needs. This includes the direct management of programs and initiatives governed by the board of directors such as the current initiatives: Schools of Hope, Imagination Library, LIFT, Volunteer Income Tax Assistance (VITA), and Full Service Community School Grant (FSCS). Schools of Hope is a program in partnership with Racine Unified School District using volunteer tutors to address early grade reading proficiency. Imagination Library is a program that provides books to children from birth to age five. LIFT is a place-based strategy that creates partnerships between neighborhoods and resources. LIFT is based on the Community School Model found in 5,000 Communities across the nation, it has an integrated focus on academics, health and social services, community engagement, and development. VITA is a national program staffed by local volunteers to provide free preparation and electronic filing of tax returns. FSCS is a national program to provide support to improve educational outcomes for children.

Significant accounting policies followed by the Organization are presented below.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

**Cash Equivalents**

The Organization considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Certificates of Deposit**

Certificates of deposit are carried at cost which approximates fair value. They are classified as short-term or long-term dependent upon their maturity date when purchased.

Investment income (loss) is reported in the statement of activities as without donor restriction or with donor restriction revenue based upon the existence or absence of donor-imposed restrictions.

**UNITED WAY OF RACINE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments**

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of investments are recorded on a trade date basis. Net appreciation (depreciation) in fair value of investments includes both realized and unrealized investment gains and losses. Interest is recorded on the accrual basis and dividends are recorded on the ex-dividend date.

**Promises to Give**

Unconditional promises to give are recognized as revenues in the period the pledge is received and as assets depending on the form of the benefits received. An allowance for uncollectible promises is recorded based on the prior history of uncollectible promises to give and current economic and industry trends.

**Property and Equipment**

Property and equipment are recorded at cost, or if donated, at the approximate fair market value at the date of donation. Depreciation and amortization are provided on the straight-line basis over their estimated useful lives, ranging from 3 to 10 years. Capitalization occurs when the fair market value of donated assets or the cost of purchased assets with useful lives of one or more years, exceeds \$1,000.

Expenditures for maintenance, including those for planned major maintenance projects, repairs, and minor renewals to maintain facilities in operating condition are generally expensed as incurred. Major replacements and renewals are capitalized.

**Impairment of Long-Lived Assets**

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

**Net Assets**

Net assets are classified into one of two classes of net assets based on the existence or absence of donor-imposed restrictions. The following is a description of each class:

*Without Donor Restrictions* – Net assets that are not subject to donor-imposed stipulations available for use at the discretion of the board of directors (the board) and/or for management and general operating purposes. From time-to-time the board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

**UNITED WAY OF RACINE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Assets (Continued)**

*Without Donor Restrictions (Continued)* – Portions of the Organization's net assets without donor restrictions have been designated for certain purposes by the board of directors. Details on designated net assets without donor restrictions are as follows:

*Invested in Property and Equipment* – Amount represents the property and equipment amount presented on the assets section of the statement of financial position that is not available for general expenditures.

*Community Initiatives* – Amount represents an unrestricted gift from MacKenzie Scott to be allocated in the community within a few years of the receipt of the gift.

*Operating Reserve* – Amount represents the unrestricted dollars set aside as an operating reserve for a period of time deemed reasonable by the board of directors to fund operations during a period of cash flow short-fall.

*Endowment Fund* – This fund was created by the board of directors with unrestricted funds. United Way has an endowment spending policy which applies to this fund and annually the board determines how the spending distribution will be used. See Note 12 for details on endowments.

*With Donor Restrictions* – Net assets subject to donor-imposed stipulations that will be met, either by actions of the Organization and/or the passage of time.

Net assets subject to donor-imposed stipulations that the principal be maintained in perpetuity by the Organization are separately identified within net assets with donor restrictions. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

See Note 11 for more information on the composition of net assets with donor restrictions.

**Support and Revenue**

Contributions received are recorded as without donor restriction or with donor restriction depending on the absence or existence and/or nature of donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restriction if the restriction expires in the reporting period in which the support is recognized. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as Net Assets Released from Restrictions.

**UNITED WAY OF RACINE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Support and Revenue (Continued)**

Annual campaigns are conducted in the fall of each year for raising funds for the next year. These amounts have been restricted until 2022 when both the time restriction ends and when donor designated funds are expended. Donor designated funds are tracked and spent according to the donor designation as part of the Organization's normal allocation process in the following year. Pledges received from donors who have designated a specific agency with their support are recognized as a corresponding liability by the Organization.

