

BROWN COUNTY UNITED WAY

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2021 AND 2020



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**BROWN COUNTY UNITED WAY
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	4
STATEMENTS OF ACTIVITIES	5
STATEMENTS OF FUNCTIONAL EXPENSES	7
STATEMENTS OF CASH FLOWS	9
NOTES TO FINANCIAL STATEMENTS	10
SUPPLEMENTARY INFORMATION	
SCHEDULES OF COMMUNITY AND TARGETED GIVING	28
SCHEDULES OF DONOR DESIGNATIONS	29



INDEPENDENT AUDITORS' REPORT

Board of Directors
Brown County United Way
Green Bay, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Brown County United Way (the Organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Brown County United Way as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Brown County United Way 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.

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 Brown County United Way'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 GAAS 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 GAAS, 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 Brown County United Way'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 Brown County United Way'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.

Board of directors
Brown County United Way

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of community and targeted giving and schedules of donor designations 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 audits 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Green Bay, Wisconsin
June 24, 2022

**BROWN COUNTY UNITED WAY
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020**

	2021	2020
ASSETS		
Cash and Cash Equivalents	\$ 2,514,359	\$ 2,000,993
Promises to Give, Net:		
Annual Campaign	930,596	921,672
Other Receivables	5,002	3,370
Prepaid Expenses	22,092	22,902
Investments	2,080,454	1,953,907
Equipment, Net	955	1,558
Beneficial Interest in Irrevocable Trust	165,276	162,954
Beneficial Interest in Assets Held by Community Foundation	316,770	296,016
Other Assets	28,008	21,887
	\$ 6,063,512	\$ 5,385,259
LIABILITIES AND NET ASSETS		
LIABILITIES		
Donor Designations Payable	\$ 664,272	\$ 538,250
Accounts Payable	8,747	2,239
Grants Payable	30,000	10,000
Accrued Payroll and Other Expenses	46,797	54,341
Refundable Advance	-	149,800
Total Liabilities	749,816	754,630
NET ASSETS		
Without Donor Restrictions:		
Undesignated	541,155	207,220
Designated by Board for:		
Subsequent Operations	1,141,105	1,390,804
Future Campaigns	-	25,000
Emergency Response Fund	43,307	-
Endowment	110,760	100,060
Impact Initiative and Advocacy	1,066,004	608,425
Total Net Assets Without Donor Restrictions	2,902,331	2,331,509
With Donor Restrictions:		
Contributions Made in Current Year for Future Year	2,040,079	1,940,210
Fitzgerald Trust	165,276	162,954
Endowment	206,010	195,956
Total Net Assets With Donor Restrictions	2,411,365	2,299,120
Total Net Assets	5,313,696	4,630,629
Total Liabilities and Net Assets	\$ 6,063,512	\$ 5,385,259

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Totals
REVENUE, SUPPORT, AND GAINS			
Gross Campaign Results	\$ 840,386	\$ 2,355,049	\$ 3,195,435
Less: Donor Designations	(131,453)	(272,401)	(403,854)
Less: Allowance for Uncollectible Pledges	(90,115)	(68,479)	(158,594)
Net Campaign Revenue	618,818	2,014,169	2,632,987
In-Kind Contributions	76,967	-	76,967
Other Contributions	6,801	-	6,801
Government Assistance	149,800	-	149,800
Grant Revenues	4,627	29,512	34,139
Service Fees	31,622	-	31,622
Investment Return, Net	126,810	-	126,810
Return on Beneficial Interest in Irrevocable Trust	-	2,322	2,322
Return on Beneficial Interest in			
Assets Held by Community Foundation	10,700	20,446	31,146
Miscellaneous	27,798	-	27,798
Net Assets Released from Restrictions:			
Expiration of Time Restrictions	1,882,832	(1,882,832)	-
Satisfaction of Purpose Restrictions	71,372	(71,372)	-
Total Revenues, Support, and Gains	3,008,147	112,245	3,120,392
EXPENSES			
Program Service Expenses:			
Community and Targeted Giving	1,556,997	-	1,556,997
Less Donor Designations	(403,854)	-	(403,854)
Net Community and Targeted Giving	1,153,143	-	1,153,143
Community Impact Program	342,848	-	342,848
Community Services Program	47,755	-	47,755
Value-Added Program Services	178,070	-	178,070
Total Program Service Expenses	1,721,816	-	1,721,816
Supporting Services Expenses:			
Management and General	284,713	-	284,713
Communications and Resource Development	430,796	-	430,796
Total Supporting Services Expenses	715,509	-	715,509
Total Expenses	2,437,325	-	2,437,325
CHANGE IN NET ASSETS	570,822	112,245	683,067
Net Assets - Beginning of Year	2,331,509	2,299,120	4,630,629
NET ASSETS - END OF YEAR	\$ 2,902,331	\$ 2,411,365	\$ 5,313,696

