



# **United Way of Greater Philadelphia and Southern New Jersey and Affiliate**

**Consolidated Financial Statements  
June 30, 2021 and 2020**

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

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## **Independent Auditor's Report**

To the Board of Directors of  
United Way of Greater Philadelphia and Southern New Jersey  
Philadelphia, Pennsylvania

### ***Opinion***

We have audited the consolidated financial statements of United Way of Greater Philadelphia and Southern New Jersey and Affiliate ("UWGPSNJ"), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the UWGPSNJ as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

Management is responsible for the preparation and fair presentation of the 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 the Foundation's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.



### ***Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 the Foundation'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 the Foundation'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.

*BDO USA, LLP*

Philadelphia, Pennsylvania  
February 7, 2022

## **Consolidated Financial Statements**

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# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Consolidated Statements of Financial Position

<i>June 30,</i>	2021	2020
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 27,638,805	\$ 15,256,638
Short term investments, at fair value (Note 3)	8,696,537	17,100,410
Pledges receivable, net (Note 4)	7,828,006	9,622,243
Grants receivable (Note 5)	1,490,417	4,278
Other current assets	347,372	218,011
<b>Total Current Assets</b>	<b>46,001,137</b>	<b>42,201,580</b>
Long-term investments, at fair value (Note 3)	82,334,277	57,266,003
Long-term pledges receivable, net (Note 4)	238,466	934,042
Funds held for others (Note 2)	10,220,000	-
Land and equipment, net (Note 6)	563,196	707,710
Cash surrender value of life insurance policies	53,542	53,542
<b>Total Assets</b>	<b>\$ 139,410,618</b>	<b>\$ 101,162,877</b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Distributions payable to agencies, including donor designations of \$2,939,039 and \$4,776,082 in 2021 and 2020, respectively	\$ 9,066,442	\$ 13,184,937
Accounts payable and accrued expenses (Note 8)	3,020,143	3,166,889
Payroll Protection Program Loan (Note 9)	1,090,272	736,705
<b>Total Current Liabilities</b>	<b>13,176,857</b>	<b>17,088,531</b>
Funds held for others (Note 2)	10,220,000	-
Long-term distributions payable to agencies	2,945	38,548
<b>Total Liabilities</b>	<b>23,399,802</b>	<b>17,127,079</b>
<b>Net Assets</b>		
Without donor restrictions	81,218,111	52,283,369
With donor restrictions (Note 11)	34,792,705	31,752,429
<b>Total Net Assets</b>	<b>116,010,816</b>	<b>84,035,798</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 139,410,618</b>	<b>\$ 101,162,877</b>

*See accompanying notes to consolidated financial statements.*

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Consolidated Statement of Activities and Changes in Net Assets Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total 2021
<b>Public Support</b>			
Annual campaign	\$ 21,178,874	\$ 3,393,735	\$ 24,572,609
Gross campaign results in prior year - released from restriction	1,098,151	(1,098,151)	-
Program restricted campaign gifts raised in prior year released from restriction	1,187,774	(1,187,774)	-
Less - amounts raised on behalf of others	(10,092,493)	38,103	(10,054,390)
Gross undesignated annual campaign	13,372,306	1,145,913	14,518,219
Provision for uncollectable pledges	(553,986)	-	(553,986)
Net annual campaign	12,818,320	1,145,913	13,964,233
Grants and other contributions	20,765,366	-	20,765,366
<b>Total Public Support</b>	<b>33,583,686</b>	<b>1,145,913</b>	<b>34,729,599</b>
<b>Revenue</b>			
Earned revenue	2,496,519	-	2,496,519
Amounts received from other United Ways	116,168	-	116,168
Administrative fees on amounts raised on behalf of others	708,494	-	708,494
Legacies and bequests	298,401	-	298,401
Rental and miscellaneous income	1,621	-	1,621
Application of spending policy	3,220,916	-	3,220,916
Investment income	190,884	-	190,884
Donated materials and services	510,232	-	510,232
Net assets released from restrictions	2,908,220	(2,908,220)	-
<b>Total Revenue</b>	<b>10,451,455</b>	<b>(2,908,220)</b>	<b>7,543,235</b>
<b>Total Public Support and Revenue</b>	<b>44,035,141</b>	<b>(1,762,307)</b>	<b>42,272,834</b>

*See accompanying notes to consolidated financial statements.*

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Consolidated Statement of Activities and Changes in Net Assets Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total 2021
<b>Distributions and Expenses</b>			
Distributions and related items -			
distributions to agencies	15,412,077	-	15,412,077
Less - donor designated distributions to agencies	(9,383,999)	-	(9,383,999)
Net distributions to agencies	6,028,078	-	6,028,078
Special distributions and projects	6,320,447	-	6,320,447
<b>Total Distributions and Related Items</b>	<b>12,348,525</b>	<b>-</b>	<b>12,348,525</b>
<b>Expenses</b>			
Fundraising	2,640,913	-	2,640,913
General and administrative	4,567,107	-	4,567,107
Donated general and administrative materials and services	62,396	-	62,396
<b>Total Cost of Campaign</b>	<b>7,270,416</b>	<b>-</b>	<b>7,270,416</b>
<b>Program Services</b>			
Community impact	4,291,710	-	4,291,710
Other program services	223,912	-	223,912
Grant expenditures	812,913	-	812,913
<b>Total Program Services</b>	<b>5,328,535</b>	<b>-</b>	<b>5,328,535</b>
<b>Total Expenses and Program Services</b>	<b>12,598,951</b>	<b>-</b>	<b>12,598,951</b>
<b>Total Distributions and Expenses</b>	<b>24,947,476</b>	<b>-</b>	<b>24,947,476</b>
Change in net assets from operating activities	19,087,665	(1,762,307)	17,325,358
<b>Non-Operating Activities</b>			
Investment income, net of spending policy	9,847,077	4,802,583	14,649,660
<b>Change in Net Assets from Non-Operating Activities</b>	<b>9,847,077</b>	<b>4,802,583</b>	<b>14,649,660</b>
<b>Change in Net Assets</b>	<b>28,934,742</b>	<b>3,040,276</b>	<b>31,975,018</b>
<b>Net Assets, July 1, 2020</b>	<b>52,283,369</b>	<b>31,752,429</b>	<b>84,035,798</b>
<b>Net Assets, June 30, 2021</b>	<b>\$ 81,218,111</b>	<b>\$ 34,792,705</b>	<b>\$ 116,010,816</b>

*See accompanying notes to consolidated financial statements.*

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Consolidated Statement of Activities and Changes in Net Assets Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total 2020
<b>Public Support</b>			
Annual campaign	\$ 27,966,912	\$ 5,146,291	\$ 33,113,203
Gross campaign results in prior year - released from restriction	2,521,551	(2,521,551)	-
Program restricted campaign gifts raised in prior year released from restriction	2,481,082	(2,481,082)	-
Less - amounts raised on behalf of others	(14,262,584)	385,187	(13,877,397)
Gross undesignated annual campaign	18,706,961	528,845	19,235,806
Provision for uncollectable pledges	(1,169,285)	-	(1,169,285)
Net annual campaign	17,537,676	528,845	18,066,521
Grants and other contributions	93,316	89,783	183,099
<b>Total Public Support</b>	<b>17,630,992</b>	<b>618,628</b>	<b>18,249,620</b>
<b>Revenue</b>			
Amounts received from other United Ways	113,614	-	113,614
Administrative fees on amounts raised on behalf of others	975,768	-	975,768
Legacies and bequests	256,644	-	256,644
Rental and miscellaneous income	(31,808)	-	(31,808)
Application of spending policy	2,010,759	-	2,010,759
Investment income	394,232	-	394,232
Donated materials and services	695,589	-	695,589
Net assets released from restrictions	1,865,424	(1,865,424)	-
<b>Total Revenue</b>	<b>6,280,222</b>	<b>(1,865,424)</b>	<b>4,414,798</b>
<b>Total Public Support and Revenue</b>	<b>23,911,214</b>	<b>(1,246,796)</b>	<b>22,664,418</b>