Contributions, including unconditional promises to give, are recognized in the period received. Conditional contributions are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. The Organization has \$1,000,000 of conditional contributions that exist as of December 31, 2022, which is reflected as deferred grant revenue on the statement of financial position.

A portion of the Organization's revenue is derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. The Organization received cost reimbursable grants of \$1,359,508 that have not been recognized at December 31, 2022 because qualifying expenditures have not yet been incurred.

**Donated Services**

The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization in carrying out its operations. No amounts have been recognized in the accompanying statement of activities for donated services since the recognition criteria has not been met.

**Revenue Recognition**

Campaign contributions and income from special events and fundraising are recognized in the year pledged. Pledges receivable and related revenue are recorded when the pledge is received, and allowances are provided for amounts estimated to be uncollectible. The allowances are based on past history, adjusted for current conditions, as considered appropriate by management.

**Functional Allocation of Expenses**

The Organization classifies expenses into two functions: program services and supporting services. In the accompanying statement of functional expenses, all expenses are allocated based upon the functions to which they relate. Expenses that can be identified with a specific function are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated. The expenses that are allocated include salaries, payroll taxes and employee benefits, professional fees, office expenses, occupancy, professional liability insurance, and state and national dues, which are allocated by management's use of estimated time spent on the respective program and support functions.

**UNITED WAY OF RACINE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

No provision or benefit from income taxes has been included in these financial statements since the entity is exempt from federal income taxes, except for tax on unrelated business income, under Section 501(c)(3) of the Internal Revenue Code. The Organization had no unrelated business income for the year ended. Management analyzed the requirements for uncertain tax positions. The Organization determined that it was not required to record a liability related to uncertain tax positions at December 31, 2022.

**Accounting Standards Update**

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the requirements of the guidance effective January 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption.

The Organization has elected to adopt the package of practical expedients available in the year of adoption. The Organization has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets.

**Leases**

The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right-of-use (ROU) assets – financing and lease liability – financing in the statement of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statement of financial position.

**UNITED WAY OF RACINE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases (Continued)**

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of all lease liabilities.

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

**Subsequent Events**

We have evaluated subsequent events through March 17, 2023, the date the financial statements were issued.

**NOTE 2 PRIOR YEAR SUMMARIZED INFORMATION**

The 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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

**NOTE 3 INVESTMENTS**

Investments of all funds of the Organization are reviewed and controlled by a volunteer finance committee, which functions under policies approved by the board of directors. Investments are stated at fair market value.

The following is a summary of the types and amounts of investments held at December 31, 2022:

The Organization maintains investment accounts at several financial institutions. Mutual funds of \$4,682,693 are protected by the Securities Investor Protection Corporation up to \$500,000, of which \$100,000 is available for cash claims. The mutual funds decreased in value by \$842,463 for the year. Total net investment loss for the year was \$738,352 including mutual fund losses from above and income from interest-bearing checking, money market accounts, and certificates of deposit, net of investment fees of \$37,862.

**Donor-Restricted Endowments**

In 1997, the Organization established an endowment fund with the Racine Community Foundation for Success by Six programming. The principal portion of these funds can only be distributed to the Organization with approval of the Racine Community Foundation board of directors and 75% approval of the Organization board of directors. The principal balance is intended to be donor-restricted that is perpetual in nature with investment income used for programs for age zero to six children. The balance of this endowment fund is \$785,680 at December 31, 2022, of which \$450,000 is donor-restricted and perpetual in nature.



**UNITED WAY OF RACINE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 INVESTMENTS (CONTINUED)**

**Donor-Restricted Endowments (Continued)**

In 1993, the Organization established an endowment fund known as the Organization/W.R. Wadewitz fund at the Racine Community Foundation. This endowment fund has a balance of \$396,253 at December 31, 2022, of which \$116,818 is donor-restricted and perpetual in nature. The remaining balance is restricted for providing emergency capital needs to the Organization and the Organization funded agencies. Funds are periodically distributed as needed based on advisory recommendations from the Organization.

**Board-Designated Endowment**

In 2001, the Organization established an endowment fund known as the United Way of Racine County, Inc. Fund at the Racine Community Foundation. This endowment fund has a balance of \$410,508 at December 31, 2022. The principal portion of these funds can only be distributed to the Organization with the approval of the Racine Community Foundation board of directors and 75% approval of the Organization's board of directors. The purpose of this fund is to provide program services in Racine County.

