

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED JUNE 30, 2022

BOARD CHAIR
Penelope S. Shaffer, Ph.D

PRESIDENT AND CEO
Symeria T. Hudson

EXECUTIVE COMMITTEE
Jayne H. Abess, *Emeritus*
Sheldon T. Anderson
Andrew L. Ansin
Steven J. Brodie, *Emeritus*
Lilia C. DiBello, Ed.D.
Eduardo "Eddie" L. Domínguez, Jr.
Baldwyn English Jr.
Brandon E. Gilliland
Melissa Gracey
Juan Carlos (JC) Liscano
Gladys C. Reed
Carmen Sabater
Robert E. Sanchez
Ana VeigaMilton

COUNSEL
Susan Potter Norton

BOARD MEMBERS
Alexander P. Adams
Doug Bartel
Peter L. Bermont
Alfred A. Bunge
Camila Cote
Alberto de Cardenas
Mayi de la Vega
Alan T. Dimond
Miguel "Mike" G. Farra
Jose Keichi Fuentes
Luis Gamoneda
Calixto J. Garcia-Velez
Brian Y. Goldmeier
Aminda "Mindy" Marqués González
Francisco Gonzalez
Xavier Gonzalez
Jennifer A. Grant
Kim Y. Griffin-Hunter
Karla Hernandez-Mats
Naftali Holtz
Seth R. Kaplan
Jess Lawhorn Jr.
Jeff Lozama
S. Marshall Martin
Robert McFarlin
Zak Odhwani
Darrell W. Payne
Thomas J. Pelham
Jerry Reed
Duany Ruiz
Jay Steinman
Rashad D. Thomas
Mike Valdes-Fauli
David Zambrana

EX-OFFICIO
Dawn Michele Baglos
The Hon. Daniella Levine Cava
Morris Copeland
Jose L. Dotres, Ed.D.
Ann Dux
Jennifer A. Marques

ADVISORY COUNCIL
Cesar L. Alvarez
Tony L. Argiz
Jose R. Arriola
Natacha Munilla Bastian
Jon Batchelor
Manuel J. Becerra
Darlene Boytell-Pérez
The Hon. Sue M. Cobb
Stephen G. Danner
Albert E. Dotson Jr.
Richard D. Fain
Robert D. Fatovic
Miguel "Mike" B. Fernández
Rudy Fernández
James L. Ferraro
Julio Frenk, Ph.D.
Maritza Gomez-Montiel
Matthew B. Gorson
Gerald C. Grant Jr.
Adolfo Henriques
Laurie B. Jennings
Joseph P. Lacher
David Lawrence Jr.
Elizabeth B. Leight, Psy.D.
Jack Lowell Jr.
Jeffrey S. Miller
John Randolph Millian
W. Allen Morris
Eduardo J. Padrón, Ph.D.
Toni Randolph
Merrett R. Stierheim
Oscar Suarez
Trae Williamson

PRESIDENT EMERITUS
Harve A. Mogul



December 8, 2022

We are pleased to submit the audited financial statements for United Way Miami and its subsidiaries for the fiscal year ending June 30, 2022. Our independent auditors, Marcum, LLP, issued an unqualified opinion on the United Way's financial statements. Enclosed please find a copy of Marcum, LLP's report.

In the fall of 2021, we changed our name from United Way of Miami-Dade to **United Way Miami**. This name change signaled future growth and aligned us with Miami's international reputation for possibility, aspiration and resilience.

United Way Miami focuses on improving education, financial stability and health, the building blocks for a good life, in Miami-Dade and beyond. A good education leads to better jobs with better pay. A stable income is key to greater financial resilience. Good health allows children to learn better, adults to increase their income through productive work, and older adults to remain independent in their homes. Organizational accomplishments this past fiscal year included our continued response to the COVID-19 pandemic, support and fundraising for both the collapse of the Champlain Towers in Surfside just before the start of the fiscal year and the large earthquake that hit Haiti and caused massive devastation to the island in August. To answer the needs raised by these crises, United Way activated Operation Helping Hands (OHH), our fundraising mechanism to address disasters through a partnership with the Miami Herald/El Nuevo Herald.

Showcasing our work in early education, United Way Center for Excellence in Early Education celebrated 15 years of championing early childhood care and education. Since its opening, the Center has improved the skills of over 36,000 education professionals and positively impacted over 56,000 young children.

The following are highlights of the work that reflect our promise to drive for a better Miami-Dade County:

Education

How we impacted early education:

- Trained **896 educators**
- Provided **4,314 hours of professional learning** to educators
- Served **5,945 children in 120 programs**

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

How we impacted school-age education

- **4,555 students** with homework assistance and/or tutoring
- **4,988 students** with conduct and behavior interventions to improve school engagement
- **1,813 students** with post-secondary prep and support

Financial Stability

How we impacted financial stability:

- **5,584 unemployed and underemployed individuals** participated in training and placement programs
- **3,171 individuals** learned budgeting, money management skills, and strategies for saving money
- **63,450 individuals** received shelter and/or assistance

Health

How we impacted health and wellness:

- More than **18,900 people accessed care** for their physical, mental, and emotional health needs
- More than **1,820 children participated** in healthy eating, fitness, and play activities
- More than **6,440 older adults** received assistance to remain healthy and active

Fiscal Agent Projects

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

United Way also provided program monitoring, financial stewardship and oversight, health and human services planning and collaboration, outcome measurement training and tracking, community partnerships, and community outreach including advocacy, volunteerism, disaster planning and response, as well as office and conference room facilities for other not-for-profits. We were able to provide \$3.20 in benefits to our community for every \$1 in discretionary income generated by United Way through collaborative efforts and partnerships with other agencies, grants, volunteer work, investment revenues, matching and in-kind donations. In total, revenues of \$25.1 million generated an additional \$55.1 million in services for a total impact in the community of \$80.2 million.

Finally, the organization would like to thank Joe Zubizarreta for stepping as interim president & CEO from the fall of 2021 through the end of the fiscal year. We look forward to his continued involvement with United Way Miami.

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

Furthermore, we hereby certify that we have reviewed the financial statements and based on our knowledge, these financial statements do not contain any untrue statements of a material fact or omit a material fact necessary to make the statements, in light of the circumstances under which such statements were made, not misleading; and, based on our knowledge, the financial statements and other financial information included in this report, fairly present, in all material respect, the financial condition, results of operations and cash flows of the United Way Miami as of, and for the year ended June 30, 2022.



Symeria T. Hudson
President and Chief Executive Officer



Carlos G. Molina
Chief Financial and Administrative Officer

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

CONTENTS

Independent Auditors' Report.....	1-3
--	------------

Consolidated Financial Statements

Statement of Financial Position	4
Statement of Activities and Changes in Net Assets.....	5-6
Statement of Functional Expenses	7
Statement of Cash Flows	8

Notes to Consolidated Financial Statements	9-39
---	-------------

Supplementary Information

Schedule of Distributions to Agencies.....	40-46
--	-------

Compliance Section

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	47-48
Independent Auditors' Report on Compliance for Each Major Federal Program and Internal Control Over Compliance Required by the Uniform Guidance	49-51
Schedule of Expenditures of Federal Awards.....	52
Notes to the Schedule of Expenditures of Federal Awards	53
Schedule of Findings and Questioned Costs.....	54-55

INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of United Way Miami, Inc. and Subsidiaries (collectively, the "United Way"), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of United Way Miami, Inc. and Subsidiaries as of June 30, 2022, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 and *Government Auditing Standards* 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 consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the consolidated 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 consolidated 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'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 consolidated financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary schedules, as listed in the supplementary information section and compliance section (as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)) in the table of contents, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in

the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary schedules, as listed in the supplementary information section and compliance section in the table of contents, are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited United Way's June 30, 2021 consolidated financial statements, and we expressed an unmodified opinion on those audited consolidated financial statements in our report dated November 30, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2022 on our consideration of United Way's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of United Way's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way's internal control over financial reporting and compliance.