*See accompanying notes to consolidated financial statements.*

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Consolidated Statement of Activities and Changes in Net Assets Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total 2020
<b>Distributions and Expenses</b>			
Distributions and related items -			
distributions to agencies	21,508,553	-	21,508,553
Less - donor designated distributions to agencies	(14,379,338)	-	(14,379,338)
Net distributions to agencies	7,129,215	-	7,129,215
Special distributions and projects	7,293,974	-	7,293,974
<b>Total Distributions and Related Items</b>	<b>14,423,189</b>	<b>-</b>	<b>14,423,189</b>
<b>Expenses</b>			
Fundraising	2,883,379	-	2,883,379
General and administrative	3,643,528	-	3,643,528
Donated general and administrative materials and services	299,858	-	299,858
<b>Total Cost of Campaign</b>	<b>6,826,765</b>	<b>-</b>	<b>6,826,765</b>
<b>Program Services</b>			
Community impact	3,354,583	-	3,354,583
Other program services	184,581	-	184,581
Grant expenditures	1,200,733	-	1,200,733
<b>Total Program Services</b>	<b>4,739,897</b>	<b>-</b>	<b>4,739,897</b>
<b>Total Expenses and Program Services</b>	<b>11,566,662</b>	<b>-</b>	<b>11,566,662</b>
<b>Total Distributions and Expenses</b>	<b>25,989,851</b>	<b>-</b>	<b>25,989,851</b>
Change in net assets from operating activities	(2,078,637)	(1,246,796)	(3,325,433)
<b>Non-Operating Activities</b>			
Investment income, net of spending policy	760,402	446,177	1,206,579
<b>Change in Net Assets from Non-Operating Activities</b>	<b>760,402</b>	<b>446,177</b>	<b>1,206,579</b>
<b>Change in Net Assets</b>	<b>(1,318,235)</b>	<b>(800,619)</b>	<b>(2,118,854)</b>
<b>Net Assets, July 1, 2019</b>	<b>53,601,604</b>	<b>32,553,048</b>	<b>86,154,652</b>
<b>Net Assets, June 30, 2020</b>	<b>\$ 52,283,369</b>	<b>\$ 31,752,429</b>	<b>\$ 84,035,798</b>

*See accompanying notes to consolidated financial statements.*

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Consolidated Statements of Cash Flows

Year ended June 30,	2021	2020
<b>Cash Flows from Operating Activities</b>		
Changes in net assets	\$ 31,975,018	\$ (2,118,854)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	193,264	84,735
Net realized and unrealized gains on investments	(17,170,188)	(3,207,645)
Recovery of uncollectible pledges, net of provision	(1,300,171)	(22,066)
Forgiveness of Payroll Protection Program loan	(736,705)	-
Changes in assets and liabilities:		
Decrease in pledges receivable	3,789,984	9,004,498
(Increase) decrease in grants receivable	(1,486,139)	120,102
Increase in cash surrender value of life insurance policies	-	(263)
(Increase) decrease in other assets	(129,361)	158,271
Decrease in legacies and bequests receivable	-	500,000
Increase in funds behalf on behalf of others	10,220,000	-
Decrease in distributions payable to agencies	(4,154,097)	(4,299,752)
Decrease in deferred revenue	-	(13,069)
Decrease in accounts payable and accrued expenses	(146,746)	(466,742)
<b>Net cash provided by (used in) operating activities</b>	<b>21,054,859</b>	<b>(260,785)</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of land, building, and equipment	(48,750)	(530,108)
Net (purchase) of/proceeds from sales of investments	505,786	1,133,806
<b>Net cash provided by investing activities</b>	<b>457,036</b>	<b>603,698</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Payroll Protection Program Loan	1,090,272	736,705
<b>Net cash provided by financing activities</b>	<b>1,090,272</b>	<b>736,705</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>22,602,167</b>	<b>1,079,618</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>15,256,638</b>	<b>14,177,020</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 37,858,805</b>	<b>\$ 15,256,638</b>

*See accompanying notes to consolidated financial statements.*

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Consolidated Statement of Functional Expenses Year Ended June 30, 2021

	Program Services				Support Services			2021 Total
	Community Impact	Other Program Services	Grants	Total	General and Administrative	Fundraising	Total	
Distributions to agencies	\$ 15,412,077	\$ -	\$ -	\$ 15,412,077	\$ -	\$ -	\$ -	\$ 15,412,077
Less - donor designated distributions	(9,383,999)	-	-	(9,383,999)	-	-	-	(9,383,999)
Special distributions and projects	6,320,447	-	-	6,320,447	-	-	-	6,320,447
<b>Total Distributions</b>	<b>12,348,525</b>	<b>-</b>	<b>-</b>	<b>12,348,525</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,348,525</b>
Salaries	1,859,401	37,391	96,018	1,992,810	1,750,184	1,621,237	3,371,421	5,364,231
Employee health & retirement benefits	78,360	3,497	10,519	92,376	861,369	89,000	950,369	1,042,745
Payroll taxes	131,848	2,668	7,146	141,662	124,258	116,290	240,548	382,210
<b>Total Salaries and Related Benefits</b>	<b>2,069,609</b>	<b>43,556</b>	<b>113,683</b>	<b>2,226,848</b>	<b>2,735,811</b>	<b>1,826,527</b>	<b>4,562,338</b>	<b>6,789,186</b>
<b>Other Operating Expenses</b>								
Professional services and contract payments	1,120,202	56,226	313,511	1,489,939	1,240,942	163,402	1,404,344	2,894,283
Donated professional services and contract payments	447,836	-	-	447,836	62,396	-	62,396	510,232
Office services	189	44	64	297	3,121	205	3,326	3,623
Supplies	75,976	523	157	76,656	16,463	7,255	23,718	100,374
Telephone	9,503	2,048	835	12,386	6,532	9,293	15,825	28,211
Postage and shipping	3,268	180	818	4,266	8,278	3,490	11,768	16,034
Occupancy	112,125	17,716	75,709	205,550	253,614	27,106	280,720	486,270
Outside printing, artwork and advertising	93,471	53,976	67,416	214,863	18,053	169,349	187,402	402,265
Travel, training and meetings	29,013	976	888	30,877	46,347	148,786	195,133	226,010
Grant overhead reimbursement	(2,000)	-	90,731	88,731	-	1	1	88,732
Membership dues	66,655	-	-	66,655	305	8,433	8,738	75,393
Equipment rental and repairs	54,020	15,832	1,810	71,662	74,429	63,600	138,029	209,691
Miscellaneous	7,282	1,146	5,208	13,636	24,729	1,936	26,665	40,301
United Way Worldwide dues	163,975	25,891	120,824	310,690	86,303	138,089	224,392	535,082
Depreciation of building and equipment	40,586	5,798	21,259	67,643	52,180	73,441	125,621	193,264
<b>Total Other Operating Expenses</b>	<b>2,222,101</b>	<b>180,356</b>	<b>699,230</b>	<b>3,101,687</b>	<b>1,893,692</b>	<b>814,386</b>	<b>2,708,078</b>	<b>5,809,765</b>
<b>Total Operating Expenses</b>	<b>4,291,710</b>	<b>223,912</b>	<b>812,913</b>	<b>5,328,535</b>	<b>4,629,503</b>	<b>2,640,913</b>	<b>7,270,416</b>	<b>12,598,951</b>
<b>Total Expenses</b>	<b>\$ 16,640,235</b>	<b>\$ 223,912</b>	<b>\$ 812,913</b>	<b>\$ 17,677,060</b>	<b>\$ 4,629,503</b>	<b>\$ 2,640,913</b>	<b>\$ 7,270,416</b>	<b>\$ 24,947,476</b>