**NOTE 4 FAIR VALUE MEASUREMENTS**

Accounting principles generally accepted in the United States of America establishes a framework for measuring fair value that 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 are described as follows:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

*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* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**UNITED WAY OF RACINE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

Following is a description of the valuation methodologies used for instruments measured at fair value and their classification in the valuation hierarchy.

*Short-Term Cash Investments:* Are valued at cost, which approximates fair value.

*Mutual Funds:* Are valued at the closing price reported on the active market on which the fund are traded. Index mutual funds are valued at the closing price reported by the investment company.

*Pooled Separate Accounts:* Are valued at the net asset value of units of the fund held by the Organization based on the fair value of the underlying investments of the fund. Pooled separate accounts do not have finite lives, unfunded commitments relating to these types of investments, or significant restrictions on redemptions.

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 the plan 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 sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds:				
Growth	\$ 386,735	\$ -	\$ -	\$ 386,735
Fixed Income	2,512,232	-	-	2,512,232
Balanced	355,010	-	-	355,010
Large Value	106,634			106,634
Index	-	1,240,964	-	1,240,964
Pooled Separate Accounts	-	-	1,592,441	1,592,441
Total Assets at Fair Value	<u>\$ 3,441,729</u>	<u>\$ 1,240,964</u>	<u>\$ 1,592,441</u>	6,194,016
Short-Term Cash Investments				81,118
Total Investments				<u>\$ 6,275,134</u>

**NOTE 5 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

Equipment	\$ 210,755
Leasehold Improvements	75,000
Total, at Cost	<u>285,755</u>
Less: Accumulated Depreciation	<u>(260,094)</u>
Total Property and Equipment	<u>\$ 25,661</u>

**UNITED WAY OF RACINE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 6 PROMISES TO GIVE**

The total net value of unconditional promises to give is \$1,914,105. An allowance of \$262,829 for uncollectible promises is recorded based on the prior history of uncollectible promises to give and current economic and industry trends. The allowance was maintained this year at 5% of pledges made during the 2022 campaign. Based on prior history and management's estimate, the full amount less the allowance is expected to be collected in the following year.

During 2021, the Organization received a five-year commitment totaling \$200,000 that is included in pledges receivable. The pledge receivable balance as of December 31, 2022 is \$120,000.

Pledges receivable as of December 31, 2022 are as follows:

Receivable in Less than One-Year	\$	2,096,934
Receivable in One to Five Years		80,000
Total Pledges Receivable		2,176,934
Less:		
Allowance for Doubtful Pledges		(262,829)
Pledges Receivable - Net		1,914,105
Less - Current Portion		1,834,105
Pledges Receivable, Less Current Portion	\$	80,000

**NOTE 7 ALLOCATIONS, AGENCY ALLOCATION PAYABLE, AND CAMPAIGN FUNDS PAYABLE TO AGENCIES**

The Organization has approved and allocated \$2,692,661 to supported agencies, community building programs, and other projects in the 2022 year. Of this amount, \$737,334 is unpaid and reported as a liability, agency allocations payable, as of December 31, 2022.

The Organization has entered into contracts with supported agencies which, among other things, provide that in the event an agency did not properly use the amount of its allocation, the agency may be required to return all or part of the improperly used or unused portion. Known refunds and any related receivables are recorded in the financial statements as a return of previous year allocations. The amount of refunds for the year under audit are unknown. As a result, no amount is reflected in the financial statements for these potential refund receivables.

The Organization has recognized a liability in the amount of \$409,063 as campaign funds payable to various agencies. This amount represents current campaign pledges received from donors who have designated a specific agency for their support.

**UNITED WAY OF RACINE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 8 LEASES**

The Organization leases building space and a copier for 5-year and 3-year terms, respectively, under long-term, noncancelable lease agreements that expire at various dates through 2024.

