



**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE**

DECEMBER 31, 2020 and 2019

WITH

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Tulsa Area United Way

Report on the Financial Statements

We have audited the accompanying financial statements of Tulsa Area United Way, which comprise the statements of financial position as of December 31, 2020 and 2019, the related statements of activities, cash flows and functional expenses for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tulsa Area United Way as of December 31, 2020 and 2019, and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

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

Hogan Taylor LLP

Tulsa, Oklahoma
June 15, 2021

TULSA AREA UNITED WAY
STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	\$ 10,666,301	\$ 10,595,075
Pledges receivable, net	15,001,581	16,244,511
Prepaid expenses	44,549	39,512
Investments	9,851,883	9,249,703
Beneficial interest in assets held by others	1,959,755	1,726,783
Land, building and equipment, net	346,757	412,533
	\$ 37,870,826	\$ 38,268,117
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 161,626	\$ 136,222
Allocations payable to agencies	19,613,118	20,234,150
	19,774,744	20,370,372
Net assets:		
Without donor restrictions	13,109,297	11,210,702
With donor restrictions:		
Restricted for specified purposes or time	3,986,785	5,687,043
Restricted in perpetuity - endowment	1,000,000	1,000,000
	18,096,082	17,897,745
Total net assets	\$ 37,870,826	\$ 38,268,117
Total liabilities and net assets	\$ 37,870,826	\$ 38,268,117

TULSA AREA UNITED WAY
STATEMENTS OF ACTIVITIES

Years ended December 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenues						
Campaign revenue applicable to current fiscal year:						
Public support received - current year	\$ 1,023,441	\$ -	\$ 1,023,441	\$ 2,324,570	\$ -	\$ 2,324,570
Public support received in prior year - released from restrictions	6,861,651	(6,861,651)	-	4,105,955	(4,105,955)	-
Total public support - current year	7,885,092	(6,861,651)	1,023,441	6,430,525	(4,105,955)	2,324,570
Provision for uncollectible pledges	(1,199,325)	1,174,608	(24,717)	(1,236,193)	954,615	(281,578)
Total campaign revenue - current year	6,685,767	(5,687,043)	998,724	5,194,332	(3,151,340)	2,042,992
Campaign revenue applicable to next fiscal year:						
Public support	19,613,118	5,152,226	24,765,344	18,950,146	6,861,651	25,811,797
Less: donor designations to agencies	(1,049,054)	-	(1,049,054)	(842,427)	-	(842,427)
Less: allowance for uncollectible pledges	-	(1,165,441)	(1,165,441)	-	(1,174,608)	(1,174,608)
Total campaign revenue - to be used in next fiscal year	18,564,064	3,986,785	22,550,849	18,107,719	5,687,043	23,794,762
Contributions, other than campaign revenue	131,251	-	131,251	148,144	-	148,144
Grant revenue	527,031	-	527,031	29,287	-	29,287
Net investment return	404,410	-	404,410	556,125	-	556,125
In-kind donations	133,200	-	133,200	166,014	-	166,014
Miscellaneous	63,879	-	63,879	54,899	-	54,899
Net assets released from restrictions	-	-	-	-	-	-
Total public support and revenues	26,509,602	(1,700,258)	24,809,344	24,256,520	2,535,703	26,792,223
Program and Supporting Service Expenses						
Program services:						
Allocations, designations and other funding	21,391,625	-	21,391,625	22,408,612	-	22,408,612
Less: donor designations to agencies	(1,049,054)	-	(1,049,054)	(842,427)	-	(842,427)
Net allocations, designations and other funding	20,342,571	-	20,342,571	21,566,185	-	21,566,185
Community impact	945,472	-	945,472	851,507	-	851,507
Total program services	21,288,043	-	21,288,043	22,417,692	-	22,417,692
Supporting services:						
Fundraising	2,125,711	-	2,125,711	2,128,338	-	2,128,338
Management and general	1,197,253	-	1,197,253	1,061,456	-	1,061,456
Total supporting services	3,322,964	-	3,322,964	3,189,794	-	3,189,794
Total program and supporting service expenses	24,611,007	-	24,611,007	25,607,486	-	25,607,486
Change in net assets	1,898,595	(1,700,258)	198,337	(1,350,966)	2,535,703	1,184,737
Net assets - beginning of year	11,210,702	6,687,043	17,897,745	12,561,668	4,151,340	16,713,008
Net assets - end of year	\$ 13,109,297	\$ 4,986,785	\$ 18,096,082	\$ 11,210,702	\$ 6,687,043	\$ 17,897,745