*See accompanying notes to consolidated financial statements.*

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Consolidated Statement of Functional Expenses Year Ended June 30, 2020

	Program Services				Support Services			2020 Total
	Community Impact	Other Program Services	Grants	Total	General and Administrative	Fundraising	Total	
Distributions to agencies	\$ 21,508,553	\$ -	\$ -	\$ 21,508,553	\$ -	\$ -	\$ -	\$ 21,508,553
Less - donor designated distributions	(14,379,338)	-	-	(14,379,338)	-	-	-	(14,379,338)
Special distributions and projects	7,293,974	-	-	7,293,974	-	-	-	7,293,974
<b>Total Distributions</b>	<b>14,423,189</b>	<b>-</b>	<b>-</b>	<b>14,423,189</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,423,189</b>
Salaries	1,490,515	17,583	228,672	1,736,770	2,112,330	1,426,914	3,539,244	5,276,014
Employee health & retirement benefits	239,516	4,400	29,097	273,013	305,410	214,125	519,535	792,548
Payroll taxes	181,614	2,184	27,926	211,724	249,269	184,237	433,506	645,230
<b>Total Salaries and Related Benefits</b>	<b>1,911,645</b>	<b>24,167</b>	<b>285,695</b>	<b>2,221,507</b>	<b>2,667,009</b>	<b>1,825,276</b>	<b>4,492,285</b>	<b>6,713,792</b>
<b>Other Operating Expenses</b>								
Professional services and contract payments	737,007	130,196	450,625	1,317,828	921,892	260,538	1,182,430	2,500,258
Donated professional services and contract payments	395,731	-	-	395,731	299,858	-	299,858	695,589
Office services	5,418	780	-	6,198	6,983	6,064	13,047	19,245
Supplies	33,865	1,925	35,884	71,674	4,352	4,744	9,096	80,770
Telephone	14,537	5,010	560	20,107	15,852	17,263	33,115	53,222
Postage and shipping	257	13	-	270	13,558	1,941	15,499	15,769
Occupancy	77,610	13,053	-	90,663	127,121	89,266	216,387	307,050
Outside printing, artwork and advertising	16,972	660	4,466	22,098	19,861	52,202	72,063	94,161
Travel, training and meetings	97,332	222	130,568	228,122	87,435	121,279	208,714	436,836
Grant overhead reimbursement	28,036	3,607	264,003	295,646	(295,646)	-	(295,646)	-
Membership dues	5,150	-	12,840	17,990	7,983	25,436	33,419	51,409
Equipment rental and repairs	13,229	2,406	6,708	22,343	15,210	23,617	38,827	61,170
Miscellaneous	-	-	63	63	29,040	-	29,040	29,103
United Way Worldwide dues	-	-	-	-	-	423,554	423,554	423,554
Depreciation of building and equipment	17,794	2,542	9,321	29,657	22,878	32,199	55,077	84,734
<b>Total Other Operating Expenses</b>	<b>1,442,938</b>	<b>160,414</b>	<b>915,038</b>	<b>2,518,390</b>	<b>1,276,377</b>	<b>1,058,103</b>	<b>2,334,480</b>	<b>4,852,870</b>
<b>Total Operating Expenses</b>	<b>3,354,583</b>	<b>184,581</b>	<b>1,200,733</b>	<b>4,739,897</b>	<b>3,943,386</b>	<b>2,883,379</b>	<b>6,826,765</b>	<b>11,566,662</b>
<b>Total Expenses</b>	<b>\$ 17,777,772</b>	<b>\$ 184,581</b>	<b>\$ 1,200,733</b>	<b>\$ 19,163,086</b>	<b>\$ 3,943,386</b>	<b>\$ 2,883,379</b>	<b>\$ 6,826,765</b>	<b>\$ 25,989,851</b>

*See accompanying notes to consolidated financial statements.*

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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### 1. Organization

The United Way of Greater Philadelphia and Southern New Jersey (UWGPSNJ) is a voluntary organization whose mission is to improve people's lives by mobilizing the caring power of donors, volunteers, and communities. UWGPSNJ is a tax-exempt organization under the Internal Revenue Code Section 501(c)(3) and has been classified by the Internal Revenue Service as a publicly-supported organization. UWGPSNJ is governed by a volunteer Board of Directors.

UWGPSNJ conducts an annual campaign that raises funds to address the most pressing needs in the community through its Community Impact Fund. Donors to the campaign who contribute to the Community Impact Fund allow their funds to be allocated in accordance with UWGPSNJ's Community Solutions Agenda developed by UWGPSNJ's Community Impact Committee, which reports to the Board of Directors. Donors may also designate their funds to one or more tax-exempt organizations.

The accompanying consolidated financial statements include the accounts of United Way of Greater Philadelphia and Southern New Jersey ("UWGPSNJ"), and Strategic Community Solutions ("SCS"), collectively the "United Way". SCS is an entity controlled by UWGPSNJ.

SCS is a not-for-profit organization incorporated as a separate but supporting organization of UWGPSNJ. SCS was formed to accept non-traditional gifts, such as real estate, art, etc. in support of UWGPSNJ's Community Impact Plan. SCS is a tax-exempt organization under the Internal Revenue Code Section 501(c)(3).

### 2. Summary of Significant Accounting Policies

#### *Basis of Accounting and Presentation*

The consolidated financial statements of UWGPSNJ have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

All intercompany accounts and transactions are eliminated for consolidation.

Not-for-profit accounting standards require reporting of total assets, liabilities, and net assets in a statement of financial position; reporting the change in net assets in a statement of activities; and reporting sources and uses of cash and cash equivalents in a statement of cash flows. Net assets, revenues and gains, and expenses and losses are classified as with or without donor restrictions based on the existence or absence of donor-imposed restrictions.

#### *Recent Accounting Pronouncements*

##### *Leases*

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) which supersedes FASB ASC Topic 840, Leases (Topic 840) and provides principles for the recognition, measurement, presentation, and disclosure of leases for both lessees and lessors. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than twelve months regardless of classification. Leases with a term of twelve months or less will be accounted

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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for similar to existing guidance for operating leases. Lessor accounting is mostly unchanged from the current model, but updated to align with certain changes to the lessee accounting model and the new revenue recognition standard. The ASU was originally effective for annual reporting periods beginning after December 15, 2019, with early adoption permitted. In October 2019, FASB deferred the effective date one year making it effective for annual reporting periods beginning after December 15, 2020.

ASU 2020-05 deferred the effective date of ASU 2016-02 one year making it effective for annual reporting periods beginning after December 15, 2021. The impact of adopting the ASU on UWGPSNJ's financial statements for subsequent periods has not yet been determined.

### ***Accounting Pronouncements Adopted***

#### ***Revenue from Contracts with Customers***

In May 2014, the FASB issued Accounting Standards Update (“ASU”) 2014-09, Revenue from Contracts with Customers (Topic 606). This update, along with ASU 2016-08, Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net), ASU 2016-10, Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing and ASU 2016-12, Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients, establishes a comprehensive revenue recognition standard. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Effective July 1, 2020, UWGPSNJ adopted the ASU using the retrospective method of application to all contracts existing on July 1, 2019. There was no impact to the statements of financial position or statements of activities and changes in net assets as a result of the adoption.