The following tables provide quantitative information concerning the Organization's leases for the year ended December 31, 2022:

Operating Lease Cost	<u>\$ 123,016</u>
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:	
Operating Cash Flows From Operating Leases	<u>\$ 123,016</u>
Right of Use Assets	\$ 269,348
Less: Accumulated Amortization on Leases	<u>(119,684)</u>
Net Right of Use Assets	<u>\$ 149,664</u>
Current Liabilities	\$ 119,847
Long-Term Liabilities	<u>29,817</u>
Total Lease Liabilities	<u>\$ 149,664</u>
Weighted-Average Remaining Lease Term	1.2 Years
Discount Rate	1.63%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2022, is as follows:

Year Ending December 31,	Amount
2023	\$ 121,222
2024	<u>29,857</u>
Total Lease Commitments	151,079
Less: Interest	<u>(1,415)</u>
Total	<u>\$ 149,664</u>

**NOTE 9 WISCONSIN UNEMPLOYMENT RESERVE FUND**

Under provision of the Wisconsin Unemployment Compensation law, the Organization has elected to reimburse the state of Wisconsin for the actual unemployment benefit claims paid to former employees. A letter of credit amounting to \$12,320 has been deposited with the Wisconsin Department of Industry, Labor, and Human Relations as collateral for future unemployment compensation requirements of the Corporation and affiliates. The letter of credit currently is valid through December 31, 2023.

**UNITED WAY OF RACINE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 10 DEFINED CONTRIBUTION PLAN – 401(K)**

The Organization has a defined contribution plan for the Organization’s employees. The defined contribution plan contributes 8% of annual salaries for eligible employees. Total retirement expense under this plan for the year was \$97,355.

**NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes as follows:

Subject to the Passage of Time:	
2023 Campaign Revenue	\$ 1,678,868
Subject to Expenditure for Specified Purpose:	
Education	65,286
Health	22,278
Income	23,935
Western Racine County	44,259
Essential Services Basic Needs	27,637
Community Schools	34,795
Imagination Library	16,290
Schools of Hope	19,314
UW Leadership Event	244,500
VITA	4,259
Women United Brighter Future Fund	42,719
United Ways	54,715
Equity Innovation Fund	130
Strive	804,129
Total	<u>1,404,246</u>
Subject to the Organization's Spending Policy and Appropriation:	
Emergency Capital Needs (Wadewitz)	279,435
Success by Six	335,680
Total	<u>615,115</u>
Subject to be Held in Perpetuity	<u>566,818</u>
Total Net Assets With Donor Restrictions	<u>\$ 4,265,047</u>

**NOTE 12 ENDOWMENTS**

The Organization’s endowments consist of various funds established to benefit the Organization for a variety of purposes. The Organization’s endowments include board-designated and donor-restricted endowments. Net assets associated with endowment funds, including designated by the board of directors as to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**UNITED WAY OF RACINE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 12 ENDOWMENTS (CONTINUED)**

The endowment investments held by the Racine Community Foundation are in pooled investment accounts and are uninsured. Investments held by the foundation are common stock, mutual funds, and other fixed income accounts. The investment income earned (net of trustee fees) is allocated to the Organization's endowment funds based on the endowment's average monthly balance in relationship to total funds invested by the Foundation. The endowment funds' investment income is composed of interest, dividends, capital gains (losses), net realized gains (losses), and unrealized gains (losses).

**Interpretation of Relevant Law**

The Organization's board has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) 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. Consequently, the Organization classifies net assets with donor restrictions that are required to be maintained in perpetuity as:

- The original value of gifts donated to the permanent endowment, and
- The original value of subsequent gifts to the permanent endowment.

The remaining portion of the donor-restricted endowment fund not classified as being required to be maintained in perpetuity are classified as purpose restricted until those amounts are appropriated for expenditure by the Organization's board. In accordance with UPMIFA, the Organization 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 purpose of the Organization 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 the Organization
7. The investment policies of the Organization

**Return Objectives and Risk Parameters**

The Organization has adopted investment and spending policies for certain endowment funds that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to preserve the fair value of the endowment assets. See Note 3 for further information.

**Spending Policy**

The Organization has a policy of appropriating for distribution each year varying amounts based on current budgeted activity. In establishing this policy, the Organization considered the long-term expected returns on its endowment investments. Accordingly, over the long-term, the Organization expects the current spending policy will allow its endowment to retain the original fair value of the gift.

**UNITED WAY OF RACINE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 12 ENDOWMENTS (CONTINUED)**

**Strategies Employed for Achieving Objectives**

To achieve its investment goals, the Organization targets an asset allocation that will achieve a balanced return of current income and long-term growth of principal while exercising risk control. The Organization's asset allocations included a blend of equity and debt securities and cash equivalents.