See notes to financial statements.

TULSA AREA UNITED WAY

STATEMENTS OF CASH FLOWS

Years ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Change in net assets	\$ 198,337	\$ 1,184,737
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Provision for uncollectible pledges	(1,190,158)	(1,456,186)
Contribution of investment securities	(35,276)	(272,569)
Net unrealized and realized gain on investments	(232,971)	(262,851)
Loss on disposal of equipment	2,969	-
Depreciation expense	106,540	104,871
Change in assets and liabilities:		
Pledges receivable	2,433,088	66,960
Prepaid expenses	(5,037)	(19,775)
Other assets	-	101,838
Accounts payable and accrued expenses	25,404	86,846
Allocations payable to agencies	(621,032)	541,688
	681,864	75,559
Cash Flows from Investing Activities		
Proceeds from maturities of investments	8,872,351	3,104,724
Purchases of investments	(9,439,256)	(2,940,741)
Purchases of equipment	(43,733)	(102,361)
	(610,638)	61,622
Net cash provided by (used in) investing activities	(610,638)	61,622
Net change in cash and cash equivalents	71,226	137,181
Cash and cash equivalents, beginning of year	10,595,075	10,457,894
Cash and cash equivalents, end of year	\$ 10,666,301	\$ 10,595,075

TULSA AREA UNITED WAY

STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2020

(with summarized information for the year ended December 31, 2019)

	Program Services		Supporting Services		2020 Total	2019 Total
	Allocations	Community Impact	Fundraising	Management and General		
Salaries	\$ -	\$ 555,204	\$ 1,086,936	\$ 608,897	\$ 2,251,037	\$ 2,076,701
Employee retirement benefits	-	41,597	74,498	46,391	162,486	147,417
Other employee benefits	-	100,835	149,980	106,622	357,437	325,276
Payroll taxes and other	-	37,901	75,937	39,067	152,905	145,050
Total salaries and related expenses	-	735,537	1,387,351	800,977	2,923,865	2,694,444
Allocations and other funding, net	20,342,571	-	-	-	20,342,571	21,566,185
Professional fees and contract services	-	74,453	130,532	65,810	270,795	259,038
Advertising and promotion	-	208	155,653	378	156,239	244,618
Office	-	973	18,315	32,161	51,449	23,887
Information technology	-	6,242	16,440	39,483	62,165	48,651
Maintenance and general occupancy	-	17,453	44,138	34,418	96,009	116,929
Equipment and service contracts	-	-	-	7,818	7,818	3,417
Travel	-	2,290	3,243	14,485	20,018	22,820
Subscriptions and organizational dues	-	11,723	6,993	25,523	44,239	21,637
Conferences, conventions and meetings	-	9,697	139,546	11,422	160,665	200,476
Special awards	-	-	2,924	3,913	6,837	10,630
United Way Worldwide dues	-	63,330	164,659	88,662	316,651	254,482
Depreciation	-	22,799	53,376	30,365	106,540	104,871
Miscellaneous	-	767	2,541	41,838	45,146	35,401
Total	\$ 20,342,571	\$ 945,472	\$ 2,125,711	\$ 1,197,253	\$ 24,611,007	\$ 25,607,486

See notes to financial statements.