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

	Without Donor Restrictions	With Donor Restrictions	Totals
REVENUE, SUPPORT, AND GAINS			
Gross Campaign Results	\$ 981,315	\$ 2,164,238	\$ 3,145,553
Less: Donor Designations	(9,434)	(216,826)	(226,260)
Less: Allowance for Uncollectible Pledges	(70,328)	(64,580)	(134,908)
Net Campaign Revenue	<u>901,553</u>	<u>1,882,832</u>	<u>2,784,385</u>
In-Kind Contributions	51,564	-	51,564
Other Contributions	6,642	-	6,642
Grant Revenues	18,731	314,380	333,111
Service Fees	24,774	-	24,774
Investment Income, Net	166,221	-	166,221
Return on Beneficial Interest in Irrevocable Trust	-	14,585	14,585
Return on Beneficial Interest in			
Assets Held by Community Foundation	5,379	10,413	15,792
Miscellaneous	16,020	-	16,020
Loss on Disposal of Assets	(489)	-	(489)
Net Assets Released from Restrictions:			
Expiration of Time Restrictions	1,746,402	(1,746,402)	-
Satisfaction of Purpose Restrictions	338,170	(338,170)	-
Total Revenues, Support, and Gains	<u>3,274,967</u>	<u>137,638</u>	<u>3,412,605</u>
EXPENSES			
Program Service Expenses:			
Community and Targeted Giving	1,711,088	-	1,711,088
Less: Donor Designations	(226,260)	-	(226,260)
Net Community and Targeted Giving	<u>1,484,828</u>	<u>-</u>	<u>1,484,828</u>
Community Impact Program	380,319	-	380,319
Community Services Program	48,167	-	48,167
Value-Added Program Services	136,312	-	136,312
Total Program Service Expenses	<u>2,049,626</u>	<u>-</u>	<u>2,049,626</u>
Supporting Services Expenses:			
Management and General	245,969	-	245,969
Communications and Resource Development	408,201	-	408,201
Total Supporting Services Expenses	<u>654,170</u>	<u>-</u>	<u>654,170</u>
Total Expenses	<u>2,703,796</u>	<u>-</u>	<u>2,703,796</u>
CHANGE IN NET ASSETS	571,171	137,638	708,809
Net Assets - Beginning of Year	<u>1,760,338</u>	<u>2,161,482</u>	<u>3,921,820</u>
NET ASSETS - END OF YEAR	<u>\$ 2,331,509</u>	<u>\$ 2,299,120</u>	<u>\$ 4,630,629</u>

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021**

	Program Services				Support Services				Total
	Allocation Services	Community Impact Program	Community Services Program	Value-added Program Services	Total Program Services	Management and General	Communications and Resource Development	Total Support Services	
Expenses:									
Community and Targeted Giving	\$ 1,556,997	\$ -	\$ -	\$ -	\$ 1,556,997	\$ -	\$ -	\$ -	\$ 1,556,997
Less: Donor Designations	(403,854)	-	-	-	(403,854)	-	-	-	(403,854)
Total	<u>1,153,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,153,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,153,143</u>
Operating Expenses:									
Salaries	-	200,641	25,880	59,420	285,941	132,164	211,412	343,576	629,517
Group Insurance	-	15,019	10,508	16,585	42,112	27,782	23,717	51,499	93,611
Retirement and Other Benefits	-	14,978	1,988	5,370	22,336	6,322	14,670	20,992	43,328
Payroll Taxes	-	14,925	1,586	4,038	20,549	11,872	15,674	27,546	48,095
Directors and Officers Insurance	-	3,192	410	1,022	4,624	568	3,158	3,726	8,350
Professional Services	-	2,554	126	78,929	81,609	49,282	12,335	61,617	143,226
Office and Campaign Supplies	-	49,132	2,015	4,217	55,364	14,726	52,837	67,563	122,927
Telephone	-	2,179	286	3,393	5,858	1,803	2,180	3,983	9,841
Postage	-	17	60	15	92	1,461	8,169	9,630	9,722
Occupancy	-	15,923	2,081	3,736	21,740	7,325	16,702	24,027	45,767
Printing and Publications	-	444	107	591	1,142	976	31,269	32,245	33,387
Advertising	-	-	-	184	184	-	15,000	15,000	15,184
Conferences, Conventions, and Seminars	-	2,900	-	-	2,900	5,591	199	5,790	8,690
Travel	-	180	-	79	259	4,424	217	4,641	4,900
Miscellaneous	-	444	45	118	607	8,205	432	8,637	9,244
Depreciation	-	209	27	71	307	88	208	296	603
Awards and Grants	-	-	-	-	-	-	1,459	1,459	1,459
Membership Dues	-	21	-	302	323	1,274	323	1,597	1,920
Total Operating Expenses	<u>-</u>	<u>322,758</u>	<u>45,119</u>	<u>178,070</u>	<u>545,947</u>	<u>273,863</u>	<u>409,961</u>	<u>683,824</u>	<u>1,229,771</u>
Affiliation Dues - UWWI and UWWW	<u>-</u>	<u>20,090</u>	<u>2,636</u>	<u>-</u>	<u>22,726</u>	<u>10,850</u>	<u>20,835</u>	<u>31,685</u>	<u>54,411</u>
Total Expenses	<u>\$ 1,153,143</u>	<u>\$ 342,848</u>	<u>\$ 47,755</u>	<u>\$ 178,070</u>	<u>\$ 1,721,816</u>	<u>\$ 284,713</u>	<u>\$ 430,796</u>	<u>\$ 715,509</u>	<u>\$ 2,437,325</u>