Marcum LLP

Miami, FL
December 8, 2022

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2022

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2021)

	2022	2021
Assets		
Cash and cash equivalents	\$ 2,589,127	\$ 3,873,635
Restricted cash	26,222,325	15,119,471
Investments (including restricted amounts of \$5,568,976 and \$6,255,121, respectively)	70,940,288	80,525,200
Pledges receivable, net	7,962,324	8,265,414
Donor-designated pledges receivables, net	2,699,032	2,881,093
Interest in limited partnership	8,509,679	8,166,551
Receivables, net and other assets	2,378,023	2,758,663
Property and equipment, net	<u>25,591,083</u>	<u>26,395,947</u>
Total Assets	<u><u>\$ 146,891,881</u></u>	<u><u>\$ 147,985,974</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 4,041,305	\$ 3,748,804
Approved allocations payable	8,219,569	7,975,116
Donor-designated allocations payable	36,716,973	27,106,405
Special contributions allocations payable	8,509,679	8,166,551
Note payable	<u>9,102,588</u>	<u>9,825,843</u>
Total Liabilities	<u>66,590,114</u>	<u>56,822,719</u>
Commitments and Contingencies		
Net Assets		
Without donor restrictions	70,890,724	81,898,661
With donor restrictions	<u>9,411,043</u>	<u>9,264,594</u>
Total Net Assets	<u>80,301,767</u>	<u>91,163,255</u>
Total Liabilities and Net Assets	<u><u>\$ 146,891,881</u></u>	<u><u>\$ 147,985,974</u></u>

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

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

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2022

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

	Without Donor Restrictions	With Donor Restrictions	2022	2021
Public Support, Investment Gains (Losses) and Other Income				
Public Support				
Annual campaign, net of allowance	\$ 31,194,579	\$ 375,782	\$ 31,570,361	\$ 35,387,488
Special contribution and capital gains	--	855,817	855,817	679,482
Less donor designations	<u>(18,409,970)</u>	<u>--</u>	<u>(18,409,970)</u>	<u>(21,677,859)</u>
Annual campaign, net	12,784,609	1,231,599	14,016,208	14,389,111
Grants	11,965,893	--	11,965,893	45,114,798
Special events, net	1,694,719	--	1,694,719	786,584
Contributions to programs	2,317,402	--	2,317,402	2,049,029
Other contributions	1,725,030	--	1,725,030	26,226,830
Legacies and bequests	<u>913,079</u>	<u>--</u>	<u>913,079</u>	<u>3,198,465</u>
Total Public Support	<u>31,400,732</u>	<u>1,231,599</u>	<u>32,632,331</u>	<u>91,764,817</u>
Investment Gains (losses) and Other Income				
Interest and dividend income	2,280,380	--	2,280,380	1,232,723
Realized gains on sale of investments, net of fees of \$66,344 and \$27,308, respectively	793,105	--	793,105	1,806,453
Unrealized gains (losses) on investments, net	(12,148,812)	--	(12,148,812)	9,610,048
Tuition income	540,966	--	540,966	465,297
Rental income	690,144	--	690,144	879,636
Other income, net	277,916	--	277,916	1,825,071
Add back donor restricted investment losses (Less donor restricted investment income)	<u>735,048</u>	<u>--</u>	<u>735,048</u>	<u>(1,965,724)</u>
Total Investment Gains (Losses) and Other Income	<u>(6,831,253)</u>	<u>--</u>	<u>(6,831,253)</u>	<u>13,853,504</u>
Net Assets Released from Restrictions				
Expiration of time restrictions	<u>1,085,150</u>	<u>(1,085,150)</u>	<u>--</u>	<u>--</u>
Total Public Support, Investments Gains (Losses) and Other Income	<u>\$ 25,654,629</u>	<u>\$ 146,449</u>	<u>\$ 25,801,078</u>	<u>\$ 105,618,321</u>

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

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

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

**FOR THE YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021)**

	Without Donor Restrictions	With Donor Restrictions	2022	2021
Distributions to Agencies and Grant Expenses				
Distributions to agencies	\$ 29,636,108	\$ --	\$ 29,636,108	\$ 36,639,298
Disaster relief fund uses	965,986	--	965,986	33,147,860
Less donor designations	<u>(17,674,922)</u>	<u>--</u>	<u>(17,674,922)</u>	<u>(23,643,583)</u>
Total Distributions to Agencies and Grant Expenses	<u>12,927,172</u>	<u>--</u>	<u>12,927,172</u>	<u>46,143,575</u>
Functional Expenses				
Program services	15,434,665	--	15,434,665	15,198,503
Supporting activities	<u>8,300,729</u>	<u>--</u>	<u>8,300,729</u>	<u>8,166,834</u>
Total Functional Expenses	<u>23,735,394</u>	<u>--</u>	<u>23,735,394</u>	<u>23,365,337</u>
Other Expenses	<u>--</u>	<u>--</u>	<u>--</u>	<u>469,585</u>
Total Distributions and Expenses	<u>36,662,566</u>	<u>--</u>	<u>36,662,566</u>	<u>69,978,497</u>
Change in Net Assets	(11,007,937)	146,449	(10,861,488)	35,639,824
Net Assets - Beginning	<u>81,898,661</u>	<u>9,264,594</u>	<u>91,163,255</u>	<u>55,523,431</u>
Net Assets - Ending	<u>\$ 70,890,724</u>	<u>\$ 9,411,043</u>	<u>\$ 80,301,767</u>	<u>\$ 91,163,255</u>

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

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

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2021)**

	Program Services								Supporting Activities				
	Early Child Education	Education II	Financial Stability	Health	Mission United	Fiscal Agent Projects	Other Community Projects	Total Program Services	Fund Raising	Management and General	Total Supporting Activities	2022	2021
Distributions to agencies	\$ 3,971,049	\$ 2,055,362	\$ 1,550,563	\$ 3,400,831	\$ 77,098	\$ --	\$ 18,581,205	\$ 29,636,108	\$ --	\$ --	\$ --	\$ 29,636,108	\$ 36,639,298
Disaster relief fund uses	--	--	--	--	--	--	965,986	965,986	--	--	--	965,986	33,147,860
Less: donor designated distributions	--	--	--	--	--	--	(17,674,922)	(17,674,922)	--	--	--	(17,674,922)	(23,643,583)
Total Distributions	<u>3,971,049</u>	<u>2,055,362</u>	<u>1,550,563</u>	<u>3,400,831</u>	<u>77,098</u>	<u>--</u>	<u>1,872,269</u>	<u>12,927,172</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>12,927,172</u>	<u>46,143,575</u>
Salaries and related expenses	5,308,907	427,034	734,653	583,442	286,855	11,029	35,845	7,387,765	1,976,796	2,637,591	4,614,387	12,002,152	12,493,792
Employee benefits	942,878	50,821	104,540	74,985	44,664	1,321	4,292	1,223,501	252,165	332,485	584,650	1,808,151	2,167,150
Payroll taxes	454,936	32,681	58,656	45,613	23,603	824	2,678	618,991	157,262	193,821	351,083	970,074	905,966
Total Salaries and Related Expenses	<u>6,706,721</u>	<u>510,536</u>	<u>897,849</u>	<u>704,040</u>	<u>355,122</u>	<u>13,174</u>	<u>42,815</u>	<u>9,230,257</u>	<u>2,386,223</u>	<u>3,163,897</u>	<u>5,550,120</u>	<u>14,780,377</u>	<u>15,566,908</u>
Professional fees and contractual services	982,187	136,577	136,826	220,556	152,744	5,691	18,495	1,653,076	266,660	423,493	690,153	2,343,229	2,439,865
Occupancy	1,486,612	33,170	72,966	38,569	45,502	645	2,096	1,679,560	52,628	428,442	481,070	2,160,630	1,880,729
Office and other operating expenses	373,863	123,660	216,063	169,946	47,389	4,526	14,711	950,158	480,454	393,091	873,545	1,823,703	1,545,151
School and other program expenses	1,163,731	36,023	5,472	42,559	922	194	631	1,249,532	11,456	29,281	40,737	1,290,269	657,205
Conferences and non-local meetings	328,386	3,282	1,349	1,206	865	33	106	335,227	572	6,257	6,829	342,056	286,214
Total Expenses Before Depreciation and Amortization	<u>11,041,500</u>	<u>843,248</u>	<u>1,330,525</u>	<u>1,176,876</u>	<u>602,544</u>	<u>24,263</u>	<u>78,854</u>	<u>15,097,810</u>	<u>3,197,993</u>	<u>4,444,461</u>	<u>7,642,454</u>	<u>22,740,264</u>	<u>22,376,072</u>
Depreciation and Amortization of Property and Equipment	<u>52,135</u>	<u>74,399</u>	<u>68,094</u>	<u>114,479</u>	<u>14,645</u>	<u>3,083</u>	<u>10,020</u>	<u>336,855</u>	<u>261,573</u>	<u>396,702</u>	<u>658,275</u>	<u>995,130</u>	<u>989,265</u>
Total Functional Expenses	<u>11,093,635</u>	<u>917,647</u>	<u>1,398,619</u>	<u>1,291,355</u>	<u>617,189</u>	<u>27,346</u>	<u>88,874</u>	<u>15,434,665</u>	<u>3,459,566</u>	<u>4,841,163</u>	<u>8,300,729</u>	<u>23,735,394</u>	<u>23,365,337</u>
Other Expenses	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>469,585</u>
Total Distributions and Expenses	<u>\$ 15,064,684</u>	<u>\$ 2,973,009</u>	<u>\$ 2,949,182</u>	<u>\$ 4,692,186</u>	<u>\$ 694,287</u>	<u>\$ 27,346</u>	<u>\$ 1,961,143</u>	<u>\$ 28,361,837</u>	<u>\$ 3,459,566</u>	<u>\$ 4,841,163</u>	<u>\$ 8,300,729</u>	<u>\$ 36,662,566</u>	<u>\$ 69,978,497</u>