TULSA AREA UNITED WAY
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2019

	<u>Program Services</u>		<u>Supporting Services</u>		<u>Total</u>
	<u>Allocations</u>	<u>Community Impact</u>	<u>Fundraising</u>	<u>Management and General</u>	
Salaries	\$ -	\$ 496,641	\$ 1,048,018	\$ 532,042	\$ 2,076,701
Employee retirement benefits	-	33,589	62,296	51,532	147,417
Other employee benefits	-	76,815	162,451	86,010	325,276
Payroll taxes and other	-	36,795	71,810	36,445	145,050
Total salaries and related expenses	-	643,840	1,344,575	706,029	2,694,444
Allocations and other funding, net	21,566,185	-	-	-	21,566,185
Professional fees and contract services	-	64,000	123,810	71,228	259,038
Advertising and promotion	-	1,292	236,121	7,205	244,618
Office	-	3,069	5,089	15,729	23,887
Information technology	-	10,746	11,168	26,737	48,651
Maintenance and general occupancy	-	17,736	51,308	47,885	116,929
Equipment and service contracts	-	-	-	3,417	3,417
Travel	-	62	12,461	10,297	22,820
Subscriptions and organizational dues	-	9,610	5,674	6,353	21,637
Conferences, conventions and meetings	-	23,712	148,856	27,908	200,476
Special awards	-	1,557	6,630	2,443	10,630
United Way Worldwide dues	-	53,441	129,786	71,255	254,482
Depreciation	-	22,442	52,552	29,877	104,871
Miscellaneous	-	-	308	35,093	35,401
Total	\$ 21,566,185	\$ 851,507	\$ 2,128,338	\$ 1,061,456	\$ 25,607,486

TULSA AREA UNITED WAY

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

Note 1 – Description of Organization and Summary of Significant Accounting Policies

Organization

Tulsa Area United Way (United Way) is a nonprofit, voluntary health and welfare organization formed to unite people and resources to improve lives and build a stronger community. United Way conducts an annual fundraising campaign and provides allocations to numerous partner agencies, funding for nonprofit organizations that collaborate to meet community challenges, venture grants to implement new and innovative solutions to social problems, and emergency funding in time of need. The management and administration is vested with a volunteer Board of Directors.

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The financial statements do not include the accounts or activities of United Way's partner agencies.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net assets

Net assets are classified based on the existence or absence of donor-imposed restrictions as follows:

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations, other restrictions, or whose restriction has been fulfilled. Revenues are generally reported as increases in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Investment returns generated by unrestricted funds are classified as changes in net assets without donor restrictions.

With donor restrictions – Net assets whose use by United Way is subject to stipulations that can be fulfilled by actions of United Way or that expire with the passage of time. Net assets with donor restrictions also include amounts received or pledged in the current year annual campaign to fund subsequent year operations. When a restriction expires or is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements 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) by United Way. These assets are held in an endowment fund investment account. There are no donor restrictions on the use of income earned on the account.

Gifts having donor stipulations that are satisfied in the period the gift is received are reported as net assets without donor restrictions.

Cash and cash equivalents

United Way classifies all highly liquid investments with original maturities of three months or less as cash equivalents. Cash and cash equivalents are carried at cost, which approximates fair value.

Investments

Certificates of deposit are presented at cost, plus accrued interest. Other investments are presented at estimated fair value, based on quoted market prices. Income from, and gains or losses on, investments are reported net of investment expense, as follows:

- Increases in net assets with donor restrictions if the terms of the gift that gave rise to the investment or applicable law require a portion of income or gains be added to the principal of a permanent endowment. Additionally, investment income is reported as an increase in net assets with donor restrictions if the terms of the gift or applicable law impose restrictions on the use of the income. United Way's endowment fund agreement does not restrict the use of its related income.
- Increases in net assets without donor restrictions in all other cases.

Generally, losses on the investments of restricted endowments reduce net assets with donor restrictions to the extent donor-imposed restrictions on net appreciation of investments have not been met before the loss occurs. Any remaining losses reduce net assets without donor restrictions, but can be restored through subsequent investment gains.