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020**

	Program Services				Support Services				Total
	Allocation Services	Community Impact Program	Community Services Program	Value-added Program Services	Total Program Services	Management and General	Communications and Resource Development	Total Support Services	
Expenses:									
Community and Targeted Giving	\$ 1,711,088	\$ -	\$ -	\$ -	\$ 1,711,088	\$ -	\$ -	\$ -	\$ 1,711,088
Less: Donor Designations	(226,260)	-	-	-	(226,260)	-	-	-	(226,260)
Total	1,484,828	-	-	-	1,484,828	-	-	-	1,484,828
Operating Expenses:									
Salaries	-	248,271	27,194	34,512	309,977	124,012	209,261	333,273	643,250
Group Insurance	-	17,226	8,394	10,841	36,461	28,890	29,493	58,383	94,844
Retirement and Other Benefits	-	16,105	1,210	3,293	20,608	10,208	15,451	25,659	46,267
Payroll Taxes	-	18,459	1,686	2,388	22,533	9,768	15,499	25,267	47,800
Directors and Officers Insurance	-	3,194	405	741	4,340	1,421	3,330	4,751	9,091
Professional Services	-	893	117	69,127	70,137	19,877	9,913	29,790	99,927
Office and Campaign Supplies	-	34,751	3,233	2,885	40,869	16,074	27,363	43,437	84,306
Telephone	-	2,423	318	4,045	6,786	2,225	2,566	4,791	11,577
Postage	-	-	-	37	37	1,501	5,358	6,859	6,896
Occupancy	-	16,194	2,125	3,620	21,939	7,989	17,180	25,169	47,108
Printing and Publications	-	534	737	119	1,390	598	26,957	27,555	28,945
Advertising	-	-	-	-	-	-	21,593	21,593	21,593
Conferences, Conventions, and Seminars	-	1,121	-	-	1,121	1,301	559	1,860	2,981
Travel	-	233	96	-	329	3,385	403	3,788	4,117
Miscellaneous	-	915	40	67	1,022	7,893	638	8,531	9,553
Depreciation	-	474	58	115	647	(224)	471	247	894
Awards and Grants	-	-	-	-	-	-	1,195	1,195	1,195
Membership Dues	-	63	-	180	243	1,856	333	2,189	2,432
Total Operating Expenses	-	360,856	45,613	131,970	538,439	236,774	387,563	624,337	1,162,776
Affiliation Dues - UWWI and UWWW	-	19,463	2,554	4,342	26,359	9,195	20,638	29,833	56,192
Total Expenses	\$ 1,484,828	\$ 380,319	\$ 48,167	\$ 136,312	\$ 2,049,626	\$ 245,969	\$ 408,201	\$ 654,170	\$ 2,703,796

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 683,067	\$ 708,809
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Return on Beneficial Interest in Irrevocable Trust	(2,322)	(14,585)
Return on Beneficial Interest in Assets Held by Community Foundation	(31,146)	(15,792)
Depreciation	603	894
Net Gain on Investments	(28,838)	(100,206)
Net Loss on Disposal of Assets	-	489
Change in Allowance for Uncollectible Promises to Give	20,469	(45,179)
Changes in Operating Assets and Liabilities:		
Promises to Give	(29,393)	103,971
Other Receivables	(1,632)	10,987
Prepaid Expenses	810	(5,261)
Other Assets	(6,121)	2,059
Donor Designations Payable	126,022	(155,303)
Accounts Payable	6,508	(4,048)
Grants Payable	20,000	10,000
Accrued Payroll and Other Expenses	(7,544)	11,832
Refundable Advance	(149,800)	149,800
Net Cash Provided by Operating Activities	600,683	658,467
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(333,630)	(141,846)
Proceeds from Sale of Investments	235,921	76,324
Withdrawals from Beneficial Interest in Assets Held by Community Foundation	10,392	10,238
Purchase of Equipment	-	(1,779)
Net Cash Used by Investing Activities	(87,317)	(57,063)
NET CHANGE IN CASH AND CASH EQUIVALENTS	513,366	601,404
Cash and Cash Equivalents - Beginning of Year	2,000,993	1,399,589
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,514,359	\$ 2,000,993

See accompanying Notes to Financial Statements.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Brown County United Way (the Organization, we, us, our) is a voluntary fundraising organization serving the communities in Brown County, Wisconsin. The Organization was founded in 1925 as United Community Council of Brown County, Inc. and was organized as a non-stock, nonprofit corporation under Chapter 181 of the Wisconsin Statutes in March 1975. Our mission is to unite people, ideas, and resources to create community solutions that strengthen every person and every community in Brown County.