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

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2022

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

	2022	2021
Cash Flows From Operating Activities		
Change in net assets	\$ (10,861,488)	\$ 35,639,824
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	995,130	989,265
Refundable advance	--	(2,625,800)
Change in allowance for uncollectible pledges	(107,891)	(210,807)
Realized gains on sale of investments, net of fees	(793,105)	(1,806,453)
Unrealized losses (gains) on investments, net	12,148,812	(9,610,048)
Change in operating assets and liabilities:		
Pledges receivables (including donor-designated)	593,042	883,845
Interest in limited partnership	(343,128)	--
Receivables and other assets	380,640	(518,885)
Accounts payable and accrued expenses	292,501	145,720
Approved allocations payable	244,453	547,277
Donor-designated allocations payable	9,610,568	9,289,164
Special contributions allocations payable	343,128	--
Total Adjustments	23,364,150	(2,916,722)
Net Cash Provided by Operating Activities	12,502,662	32,723,102
Cash Flows From Investing Activities		
Proceeds from sale of investments	29,748,754	8,628,040
Purchase of investments	(31,519,549)	(37,439,194)
Purchase of property and equipment	(190,266)	(113,653)
Net Cash Used in Investing Activities	(1,961,061)	(28,924,807)
Net Cash From Financing Activities		
Repayment of note payable	(723,255)	(701,357)
Net Cash Used in Financing Activities	(723,255)	(701,357)
Net Change in Cash, Cash Equivalents and Restricted Cash	9,818,346	3,096,938
Cash, Cash Equivalents and Restricted Cash - Beginning	18,993,106	15,896,168
Cash, Cash Equivalents and Restricted Cash - Ending	\$ 28,811,452	\$ 18,993,106
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	\$ 315,691	\$ 319,931

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE ORGANIZATION

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

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

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

CAC owns, operates and manages an eight floor parking garage and office building located at 3150 SW 3rd Avenue, Miami, Florida. CAC leases the office space on the 8th floor to an unrelated not-for-profit organization, which is a grantor of the Organization that deals with children's issues. During the year ended June 30, 2022, the Organization received grant funding from this not-for-profit organization amounting to approximately \$1,580,000, which is included as a component of grants in the accompanying consolidated statement of activities and changes in net assets.

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

United Way of Miami-Dade Real Property Holdings LLC serves to receive in-kind real properties contributed to the Organization. During the year ended June 30, 2022, this entity did not receive any real properties.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

THE ORGANIZATION (CONTINUED)

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

PRINCIPLES OF CONSOLIDATION

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

USE OF ESTIMATES

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

FINANCIAL STATEMENT PRESENTATION

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

Without Donor Restrictions

Net assets which are free of donor-imposed restrictions; all revenues, expenses, gains and losses that are not changes in net assets with donor restrictions. As of June 30, 2022, United Way has board designated net assets included in without donor restrictions net assets (see Note 12).

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

FINANCIAL STATEMENT PRESENTATION (CONTINUED)

With Donor Restrictions

Net assets used by United Way which are limited by donor-imposed restrictions that either expire with the passage of time, that can be fulfilled or otherwise removed by actions of United Way pursuant to those stipulations or are subject to donor-imposed restrictions that are required to be maintained in perpetuity by United Way. As of June 30, 2022, United Way had net assets with donor restrictions of \$9,411,043.

SUMMARIZED COMPARATIVE FINANCIAL INFORMATION

The consolidated financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2021, from which the summarized information was derived.

CONCENTRATION OF CREDIT AND MARKET RISK

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

Cash and Cash Equivalents (Including Restricted Cash)

Financial instruments that potentially subject United Way to concentrations of credit risk consist of deposit accounts. At June 30, 2022 and at certain times during the year, the United Way had amounts on deposit that were in excess of the federally insured limits. United Way maintains these balances in what it believes to be high quality financial institutions, which it believes limits its risk.

Investments

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

CONCENTRATION OF CREDIT AND MARKET RISK (CONTINUED)

Pledges Receivable (Including Donor-Designated)

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

ANNUAL FUNDRAISING/CONTRIBUTIONS/PROMISE TO GIVE

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

Contributions are recognized as revenue when they are received or unconditionally pledged. An unconditional promise to give that is expected to be collected within one year is recorded at its net realizable value. Unconditional promises to be collected in future years are recorded at their present value of estimated future cash flows using a risk-free interest rate applicable to the year which the promise was made. Contributions that are not directed to another agency are presented net of any allowance for doubtful accounts. As of June 30, 2022, the allowance was approximately \$1,449,000. Contributions that are directed to another agency are also recognized as revenue when the pledge is received with an offsetting counter revenue. Directed contributions do not include an allowance for doubtful accounts as the payment to agencies are based on actual collection.

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Organization previously adopted Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) 2014-09, “*Revenue from Contracts with Customers (Topic 606)*”. This ASU outlines a single comprehensive model for recognizing revenue as performance obligations, defined in a contract with a customer as goods or services transferred to the customer in exchange for consideration, are satisfied. The standard also requires expanded disclosures regarding the Organization’s revenue recognition policies and significant judgments employed in the determination of revenue.

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

CASH EQUIVALENTS

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

RESTRICTED CASH

Restricted cash are segregated Donor Advised Fund (“DAF”) accounts held in a local financial institution. DAF accounts are accounts set up by United Way on behalf of donors within the guidelines provided by the Internal Revenue Service. Under these guidelines, contributions received from donors are deposited into separate bank accounts and the funds are available to be directed by the donor at a later date. These segregated funds are pending release to United Way until the respective donor advises and United Way approves recipients and amounts to be distributed. These contributions are agency transactions and revenues or expenses related to these accounts are not reflected in United Way’s net assets at June 30, 2022. Accordingly, United Way has recorded a liability of \$22,450,582 at June 30, 2022, as a component of donor-designated allocations payable in the accompanying consolidated statement of financial position, representing the restricted funds that had not been released by the donors. As of June 30, 2022, the restricted cash component of that liability was \$16,881,606; there are restricted investments attributed directly to the DAF accounts at June 30, 2022 amounting to \$5,568,976.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH

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

Cash and cash equivalents	\$ 2,589,127
Restricted cash	<u>26,222,325</u>
Total Cash, Cash Equivalents, and Restricted Cash Presented in the Consolidated Statement of Cash Flows as of June 30, 2022	<u>\$ 28,811,452</u>

INVESTMENTS

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

INTEREST IN LIMITED PARTNERSHIP

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

INTEREST IN LIMITED PARTNERSHIP (CONTINUED)

During the year ended June 30, 2022, redemptions made by the donor were approximately \$513,000. During the year ended June 30, 2022, capital gains were approximately \$856,000. As of June 30, 2022, United Way had under a 1% interest in the limited partnership. As of June 30, 2022, the carrying value of the preferred interest in limited partnership was \$8,509,679.

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

RECEIVABLES AND OTHER ASSETS

Receivables and other assets represent receivables from various sources, which include tenants, special events sponsorships and unconditional grant awards from various sources. Grant receivables may include awards from private donors, federal, state, and local governmental agencies, and other not-for-profit agencies. Grant receivables that are expected to be received within one year are recorded at their net realizable value. Grant receivables that are expected to be received in future years are recorded at the present value of future cash flows. The discounts on those amounts are computed using a risk-free interest rate applicable to the year in which the grant is awarded. As of June 30, 2022, all grant receivables were current (refer to Note 6).

FAIR VALUE OF FINANCIAL INSTRUMENTS

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

PROPERTY AND EQUIPMENT

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

IMPAIRMENT OF LONG-LIVED ASSETS

In accordance with FASB Accounting Standards Codification (“ASC”) No. 360, *Property, Plant and Equipment*, the carrying value of long-lived assets is reviewed whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by determining if the carrying value of the asset exceeds the sum of the projected undiscounted cash flows expected to result from the use and eventual disposition of the asset over the remaining economic life of the asset. If recoverability is not assured, impairment is determined based on comparing the carrying value of the asset and the estimated fair value of the asset. Management does not believe that long-lived assets were impaired as of June 30, 2022.