#### ***Use of Estimates***

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

#### ***Cash Equivalents and Funds Held for Others***

UWGPSNJ considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

In 2021, UWGPSNJ entered into a public-private partnership with the City of Philadelphia to fight poverty. The Philadelphia Poverty Action Fund (“PPAF”), also known as “The Promise”, was established to provide direct programs and services that demonstrably reduce poverty. PPAF is funded by the City as well as donations from private donors. UWGPSNJ does not control PPAF. As fiscal agent, UWGPSNJ collected funds on behalf of PPAF which is included in funds held for other on the consolidated statement of financial position. No activity related to PPAF has been recorded on the accompanying consolidated statements of activities and changes in net assets in accordance with US GAAP.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

<i>June 30,</i>	2021	2020
Cash and cash equivalents	\$ 27,638,805	\$ 15,256,638
Funds held for others	10,220,000	-
<b>Cash and cash equivalents and funds held for others</b>	<b>\$ 37,858,805</b>	<b>\$ 15,256,638</b>

### ***Investments***

Investments are stated at fair value in the consolidated statements of financial position (see Note 3). Realized and unrealized gains and losses on investments are reported as increases or decreases in the consolidated statements of activities and changes in net assets. The gains and losses are recorded in the net asset category where the related investment income is reported, in accordance with donor stipulations.

Investment income is shown net of related expenses of \$234,489 and \$131,133 for the years ended June 30, 2021 and 2020, respectively, on the consolidated statements of activities and changes in net assets. Related expenses consist of bank fees, custodian fees, and investment advisory fees.

### ***Fair Value of Financial Instruments***

Financial instruments consist of cash and cash equivalents, pledges receivable, grants receivable, legacies and bequests receivable, investments, distributions payable, and accounts payable and accrued expenses. The carrying amounts reported in the consolidated statements of financial position for cash and cash equivalents, pledges receivable, grants receivable, legacies and bequests receivable, investments, distributions payable, and accounts payable and accrued expenses approximate fair value.

### ***Concentration of Credit Risk***

UWGPSNJ is required to disclose significant concentrations of credit risk regardless of the degree of such risk. From time to time, UWGPSNJ maintains bank deposits at financial institutions that exceed the limit of insurability under the Federal Deposit Insurance Corporation. In addition, UWGPSNJ's investments consist of a variety of financial instruments. The related values, as presented in the consolidated financial statements, are subject to various market fluctuations that include changes in equity markets, the interest rate environment, and general economic conditions.

### ***Pledges Receivable/Promises to Give***

Contributions are recognized as revenue when they are received or unconditionally pledged. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using the effective interest rate applicable to the donor in the year in which the promise is received. Amortization of the discount is included in public support revenue. Conditional promises to give are not included in public support revenue until such time as the conditions are substantially met. An allowance for uncollectible pledges/promises to give is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fundraising activity.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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### ***Land and Equipment***

Land and equipment are recorded at cost and depreciated on a straight-line basis over the estimated useful lives of the respective assets which is 3 to 10 years for equipment, furniture, and fixtures. UWGPSNJ follows the practice of capitalizing all expenditures for equipment, furniture, and fixtures in excess of \$1,000. Repairs and maintenance are charged to expense when incurred.

Donated property and equipment are recorded at fair value on the date of receipt as an increase in net assets without donor restrictions unless the donor stipulates otherwise. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, UWGPSNJ reports expiration of donor restrictions when the asset is placed into service. The cost and accumulated depreciation of property, sold or retired, is removed from the related asset and accumulated depreciation accounts, and the resulting gain or loss is recorded in the period of disposal.

### ***Impairment of Long-Lived Assets***

In accordance with the accounting standard related to the accounting for the impairment or disposal of long-lived assets, management assesses whether there are indicators that the value of UWGPSNJ's long-lived assets may be impaired whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The value of a long-lived asset may be impaired if management's estimate of the aggregate, undiscounted future cash flows to be generated from the use or disposition of a long-lived asset are less than the carrying value of the asset. If impairment has occurred, the loss shall be measured as the excess of the carrying amount of the asset over its fair value.

### ***Distributions Payable***

Distributions payable represent amounts that are due periodically to UWGPSNJ's network of agencies and others. UWGPSNJ records distributions payable to agencies upon approval by the Board of Directors. Also included in this balance is the amount payable related to donor designations. This amount represents the liability relating to funds to be distributed according to the designations stipulated by individual donors pursuant to UWGPSNJ's Donor Choice Program.

### ***Net Assets***

#### ***Net Assets Without Donor Restrictions***

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. From time to time the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. For example, the Board has designated a portion of net assets without donor restrictions as a quasi-endowment (an amount to be treated by management as if it were part of the donor restricted endowment) for the purpose of securing the UWGPSNJ's long-term financial viability. See Note 10 for more information on the composition of net assets without donor restrictions.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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### *Net Assets With Donor Restrictions*

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. UWGPSNJ reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the consolidated statement of activities as net assets released from restrictions.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting UWGPSNJ to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy. See Notes 11 and 12 for more information on the composition of net assets with donor restrictions and the release of restrictions, respectively.

### *Annual Campaign*

Contributions to the annual campaign (conducted in the fall of the preceding calendar year) are recorded in the consolidated statements of activities and changes in net assets as with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. These contributions to the annual campaign, which are in the form of cash and pledges, are recorded as support when the cash or pledges are received and are available for unrestricted use unless specifically restricted by the donor. Allowances for uncollectible contributions receivable are provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fund-raising activity.

Contributions with donor stipulations that limit the use of the donated assets are reported as with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, with donor restricted net assets are reclassified to net assets without donor restrictions and are reported in the consolidated statements of activities and changes in net assets as "gross campaign results in prior year-released from restrictions", or "program restricted campaign gifts raised in prior year released from restrictions". UWGPSNJ classifies all contributions with donor-imposed restrictions as net assets without donor restrictions support if those restrictions are satisfied in the same reporting period in which the contribution is made.

### *Amounts Raised on Behalf of Others*

Amounts raised on behalf of others represent designated pledges and are deducted from gross annual campaign revenues on the accompanying consolidated statements of activities and changes in net assets in accordance with US GAAP.

### *Grants and Other Contributions*

Grants and other contributions include all grants and non-campaign contributions (other than legacies and bequests) that have been committed to UWGPSNJ during the fiscal year. Multi-year grants representing non-exchange transactions and non-campaign contributions committed during the fiscal year to be used for specific purposes at some point in the future are reported as net assets with donor restriction until used for the intended purpose as stated above.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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### *Earned Revenue and Administrative fees*

Earned revenue and administrative fees are exchange transactions in which UWGPSNJ earns a fee for administrative services provided to other companies.

### *Donated Materials and Services*

A substantial number of volunteers have donated significant amounts of time to UWGPSNJ's fundraising campaign and other program services. No amounts have been reflected in the accompanying consolidated financial statements since the cost of these services does not meet the criteria for recognition under US GAAP. UWGPSNJ does include the fair value of definitive donations such as professional services, printed materials, and advertising related to its annual campaign, which was \$510,232 and \$695,589 for the years ended June 30, 2021 and 2020, respectively.

### *Program Services*

Program services expenses include costs incurred to provide training and technical assistance to local youth, to provide low cost training to local human service agencies, to provide resources for union members, families, and leaders, and to promote volunteer and civic engagement.

### *Functional Allocation of Expenses*

The costs of providing the various programs and other activities of UWGPSNJ are presented on a functional basis in the consolidated statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs that are deemed allocable to programs and services are allocated based on distribution of staff time. These allocations are presented in the consolidated statements of functional expenses.

### *Operating Indicator*

UWGPSNJ utilizes changes in net assets without donor restrictions from operating activities as its performance indicator. This amount is composed of revenue and expenses resulting from the annual campaign, rental and miscellaneous income, and investment income used for operations through the annual spending policy on endowment funds. It excludes such activity as realized and unrealized gains or losses not used for operations through the spending policy and gains and losses resulting from the disposal of fixed assets. In general, changes in net assets without donor restrictions from operating activities should be at or near zero, as funds raised through the annual campaign, net of expenses, are distributed to the community.