Endowment net assets composition by type of fund as of December 31, 2022:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Board-Designated Endowment Funds	\$ 410,508	\$ -	\$ 410,508
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	566,818	566,818
Accumulated Investment Gains	-	615,115	615,115
Total Funds	<u>\$ 410,508</u>	<u>\$ 1,181,933</u>	<u>\$ 1,592,441</u>

Changes in endowment net assets for the year ended December 31, 2022:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets - December 31, 2021	\$ 474,013	\$ 1,405,760	\$ 1,879,773
Investment Return:			
Investment Income	6,411	18,636	25,047
Net Depreciation	(69,916)	(207,123)	(277,039)
Appropriation of Endowment Assets			
Net Assets Released from Restrictions for Expenditure	-	(35,340)	(35,340)
Endowment Net Assets - December 31, 2022	<u>\$ 410,508</u>	<u>\$ 1,181,933</u>	<u>\$ 1,592,441</u>

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Organization has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. The Organization has no underwater endowment funds at December 31, 2022.

**NOTE 13 SIGNIFICANT CONCENTRATIONS**

**Federal Deposit Insurance Corporation (FDIC) Limits**

The Organization invests its cash in interest-bearing checking and money market accounts at one financial institution. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured.

**UNITED WAY OF RACINE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 13 SIGNIFICANT CONCENTRATIONS (CONTINUED)**

**Customer Concentrations**

Due to the limited number of large companies in the Racine area, one company and their employees represent 45% of the total contributions pledged for the current year campaign year ended December 31, 2022. The remaining balances are comprised of a diverse base of companies and contributors each comprising less than 10% of total contributions pledged and the pledges receivable balance.

**NOTE 14 LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization regularly monitors liquidity required to meet its program and initiative funding, and operating needs, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, certificates of deposit, and investments (see Note 3).

In addition to analyzing financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. The Organization has a stabilization fund which would enable it to support participating agency programs and services during highly unusual circumstances. This fund will be equal to or exceed the greater of \$1,000,000 or three months of allocations and operating costs.

Financial assets available for general expenditure, without donor or other restrictions limiting their use within one year of the statement of financial position date, comprise the following:

Financial Assets at Year-End:	
Cash and Cash Equivalents	\$ 2,475,470
Certificates of Deposit	630,689
Short-Term Investments	4,682,693
Grants Receivable	137,279
Accrued Interest Receivable	496
Current Portion of Promises to Give	<u>1,834,105</u>
Total	9,760,732
Less: Amounts With Donor or Other Restrictions:	
Board Designated for Community Initiatives	(3,134,754)
Board Designated for Operating Reserve	(1,762,993)
Donor Restricted with Timing Restrictions	(1,678,868)
Donor Restricted Subject to Expenditure for a Specified Purpose	<u>(1,404,246)</u>
Total	<u>(4,846,107)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u><u>\$ 1,779,871</u></u>



**UNITED WAY OF RACINE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 15 RELATED PARTY TRANSACTIONS**

The Organization holds investments with Johnson Financial Group. The Organization is related to Johnson Financial Group as a senior vice president at Johnson Financial Group is the treasurer of the Organization.

**NOTE 16 COMMUNITY INITIATIVES**

United Way of Racine County, Inc. envisions a community where individuals and families achieve their potential through education, income stability, and healthy lives.

An unrestricted contribution was received during December 31, 2021, and the board intends to distribute it to member and nonmember agencies across the following programs in future years:

<u><b>LIFT FUND - \$3,000,000</b></u>	Community School - Mitchell	Other
<b>LIFT Funding</b>		
LIFT - Community School - Mitchell	\$ 229,728	\$ -
LIFT - Other	-	2,750,000
Total LIFT Funding	229,728	2,750,000
<b>2022</b>		
Expended for Community School - Mitchell	(68,924)	-
Summer School Program	-	(33,364)
Evaluation for Mitchell School	-	(12,500)
Total 2022 Spent	(68,924)	(45,864)
<b>2023</b>		
Community Schools	(70,992)	-
Summer School Program	-	(100,000)
Total 2023 Projected Spending	(70,992)	(100,000)
<b>2024</b>		
Community Schools	(73,121)	-
Summer School Program	-	(100,000)
Total 2024 Projected Spending	(73,121)	(100,000)
<b>2025</b>		
Community Schools	(16,691)	-
Summer School Program	-	(100,000)
Total 2025 Projected Spending	(16,691)	(100,000)
Remaining Balance	\$ -	\$ 2,404,136