GRANTS

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

SPECIAL EVENTS

Annually, United Way hosts various special events to supplement its fundraising activities. United Way classifies these events as peripheral from its activities and reports revenues at net amounts in the accompanying consolidated statement of activities and changes in net assets. For the year ended June 30, 2022, gross revenues from special events amounted to \$2,744,882. For the year ended June 30, 2022, the direct costs related to special events amounted to \$1,050,163.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

CONTRIBUTED GOODS AND SERVICES

Contributed goods and services are reflected in the accompanying consolidated financial statements at their estimated fair value, if reasonably determined. The contributions of services are recognized if the services received (a) create or enhance non-financial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations. For the year ended June 30, 2022, there were no significant non-cash contributions.

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

DEFERRED RENT

United Way records rent revenue from operating leases, which generally call for escalating payments and free rents over the terms of the leases, on a straight-line basis over the lease term, as required in FASB ASC No. 840, *Leases*. The difference between the rent payments received and straight-line basis of such rent is recorded as deferred rent. As of June 30, 2022, the deferred rent was insignificant.

FUND-RAISING ACTIVITIES

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

FUNCTIONAL ALLOCATION OF EXPENSES

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

INCOME TAXES

United Way Miami, Inc. is a not-for-profit organization, as described in Section 501(c)(3) of the Internal Revenue Code and as such is subject to Federal income taxes only on unrelated business income. For the year ended June 30, 2022, there was no significant unrelated business income tax resulting from unrelated business income. United Way Miami, Inc.'s subsidiaries are all single member limited liability corporations and are disregarded for income tax purposes.

GAAP requires management to evaluate tax positions taken and recognize a tax liability (or asset) if United Way has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken and has concluded that as of June 30, 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the accompanying consolidated financial statements. If United Way were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense, and penalties on any income tax liability would be reported as income taxes. United Way is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

RECENT ACCOUNTING PRONOUNCEMENTS

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

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. This ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. United Way implemented this ASU effective July 1, 2021. The adoption did not have a significant impact on United Way's consolidated financial statements.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

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

SUBSEQUENT EVENTS

United Way has evaluated subsequent events through December 8, 2022, which is the date the consolidated financial statements were available to be issued.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES

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

In addition to the financial assets available to meet expenditures over the 12 months, United Way operates with a balanced budget and anticipates collecting sufficient revenues to cover expenditures. Refer to the accompanying consolidated statement of cash flows which identifies the sources and uses of the Organization's cash for the twelve months ended June 30, 2022.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

As of June 30, 2022, the following financial assets (net of any associated restrictions and designations) could be readily made available within one year of the consolidated statement of financial position to meet general expenditures.

Financial Assets

Cash, cash equivalents and restricted cash	\$ 28,811,452
Accounts receivable, net - collected in less than one year	2,166,865
Pledge receivable, net - collected in less than one year	10,060,967
Investments and restricted investments	<u>70,940,288</u>

Total Financial Assets 111,979,572

Less: contractual or donor-imposed restrictions:

Donor designated and advised funds	(36,716,973)
Endowment funds	(8,417,548)

Less: board designations

Fixed contingency	(1,131,458)
Emergency Relief Funds	(1,000,000)
Community Impact Funds	(27,527,392)
Board designated endowment	(22,247,820)
Add back: endowment distribution	1,458,500
Unrealized gains	<u>(1,569,755)</u>

**Financial Assets Available to Meet Cash Needs
for Expenditures Within One Year**

\$ 14,827,126

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 3 - INVESTMENTS

Investments as of June 30, 2022 are comprised of the following:

U.S. Corporate Bonds	<u>\$ 16,106,313</u>
Equity Securities	
Domestic	127,987
International	2,172,247
Alternative	<u>579,744</u>
Total Equity Securities	<u>2,879,978</u>
Mutual Funds	
Large Growth	9,531,258
Large Value	9,018,839
Large Blend	7,991,392
Short Term Bond	4,686,185
High Yield Bond	2,698,163
Foreign Large Growth	2,520,924
Mid-Cap Value	2,241,901
Mid-Cap Blend	1,979,254
Diversified Emerging Markets	1,711,178
Small Blend	1,546,296
Foreign Large Blend	1,405,806
Small Value	701,927
Intermediate Core-Plus Bond	680,384
Mid-Cap Growth	523,498
Small Growth	469,783
Multi-Sector Bond	465,151
Global Bond	278,412
Multi-Strategy	35,145
Small Cap	16,453
Mid Core	9,273

continued

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 3 - INVESTMENTS (CONTINUED)

Foreign Small/Mid Blend	<u>4,994</u>
Total Mutual Funds	<u>48,516,216</u>
Lending Fund	<u>829,597</u>
Private Equity	<u>1,163,889</u>
Strategy Event Driven	<u>246,964</u>
Real Estate Fund	<u>1,144,901</u>
Certificates of Deposit	<u>52,430</u>
Total Investments	<u><u>\$ 70,940,288</u></u>

The following summarizes the contractual scheduled maturities of the investments in debt securities (U.S. Corporate Bonds) as of June 30, 2022:

For the Year Ending June 30,	Amount
2023	\$ 1,380,978
2024	3,278,357
2025	3,303,153
2026	2,038,906
2027	2,263,130
Thereafter	<u>3,841,789</u>
Total	<u><u>\$ 16,106,313</u></u>

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 4 - FAIR VALUE MEASUREMENTS

FASB ASC 820, “*Fair Value Measurements and Disclosures*”, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under this FASB guidance are described as follows:

Level 1

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

Level 2

Inputs to the valuation methodology include:

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

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

Level 3

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

There have been no changes in the methodologies used at June 30, 2022.

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

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

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

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

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

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

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

	Fair Value Measurements at June 30, 2022			
	Level 1	Level 2	Level 3	Total
Assets				
U.S. corporate bonds	\$ 16,106,313	\$ --	\$ --	\$ 16,106,313
Equity securities	2,879,978	--	--	2,879,978
Mutual funds	48,516,216	--	--	48,516,216
Total Assets	<u>\$ 67,502,507</u>	<u>\$ --</u>	<u>\$ --</u>	<u>67,502,507</u>
Investments Measured at the Net Asset Value (NAV)*:				
				Lending Funds 829,597
				Private Equity Funds 1,163,889
				Strategy Event Driven 246,964
				Real Estate Fund 1,144,901
				<u>Total Investments Measured at NAV 3,385,351</u>
				Total Investments ** <u>\$ 70,887,858</u>

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

** Total investments exclude Certificates of Deposit, which are recorded at cost plus accrued interest. The Organization had Certificates of Deposits totaling \$52,430 as of June 30, 2022.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

NET ASSET VALUE PER SHARE PRACTICAL EXPEDIENT

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

	Fair Value as of June 30, 2022	Valuation Method	Input Rate Applied	Unfunded Commitments as of June 30, 2022	Redemption Frequency	Redemption Notice Period
Alternative Strategies						
Lending Fund						
Goldman Sachs Middle Market Lending Corp. (a)	\$ 74,692	Practical expedient	N/A	\$ 422,500	N/A	N/A
Star Mountain Fund II-A, L.P. (b)	724,739	Practical expedient	N/A	37,500	N/A	N/A
Canyon Laurel Master Funds (c)	30,166	Practical expedient	N/A	132,421	N/A	N/A
Private Equity						
Blackstone BTAS IV Private Investors, L.P. (d)	685,218	Practical expedient	N/A	140,184	N/A	N/A
Glendower Capital Secondary Opportunities Fund (e)	411,592	Practical expedient	N/A	165,658	N/A	N/A
Smash Capital Fund I, L.P. (f)	67,079	Practical expedient	N/A	723,000	N/A	N/A
Strategy Event Driven						
HG Vora Special Opportunities Fund (g)	246,964	Practical expedient	N/A	--	Quarterly	90 Days
Real Estate Fund						
Rialto Real Estate Fund IV - Property, LP (h)	47,394	Practical expedient	N/A	43,518	N/A	N/A
Rialto Real Estate Fund IV - Debt, LP (h)	74,257	Practical expedient	N/A	77,619	N/A	N/A
Blackstone Real Estate Income Trust (i)	<u>1,023,250</u>	Practical expedient	N/A	<u>--</u>	N/A	N/A
Total Alternative Strategies	<u>\$ 3,385,351</u>			<u>\$ 1,742,400</u>		