Credit and market risk

Financial instruments which potentially subject United Way to concentration of credit and market risk consist primarily of cash and cash equivalents, pledges receivable and investments.

United Way maintains its cash and cash equivalents in Federal Deposit Insurance Corporation bank deposit accounts with the exception of a collateralized daily sweep account. Daily balances on that account are collateralized by 102% of acceptable securities.

Pledges receivable are due from a large number of donors in the Tulsa area, including recurring donations from individuals and companies, and collection of such pledges receivable is subject to local economic conditions and events.

Investments, other than those in the endowment fund, are to be invested in short-term instruments which provide the ready availability of cash to fund operational needs while maximizing return, minimizing risk and ensuring appropriate safety of the funds. Upon approval by the United Way Finance and Audit Committee (the Committee), United Way may invest a certain percentage in longer term instruments, with maturities not to exceed 24 months. The percentage approved by the Committee as of December 31, 2020, is 15%.

Campaign pledges

Revenues include contributions from the fundraising campaign conducted each fall. Direct contributions are considered without restriction unless they are specifically restricted by the donor. Contributions received are recorded in the year the related commitments are received as either with or without donor restricted

revenue. As restrictions on net assets are satisfied, net assets are reclassified to without donor restrictions and reported as net assets released from restriction in the statements of activities. Contributions made (allocations) are recognized in the year when the related commitments are made.

Certain contributions/pledges received in fundraising campaigns are designated by individuals for specific agencies or for United Way organizations in areas other than the Tulsa area. Accounting standards require that organizations who received contributions/pledges that are designated by donors for other organizations exclude such designated contributions/pledges from the amount recognized as contributions received and made. The Organization classifies and reports such designations in its statements of activities as a reduction of campaign revenue.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional.

The uncollectible estimate is based upon a historical loss percentage of total public support including donor designations as well as current economic conditions.

Functional expenses

Expenses are allocated to the various supporting services on a systematic basis. Depreciation expense is allocated to the various functions based on estimated facility usage.

All functions are charged for specific direct expenses, except for maintenance and general occupancy and salary expenses. Salary, maintenance and general occupancy expenses are allocated based on the individual personnel who work in each function.

Land, building and equipment

Land, building and equipment are reported at cost less accumulated depreciation. Donated fixed assets are recorded at fair value at the time of donation. Depreciation is based upon estimated useful lives ranging from 3 to 30 years using the straight-line method. Additions to land, buildings and equipment are capitalized when in excess of \$1,000, and maintenance, repairs and minor replacements are expensed as incurred.

Long-lived asset impairment

United Way evaluates the carrying amount of its land, building and equipment on an annual basis or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable from cash flows generated by future activities. No impairments were recorded in 2020 or 2019.

Allocations to partner agencies

Prior to commencement of the campaign, funds are conditionally allocated to partner agencies and other social service organizations in accordance with United Way Community Investments Committee recommendations and Board of Directors authorization. Allocations are recognized as an expense and allocations payable in the year of the annual campaign as all substantive conditions related to the allocations have been satisfied. Contributions received with donor designations are shown as a reduction of revenues and expenses in "donor designations to agencies" on the statements of activities. These allocations are distributed to partner agencies and other social service organizations in the subsequent calendar year.

Income taxes

United Way is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined not to be a private foundation under Section 509(a) of the Code. As a result, as long as the United Way maintains its tax exemption, it will not be subject to income taxes.

Donated services

Many volunteers donate substantial amounts of time toward the campaign, Community Investments Committee and various program activities. No amounts for these services are included in the financial statements, as a majority of these services do not require specialized skills as defined by the Financial Accounting Standards Board (FASB).

Reclassifications

Certain amounts in the 2019 statement of functional expenses have been reclassified to conform with the current year presentation. The reclassifications had no effect on previously reported total functional expenses.