**UNITED WAY OF RACINE COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 16 COMMUNITY INITIATIVES (CONTINUED)**

<b>Training &amp; Technology Funding</b>		\$ 375,957
<b>2022</b>		<u>(306,143)</u>
Remaining Balance		<u><u>\$ 69,814</u></u>

**COMMUNITY NEEDS FUND - \$500,000**

<b>Community Needs Funding</b>		\$ 450,000
<b>2022</b>		
Children's Wisconsin Foundation		(50,000)
Other Community Needs Expense		<u>(200,000)</u>
Remaining Balance		<u><u>\$ 200,000</u></u>

**UNITED WAY OF RACINE COUNTY, INC.**  
**SCHEDULE OF REVENUE AND EXPENSES BY FUNCTION**  
**YEAR ENDED DECEMBER 31, 2022**  
**(WITH COMPARATIVE INFORMATION AS OF DECEMBER 31, 2021)**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	2022									2021	
	Campaign and Allocations	Community Impact	Schools of Hope	Imagination Library	LIFT	Volunteer Income Tax Assistance	FSCS	Fund- Raising	Management and General	Total	Total
<b>REVENUES, GAINS, AND PUBLIC SUPPORT</b>											
Net Assets Released from Restrictions:											
Campaign Contributions	\$ 3,032,626	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,032,626	\$ 3,202,087
Contributions	130,572	-	-	-	-	-	-	-	-	130,572	5,242,160
Contributions, Prior Period Campaigns	257,069	-	-	-	-	-	-	-	-	257,069	339,777
Governmental Grants	545,435	-	-	-	-	-	-	-	-	545,435	607,905
Investment Gain (Loss) and Interest Income	(801,857)	-	-	-	-	-	-	-	-	(801,857)	423,796
Revenues, Gains, and Public Support Before Allocation	3,163,845	-	-	-	-	-	-	-	-	3,163,845	9,815,725
Allocation of Revenue to Support Functions	(2,127,520)	254,231	37,106	146,773	195,943	60,323	476,221	443,161	513,762	-	-
Total Revenues, Gains, and Public Support	1,036,325	254,231	37,106	146,773	195,943	60,323	476,221	443,161	513,762	3,163,845	9,815,725
<b>EXPENSES</b>											
Salaries	-	133,982	25,486	6,185	91,378	29,028	154,535	217,838	254,899	913,331	847,796
Temporary Help	-	-	-	-	-	10,270	-	-	6,946	17,216	21,309
Payroll Taxes and Employee Benefits	-	54,539	4,860	1,360	32,621	6,855	45,334	79,033	100,665	325,267	282,740
Total Payroll Expenses	-	188,521	30,346	7,545	123,999	46,153	199,869	296,871	362,510	1,255,814	1,151,845
Professional Fees	-	39,962	1,061	115	5,420	3,411	-	16,057	25,379	91,405	90,689
Contracted Services	-	-	-	-	-	-	252,208	-	-	252,208	164,300
Office Expenses:											
Supplies	-	1,255	624	136,864	13,352	2,463	9,175	3,909	9,853	177,495	198,526
Telephone	-	2,581	859	106	6,025	1,058	3,897	5,815	7,511	27,852	27,277
Postage	-	433	71	639	787	111	-	1,756	1,546	5,343	7,986
Occupancy	-	15,454	3,015	778	31,402	4,373	-	34,887	40,957	130,866	130,837
Repairs and Maintenance	-	-	-	-	-	-	-	-	6,285	6,285	7,062
Printing and Publications	-	-	-	450	-	1,242	-	67,901	8,519	78,112	43,361
Travel and Training	-	217	25	-	2,917	1,295	11,072	3,027	16,225	34,778	16,071
Meeting Expenses	-	6	-	-	105	106	-	-	-	217	279
Membership Dues	-	-	1,031	258	11,138	-	-	-	11,706	24,133	25,174
Professional Liability Insurance	-	388	74	18	798	111	-	865	825	3,079	2,933
State and National Dues	-	5,414	-	-	-	-	-	12,073	11,515	29,002	40,088
Depreciation	-	-	-	-	-	-	-	-	10,931	10,931	12,971
Allocations	2,692,661	-	-	-	-	-	-	-	-	2,692,661	3,646,355
Total Expenses	2,692,661	254,231	37,106	146,773	195,943	60,323	476,221	443,161	513,762	4,820,181	5,565,754
Change in Net Assets, Without Donor Restrictions	\$ (1,656,336)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,656,336)	\$ 4,249,971