In accordance with our by-laws, we are governed by a board of directors consisting of not fewer than 24 and not more than 30 persons, representing the diverse elements in the community of taxpayers, donors, users of community services and persons affiliated with agencies and organizations within the community. Members of the board are volunteers and not compensated for their services.

Our revenue is derived principally from voluntary contributions from the public. Funds are distributed primarily to member agencies to fund programs fairly and impartially with the betterment of the broad community in mind. The distribution of funds is guided by board-approved priorities through planning, needs assessment, and policy decisions relating to the communities' changing needs and resources.

Program services carried on by the Organization include the following:

Community impact program – We mobilize the community of Brown County by using the resources of people, time, talent, relationships, expertise, technology, and money, to create lasting changes in community conditions through the initiatives of three impact councils.

Community services program – A resource for central labor councils and the AFL-CIO to help increase the capacity for unions to raise community standards and improve the lives of working families.

Value-added program services – services for 2021 included the following:

2-1-1 – The 2-1-1 service is used to connect people with important community services and volunteer opportunities.

CPC – The Community Partnership for Children (CPC) is a community change initiative coordinated by us, to ensure that all children in our community are safe, healthy, and ready for kindergarten.

CIS – The Community Information System (CIS) is a multidisciplinary data integration system designed to inform systems-level community change.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

Our financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us 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 and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Cash and Cash Equivalents

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Promises to Give

We record unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discount is included in contribution revenue in the statements of activities. We determine the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. At December 31, 2021 and 2020, the allowance was \$158,483 and \$138,014, respectively.

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equipment

We record property and equipment additions over \$1,000 at cost or, if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

We review the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended December 31, 2021 and 2020.

Beneficial Interest in Irrevocable Trust

We have been named as an irrevocable beneficiary of a perpetual trust held and administered by an independent trustee. The perpetual trust provides for the distribution of the net income of the trust to us; however, we will never receive the assets of the trust. At the date we receive notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the statements of activities, and a beneficial interest in perpetual trust is recorded in the statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trusts' assets in the statements of financial position, with trust distributions and changes in fair value recognized in the statements of activities.

Beneficial Interest in Assets Held by Community Foundation

Between 1992 and 2001, we entered into agreements with the Greater Green Bay Community Foundation (the Foundation) whereby we transferred endowment contributions as well as funds without donor restrictions to the Foundation. We granted variance power to the Foundation, which allows the Foundation to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgment of the Foundation's Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The fund is held and invested by the Foundation for our benefit and is reported at fair value in the statements of financial position, with distributions and changes in fair value recognized in the statements of activities.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donor Designations Payable

Donor designations payable represent amounts due to qualified donor-designated agencies under United Way's "Community Donor Choice" programs or other donor-designated programs administered by United Way for local, state, and federal government employees. Qualified agencies for United Way's "Community Donor Choice" program are health and human development agencies located in the state of Wisconsin and other United Ways that are recognized by the Internal Revenue Service (IRS) as nonprofit organizations.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor- (or certain grantor-) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve, net assets to be used for impact initiatives and advocacy dollars, net assets to be used towards future campaigns, net assets to be used as emergency response funds, and net assets for a board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cost Deduction Standards

We certify annually to United Way Worldwide that we adhere to cost deduction standards on agency transactions. The fees charged by us are based on actual expenses. Additionally, there are no fundraising or processing fees deducted from designated gifts originating by or from another United Way organization.

Revenue and Revenue Recognition

Revenue is recognized when performance obligations are met. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been met.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by accounting principles generally accepted in the United States of America. Contributed goods are recorded at fair value at the date of donation. We record donated professional services at the respective fair values of the services received.

Program Allocations and Grants

Community program allocations are recognized as an expense upon approval by our board of directors.

Designation of Net Assets without Donor Restrictions

It is the policy of our board of directors to designate appropriate sums of net assets without donor restrictions to assure adequate financing of any future contingencies. This contingency fund is maintained in a separate cash account.

Advertising

Advertising costs are expensed as incurred and totaled \$15,184 and \$21,593 during the years ended December 31, 2021 and 2020, respectively.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

Brown County United Way is organized as a Wisconsin nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under Internal Revenue Code (IRC) Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction under IRC Section 170(b)(1)(A), and has been determined not to be a private foundation under IRC Section 509(a)(3). We are annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, we are subject to income tax on net income that is derived from business activities that are unrelated to our exempt purposes. We have determined that we are not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments and Credit Risk

We manage deposit concentrations by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, we have not experienced losses in any of these accounts. Credit risk associated with promises to give is considered to be limited due to the large number of contributors comprising our contributor base and their dispersion across different industries. Investments are made by diversified investment managers whose performance is monitored by us and the board of directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the board of directors believe that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Recent Accounting Guidance