Subsequent events

Management has evaluated subsequent events through July 15, 2021, the date the financial statements were available to be issued.

Note 2 – Pledges Receivable

Pledges receivable consist of the following at December 31:

	2020	2019
Current-year campaign	\$ 15,513,112	\$ 16,544,045
Prior-year campaigns	2,075,512	2,001,594
Total pledges receivable	17,588,624	18,545,639
Allowance for uncollectible pledges	(2,587,043)	(2,301,128)
Pledges receivable, net	<u>\$ 15,001,581</u>	<u>\$ 16,244,511</u>

Note 3 – Investments and Beneficial Interest in Assets Held by Others

Investments and beneficial interest in assets held by others consist of the following at December 31:

	2020	2019
Certificates of deposit	\$ 9,851,883	\$ 9,249,703
Endowment Fund investments:		
Beneficial interest in assets held by others:		
Cash management fund	70,963	84,275
Fixed income mutual funds	577,663	513,094
Equity mutual funds	1,200,887	1,033,804
Exchange-traded funds	110,242	95,610
	<u>1,959,755</u>	<u>1,726,783</u>
Total	<u>\$ 11,811,638</u>	<u>\$ 10,976,486</u>

Net investment return for the years ended December 31, consists of:

	2020	2019
Interest and dividend income	\$ 171,439	\$ 293,274
Net unrealized gain	210,560	254,506
Net realized gain	22,411	8,345
	<u>\$ 404,410</u>	<u>\$ 556,125</u>

Endowment funds

The FASB provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). This guidance requires specific disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not the organization is subject to UPMIFA.

The Board of United Way has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, United Way classifies as net assets with donor restriction (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

United Way's endowment funds consist of a donor-restricted endowment fund (Donor Endowment Fund) and a board-designated endowment fund (Designated Endowment Fund).

With respect to the Donor Endowment Fund, the spending policy allows for distributions of the lesser of 6% of the market value of the Donor Endowment Fund or the market value in excess of \$1,000,000. In accordance with the donor's restrictions, the amount available for distribution cannot exceed an amount at any time that would have the effect of reducing the Donor Endowment Fund below \$1,000,000. The

spending policy for the Designated Endowment Fund allows for distributions up to a maximum of 6% of the market value of the Designated Endowment Fund.

The Donor Endowment Fund and Designated Endowment Fund's investments are in a fund (TCF Fund) with Tulsa Community Foundation (the Foundation). The fair value of United Way's investments in the TCF Fund was \$1,959,755 and \$1,726,783 at December 31, 2020 and 2019, respectively. In unusual circumstances of need or opportunity, United Way may request a distribution of all or a portion of the TCF Fund upon two-thirds vote of United Way's Board of Directors. The Foundation may grant the request if it concludes the distribution is neither unreasonable nor inconsistent with the charitable purposes of the Foundation and United Way; however, the Foundation has the ultimate unilateral authority over and control of all property in the TCF Fund.

From time to time, the fair value of assets associated with the Donor Endowment Fund may fall below the level that the donor or UPMIFA requires United Way to retain as a fund of perpetual duration. Deficiencies of this nature are reported in net assets with donor restrictions. There was no such deficiency in 2020 or 2019.

Endowment fund net assets by type as of December 31, 2020, consist of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment fund	\$ 701,749	\$ 1,000,000	\$ 1,701,749
Board-designated endowment fund	258,006	-	258,006
	<u>\$ 959,755</u>	<u>\$ 1,000,000</u>	<u>\$ 1,959,755</u>

Changes in endowment fund net assets for 2020 consist of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment fund net assets, January 1, 2020	\$ 726,783	\$ 1,000,000	\$ 1,726,783
Investment return:			
Net appreciation	30,440	202,532	232,972
Withdrawals	-	-	-
Transfers	202,532	(202,532)	-
Total change	<u>232,972</u>	<u>-</u>	<u>232,972</u>
Endowment fund net assets, December 31, 2020	<u>\$ 959,755</u>	<u>\$ 1,000,000</u>	<u>\$ 1,959,755</u>