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

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

NET ASSET VALUE PER SHARE PRACTICAL EXPEDIENT (CONTINUED)

- (c) The Fund strategy is to originate loans and make other debt and preferred equity investments in commercial properties in densely populated U.S. urban and suburban markets. The fund will seek to capitalize on opportunities created by the implementation of new regulatory regimes that constrain the lending ability of banks and other traditional lenders.
- (d) The Fund primary objective is to invest across a broad mix of Blackstone's private equity, real estate, credit and opportunistic alternative asset management strategies.
- (e) The Fund strategy aims to build a globally diversified portfolio of seasoned funds, GP-led transactions and co-investments on the secondary market along with value creation through in-depth fundamental analysis as opposed to deal structuring.
- (f) The Fund seeks to generate financial returns from equity investments in Consumer Internet and Software companies seeking to leverage expertise in branding, IP, marketing, business model transformation, audience-building strategies, video and audio content, video games, sports, news/information, talent and live events ("Media") to accelerate their business growth.
- (g) The Fund invests substantially all of its assets through a master-feeder structure in HR Vora Special Opportunities Master Fund, Ltd. and Subsidiaries, an investment company that has the same investment objectives as the Fund. The Master Fund was organized for the purpose of trading and investing in a mix of securities including common and preferred stocks, bank debt, corporate and convertible bonds, private placements, and real estate investment trusts, as well as derivative contracts including option contracts and return swaps for bank debt, common stocks, and fixed income warrants.
- (h) The Fund invests in newly issued and secondarily traded commercial mortgage backed securities, sub-performing and non-performing loan portfolios, secured credit, including mezzanine loans, B-notes, and preferred equity, and other high yield located primarily in the United States.
- (i) The fund strategy is to invest in stabilized commercial real estate diversified by sector with a focus on providing current income to investors.

The Organization has unfunded commitments in its Lending Funds, Private Equity and Real Estate Fund portfolio of approximately \$1,742,000 at June 30, 2022. In addition, the Organization does not expect to receive distributions through liquidation of the underlying assets of the private equity funds until the end of each respective fund's life.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 5 - PLEDGES RECEIVABLE

United Way has entered into certain agreements to receive pledge contributions, including donor-designated. Pledge contributions to be received in one year or less from the consolidated statement of financial position date are recorded at net realizable value (fair value, less any applicable doubtful account allowances). Pledge contributions to be received after one year from the statement of financial position date are recorded at fair value, which is determined based on the value of the estimated discounted future cash flows, less any doubtful account allowances. As of June 30, 2022, United Way used a discount rate (risk-free interest rate) ranging from 1.23% to 2.80% on such pledge contributions. The unamortized discount was insignificant as of June 30, 2022.

Outstanding pledges receivable as of June 30, 2022 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Subtotal	Donor- Directed	Total
Less than one year	\$ 8,516,891	\$ --	\$ 8,516,891	\$ 2,692,832	\$ 11,209,723
One to five years	--	894,038	894,038	6,200	900,238
Net of discounts	8,516,891	894,038	9,410,929	2,699,032	12,109,961
Allowance for doubtful accounts	(1,448,605)	--	(1,448,605)	--	(1,448,605)
Net of Allowance	\$ 7,068,286	\$ 894,038	\$ 7,962,324	\$ 2,699,032	\$ 10,661,356

For the year ended June 30, 2022, one donor accounted for approximately 51% of the total donor designated campaign.

NOTE 6 - RECEIVABLES AND OTHER ASSETS

Receivables and other assets are comprised of the following as of June 30, 2022:

Grants receivable	\$ 1,114,845
Other receivables	1,052,020
Prepaid expenses and other assets	<u>211,158</u>
Total Receivables and Other Assets	<u>\$ 2,378,023</u>

As of June 30, 2022, all grants and other receivables are due within one year.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 7 - PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2022 consist of the following:

	Amount	Estimated Useful Lives
Land	\$ 7,019,337	--
Building and improvements	30,271,633	39 years
Computer equipment	381,188	3 years
Office furniture and equipment	1,867,471	5 years
Vehicles	<u>957,228</u>	5 years
	40,496,857	
Less: accumulated depreciation and amortization	<u>(14,956,803)</u>	
Subtotal	25,540,054	
Construction in progress	<u>51,029</u>	
Property and Equipment, Net	<u><u>\$ 25,591,083</u></u>	

For the year ended June 30, 2022, depreciation and amortization expense was \$995,130.

NOTE 8 - DONOR-DESIGNATED CONTRIBUTIONS

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 8 - DONOR-DESIGNATED CONTRIBUTIONS (CONTINUED)

Donor-designated contributions available for distribution for the year ended June 30, 2022 were as follows:

Donor designations	\$ 17,554,153
Add back: Investment income from donor advised funds	(735,048)
Special contribution and capital gains	<u>855,817</u>
Total Donor-Designated Contributions	<u>\$ 17,674,922</u>

NOTE 9 - DISTRIBUTIONS TO AGENCIES

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

During the year ended June 30, 2022, the amount accrued and expensed for distributions to Impact, Strategic Partners and Collective Impact was \$8,219,569. They are included in distributions to agencies and grant expenses in the accompanying consolidated statement of activities and changes in net assets.

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 10 - NOTES PAYABLE

TAX EXEMPT INDUSTRIAL REVENUE BONDS

In May 2008, United Way executed a loan agreement, payable on demand, with the Miami-Dade County Industrial Development Authority ("Issuer") in conjunction with the issuance of the Tax-exempt Industrial Revenue Bonds ("Bonds"), par values totaling \$16,000,000. Additionally, as security for the payment of the Issuer loan, United Way negotiated an irrevocable letter of credit issued by a financial institution for an amount not to exceed \$16,240,000. Pursuant to the Issuer loan agreement, the Issuer lends the proceeds from the sale of the Bonds to United Way. The funds were used to pay down prior notes payable and an interest rate swap agreement related to the Ansin, CFE and CAC buildings and to fund the cost related to the issuance of the Bonds, as discussed below. In conjunction with the Issuer loan agreement, United Way entered into an interest rate swap agreement dated May 23, 2008 to hedge its exposure to interest rate fluctuations by fixing the interest rate at 3.4% on the Bonds.

In December 2012, United Way executed a refinancing agreement with Bank United, ("Bondholder") and the Miami-Dade County Industrial Development Authority in conjunction with the issuance of the Tax-exempt Revenue Refunding Bonds, par values totaling \$15,415,000. Pursuant to the Bondholder loan agreement, United Way used bond proceeds to pay off the then outstanding principal balance, \$13,615,000, of the Issuer loan. In connection with the transaction, United Way incurred bond costs of \$238,090 of which \$165,783 was capitalized as loan costs and is amortized under the straight line method over the life of the Bonds. As of June 30, 2022, the remaining unamortized loan costs was insignificant. The effective interest rate of the new debt with Bank United is 2.32% per annum.

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

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 10 - NOTES PAYABLE (CONTINUED)

TAX EXEMPT INDUSTRIAL REVENUE BONDS (CONTINUED)

The terms of the Bondholder loan require monthly payments of principal and interest and requires compliance with certain financial covenants. The Bondholder loan is secured by certain property of the Organization. As of June 30, 2022, the Organization was in compliance with all financial covenant requirements. For the year ended June 30, 2022, interest expense was approximately \$316,000. At June 30, 2022, the outstanding balance of the Bondholder loan was \$9,102,588.