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, which is expected to increase transparency and comparability among organizations. The core principle of this guidance is that a lessee should recognize the assets and liabilities that arise from leases. The standard requires lessees to reflect most leases on their statement of financial position as lease liabilities with a corresponding right-of-use asset, while leaving presentation of lease expense in the statement of activities largely unchanged. The standard also eliminates the real-estate specific provisions that exist under current accounting principles generally accepted in the United States of America and modifies the classification criteria and accounting which lessors must apply to sales-type and direct-financing leases. In June 2020, the FASB approved the delay of the effective date of ASU 2016-02 which is now effective for our year ending December 31, 2022. We are currently evaluating the impact of ASU 2016-02 on our financial statements.

Subsequent Events

We have evaluated events and transactions for potential recognition or disclosure in the financial statements through June 24, 2022, the date the financial statements were available to be issued.

On February 8, 2022, we received notification that we were approved for a grant totaling \$999,737 from the State of Wisconsin Department of Administration. The grant funds come from the ARPA Equitable Recovery Grant Program and are to be used to increase equity and eliminate disparities in communities disproportionately affected by the COVID-19 pandemic.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 2 LIQUIDITY AND AVAILABILITY

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

	<u>2021</u>	<u>2020</u>
Cash and Cash Equivalents	\$ 2,488,446	\$1,943,612
Other Receivables	5,002	3,370
Promises to Give	930,596	921,672
Operating Investments	<u>2,080,454</u>	<u>1,953,907</u>
Total	<u>\$ 5,504,498</u>	<u>\$ 4,822,561</u>

The promises to give are subject to implied time restrictions but are expected to be collected within one year.

We have a goal to maintain financial assets, which consist of cash and short-term investments, on hand in case of an economic downturn. Our contingency policy states that we shall maintain 15% to 25% of the prior year's audited total revenue in reserves. We have a policy to structure our financial assets to be available for general expenditures, liabilities, and other obligations as they come due.

In addition, as part of our liquidity management, we invest cash in excess of daily requirements in various short-term investments, as more fully described in Note 4.

The board of directors has designated \$110,760 and \$100,060 to the endowment fund as of December 31, 2021 and 2020, respectively. The board has also designated a total of \$43,307 and \$0 of emergency relief funds to be used for emergency response grants as of December 31, 2021 and 2020, respectively. Additionally, the board has designated a total of \$1,066,004 and \$608,425 of annual campaign revenues to be used for impact initiatives and advocacy dollars as of December 31, 2021 and 2020, respectively. In 2019, we also received a donation without donor restrictions totaling \$150,000. The board designated this gift to future campaigns as follows: \$75,000 to the 2019-2020 campaign, \$50,000 to the 2020-2021 campaign, and \$25,000 to the 2021-2022 campaign. As such, a total of \$0 and \$25,000 remained for future campaigns as of December 31, 2021 and 2020, respectively.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 3 PROMISES TO GIVE

Annual campaign promises to give as of December 31, 2021 and 2020 consist of the following:

	2021	2020
2021 - 2022 Campaign	\$ 929,353	\$ -
2020 - 2021 Campaign	159,727	849,802
2019 - 2020 Campaign	-	209,884
Total	1,089,080	1,059,686
Less:		
Allowance for Uncollectible Promises 2021 - 2022	68,479	-
Allowance for Uncollectible Promises 2020 - 2021	90,005	64,580
Allowance for Uncollectible Promises 2019 - 2020	-	73,434
Total	158,484	138,014
Net Annual Campaign Promises to Give	\$ 930,596	\$ 921,672

The allowance for uncollectible promises is based upon previous experience with annual campaign promises to give written off. All campaign promises to give are to be received in less than one year.

NOTE 4 INVESTMENTS

Investments as of December 31, 2021 and 2020 are summarized as follows:

	2021	2020
Money Market Funds	\$ 159	\$ 4,797
Exchange Traded and Mutual Funds:		
Large Cap Equity Funds	382,332	301,081
Mid Cap Equity Funds	116,716	101,799
Small Cap Equity Funds	39,020	37,398
Global Funds	29,216	27,759
Other Equities	364,793	311,459
U.S. Fixed Income	940,576	989,355
Other Fixed Income	207,642	180,259
Total Investments	\$ 2,080,454	\$ 1,953,907

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 4 INVESTMENTS (CONTINUED)

Investment return for the years ended December 31, 2021 and 2020 consist of the following:

	2021	2020
Dividends and Interest	\$ 60,015	\$ 56,806
Long-Term Capital Gain Distributions	52,755	22,640
Net Realized Gain (Loss) on Investments	(5,097)	12,109
Investment Fees	(14,798)	(13,431)
Total Dividends, Interest, Fees, and Net Realized Gain	92,875	78,124
Unrealized Gain on Investments, Beginning of Year	179,418	91,321
Unrealized Gain on Investments, End of Year	213,353	179,418
Net Unrealized Gain on Investments	33,935	88,097
Net Investment Gain	\$ 126,810	\$ 166,221