## **3. Investments - Fair Value Measurements**

Generally accepted accounting principles defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The guidance establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish a

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

classification of fair value measurements for disclosure purposes. The hierarchy prioritizes the inputs into three broad levels as follows:

- Level 1: Inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs are quoted prices for similar assets or liabilities in an active market, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable and market-corroborated inputs which are derived principally from or corroborated by observable market data.
- Level 3: Inputs are derived from valuation techniques in which one or more significant inputs or value drivers are unobservable.

The following table presents information about UWGPSNJ's investment securities that were measured at fair value on a recurring basis as of June 30, 2021 and 2020 by level within the fair value hierarchy:

<i>June 30, 2021</i>	Total Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 2,472,603	\$ 2,472,603	\$ -	\$ -
Mutual funds	21,858,637	21,858,637	-	-
Exchange traded funds	42,964,905	42,964,905	-	-
U.S. Treasury securities	3,852,462	3,852,462	-	-
Corporate debt securities	3,323,345	-	3,323,345	-
Pooled income fund	13,376	-	13,376	-
Limited partnership/LLC interest	13,858,109	-	-	13,858,109
Beneficial interests in trusts	2,687,377	-	-	2,687,377
<b>Total investments at fair value</b>	<b>91,030,814</b>	<b>71,148,607</b>	<b>3,336,721</b>	<b>16,545,486</b>
Less: short-term investments	(8,696,537)	(5,373,192)	(3,323,345)	-
<b>Long-Term Investments</b>	<b>\$ 82,334,277</b>	<b>\$ 65,775,415</b>	<b>\$ 13,376</b>	<b>\$ 16,545,486</b>

<i>June 30, 2020</i>	Total Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 9,963,671	\$ 9,963,671	\$ -	\$ -
Mutual funds	75,000	75,000	-	-
U.S. Treasury securities	2,984,536	2,984,536	-	-
Corporate debt securities	3,719,777	-	3,719,777	-
Government agency securities	357,426	357,426	-	-
Pooled income fund	11,943	-	11,943	-
Limited partnership/LLC interest	31,951,455	-	-	31,951,455
Beneficial interests in trusts	2,290,024	-	-	2,290,024
<b>Total investments at fair value</b>	<b>51,353,831</b>	<b>13,380,633</b>	<b>3,713,719</b>	<b>34,241,479</b>
Multi-asset fund*	23,012,582	-	-	-
Less: short-term investments	(17,100,410)	(13,380,633)	(3,719,777)	-
<b>Long-Term Investments</b>	<b>\$ 57,266,003</b>	<b>\$ -</b>	<b>\$ 11,943</b>	<b>\$ 34,241,479</b>

\* Certain investments for which fair value is measured using the NAV per share as the practical expedient have not been categorized within the fair value hierarchy. The fair value amounts presented in this table are intended to reconcile the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

The following table outlines purchases and transfers of Level 3 assets for both the years ended June 30, 2021 and 2020:

	Fair value using Level 3 Inputs			Total
	Limited Partnership/LLC Interest	Beneficial Interests in Trusts	Total	
Purchases, included interest accrued	\$ -	\$ -	\$ -	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-

The level within which the fair value measurement falls is determined based on the lowest level that is significant to the fair value measurement.

*Cash and Cash Equivalents* represent short-term securities purchased with an original maturity of three months or less and money market mutual funds. They are classified within Level 1 as fair values and are based on quoted market prices.

*Mutual Funds and Exchange Traded Funds* represent an actively managed portfolio of registered securities. These securities trade in active markets. They are classified within Level 1 as fair values are based on quoted market prices.

*U.S. Treasury Securities and Government Agency Securities* represent an actively managed portfolio of registered securities. The individual issues within the portfolio are actively traded bonds among broker dealers. These securities are classified within Level 1 as fair values are based upon quoted market prices.

*Corporate Debt Securities* represent bonds that are sold in a dealer market. These bonds trade based upon a bid-ask spread. The dealers use matrix pricing in determining their value. As such, these securities are classified as Level 2 as inputs are obtained from other valuation methodologies.

*Limited Partnership/LLC Interest* - The underlying partnership includes investments organized by type (cash and investments in other funds) with an indication of whether they were valued with Level 1, Level 2, or Level 3 inputs. The interest in the partnership is valued from a macro perspective due to the nature of the investment type. These financial instruments are valued as level 3 as they are not freely transferable and require approval before withdraw.

*Beneficial Interests in Trusts* - The underlying trusts include: money markets, equity securities, and mutual funds. The interests in the trusts are valued using a market approach. These financial instruments are Level 3 in the fair value hierarchy.

*Multi-Asset Fund* - The underlying assets of the fund includes investments organized by type (cash and investments in other funds). The interest in the fund is valued from a macro perspective due to the nature of the investment type. These financial instruments are valued at NAV and are, therefore, excluded from the fair value hierarchy.

The following provides a description of the types of non-recurring financial instruments UWGPSNJ holds, the methodology for estimating fair value, and the level within the hierarchy of the estimate:

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

*Pledges receivable and grants receivable* - All multi-year pledges, grants, and legacies and bequests received in fiscal years 2021 and 2020 are recorded at the present value of future cash flows with a discount rate adjusted for any market conditions to arrive at fair value. These are considered Level 2 inputs.

*Distributions payable* - All multi-year distributions committed in fiscal years 2021 and 2020 are recorded at the present value of future cash flows with a discount rate adjusted for any market conditions to arrive at fair value. These are considered Level 2 inputs.

### *Investments Measured at NAV*

UWGPSNJ has a policy which permits investments that do not have a readily determinable fair value, as such, to use the NAV per share as calculated on the reporting entity's measurement date as the fair value of the investment. UWGPSNJ measures the fair value of an investment that does not have a readily determinable fair value, based on the NAV of the investments as a practical expedient, without further adjustments, unless it is probable that the investment will be sold at an amount significantly different than the NAV. If the practical expedient NAV is not as of the reporting entity's measurement date, then the NAV is adjusted to reflect any significant events that would materially affect the value of the security and the NAV of UWGPSNJ as of the valuation date. In using the NAV as a practical expedient, certain attributes of the investments, that may impact the fair value of the investment, are not considered in measuring fair value. Attributes of those investments include the investment strategies of the investees and may also include, but are not limited to, restrictions on the investor's ability to redeem its investments at the measurement date at NAV as well as any unfunded commitments.

A listing of the investments held by UWGPSNJ and their attributes, that may qualify for these valuations consist of the following as of June 30, 2021 and 2020:

<i>June 30, 2021</i>	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Multi-asset fund	\$ -	\$ -	Daily	N/A

  

<i>June 30, 2020</i>	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Multi-asset fund	\$ 23,012,582	\$ -	Daily	N/A

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### 4. Pledges Receivable

Pledges receivable represent unconditional promises to give. Pledges receivable consist of the following as of June 30, 2021 and 2020:

<i>June 30,</i>	2021	2020
Pledges receivable related to current campaign	\$ 6,535,886	\$ 7,131,296
Pledges receivable related to dollars processed on behalf of other United Ways	1,160,971	1,941,826
Allowance for uncollectible pledges	(1,010,450)	(1,453,224)
<b>Net pledges receivable related to current campaign, current</b>	<b>6,686,407</b>	<b>7,619,898</b>
Pledges receivable related to prior campaigns	3,391,004	4,727,357
Allowance for uncollectible pledges	(3,367,738)	(4,194,328)
<b>Net pledges receivable related to prior campaigns, current</b>	<b>23,266</b>	<b>533,029</b>
Pledges receivable related to future campaigns due in less than one year	1,118,333	1,469,316
Pledges receivable related to future campaigns due in two to four years	253,259	979,642
Discount on pledges	(14,793)	(45,600)
<b>Net pledges receivable related to future campaigns</b>	<b>1,356,799</b>	<b>2,403,358</b>
<b>Total pledges receivable, net</b>	<b>\$ 8,066,472</b>	<b>\$ 10,556,285</b>

Long-term pledges receivable at June 30, 2021 represent the balance of multi-year campaign pledges received for the Fall 2022 and 2023 Campaigns. The gross amount of these pledges for the year ended June 30, 2021 was \$1,371,592 and is reported net of a discount on future payments of \$14,793. The discount was calculated using the interest rate range of 1.76% to 3.54%.