Future payments on the Bondholder loan as of June 30, 2022 are as follows:

For the Year Ending June 30,	Amount
2023	\$ 745,849
2024	769,148
2025	793,175
2026	817,953
2027	843,504
Thereafter	<u>5,132,959</u>
Total	<u><u>\$ 9,102,588</u></u>

NOTE 11 - CONTINGENCIES

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

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 12 - NET ASSETS

As of June 30, 2022, without donor restrictions net assets consisted of the following:

Net assets without donor restrictions as of June 30, 2022 are as follows:

Board Designated Programs

Fixed Contingency	\$ 1,131,458
Community Emergency Relief Fund	1,000,000
Community Impact Contingency Fund	27,527,392
Property Fund	<u>16,007,446</u>

Total Board Designated Programs	45,666,296
--	-------------------

Board designated endowment	22,247,820
Unrealized gains on investments	1,569,755
Unrestricted and undesignated	<u>1,406,853</u>

Total Net Assets Without Donor Restrictions	<u>\$ 70,890,724</u>
--	-----------------------------

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

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

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

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

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 12 - NET ASSETS (CONTINUED)

Net assets with donor restrictions as of June 30, 2022 are as follows:

Subject to Expenditures for Specified Purpose

Unrestricted Campaign	\$ 1,046,357
Grants	245,759
Mission United	99,822
Center for Financial Stability	180,278
Less: DOP Campaign Release from Restrictions	<u>(579,729)</u>

Total Net Assets Subject to Expenditures for Specified Purpose	<u>992,487</u>
---	----------------

Subject to Organization Spending Policy and Appropriation

Investment in perpetuity:

Center for Excellence	8,227,548
Women United for Our Future	<u>191,008</u>

Total Net Assets Subject to Organization Spending Policy and Appropriation	<u>8,418,556</u>
---	------------------

Total Net Assets With Donor Restrictions	<u><u>\$ 9,411,043</u></u>
---	----------------------------

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors during the year ended June 30, 2022 as follows:

Purpose and Time Restrictions Accomplished

Unrestricted Campaign	\$ 663,679
Grants	250,628
Mission United	60,843
Center for Financial Stability	<u>110,000</u>

Total Net Assets Released from Donor Restriction	<u><u>\$ 1,085,150</u></u>
---	----------------------------

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 13 - ENDOWMENTS

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

INTERPRETATION OF RELEVANT LAW

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

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

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

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

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 13 - ENDOWMENTS (CONTINUED)

INTERPRETATION OF RELEVANT LAW (CONTINUED)

For the year ended June 30, 2022, United Way had the following endowment related activities:

Endowment Net Asset Composition by Net Asset Type For the Year Ended June 30, 2022			
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment	\$ --	\$ 8,417,548	\$ 8,417,548
Board-designated endowment	<u>22,247,820</u>	<u>--</u>	<u>22,247,820</u>
Total Endowment Funds	<u>\$ 22,247,820</u>	<u>\$ 8,417,548</u>	<u>\$ 30,665,368</u>

Endowment Net Asset Composition by Net Asset Type For the Year Ended June 30, 2022			
	Without Donor Restrictions	With Donor Restrictions*	Total
Net Assets - Beginning	<u>\$ 27,332,995</u>	<u>\$ 8,417,548</u>	<u>\$ 35,750,543</u>
Investment Return			
Investment income	1,060,652	--	1,060,652
Loss	<u>(5,600,408)</u>	<u>--</u>	<u>(5,600,408)</u>
Total Investment Return	(4,539,756)	--	(4,539,756)
Contributions to Endowment	913,081	1,008	914,089
Amounts Appropriated for Expenditure	<u>(1,458,500)</u>	<u>--</u>	<u>(1,458,500)</u>
Total Change in Endowment Funds	<u>(5,085,175)</u>	<u>1,008</u>	<u>(5,084,167)</u>
Net Assets - Ending	<u>\$ 22,247,820</u>	<u>\$ 8,418,556</u>	<u>\$ 30,666,376</u>

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 14 - INTEREST IN LIMITED PARTNERSHIP

2012 AMENDED AND RESTATED COMPREHENSIVE CHARITABLE CONTRIBUTION AGREEMENTS

On December 1, 2012, the United Way entered into a preferred interest in a limited partnership and a redemption agreement, as the sole recipient of a trust corpus to be distributed upon termination of certain trusts created by a donor ("Donor"). The aggregate value of the preferred interest in the limited partnership was \$8,993,099. The agreement amended all prior existing agreements between United Way and Donor. As of June 30, 2022, United Way had under a 1% interest in the Partnership. For the year ended June 30, 2022, the value of the preferred interest in the limited partnership, net of investment gains of \$855,817 and redemptions by Donor of \$512,689 resulted in a balance of \$8,509,679. The investment gains and gift were recorded as special contribution revenue during the year ended June 30, 2022, offset by donor designations for the same amount in the accompanying consolidated statement of activities and changes in net assets. Since the Donor has the right to designate the redemption payments to other 501(c)(3) organizations, the capital gains (losses) and the capital contributed by the Donor are recognized as agency transactions and the corresponding liability is reflected in the accompanying consolidated statement of financial position as of June 30, 2022.

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

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

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 15 - LEASING ARRANGEMENTS

In November 2016, 3250 REH and CAC entered into a 4-year lease agreement to rent office space to an unrelated non-profit organization. The lease was amended in November 2020 to extend for 1 additional year. The lease was amended again in November 2021 to extend for 9 additional years through November 2030.

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

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

For the Year Ending June 30,	Amount
2023	\$ 647,000
2024	423,000
2025	402,000
2026	406,000
2027	412,000
Thereafter	<u>1,288,000</u>
Total	<u>\$ 3,578,000</u>

For the year ended June 30, 2022, net rental income amounted to approximately \$690,000, which is included in the accompanying consolidated statement of activities and changes in net assets.

For the year ended June 30, 2022, rent expense on all operating leases was approximately \$11,000. Generally, operating leases whereby United Way is the lessee are for one year terms or less.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 16 - RETIREMENT PLAN

The Organization maintains a 401(k) retirement plan (the “Plan”) for the benefit of all its employees meeting the minimum eligibility requirements pursuant to the Plan document. The Organization contributes 3% of eligible compensation on behalf of each eligible employee. In addition, the Organization may make a discretionary additional matching contribution of up to 3% (50% of the employee contribution up to 6%) of eligible compensation on behalf of each eligible employee. For the year ended June 30, 2022, the Organization contributed approximately \$453,000 to the Plan.

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

SCHEDULE OF DISTRIBUTIONS TO AGENCIES

FOR THE YEAR ENDED JUNE 30, 2022

		Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
	Total		
Impact Partners			
ADOM Health Foundation, Inc.	\$ 25,083	\$ 25,083	\$ --
American Red Cross of Greater Miami & The Keys	261,592	259,250	2,342
AMIKids Miami-Dade, Inc.	110,720	106,488	4,232
Belafonte Tacolcy Center, Inc.	46,562	45,000	1,562
Big Brothers Big Sisters of Greater Miami	312,278	204,576	107,702
Boys & Girls Clubs of Miami-Dade, Inc.	204,527	80,000	124,527
Branches, Inc.	516,136	490,000	26,136
Care Resource	100,133	99,972	161
Catalyst Miami, Inc.	100,145	100,000	145
CC Child Development Services	157,261	157,261	--
CC Services for the Elderly	72,985	69,630	3,356
CCDH, Inc.	50,026	50,000	26
Center for Family and Child Enrichment	70,683	70,000	683
Centro Campesino Farmworker Center	162,641	160,932	1,709
Centro Mater Child Care Services, Inc.	175,000	175,000	--
Children's Bereavement Center, Inc.	24,271	9,000	15,271
Children's Home Society of Florida	73,285	69,978	3,308
Citrus Health Network, Inc.	129,248	129,248	--
City Year, Inc.	50,000	50,000	
Coconut Grove Cares, Inc.	102,880	85,000	17,880
Common Threads	60,172	59,981	191
Community Smiles aka Dade County Dental	69,978	69,978	--
Cuban American National Council, Inc.	30,000	30,000	--
Dave and Mary Alper JCC	28,100	25,000	3,100
Douglas Gardens Community Mental Health Center	53,983	53,983	
Easter Seals South Florida, Inc.	191,582	180,248	11,335
Epilepsy Florida, Inc.	53,319	50,984	2,335
Family Resource Center of South Florida, Inc.	79,975	79,975	
Feeding South Florida	77,106	75,000	2,106
Foster Care Review, Inc.	59,932	55,250	4,682
Friendship Circle of Miami, Inc.	12,681	5,275	7,406
Girl Power Rocks, Inc.	84,067	84,000	67
Girl Scout Council of Tropical Florida, Inc.	126,645	125,000	1,645
Goodwill Industries of South Florida, Inc.	389,662	340,000	49,662
Greater Miami Jewish Federation	1,502,663	--	1,502,663
Greater Miami Service Corps	25,451	25,000	451

Continued

See independent auditors' report.