NOTE 5 EQUIPMENT

Equipment as of December 31, 2021 and 2020 consist of the following:

	2021	2020
Equipment	\$ 46,577	\$ 46,577
Less Accumulated Depreciation	(45,622)	(45,019)
Total	\$ 955	\$ 1,558

NOTE 6 BENEFICIAL INTEREST IN IRREVOCABLE TRUST

We are a beneficiary of the Edward L. Fitzgerald Foundation Trust which is held by an independent trustee. Under the terms of the trust, we have the right to receive annually our portion of the net income earned by the trust. The value of our share of the trust as of December 31, 2021 and 2020 was \$165,276 and \$162,954, respectively. For the years ended December 31, 2021 and 2020, \$6,801 and \$6,642, respectively, was received as the annual income distribution from the trust. The annual distributions received from the trust are included in net assets without donor restrictions. The gain on the beneficial interest in irrevocable trust for the years ended December 31, 2021 and 2020 was \$2,322 and \$14,585, respectively.

NOTE 7 BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATION

Beneficial interest in assets held by community foundation totaling \$316,770 and \$296,016 as of December 31, 2021 and 2020, respectively, represents amounts held at the Foundation. These amounts are the legal assets of the Foundation with the restriction that the Foundation make distributions to us as needed.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 8 DONATED MATERIALS AND SERVICES

The value of donated materials and services included in the financial statements as in-kind contributions and the corresponding expense or asset for the years ended December 31, 2021 and 2020 are as follows:

	2021			Total
	Program Services	Management and General	Communications and Resource Development	
Professional Services	\$ -	\$ -	\$ 10,000	\$ 10,000
Office and Campaign Supplies	2,376	-	4,158	6,534
Printing and Publications	-	-	13,257	13,257
Advertising	-	-	15,000	15,000
Travel	-	4,168	-	4,168
Total Donated Materials and Services	<u>\$ 2,376</u>	<u>\$ 4,168</u>	<u>\$ 42,415</u>	48,959
Donated Other Assets				28,008
Total In-Kind Contributions				<u>\$ 76,967</u>

	2020			Total
	Program Services	Management and General	Communications and Resource Development	
Professional Services	\$ -	\$ -	\$ 3,800	\$ 3,800
Office and Campaign Supplies	1,000	-	210	1,210
Printing and Publications	-	-	1,075	1,075
Advertising	-	-	20,225	20,225
Travel	-	3,307	-	3,307
Miscellaneous	-	60	-	60
Total Donated Materials and Services	<u>\$ 1,000</u>	<u>\$ 3,367</u>	<u>\$ 25,310</u>	29,677
Donated Other Assets				21,887
Total In-Kind Contributions				<u>\$ 51,564</u>

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2021</u>	<u>2020</u>
Subject to the Passage of Time:		
2021 Campaign Revenue	\$ -	\$ 1,882,832
2022 Campaign Revenue	2,014,169	-
Total	<u>2,014,169</u>	<u>1,882,832</u>
Subject to Expenditure for Specified Purpose:		
Child Abuse Task Force - Provider Training	18,490	18,799
Child Abuse Task Force - Parenting Cafes	7,420	7,420
2-1-1 Recovery Help Line	-	-
Psychological Trauma in Schools	-	15,000
Emergency Response Funding	-	16,159
Total	<u>25,910</u>	<u>57,378</u>
Subject to the Organization's Spending Policy and Appropriation:		
Endowment	135,596	125,542
Subject to be Held in Perpetuity:		
Beneficial Interests in Perpetual Trusts	165,276	162,954
Endowment	70,414	70,414
Total	<u>235,690</u>	<u>233,368</u>
Total Net Assets With Donor Restrictions	<u><u>\$ 2,411,365</u></u>	<u><u>\$ 2,299,120</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Expiration of Time Restrictions	\$ 1,882,832	\$ 1,746,402
Satisfaction of Purpose Restrictions:		
Endowment	10,392	10,238
Child Abuse Task Force - Provider Training	737	1,061
Child Abuse Task Force - Parenting Cafes	-	282
2-1-1 Recovery Help Line	21,436	48,343
Psychological Trauma in Schools	15,000	-
Emergency Response Funding	23,807	278,246
Total Net Assets Released from Donor Restrictions	<u><u>\$ 1,954,204</u></u>	<u><u>\$ 2,084,572</u></u>

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 10 REFUNDABLE ADVANCE

On April 10, 2020, we received a loan from Associated Bank, National Association in the amount of \$149,800 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The PPP loan may be forgiven by the U.S. Small Business Administration (SBA) subject to certain performance barriers, as outlined in the loan agreement and the CARES Act.

We recognized income totaling \$149,800 related to this agreement during the year ended December 31, 2021, which represents the portion of the PPP loan funds for which the performance barriers have been met. We believe we have satisfied the performance barriers attributable to the PPP loan proceeds and, on February 3, 2021, we received formal notification from the SBA that the full amount of the PPP loan has been forgiven.