**UNITED WAY OF RACINE COUNTY, INC.**  
**SCHEDULE OF RESTRICTED PROGRAM REVENUE AND EXPENSES**  
**YEAR ENDED DECEMBER 31, 2022**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

**RESTRICTED REVENUES**

Nita M. Lowey 21st Century Community Learning Centers (21st CCLC)	\$ 44,091
Full Service Community Service Grant: US Department of Education	<u>501,344</u>
Total Restricted Revenues	<u>545,435</u>

**EXPENSES**

United Way of Racine County Allocation	11,195
Nita M. Lowey 21st Century Community Learning Centers (21st CCLC)	32,896
Full Service Community Service Grant: US Department of Education	<u>501,344</u>
Total Expenses	<u>545,435</u>

**EXCESS (DEFICIENCY)**

\$ -

**UNITED WAY OF RACINE COUNTY, INC.  
SCHEDULE OF ALLOCATIONS  
YEAR ENDED DECEMBER 31, 2022  
(SEE INDEPENDENT AUDITORS' REPORT)**

**EDUCATION**

The ARC of Racine County Inc (Special Education Advocacy Program)	\$	23,750
Big Brothers Big Sisters of Racine & Kenosha Counties (Community-Based Mentoring)		12,025
Big Brothers Big Sisters of Racine & Kenosha Counties (Site Based Mentoring)		(6,300)
Big Brothers Big Sisters of Racine & Kenosha Counties (Virtual Mentoring)		(4,500)
The Harbors Council - Boys Scouts of America (Cub Scout Programs/Scout Reach)		20,000
Girl Scouts of Wisconsin Southeast (Racine Girl Scout Leadership Experience)		13,500
SAFE Haven of Racine Inc (Girls Inc Middle School Support Programs)		25,000
SAFE Haven of Racine County (Girls Inc Elementary School Programs)		23,000
Focus on Community (FAST (Families and Schools Together))		48,600
Racine Family YMCA (The School Achievers Program)		50,120
John XXIII Educational Center (High School Support Program)		19,000
John XXIII Educational Center (Middle School Support Program)		20,000
University of Wisconsin - Madison, Division of Extension (Early Learning and School Readiness Program)		56,230

**HEALTH**

Children's Hospital of Wisconsin, Community Prevention Services (Child and Family Counseling)	\$	38,000
Racine Family YMCA (Family Service of Racine Supervised Visitation & Safe Exchange)		10,297
BeLEAF Survivors Inc (Sexual Assault Services)		57,909
BeLEAF Survivors Inc (Stop Child Abuse & Neglect)		43,710
Focus On Community (Substance Abuse Program)		42,500
Alliance on Mental Illness of Racine County Inc (NAMI Racine County)		32,000
Racine Friendship Clubhouse (Work-Ordered Day)		21,250
Racine County (Family Connects)		70,000

**FINANCIAL STABILITY**

Racine Family YMCA (First Choice Pre-Apprenticeship Training)	\$	24,000
Housing Resources Inc - Racine (Racine Financial Empowerment Center)		25,950
Housing Resources Inc - Racine (Homebuyer Education & Counseling)		13,000
Young Women's Christian (Adult Education (GED and 5.09 HSED)		75,000
Racine Vocational Ministry (RVM Walk-In Programs)		56,000
Racine Literacy Council (Adult Tutoring and Education)		51,900

**ESSENTIAL SERVICES**

Catherine Marian Housing, Inc. (Bethany Apartment)	\$	20,000
Burlington Transitional Living Center Inc (Burlington Transitional Living Center)		10,530
SAFE Haven of Racine, Inc. (Youth Shelter & Outreach Programs)		14,175
Women's Resource Center of Racine, Inc. (Empowerment Program)		36,450
Racine County Food Bank (Emergency Food Distribution)		56,700
Health Care Network, Inc. (Health Care Services)		81,000
HALO (HALO Shelter Program)		140,745
Hospitality Center (Community Meal Program)		32,400