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

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Impact Partners (continued)			
Guitars Over Guns Organization, Inc.	\$ 17,154	\$ 16,667	\$ 487
Healthy Start Coalition of Miami-Dade	52,990	52,733	257
Hearing and Speech Center of Florida, Inc.	168,546	168,203	343
ICU baby, Inc.	11,667	11,667	--
Institute for Child and Family Health, Inc.	104,022	103,986	35
Jewish Community Services of South Florida, Inc.	1,052,230	1,004,402	47,829
Legal Services of Greater Miami, Inc.	174,282	159,033	15,249
Little Havana Activities and Nutrition Centers of Dade County	135,864	135,609	255
Miami Bridge Youth & Family Services	184,721	175,220	9,501
Michael-Ann Russell JCC	89,955	86,470	3,485
NAMI of Miami, Inc.	20,000	20,000	--
New Horizons Community Mental Health Center	52,088	51,000	1,088
Open Door Health Center, Inc.	51,527	49,984	1,543
Overtown Youth Center, Inc.	813,356	318,984	494,372
Redlands Christian Migrant Association	148,401	147,559	842
Richmond-Perrine Optimist Club, Inc.	92,569	90,000	2,569
Salvation Army - Miami Area Command	77,906	75,000	2,906
Sant La/Haitian Neighborhood Center,	174,170	163,542	10,627
Southwest Social Services Program, Inc.	90,660	90,578	81
The Arc of South Florida	179,408	177,991	1,416
The Family Christian Association of America, Inc.	136,727	134,470	2,256
United Home Care Services, Inc.	494,820	494,770	50
Urban League of Greater Miami, Inc.	187,073	187,000	73
YMCA of South Florida	44,929	40,000	4,929
Youth Co-Op, Inc.	165,131	165,000	131
YWCA South Florida, Inc.	241,893	239,979	1,913
Total Payments to Impact Partners	<u>\$10,552,859</u>	<u>\$ 8,055,937</u>	<u>\$ 2,496,922</u>

See independent auditors' report.

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

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

		Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
	Total		
Special Programs			
<i>Disaster Relief Funds</i>			
American Red Cross of Greater Miami & the Keys	\$ 50,000	\$ 50,000	\$ --
Ayiti Community Trust, Inc	40,000	40,000	--
Ayiti Demen	64,066	64,066	--
Branches, Inc.	17,500	17,500	--
Catholic Charities of the Archdiocese of Miami, Inc.	30,000	30,000	--
Community Health of South Florida, Inc.	12,500	12,500	--
Epilepsy Florida, Inc.	17,500	17,500	--
Flying High 4 Haiti, Inc.	5,000	5,000	--
Food for the Poor, Inc.	45,000	45,000	--
Foster Care Review, Inc.	28,000	28,000	--
Gaskov Clerge Foundation	50,000	50,000	--
Global Empowerment Mission, Inc.	10,000	10,000	--
Haitian American Nurses Association of Florida, Inc.	20,000	20,000	--
Haitian Global Health Alliance, Inc.	20,000	20,000	--
Haitian Health Foundation, Inc.	15,000	15,000	--
Hope for Haiti, Inc.	35,000	35,000	--
ICU baby, Inc	8,000	8,000	--
IsraAid (US) Global Humanitarian Assistance, Inc	10,000	10,000	--
Jewish Community Services, Inc.	186,667	186,667	--
Lambi Fund of Haiti	45,000	45,000	--
Man Dodo Humanitarian Foundation, Inc.	38,475	38,475	--
NAMI of Miami, Inc.	30,000	30,000	--
Prodev USA Foundation, Inc.	35,000	35,000	--
Project Medishare for Haiti, Inc	45,000	45,000	--
Redlands Christian Migrant Association	17,500	17,500	--
South Dade Veterans Alliance	17,500	17,500	--
The Miami Foundation	50,000	50,000	--
United Home Care Services, Inc.	22,580	22,580	--
We Count, Inc.	17,500	17,500	--
Total Payments to Disaster Relief Funds	982,788	982,788	--
<i>Other Special Programs</i>			
Branches, Inc. - Financial Assitance Program	77,336	77,336	--
PACE Center for Girls, Inc. - Miami-Dade	10,279	10,279	--
University of Miami - early childhood data project	120,500	120,500	--
Total Payments to Other Special Programs	208,115	208,115	--

Continued

See independent auditors' report.

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

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

		Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
	Total		
Special Programs (continued)			
<i>EHS-CCP Child Care Payments</i>			
A New World Academy	\$ 997,146	\$ 997,146	\$ --
Bright Steps Academy	278,254	278,254	--
Easter Seals South Florida, Inc.	452,221	452,221	--
Las Americas Learning Center	12,752	12,752	--
Mitchell Large Family Child Care Home	63,841	63,841	--
Osman Family Day Care Home	37,479	37,479	--
St. Alban's Child Enrichment Center	196,698	196,698	--
St. Alban's Day Nursery, Inc.	141,399	141,399	--
Stephanie E. Clements Family Day Care Home	35,623	35,623	--
Rosalphine Child Care	196,456	196,456	--
Tiny Kingdom Learning Center	526,506	526,506	--
Tiny Smile Learning Center II, Inc.	312,425	312,425	--
Total EHS-CCP Child Care Payments	<u>3,250,798</u>	<u>3,250,798</u>	<u>--</u>
Total Payments to Special Programs	<u>\$ 4,441,701</u>	<u>\$ 4,441,701</u>	<u>\$ --</u>

See independent auditors' report.

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

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Designated Agencies			
Alpha Epsilon Pi Foundation, Inc.	\$ 201,000	\$ --	\$ 201,000
Alpine Learning Group Foundation, Inc.	25,000	--	25,000
American Friends of the Tel Aviv University	25,000	--	25,000
American Heart Association, Inc.	27,478	--	27,478
American Jewish Committee Greater Miami and Broward Chap	51,006	--	51,006
Americas Society, Inc.	45,600	--	45,600
Association of Graduates of the United States Military Acad.	100,000	--	100,000
Audrain Automobile Museum, Inc.	29,500	--	29,500
Baptist Health South Florida Foundation	261,754	--	261,754
Belen Jesuit Preparatory School, Inc.	45,404	--	45,404
Big Brothers Big Sisters of Metro Atlanta, Inc.	38,600	--	38,600
Birthright Israel Foundation	35,250	--	35,250
Boca Raton Rotary Fund, Inc.	25,000	--	25,000
Boca West Community Charitable Foundation, Inc.	112,463	--	112,463
Boys & Girls Clubs of Metro Atlanta	26,470	--	26,470
Carnegie Council for Ethics in International Affairs, Inc.	50,000	--	50,000
Carnegie Hall Corporation	48,600	--	48,600
Carrollton School of the Sacred Heart	150,696	--	150,696
Chabad of Gramercy Park dba Young Jewish Professionals	25,000	--	25,000
Chapman Partnership, Inc.	84,540	--	84,540
Charlotte Community Foundation, Inc.	25,000	--	25,000
Citizens Budget Commission	49,680	--	49,680
Colel Chabad, Inc.	34,000	--	34,000
Colorado Open Golf Foundation	45,120	--	45,120
CORE Community Organized Relief Effort	35,000	--	35,000
Coregiving Co.	25,000	--	25,000
Council of Jewish Emigre Community Organization, Inc.	47,000	--	47,000
Crohn's & Colitis Foundation of America Florida Chapter	41,043	--	41,043
Crohn's & Colitis Foundation of America, Inc.	40,000	--	40,000
Dallas Casa	25,000	--	25,000
Denver Public Library Friends Foundation	26,000	--	26,000
Diabetes Research Institute Foundation, Inc. DRI	209,802	--	209,802
DKMS	27,150	--	27,150
East Harlem Tutorial Program	30,000	--	30,000
Easter Seals Greater Washington	25,000	--	25,000
Edward M. Kennedy Institute	25,000	--	25,000
Family Promise of Morris County, Inc.	27,220	--	27,220
Florida Atlantic University Foundation	186,000	--	186,000
Florida Grand Opera, Inc.	78,300	--	78,300
Florida International University Foundation, Inc.	169,499	--	169,499
French-American Foundation	47,500	--	47,500

Continued
See independent auditors' report.