The SBA may review funding eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, we are of the opinion that any review will not have a material adverse impact on our financial position.

NOTE 11 PENSION PLAN

We sponsor a 403(b) Thrift Plan covering substantially all of our employees. The Plan requires an 8% contribution of eligible employee wages. Our contribution under this Plan amounted to \$47,556 and \$35,143 for the years ended December 31, 2021 and 2020, respectively.

NOTE 12 FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, office and campaign supplies, occupancy, as well as salaries and benefits. These expenses are allocated on an estimate of time and effort.

NOTE 13 OPERATING LEASE COMMITMENTS

We lease our office facilities under a noncancellable operating lease that expires in 2022. The lease allows for the option to renew the lease for one-year terms for up to seven years after the initial expiration date. We have issued our intent to renew the lease on a year-to-year basis. The lease agreement requires that we pay a base rent plus our proportionate share of operating expenses based on occupied square footage. Base rent totals \$520 per month throughout the lease term.

We also lease a photocopier under a lease that expires in 2023.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 13 OPERATING LEASE COMMITMENTS (CONTINUED)

Future minimum lease commitments are as follows:

Year Ending December 31,	Amount
2022	\$ 8,900
2023	500
Total Minimum Lease Payments	\$ 9,400

Rent expense under all operating leases for the years ended December 31, 2021 and 2020 amounted to \$45,767 and \$47,108, respectively.

NOTE 14 ENDOWMENT FUNDS

Our endowment funds consist of three individual funds at the Community Foundation (Note 7). The endowment funds include both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. Net assets associated with endowment funds, including board-designated funds to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

We have interpreted the Wisconsin Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gifts as of the gift date to the donor-restricted endowment fund, unless there are explicit donor stipulations to the contrary. At December 31, 2021 and 2020, there were no such donor stipulations. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give at fair value) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. We consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 14 ENDOWMENT FUNDS (CONTINUED)

As of December 31, 2021 we had the following endowment net asset composition by type of fund:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 110,760	\$ -	\$ 110,760
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	70,414	70,414
Accumulated Investment Gains	-	135,596	135,596
Total	\$ 110,760	\$ 206,010	\$ 316,770

As of December 31, 2020 we had the following endowment net asset composition by type of fund:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment Funds	\$ 100,060	\$ -	\$ 100,060
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	70,414	70,414
Accumulated Investment Gains	-	125,542	125,542
Total	\$ 100,060	\$ 195,956	\$ 296,016

Investment and Spending Policies

We have adopted investment and spending policies for endowment funds to maximize total return with a low level of risk. Endowment funds include those assets of donor-restricted funds that we must hold in perpetuity or for donor specified periods. We have adopted a policy so that the endowment funds over time provide an average rate of return that results in a consistent inflation-protected rate of return. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed by management in coordination with the board of directors to not expose the funds to unacceptable levels of risk.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 14 ENDOWMENT FUNDS (CONTINUED)

Changes in endowment net assets for the year ended December 31, 2021 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets -			
Beginning of Year	\$ 100,060	\$ 195,956	\$ 296,016
Contributions	-	-	-
Investment Income:			
Investment Income (Loss), Net of Fees	10,264	(2,082)	8,182
Net Appreciation - Realized and Unrealized	436	22,528	22,964
Total Investment Income	<u>10,700</u>	<u>20,446</u>	<u>31,146</u>
Appropriations of Endowment Assets for Expenditure	<u>-</u>	<u>(10,392)</u>	<u>(10,392)</u>
Endowment Net Assets - End of Year	<u>\$ 110,760</u>	<u>\$ 206,010</u>	<u>\$ 316,770</u>

Changes in endowment net assets for the year ended December 31, 2020 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets -			
Beginning of Year	\$ 94,681	\$ 195,781	\$ 290,462
Contributions	-	-	-
Investment Income:			
Investment Income (Loss), Net of Fees	2,672	(1,841)	831
Net Appreciation - Realized and Unrealized	2,707	12,254	14,961
Total Investment Income	<u>5,379</u>	<u>10,413</u>	<u>15,792</u>
Appropriations of Endowment Assets for Expenditure	<u>-</u>	<u>(10,238)</u>	<u>(10,238)</u>
Endowment Net Assets - End of Year	<u>\$ 100,060</u>	<u>\$ 195,956</u>	<u>\$ 296,016</u>

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 15 FAIR VALUE MEASUREMENTS

We report certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of our investment assets are classified within Level 1 because they comprise open-end exchanged traded and mutual funds with readily determinable fair values based on daily redemption values. The fair value of our beneficial interest in irrevocable trust is determined by estimating the value of our interest based on the market prices assigned to the underlying investment at year end. The fair value of our beneficial interest in assets held by Community Foundation is based on the fair value of fund investments as reported by the Community Foundation. These are considered to be Level 3 measurements.