An analysis of changes in the allowance for uncollectible pledges is as follows:

<i>June 30,</i>	2021	2020
Balance, beginning of year	\$ 5,647,552	\$ 5,589,622
Allowance for uncollectible pledges:		
Designated	356,997	515,747
Undesignated	653,453	937,478
Pledges written off	(323,998)	(121,991)
Reversal of prior years' designated reserve	(869,864)	(1,211,446)
Reversals of prior years' undesignated reserve	(1,086,952)	(61,858)
<b>Balance, end of year</b>	<b>\$ 4,378,188</b>	<b>\$ 5,647,552</b>

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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The allowance for uncollectible pledges is computed based upon a five-year historical average, applied to gross campaign pledges. Reversal of prior years' reserves represents a change in the estimated allowance for uncollectible pledges for prior years' campaigns.

### 5. Grants Receivable

Grants receivable represents amounts receivable for various grants awarded to UWGPSNJ. Based on historical collections, no provision for uncollectible accounts has been reserved for grants receivable as of June 30, 2021 and 2020.

### 6. Land and Equipment

Land and equipment consisted of the following as of June 30, 2021 and 2020:

<i>June 30,</i>	2021	2020
Equipment, furniture, and fixtures	\$ 4,015,847	\$ 3,967,097
Less: accumulated depreciation	(3,452,651)	(3,259,387)
Land, building, and equipment, net	\$ 563,196	\$ 707,710

Depreciation expense was \$193,264 and \$84,735 for the years ended June 30, 2021 and 2020, respectively.

### 7. Pension Plans

UWGPSNJ sponsors a defined contribution 403(b) plan for all eligible employees. Employees may elect to defer up to \$18,500 in pretax contributions to the 403(b) plan. Employees over 50 years of age may contribute \$24,000 in pretax contributions to the 403(b) plan. UWGPSNJ matches 50% of pretax employee contributions not to exceed the lesser of (i) 6% of salary or \$3,000 for full-time employees or (ii) 6% of compensation or \$1,500 for part-time employees.

UWGPSNJ may also make a discretionary contribution to the 403(b) plan on behalf of all eligible employees, based upon a percentage of their compensation for the calendar year. In addition, all eligible employees who, as of June 30, 2020, (i) had completed 15 years of service or (ii) were age 50 and completed 10 years of service received an additional amount equal to 10% of their compensation for the year. UWGPSNJ contributions to the 403(b) plan was \$256,935 and \$201,690 for the years ended June 30, 2021 and 2020, respectively.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### 8. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of the following as of June 30:

	2021	2020
Accounts payable	\$ 992,447	\$ 1,033,755
Accrued salaries and vacation	542,957	259,146
Fundraising fee reimbursements due to other United Ways	92,256	163,608
Other accrued expenses	1,392,483	1,710,380
	<b>\$ 3,020,143</b>	<b>\$ 3,166,889</b>

### 9. Loan Payable

As discussed in Note 21, UWGPSNJ applied for and received two Paycheck Protection Program loans under the provisions of the CARES Act. The first loan in the amount of \$736,705 was received on April 27, 2020. The loan included terms that allowed for all or partial forgiveness of loan proceeds. On December 21, 2020, the Small Business Administration notified the bank that the loan had been forgiven and fully repaid. For the year ended June 30, 2021, UWGPSNJ recorded forgiveness income of \$736,705 which is included in grants and contributions in the consolidated statements of activities.

The second loan in the amount of \$1,090,272 was received on April 17, 2021. The loan also included terms that allowed for all or partial forgiveness of loan proceeds. In the event the loan was not fully forgiven, the loan would have matured over five (5) years from the date of disbursement of the loan with principal amounts outstanding under the loan bearing interest at a rate per annum equal to 1.00%. Subsequent to June 30, 2021, UWGPSNJ was notified by the loan servicer that the loan was forgiven by the Small Business Administration in January 2022.

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# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### 10. Board Designated Net Assets

A portion of net assets without donor restrictions has been designated by the Board of Directors for the following purposes as of June 30:

	2021	2021
Memorial/Endowment funds	\$ 51,050,034	\$ 40,753,989
Land, Building and Equipment	276,287	276,287
Education	441,939	426,277
Basic Needs	1,418,527	14,978
Financial Stability	1,111,934	611,753
Health	6,000	111,653
Stabilization Reserve	975,195	975,195
Capacity Building	291,893	-
Strategic Long-Range Initiatives	657,304	669,662
Office Relocation	1,222,057	1,226,229
Engagement	65,000	70,000
Other	53,279	53,279
Total board designated net assets	\$ 57,569,449	\$ 45,189,302

To honor the bequests of significant donors and the amounts received in relationship to the distribution of the net assets, the Board has established several memorial funds. The Board has also established a General Fund for various bequests, memorial, and donor gifts. These funds had the following values as of June 30:

Name of Memorial Fund	2021	2020
General Fund	\$ 32,150,209	\$ 25,101,183
Gladys L. Lit Fund	5,720,917	4,681,132
Parkway Sale Fund	6,049,071	5,046,163
1956 Otto Haas Charitable Fund	1,580,482	1,293,949
Lon Greenberg Fund	1,327,299	1,085,836
James Stewart Fund	1,196,896	1,046,976
North Penn United Way	756,425	642,576
Western Home Fund	644,138	527,107
Rebecca C. Daly Fund	506,619	414,606
Linda and Tony Conti Fund	323,629	265,159
Jacob Gimbel Fund	309,729	253,041
Peritz S. Berman Fund	243,312	198,805
Mrs. Gerald F. Rorer Fund	241,308	197,456
	\$ 51,050,034	\$ 40,753,989

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### 11. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes as of June 30:

	2021	2020
Perpetual (Note 12):		
Endowment funds	\$ 11,750,893	\$ 11,750,893
Donor-restricted for purpose or time:		
Time restrictions	11,109,092	8,341,678
Program restrictions	11,932,720	11,659,858
	<u>\$ 34,792,705</u>	<u>\$ 31,752,429</u>

### *Net Assets Released from Donor Restrictions*

Net assets are released from donor restrictions by incurring expenses, satisfying the restricted purposes, or by occurrences of other events specified by donors were as follows:

	2021	2020
Fulfillment of program restrictions	\$ 4,095,994	\$ 4,346,506
Gross campaign results received in prior year released from restrictions (time)	1,098,151	2,521,551
	<u>\$ 5,194,145</u>	<u>\$ 6,868,057</u>

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# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### 12. Net Assets With Donor Restriction Held in Perpetuity

Net asset with donor restriction held in perpetuity as of June 30 are as follows:

	2021	2020
John Haas Fund	\$ 10,911,714	\$ 9,148,783
United Way of Camden County Irrevocable Trusts	2,799,214	2,286,154
Mr. & Mrs. Robert E. Cawthorn Fund	1,618,643	1,324,239
Solomon Allinger Fund	1,057,393	865,965
United Way of Western Montgomery County Endowment Fund	799,949	647,593
Frederick McOwen Fund	650,233	531,715
United Way of Camden County Poverty Fund	158,168	129,293
Alma and Sylvan Cohen Fund	105,575	86,085
Samuel Fels Fund	27,456	22,584
Hannah Merzbacher Fund	19,025	15,370
Gustav Soulas Fund	18,629	14,975
Total, at fair value	18,165,999	15,072,756
Less: cumulative appreciation reported in net assets with donor restrictions	(6,415,106)	(3,321,863)
<b>Total</b>	<b>\$ 11,750,893</b>	<b>\$ 11,750,893</b>

### 13. Endowments

UWGPSNJ's endowments consist of approximately 30 individual funds established for a variety of purposes. The endowments consist of both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by US GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based upon the existence or absence of donor-imposed restrictions.