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

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

		Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
	Total		
Designated Agencies (continued)			
Fresh Start Women's Foundation	\$ 25,200	\$ --	\$ 25,200
Friends of the Israel Defense Forces	33,845	--	33,845
Friends of United Hatzalah	100,000	--	100,000
Garden of Dreams Foundation	50,000	--	50,000
Headstrong Project, Inc.	116,000	--	116,000
Her Justice, Inc.	43,500	--	43,500
His House Children's Home	34,372	--	34,372
Human Options, Inc.	31,250	--	31,250
Institute of Contemporary Art Miami	313,250	--	313,250
Jackson Health Foundation, Inc.	65,849	--	65,849
Jewish Federation Council Of Greater Los Angeles	60,000	--	60,000
Jewish Federation of South Palm Beach County	50,000	--	50,000
Jewish National Fund - New York	36,300	--	36,300
Junior Achievement of Georgia	38,635	--	38,635
Key Biscayne Community Foundation	434,343	--	434,343
Kids in Distress Inc.	40,000	--	40,000
Kollel Ohel Torah An Illinois Not for Profit Corporation	50,000	--	50,000
Lambda Legal Defense and Education Fund	27,500	--	27,500
Latino Justice PRLDEF	25,000	--	25,000
Lawyers Alliance for New York	47,500	--	47,500
Lawyers Committee for Legal Rights	30,000	--	30,000
Lehrman Community Day School, Inc.	32,750	--	32,750
Louis Hernandez Jr's Foundation for A Bright Future, Inc.	25,000	--	25,000
Make a Wish Foundation of Southern Florida, Inc.	31,762	--	31,762
Miami Dade College Foundation, Inc.	39,796	--	39,796
Miami Lighthouse for the Blind & Visually Impaired, Inc.	30,623	--	30,623
Mount Sinai Medical Center Foundation	50,750	--	50,750
Musicares Foundation, Inc.	49,500	--	49,500
National Center for Law and Economic Justice	50,000	--	50,000
National Jewish Health - New York	29,880	--	29,880
New Jersey Performing Arts Center Corporation	50,000	--	50,000
New World Symphony	110,000	--	110,000
New York University	67,500	--	67,500
OneJustice	28,125	--	28,125
Open Doors Solutions, Inc.	50,000	--	50,000
Palmer Trinity Private School, Inc.	59,747	--	59,747
Police Officers Assistance Trust, Inc.	130,789	--	130,789
Ravinia Festival Association	32,050	--	32,050
Razom, Inc.	100,000	--	100,000
Regents of the University of California at Berkeley	35,000	--	35,000

Continued

See independent auditors' report.

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

SCHEDULE OF DISTRIBUTIONS TO AGENCIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2022

	Total	Amounts Paid from Annual Campaign Excluding Donor Designated Contributions	Amounts Paid from Donor Designated Contributions
Designated Agencies (continued)			
Robert F Kennedy Center for Justice and Human Rights	\$ 94,000	\$ --	\$ 94,000
Ronald McDonald House of New York, Inc.	25,000	--	25,000
Root and Rebound	200,000	--	200,000
Roundabout Theatre Company, Inc.	41,150	--	41,150
Sarcoma Foundation of America, Inc.	25,000	--	25,000
South Florida PBS, Inc.	60,500	--	60,500
St. Augustine Church	50,123	--	50,123
St. Jude Children's Research Hospital, Inc.	28,897	--	28,897
St. Thomas University	132,500	--	132,500
Talmudic College of Florida, Inc.	202,500	--	202,500
Temple Beth AM	125,115	--	125,115
Temple Menorah	25,270	--	25,270
The Administrators of the Tulane	140,000	--	140,000
The Afya Foundation of America, Inc.	75,000	--	75,000
The Board of Trustees of the Leland	28,000	--	28,000
The Child Center of NY	25,000	--	25,000
The Committee for Hispanic Children and Families	46,250	--	46,250
The Community Foundation for Greater Atlanta, Inc.	50,000	--	50,000
The Education Fund	100,401	--	100,401
The Everglades Foundation, Inc.	27,500	--	27,500
The Juliana Greenfield Family Foundation	150,000	--	150,000
The Miami Foundation	37,360	--	37,360
Trustees of Columbia University	79,600	--	79,600
UJA - Federation of New York	107,250	--	107,250
United Jewish Appeal	25,000	--	25,000
United Jewish Community of Broward County, Inc.	25,200	--	25,200
Urban Assembly, Inc.	99,000	--	99,000
Van Alen Institute Projects in Public Architecture	25,000	--	25,000
Venture for America, Inc.	25,000	--	25,000
Women for Women International	75,000	--	75,000
Youth Renewal Fund	53,000	--	53,000
Other United Ways	150,961	--	150,961
University of Miami Programs	630,578	--	630,578
Other Agencies	<u>4,472,681</u>	<u>--</u>	<u>4,472,681</u>
Total Payments to Designated Agencies	<u>\$12,740,328</u>	<u>\$ --</u>	<u>\$12,740,328</u>
Total Payments	<u>\$27,734,888</u>	<u>\$12,497,638</u>	<u>\$15,237,250</u>

This schedule presents actual cash distributions made during the year ended June 30, 2022 and, accordingly, does not agree with the consolidated statement of activities and changes in net assets.

See independent auditors' report.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of United Way Miami, Inc. and Subsidiaries (collectively, the "United Way"), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the year ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 8 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Marcum LLP

Miami, FL
December 8, 2022

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

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

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited United Way Miami, Inc. and Subsidiaries' (collectively, the "United Way") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the United Way's major federal program for the year ended June 30, 2022. United Way's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the United Way complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200 , *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the United Way and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the United Way's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the United Way's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the United Way's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the United Way's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 United Way's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of United Way's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the United Way's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section below and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses and significant deficiencies in internal control over compliance may exist that were not identified.

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Very truly yours,

A handwritten signature in black ink that reads "Marcum LLP". The signature is written in a cursive, flowing style.

Miami, FL
December 8, 2022

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

Federal/Program Title/Pass Through Agency	Assistance Listing Numbers	Contract Number	Federal Expenditures
<i>U.S. Department of Health and Human Services</i>			
Office of Administration for Children and Families			
Head Start Cluster:			
Head Start and Early Head Start Grants:			
Early Head Start - Child Care Partnership	93.600	04HP00258-02-04	\$ 516,190
Early Head Start - Child Care Partnership	93.600	04HP00258-03-01	7,248,835
Early Head Start - Child Care Partnership Coronavirus Response & Relief	93.600	04HE000560-01-00	104,002
Early Head Start - Child Care Partnership American Rescue Plan Supplement	93.600	04HE000560-01-01	322,027
Early Head Start - Child Care Partnership Expansion	93.600	04HP00081-04-02	639,976
Pass-through Miami Dade County - Community Action Agency			
Head Start	93.600	04CH010192-013	230,912
Head Start Coronavirus Response & Relief	93.600	04HET001142	1,942
Head Start American Rescue Plan Supplement	93.600	04HE000544	9,381
Early Head Start	93.600	04CH010192-06-01	34,845
Early Head Start	93.600	04CH010192-013	392,808
Early Head Start Coronavirus Response & Relief	93.600	04HET001142	2,104
Early Head Start American Rescue Plan Supplement	93.600	04HE000544	<u>13,173</u>
Total Head Start Cluster			<u>9,516,195</u>
School Readiness TANF Cluster			
Indirect Projects Passed Through:			
Early Learning Coalition of Miami-Dade and Monroe Counties Child Care and Development Block Grant	93.575	G1082FLTANF	<u>314,856</u>
Total School Readiness TANF Cluster			<u>314,856</u>
Total U.S. Department of Health and Human Services			<u>9,831,051</u>
<i>U.S. Department of Agriculture</i>			
Office of Food and Nutrition Services:			
Pass-through:			
State of Florida Department of Health:			
Child and Adult Care Food Program	10.558	I-2637	73,090
Child and Adult Care Food Program	10.558	I-5223	21,018
Child and Adult Care Food Program	10.558	I-5553	215
Child and Adult Care Food Program	10.558	I-5569	36,113
Child and Adult Care Food Program	10.558	I-6107	<u>2,681</u>
Total Child and Adult Care Food Program			<u>133,117</u>
Total U.S. Department of Agriculture			<u>133,117</u>
Total Expenditures of Federal Awards			<u>\$ 9,964,168</u>

See notes to the schedule of expenditures of federal awards.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of United Way Miami, Inc. and Subsidiaries (collectively, the “Organization”) for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Audits of States, Local Government, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the consolidated financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 - INDIRECT COST RATE

The Organization has elected to use 21.70% as the indirect cost rate as approved by the U.S. Department of Health and Human Services as of June 30, 2022.

UNITED WAY MIAMI, INC. AND SUBSIDIARIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2022

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:

UNMODIFIED OPINION

Internal control over financial reporting:

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified that are
not considered to be material weakness(es)?

___ Yes X None Reported

Noncompliance material to financial statement noted?

___ Yes X No

FEDERAL PROGRAMS

Internal control over major program:

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified that are not
considered to be material weakness(es)?

___ Yes X None Reported

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

UNMODIFIED OPINION

Any audit findings disclosed that are required to be
reported in accordance with Uniform Guidance?

___ Yes X No

Identification of major Federal program:

AL NUMBER

NAME OF FEDERAL PROGRAM

93.600

Head Start

Dollar threshold used to distinguish between
type A and type B State programs:

\$750,000

Auditee qualified as low-risk auditee pursuant to
the Uniform Guidance?

 X Yes No

UNITED WAY MIAMI, INC. AND SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS

None.

SECTION III - FEDERAL PROGRAM FINDINGS AND QUESTIONED COSTS

None.

SECTION IV - PRIOR YEAR FINDINGS

None.