Endowment fund net assets by type as of December 31, 2019, consist of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment fund	\$ 499,217	\$ 1,000,000	\$ 1,499,217
Board-designated endowment fund	227,566	-	227,566
	<u>\$ 726,783</u>	<u>\$ 1,000,000</u>	<u>\$ 1,726,783</u>

Changes in endowment fund net assets for 2019 consist of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment fund net assets, January 1, 2019	\$ 492,829	\$ 1,000,000	\$ 1,492,829
Investment return:			
Net appreciation	39,089	261,865	300,954
Withdrawals	(67,000)	-	(67,000)
Transfers	261,865	(261,865)	-
Total change	<u>233,954</u>	<u>-</u>	<u>233,954</u>
Endowment fund net assets, December 31, 2019	<u>\$ 726,783</u>	<u>\$ 1,000,000</u>	<u>\$ 1,726,783</u>

Fair value measurement

The fair value measurement standards establish a consistent framework for measuring fair value and a fair value hierarchy based on the observability of inputs used to measure fair value. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities.
- Level 2 – other significant observable inputs (including quoted prices for similar securities).
- Level 3 – significant unobservable inputs (including United Way's own assumptions in determining the value of investments).

Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market and listed securities for which no sales were reported on that date are valued at the last reported bid price.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Following is a summary of the inputs used in valuing United Way's securities carried at fair value:

	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
As of December 31, 2020				
Beneficial interest in assets held by others	\$ -	\$ 1,959,755	\$ -	\$ 1,959,755

	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
As of December 31, 2019				
Beneficial interest in assets held by others	\$ -	\$ 1,726,783	\$ -	\$ 1,726,783

Beneficial interest in assets held by others (Beneficial Interest) is measured at fair value using Level 2 inputs. Since the Foundation maintains variance power for the beneficial interests it holds, there is no potential market for the Beneficial Interest or similar assets. Consequently, the valuation is determined by aggregating the valuation of the underlying investments of the Beneficial Interest. The fair values of the underlying investments are based on quoted prices from active and inactive markets.

Note 4 – Land, Building and Equipment

Land, building and equipment consists of the following at December 31:

	2020	2019
Land	\$ 146,587	\$ 146,587
Land improvements	27,287	27,287
Building and improvements	3,048,238	3,007,474
Furniture and fixtures	136,426	136,426
Computer equipment and other	294,181	294,181
Automobiles	15,591	15,591
Total	3,668,310	3,627,546
Accumulated depreciation	(3,321,553)	(3,215,013)
Total land, building and equipment, net	\$ 346,757	\$ 412,533

Note 5 – Paycheck Protection Program Loan

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted in response to the COVID-19 pandemic. On April 13, 2020, United Way received loan proceeds of \$478,900 from a bank under the Paycheck Protection Program (PPP), which was established as part of the CARES Act. Under the PPP, the Small Business Administration (SBA) will forgive the proceeds received and accrued interest if eligibility and certain other criteria are met related to use of the funds. The portion of the proceeds received that is not forgiven, if any, is converted to an unsecured term note payable in equal installments, including interest at 1%, through April 2022.

During 2020 the proceeds were expended for qualifying purposes and United Way submitted a request for loan forgiveness. In November 2020, the SBA notified United Way that its PPP loan had been forgiven and no repayment is due. As the PPP loan was forgiven, United Way has elected to account for the PPP loan as a conditional contribution under ASC 958-605, *Not-for-Profit Entities, Revenue Recognition*. Therefore, the proceeds of \$478,900 are recorded as grant revenue in the accompanying statement of activities.

Note 6 – Retirement Plan

United Way has a 403(b) defined contribution thrift plan in which substantially all employees are eligible to participate. Employees may contribute to the plan and their contributions are matched by United Way, dollar for dollar, up to 4%. Additionally, contingent upon approval by the Compensation Committee, United Way can choose to make a discretionary contribution to employees plans up to 4% of compensation, regardless of employee participation in the plan. United Way contributed \$162,486 and \$147,417 to the defined contribution thrift plan in 2020 and 2019, respectively.