The Board of Directors of UWGPSNJ has interpreted Pennsylvania Act 141 as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, to the extent that there are no donor stipulations to the contrary. UWGPSNJ classifies the original value of gifts donated to the permanent endowment and the original value of subsequent gifts made to the permanent endowment as net assets with donor restrictions until those amounts are appropriated for expenditure by UWGPSNJ in a manner consistent with the standard of prudence described by Pennsylvania Act 141.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

The following tables provide endowment composition by fund and endowment activity as of and for the year ended June 30, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net composition by type of fund as of June 30, 2021:			
Undesignated endowment funds	\$ 4,526,312	\$ -	\$ 4,526,312
Donor restricted endowment funds	19,655	26,791,326	26,810,981
Board designated endowment funds	51,050,034	-	51,050,034
<b>Total funds</b>	<b>\$ 55,596,001</b>	<b>\$ 26,791,326</b>	<b>\$ 82,387,327</b>

Changes in endowment net assets for the year ended June 30, 2021:

Endowment net assets, July 1, 2020	\$ 45,296,302	\$ 22,201,884	\$ 67,498,186
Investment return:			
Investment income	437,795	262,592	700,387
Net appreciation (realized and unrealized)	11,734,317	5,223,553	16,957,870
<b>Total investment return</b>	<b>12,172,112</b>	<b>5,486,145</b>	<b>17,658,257</b>
Contributions	451,800	-	451,800
Appropriation of assets for expenditure in accordance with the spending policy	(2,324,213)	(896,703)	(3,220,916)
<b>Endowment net assets, June 30, 2021</b>	<b>\$ 55,596,001</b>	<b>\$ 26,791,326</b>	<b>\$ 82,387,327</b>

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

The following tables provide endowment composition by fund and endowment activity as of and for the year ended June 30, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net composition by type of fund as of June 30, 2020:			
Undesignated endowment funds	\$ 4,526,312	\$ -	\$ 4,526,312
Donor restricted endowment funds	16,001	22,201,884	22,217,885
Board designated endowment funds	40,753,989	-	40,753,989
<b>Total funds</b>	<b>\$ 45,296,302</b>	<b>\$ 22,201,884</b>	<b>\$ 67,498,186</b>
Changes in endowment net assets for the year ended June 30, 2020:			
Endowment net assets, July 1, 2019	\$ 44,190,251	\$ 21,848,951	\$ 66,039,202
Investment return:			
Investment income	75,515	118,413	193,929
Net appreciation (realized and unrealized)	2,175,477	843,117	3,018,594
<b>Total investment return</b>	<b>2,250,992</b>	<b>961,530</b>	<b>3,212,523</b>
Contributions	256,644	-	256,644
Appropriation of assets for expenditure in accordance with the spending policy	(1,401,585)	(608,598)	(2,010,183)
<b>Endowment net assets, June 30, 2020</b>	<b>\$ 45,296,302</b>	<b>\$ 22,201,884</b>	<b>\$ 67,498,186</b>

Endowment balances classified as net assets with donor restrictions consisted of the following at June 30:

### *June 30, 2021*

Net assets with donor restrictions:	
The portion of perpetual endowment funds that is required to be retained	<b>\$ 11,750,893</b>
<b>Total endowment funds classified as net assets with donor restrictions</b>	<b>11,750,893</b>
Net assets with donor restrictions:	
Term endowment funds	<b>8,625,238</b>
Accumulated gains on endowment fund	<b>6,415,195</b>
<b>Total endowment funds classified as net assets with donor restrictions</b>	<b>\$ 26,791,326</b>

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

*June 30, 2020*

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Net assets with donor restrictions:	
<u>The portion of perpetual endowment funds that is required to be retained</u>	<u>\$ 11,750,893</u>
<u>Total endowment funds classified as net assets with donor restrictions</u>	<u>11,750,893</u>
Net assets with donor restrictions:	
Term endowment funds	7,129,128
<u>Accumulated gains on endowment fund</u>	<u>3,321,863</u>
<u>Total endowment funds classified as net assets with donor restrictions</u>	<u>\$ 22,201,884</u>

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UWGPSNJ has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to partially offset annual campaign and administrative overhead costs while maintaining the purchasing power of the endowment. Endowment assets include those assets of donor-restricted funds that must be held in perpetuity or for a donor-specified period, as well as Board designated funds. Under this policy, endowment assets are invested in a manner that is intended to yield a long-term average annual rate of return of 5% above inflation over a rolling ten-year period on a net of fees basis while assuming a moderate level of investment risk. Actual results in any given year may vary from this amount.

To satisfy long-term rate of return objectives, UWGPSNJ relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). UWGPSNJ targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve long-term strategies.

UWGPSNJ utilizes a spending policy on its Board designated, donor restricted endowment funds to calculate the portion of net appreciation that is appropriated to partially fund operating expenses. This amount is generally calculated as 5% of the five-year average market value of the Board designated, endowment funds as of September 30th of each year, except where donor restrictions specify otherwise.

The spending policy is a total return policy, such that investment income and realized and unrealized gains are reinvested and included in the investment balances on which the spending policy is calculated. Any cumulative realized and unrealized gains and losses and investment income remaining after the 5% draw remains in the respective endowment fund. This is consistent with UWGPSNJ's objective to maintain the purchasing power of endowment assets as well as to provide additional real growth through new gifts and investment return. These funds are recorded as a transfer to unrestricted net assets (application of spending policy) on the accompanying consolidated statements of activities and changes in net assets.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### 14. Liquidity and Availability of Resources

UWGPSNJ's financial assets available within one year of the consolidated statements of financial position date for general expenditure are as follows:

<i>June 30,</i>	2021	2020
Cash and cash equivalents	\$ 27,638,805	\$ 15,256,638
Investments	91,030,815	74,366,413
Pledge receivables, net	7,828,006	9,622,243
Grants receivable	1,490,417	4,278
Other current assets	347,372	218,011
<b>Total financial assets available within one year</b>	<b>128,335,415</b>	<b>99,467,583</b>
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restricted by donor in perpetuity	11,750,893	11,750,893
Restricted by donor with purpose restrictions	11,932,720	11,659,858
<b>Total amounts unavailable for general expenditures within one year</b>	<b>23,683,613</b>	<b>23,410,751</b>
Amounts unavailable to management without Board's approval:		
Board designated for Basic Needs	1,418,527	14,978
Board designated for Education	441,939	426,277
Board designated for Financial Stability	1,111,934	611,753
Board designated for Health	6,000	111,653
Board designated for Capacity Building and Engagement	65,000	70,000
Board designated for Strategic Mission of the Organization	54,526,049	43,954,641
<b>Total amounts unavailable to management without Board's approval</b>	<b>57,569,449</b>	<b>45,189,302</b>
<b>Total financial assets available to management for general expenditure within one year</b>	<b>\$ 47,082,353</b>	<b>\$ 30,867,530</b>

### *Liquidity Management*

UWGPSNJ maintains a policy of structuring its financial assets including 100% of its investment portfolio to be available as its general expenditures, liabilities and other obligations become due. Furthermore, in response to the timing difference between the annual receipt and payment of cash, UWGPSNJ has a committed line of credit, which it could draw upon to satisfy its financial obligations in a timely manner without prematurely selling its investments. Additionally, UWGPSNJ has Board Designated net assets without donor restrictions, that while UWGPSNJ does not intend to spend these for purposes other than those identified, the amounts could be made available for current operations, if necessary.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