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables present assets measured at fair value on a recurring basis at December 31, 2021:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
ASSETS				
Investments:				
Exchange Traded and Mutual Funds	\$ 2,080,295	\$ 2,080,295	\$ -	\$ -
Beneficial Interest in Irrevocable Trust	165,276	-	-	165,276
Beneficial Interest in Assets Held by Community Foundation	316,770	-	-	316,770
Total	<u>2,562,341</u>	<u>\$ 2,080,295</u>	<u>\$ -</u>	<u>\$ 482,046</u>
Cash and Cash Equivalents	159			
Total	<u>\$ 2,562,500</u>			

The following tables present assets measured at fair value on a recurring basis at December 31, 2020:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
ASSETS				
Investments:				
Exchange Traded and Mutual funds	\$ 1,949,110	\$ 1,949,110	\$ -	\$ -
Beneficial Interest in Irrevocable Trust	162,954	-	-	162,954
Beneficial Interest in Assets Held by Community Foundation	296,016	-	-	296,016
Total	<u>2,408,080</u>	<u>\$ 1,949,110</u>	<u>\$ -</u>	<u>\$ 458,970</u>
Cash and Cash Equivalents	4,797			
Total	<u>\$ 2,412,877</u>			

**BROWN COUNTY UNITED WAY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)

The value of beneficial interest in irrevocable trust represents an irrevocable right to receive distributions in perpetuity from a trust that is managed by a third-party. We do not have a variance power over the trust's portfolio. The value of beneficial interest in irrevocable trust is estimated based on the fair value of the underlying investments held by the trust.

Beneficial interest in assets held by Community Foundation represents amounts held at the Greater Green Bay Community Foundation, Inc. These amounts are the legal assets of the Community Foundation with the restriction that the Community Foundation make distributions to us as needed.

There were no contributions made to the Community Foundation during the years ended December 31, 2021 and 2020. We received distributions totaling \$10,392 and \$10,238 from the Community Foundation during the years ended December 31, 2021 and 2020, respectively. There were no transfers into or out of level 3 assets during the years ended December 31, 2021 and 2020.

**BROWN COUNTY UNITED WAY
SCHEDULES OF COMMUNITY AND TARGETED GIVING
YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
ASPIRO, Inc.	\$ 17,500	\$ 35,000
Big Brothers Big Sisters of Northeastern Wisconsin	66,000	66,000
Boys and Girls Club of Green Bay	88,000	88,000
CASA of Brown County, Inc.	32,000	32,000
Catholic Charities of the Diocese of Green Bay, Inc.	82,000	82,000
Curative Connections	37,000	37,000
Encompass Early Education and Care, Inc.	134,500	134,500
Family and Childcare Resources of N.E.W.	20,000	20,000
Family Services of Northeast Wisconsin	175,000	175,000
Foundation Health and Wholeness	26,400	26,400
Golden House, Inc.	65,000	65,000
Green Bay Public Schools - Starfish Program	10,000	10,000
House of Hope Green Bay, Inc.	44,000	44,000
Legal Action of Wisconsin, Inc.	36,000	36,000
Literacy Green Bay, Inc.	44,000	44,000
NEW Community Clinic	120,000	120,000
NEW Community Shelter, Inc.	45,000	45,000
Salvation Army of Brown County	44,000	44,000
Total Allocations Paid Out to United Way Agencies	1,086,400	1,103,900
Other Allocations:		
Emergency Response Fund	40,500	314,046
Community Partnership for Children	26,243	66,882
Net Community and Targeted Giving	\$ 1,153,143	\$ 1,484,828

**BROWN COUNTY UNITED WAY
SCHEDULES OF DONOR DESIGNATIONS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
ASPIRO, Inc.	\$ 5,423	\$ 6,758
Big Brothers Big Sisters of Northeastern Wisconsin	7,742	6,768
Boys and Girls Club of Green Bay	14,802	5,855
CASA of Brown County, Inc.	4,989	6,981
Catholic Charities of the Diocese of Green Bay, Inc.	11,939	14,149
Curative Connections, Inc.	1,648	1,995
Encompass Early Education and Care, Inc.	6,657	16,641
Family and Childcare Resources of N.E.W.	296	865
Family Services of Northeast Wisconsin	15,160	11,416
Foundations Health and Wholeness	2,489	2,960
Golden House, Inc.	11,047	11,526
Green Bay Public Schools - Starfish Program	(127)	386
House of Hope Green Bay, Inc.	6,443	5,464
Legal Action of Wisconsin, Inc.	155	260
Literacy Green Bay, Inc.	1,821	2,121
NEW Community Clinic	3,551	3,700
New Community Shelter, Inc.	7,607	8,574
Salvation Army of Brown County	15,529	15,231
Total Donor Designations to United Way Agencies	117,171	121,650
Donor Contributions to Other United Way and Nonmember Agencies	286,683	104,610
Net Donor Designations	\$ 403,854	\$ 226,260



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