Note 7 – Concentrations

For each of the years ended December 31, 2020 and 2019, campaign revenue attributable to one major donor accounted for 11% and 9%, respectively, of total public support and revenues.

Note 8 – Financial Assets and Liquidity Resources

As of December 31, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses, were as follows:

	2020	2019
Assets:		
Cash and cash equivalents	\$ 10,666,301	\$ 10,595,075
Pledges receivables, net	15,001,581	16,244,511
Investments	9,851,883	9,249,703
	<hr/>	<hr/>
Total financial assets available within one year	35,519,765	36,089,289
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Donor-restricted for specified purposes	(3,986,785)	(5,687,043)
Allocations payable to agencies	(19,613,118)	(20,234,150)
	<hr/>	<hr/>
Total financial assets available to management for general expenditures within one year	<u>\$ 11,919,862</u>	<u>\$ 10,168,096</u>

United Way manages its liquidity so that financial assets are available as its general expenditures, liabilities, and other obligations come due. The United Way is supported primarily by contributions. Receivables are expected to be collected within one year.

SUPPLEMENTAL SCHEDULE

TULSA AREA UNITED WAY

**SUPPLEMENTAL SCHEDULE OF ALLOCATIONS,
DESIGNATIONS AND OTHER FUNDING**

Years ended December 31, 2020 and 2019

	2020	2019
Allocations and Designations		
12 & 12, Inc.	\$ 300,000	\$ 300,000
A New Leaf	363,330	373,950
Ability Resources	146,345	156,911
American Red Cross, Tulsa Chapter	477,000	551,029
American Charities	-	166
Big Brothers Big Sisters of Oklahoma	277,790	309,217
Boy Scouts of America, Indian Nations Council	512,066	563,769
Bridges Foundation, The	228,223	240,343
Bristow Social Services	97,580	97,580
Broken Arrow Neighbors	80,192	80,192
Broken Arrow Seniors, Inc.	41,843	44,269
Camp Fire USA, Green Country Council	312,763	322,200
Caring Community Friends Inc. of Sapulpa	60,000	60,000
Catholic Charities	25,000	-
Center for Employment Opportunities	150,000	150,000
Center for Individuals with Physical Challenges, The	286,824	295,695
Child Abuse Network	249,000	249,000
Community Action Project of Tulsa County	632,531	658,894
Community Health Charities	-	2,458
Community Service Council	216,399	216,399
Community Service Council - Special 2-1-1 Funding	-	150,000
Creek County Literacy Program	33,055	34,640
Crossroads	76,041	106,021
Crosstown Learning Center	160,000	160,000
Domestic Violence Intervention Services	882,849	910,000
Domestic Violence Intervention Services - Sapulpa County Resource Center	65,500	65,500
Eastern Oklahoma Donated Dental Services, Inc.	78,570	90,000
Family & Children's Services	1,628,492	1,678,939
Foundation for Tulsa Schools	160,000	376,000
Girl Scouts of Eastern Oklahoma	351,135	366,023
Global Gardens	68,120	69,000
Global Impact	-	447
Goodwill Industries of Tulsa	551,351	569,365
Hospice of Green Country, Inc.	123,178	123,452
KIPP Academy	353,875	372,500
Leadership Tulsa	17,500	17,750
Legal Aid Services of Oklahoma, Inc.	420,780	421,809
LIFE Senior Services	755,330	773,967
Madison Strategies/Work Advance	143,000	150,000
Meals on Wheels	-	50,000
Mental Health Association Oklahoma	536,917	540,980
Miscellaneous and Other Agency Grant Funding	104,454	37,385

See independent auditor's report.