**LIFT**

Girl Scouts of Wisconsin Southeast (Racine Girl Scout Leadership Experience - LIFT Program)	\$	1,500
SAFE Haven of Racine Inc. (Girls Inc Elementary School Program - LIFT Program)		6,000
Focus on Community (Multi-Hub FAST (Families and Schools Together - LIFT Program))		18,000
Focus on Community (Opportunities Club - LIFT Program)		30,000
SAFE Haven of Racine Inc. (Girls Inc Middle School Program - LIFT Program)		3,000
Clinic - LIFT Program)		60,880
BeLEAF Survivors Inc (Sexual Assault Services - LIFT Program)		17,413
Focus on Community (Advancing Family Assets (AFA) - LIFT Program)		24,500
Housing Resources Inc - Racine (Racine Financial Empowerment Center - LIFT Program)		8,650
Racine Family YMCA (The School Achievers - LIFT Program)		(1,599)

**UNITED WAY OF RACINE COUNTY, INC.  
SCHEDULE OF ALLOCATIONS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022  
(SEE INDEPENDENT AUDITORS' REPORT)**

**Women United**

Belief Survivors, Inc.	\$	5,000
Racine Vocational Ministry, Inc.		5,000
Faith, Hope & Love		2,500
Big Brothers/Big Sisters of Racine & Kenosha Counties		2,000
Women's Resource Center of Racine, Inc.		5,000
Professional Women In Trades, Inc.		4,000
River Bend Nature Center		3,300
Catherine Marine Housing, Inc		3,000
SAFE Haven of Racine, Inc.		3,000

**Equity Innovation**

Racine Community Foundation - Donor Advisory fund	\$	778
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**Wadewitz Fund**

Focus on Community	\$	30,000
Racine Friendship Clubhouse		5,340

**Workforce Development Fund**

LGBT Center of SE Wisconsin	\$	9,423
The Arc of Racine County		4,500
Cerebral Palsy Agency of Racine County		9,963
Youth for Christ		10,000
Lutheran Social Services of Wisconsin		10,000

**Youth Initiatives/YAR**

Youth Initiatives/YAR	\$	283
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**UNITED WAY OF RACINE COUNTY, INC.  
SCHEDULE OF ALLOCATIONS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022  
(SEE INDEPENDENT AUDITORS' REPORT)**

<b>Mackenzie Scott</b>	
Health Care Network, Inc - Training and Technology fund	\$ 11,124
Faith, Hope & Love - Training and Technology fund	20,984
RAMAC - Training and Technology fund	26,395
Payne & Frazer Consultants LLC - Training and Technology fund	15,600
The Arc of Racine County - Training refund	(400)
UW Madison Division of Extension - Training refund	(400)
Burlington Transitional Living Center - Training refund	(400)
LGBT Center of SE Wisconsin - Training and Technology fund	8,025
Hospitality Center Inc - Training and Technology fund	4,521
BeLEAF Survivors Inc - Training and Technology fund	16,357
Fight to End Exploitation Inc - Training and Technology fund	10,499
Racine Habitat for Humanity Inc - Training and Technology fund	4,494
Hospice Alliance - Training and Technology fund	4,076
Racine Revitalization Partnership - Training and Technology fund	11,475
Volunteer Center of Racine County, Inc - Training and Technology fund	7,212
RADD/Cerebral Palsy - Training and Technology fund	21,400
Siena Retreat Center - Training and Technology fund	7,693
Racine Montessori School - Training and Technology fund	16,376
St Monica's Senior Living - Training and Technology fund	12,708
Housing Resources Inc - Training and Technology fund	23,982
ELCA Outreach Center - Training and Technology fund	5,250
Great Lakes Community Conservation Corps - Training and Technology fund	15,838
The ARC of Racine County - Training and Technology fund	21,118
HOPES Center of Racine - Training and Technology fund	11,697
Alliance on Mental Illness of Racine - Training and Technology fund	10,613
Veterans Outreach of Wisconsin - Training and Technology fund	10,000
Racine Heritage Museum - Training and Technology fund	9,907
Children's Wisconsin Foundation - Community Needs fund	50,000
UW Madison Accounty Services - LIFT fund	12,500
Racine Unified School District - LIFT fund	33,364
<b>Grant Expenses</b>	
21st Century Community Learning Center (CLC)	\$ 32,896
<b>Covid Fund Grants</b>	
Racine County Human Services Dept	\$ 11,760
<b>Fiscal Sponsorships</b>	
Higher Expectations (STRIVE)	\$ 710,625
<b>TOTAL ALLOCATIONS</b>	<b><u>\$ 2,692,661</u></b>



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