### 15. Annual Campaign

UWGPSNJ reports to the local community the amount raised in its annual campaign. This amount differs from the amount as reported in the accompanying consolidated statements of activities and changes in net assets. The reconciliation of the annual campaign as reported to the community consisted of the following for the years ended June 30:

	2021	2020
Annual campaign per consolidated financial statements	\$ 24,572,609	\$ 33,113,203
Amounts raised in prior years for current campaign	1,098,151	2,521,551
Amounts raised for future campaigns	(578,210)	(183,962)
Amounts recorded for prior campaigns	(899,231)	(1,317,483)
Endowed campaign gifts in investment income	1,323,809	1,251,392
Amounts raised for The Philadelphia Poverty Action Fund	12,495,004	-
Adjustment from resource table projection to final results	807,923	(252,701)
Annual campaign reported to the local community	\$ 38,820,055	\$ 35,132,000

Revenue recognition related to amounts reported in the gross annual campaign is mandated by United Way Worldwide reporting guidelines and is in accordance with accounting principles generally accepted in the United States of America. In accordance with these guidelines, Local United Way organizations (“LUWs”), such as UWGPSNJ, report gross annual campaign revenues in accordance with their respective geographic areas to avoid duplicative reporting of campaign results. As such, UWGPSNJ only reports amounts that it raises within its service area as gross annual campaign in the consolidated statements of activities and changes in net assets. Amounts raised outside its service area are not reported as public support by UWGPSNJ, but rather, by the LUW in the region in which it was raised. Although some level of effort is expended in raising such funds, the effort is generally shared with the LUW, and UWGPSNJ recuperates most of its costs through processing fees on the dollars distributed for those campaigns. Amounts raised outside UWGPSNJ service area by the UWGPSNJ or other LUWs that are available for distribution by UWGPSNJ are reported as a separate line item in public support, since the related funds are reported as a distribution to agencies by UWGPSNJ. The net impact on net assets of not reporting the effect of these transactions is zero, since these are all effectively agency transactions under US GAAP, and the amounts raised on behalf of others is offset by the amount reported as donor designated distributions to agencies. All designated funding is reported as amounts raised on behalf of others, thus not reported in the net annual campaign.

The annual campaign amount includes all amounts raised by UWGPSNJ, including some amounts that are paid directly to agencies either by the donating company or by third-party processors. These are considered to be “paydirects” by UWGPSNJ and are recorded as gross annual campaign only by the party who raises the funds. All designated funding is reported as amounts raised on behalf of others, thus not reported in the net annual campaign. The revenue recorded by the third-party processor is limited to the processing fee, thus campaign results are not duplicated by multiple parties within or outside of the UWGPSNJ system. For the Fall 2020 and 2019 Campaigns, the paydirects totaled \$4,919,303 and \$7,277,679, respectively.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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### 16. Related Parties

UWGPSNJ's Board of Directors includes volunteers from the local business community who provide valuable assistance to UWGPSNJ in the development of policies and programs. UWGPSNJ has adopted a policy that defines how Board members may participate in decisions regarding allocations and grants to agencies with which they are affiliated.

During the year, UWGPSNJ contracted to receive services from various companies in which Board members are employed. There have been no excess benefits to Board members as a result of these relationships.

SCS contracts certain administrative services, such as accounting and recordkeeping from UWGPSNJ. The nature of such services is specified in an administrative services agreement between SCS and UWGPSNJ. SCS paid UWGPSNJ an administrative services fee of \$2,500 in both 2021 and 2020.

### 17. Commitments

UWGPSNJ leases certain office space and equipment under various non-cancellable operating leases expiring through fiscal year 2020. Rent expense associated with these operating leases was \$327,436 and \$157,030 for the years ended June 30, 2021 and 2020, respectively. On July 31, 2019, UWGPSNJ entered into a lease with JFK Investments Associates, L.P., for 12,640 rentable square feet (RSF) at 1800 JFK Blvd, Philadelphia, PA, Suite 1200. The lease has a ten (10) year term and rental costs of approximately \$28,000 per month for the first year, escalating 2.5% annually thereafter over the term. The lease commencement date was May 1, 2020. The lease is subject to additional charges for electric and other costs. Future minimum rental payments under these leases are as follows:

*Year ending June 30,*

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2022	\$	351,055
2023		359,692
2024		368,561
2025		376,525
2026		380,527
Thereafter		1,548,252
	\$	3,384,612

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### 18. Beneficial Interests in Trusts

UWGPSNJ has a beneficial interest in two trusts.

UWGPSNJ has a one-third beneficial interest in a certain trust fund established by a donor. The fund provides the irrevocable right for UWGPSNJ to receive one-third of the income earned on the trust asset in perpetuity. UWGPSNJ's portion of the trust, which is held and administered by a trustee, was approximately \$329,875 and \$262,397 at June 30, 2021 and 2020, respectively.

UWGPSNJ has a beneficial interest in a trust which provides the irrevocable right to receive income earned on the trust asset in perpetuity. The value of the trust was \$2,357,502 and \$2,027,627 at June 30, 2021 and 2020, respectively.

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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The value of each trust is included in long-term investments on the consolidated statements of financial position at June 30, 2021 and 2020.

### 19. Cost Deduction Standards

The United Way Worldwide Membership Standard M - Cost Deduction Requirements (“Standard”) sets forth uniform standards for local United Ways to calculate the amount of fundraising and management and general expenses to deduct from donor pledges. The UWGPSNJ complies with the guidelines outlined in the Standard.

### 20. Income Taxes

For the year ended June 30, 2021 and 2020, UWGPSNJ, LLC, and SSC did not identify any uncertain tax positions taken or expected to be taken, which would require adjustment or disclosure in the consolidated financial statements. UWGPSNJ, LLC, and SSC’s information returns for the past three years are generally open for examination by U.S. federal, state, and local taxing authorities.

### 21. Risks and Uncertainties

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the UWGPSNJ’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2020. Nevertheless, COVID-19 presents potential material uncertainty and risk with respect to the Organization, its performance, and its financial results.

On March 27, 2020, President Trump signed into law the “Coronavirus Aid, Relief, and Economic Security (CARES) Act.” The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property.

It also appropriated funds for the SBA Paycheck Protection Program loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans to provide liquidity to small businesses harmed by COVID-19. On April 27, 2020, UWGPSNJ received a PPP Loan through WSFS bank in the amount of \$736,705 with a fixed interest rate of 1% per year to be paid over an 18-month period. The application for the PPP Loan required UWGPSNJ to, in good faith, certify that the current economic uncertainty made the loan request to the support the ongoing operations of UWGPSNJ and considered current business activity and liquidity and funds

# United Way of Greater Philadelphia and Southern New Jersey and Affiliate

## Notes to Consolidated Financial Statements June 30, 2021 and 2020

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available. As of December 21, 2020, the loan was paid off in full by the SBA. The second loan in the amount of \$1,090,272 was received on April 17, 2021. The loan also included terms that allowed for all or partial forgiveness of loan proceeds. In the event the loan is not fully forgiven, the loan would have matured over five (5) years from the date of disbursement of the loan with principal amounts outstanding under the loan bearing interest at a rate per annum equal to 1.00%. Subsequent to June 30, 2021, UWGPSNJ was notified by the loan servicer that the loan was forgiven by the Small Business Administration in January 2022.

### **22. Subsequent Events**

UWGPSNJ has evaluated the impact of subsequent events through February 7, 2022, the date the consolidated financial statements herein were issued. Other than disclosed below, UWGPSNJ has determined that there are no other material events that would require disclosure except as disclosed in Notes 9 and 21.