TULSA AREA UNITED WAY

**SUPPLEMENTAL SCHEDULE OF ALLOCATIONS,
DESIGNATIONS AND OTHER FUNDING (continued)**

Years ended December 31, 2020 and 2019

Allocations and Designations (continued)	2020	2019
Morton Comprehensive Health Services	375,000	375,000
Neighbors to Nation	-	263
Okmulgee County Family Resource Center, Inc.	129,634	129,634
Okmulgee County Homeless Shelter	90,000	90,000
Okmulgee-Okfuskee County Youth Services	127,197	129,793
Operation Aware of Oklahoma	142,778	142,778
Owasso Community Resources	60,660	77,213
Palmer	320,274	333,043
The Parent Child Center of Tulsa	568,249	590,254
Reading Partners	293,750	312,500
Regional Food Bank	-	134
Retired Senior Volunteer Program - RSVP	74,967	78,913
Rogers County United Way	65,000	78,115
Sand Springs Community Services	72,079	72,079
Show, Inc.	116,732	118,835
The Salvation Army - Area Command	1,300,515	1,394,596
Street School	440,007	440,007
Tristesse Grief Center	74,100	75,000
TSHA, Inc.	212,118	216,681
Tulsa Advocates for the Rights of Citizens with Developmental Disabilities	161,974	186,341
Tulsa Boys' Home	343,495	357,518
Tulsa C.A.R.E.S.	623,363	601,299
Tulsa Court Appointed Special Advocates	112,609	112,609
Tulsa Day Center for the Homeless	235,000	235,000
Wagoner Area Neighbors	66,150	66,150
YMCA of Greater Tulsa	719,309	735,063
Youth at Heart	230,300	230,300
Youth Services of Creek County	148,500	150,000
Youth Services of Tulsa	890,461	907,336
YWCA of Tulsa	437,577	459,032
Total Allocations and Designations	19,398,831	20,431,336

TULSA AREA UNITED WAY

**SUPPLEMENTAL SCHEDULE OF ALLOCATIONS,
DESIGNATIONS AND OTHER FUNDING (continued)**

Years ended December 31, 2020 and 2019

	2020	2019
Collaborative Initiatives and Other Special Funding		
Center for Housing Solutions	100,000	-
City Year	100,000	100,000
Community Service Council - A Way Home for Tulsa	-	100,000
Community Service Council	150,000	-
Community Service Council - COVID call line	12,066	-
Family & Children's Services	100,000	-
Family & Children's Services - Community Response Team	-	106,044
Foundation for Tulsa Schools	326,336	-
Hunger Free Oklahoma	123,142	100,000
ImpactTulsa	-	200,000
Madison Strategies/Work Advance	545,000	550,000
Parent-Child Center of Tulsa - Safe Babies Court	80,000	-
Parent-Child Center of Tulsa - Special Grant	-	80,000
Tulsa Campaign to Prevent Teen Pregnancy	120,000	180,000
SnapTulsa	-	100,000
STEM Alliance	-	70,000
Tulsa County Child Protection Center	11,250	45,000
	1,667,794	1,631,044
Total Collaborative Initiatives and Other Special Funding		
Innovation Grant Funding		
Center for Employment Opportunities	-	23,250
Center for Housing Solutions	115,465	-
CURA Medical	15,000	-
Domestic Violence Intervention Services	100,000	-
Fab Lab Tulsa - Fab Lab Match Program	-	25,000
Family & Children's Services - COPEs	-	67,122
Growing Together - GT Community Leadership Institute	-	52,860
Legal Aid Services of Oklahoma, Inc.	-	23,000
Met Cares Foundation - Level-Up	-	75,000
South Tulsa Community House	34,535	-
Tulsa Advocates for the Protection of Children - Mobile Resource Unit	-	80,000
Urban Strategies	60,000	-
	325,000	346,232
Total Innovation Grant Funding		
Total allocations	21,391,625	22,408,612
Less donor designations to agencies	(1,049,054)	(842,427)
	\$ 20,342,571	\$ 21,566,185