UNITED WAY OF GREATER ROCHESTER AND THE FINGER LAKES, INC.
AND AFFILIATES

Consolidated Financial Statements
as of March 31, 2022
Together with
Independent Auditor's Report

Bonadio & Co., LLP
Certified Public Accountants

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

August 2, 2022

To the Boards of Directors of
United Way of Greater Rochester and the Finger Lakes, Inc. and Affiliates:

Opinion
We have audited the accompanying consolidated financial statements of United Way of Greater Rochester and the Finger Lakes, Inc. (a New York not-for-profit corporation) and Affiliates (collectively, the Organizations), which comprise the consolidated balance sheet as of March 31, 2022, and the related consolidated statements of activities and change in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of United Way of Greater Rochester and the Finger Lakes, Inc. and Affiliates as of March 31, 2022, and the changes in their net assets and their 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 audit in accordance with auditing standards generally accepted in the United States of America. 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 United Way of Greater Rochester and the Finger Lakes, Inc. and Affiliates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Greater Rochester and the Finger Lakes, Inc. and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Way of Greater Rochester and the Finger Lakes, Inc. and Affiliates' internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Greater Rochester and the Finger Lakes, Inc. and Affiliates' 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.

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INDEPENDENT AUDITOR'S REPORT
(Continued)

Report on Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating information presented on pages 1, 2 and 4 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information
We have previously audited the Organizations' 2021 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated July 30, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2021 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Bonadio & Co., LLP

UNITED WAY OF GREATER ROCHESTER AND THE FINGER LAKES, INC. AND AFFILIATES

CONSOLIDATED BALANCE SHEET
MARCH 31, 2022
(With Comparative Totals for 2021)

	Supplementary Information					Consolidated	
	United Way of Greater Rochester and the Finger Lakes, Inc.	UWGR Holding Company, Inc.	Supporting Foundations	The Systems Integration of Monroe County, LLC	Eliminations	2022	2021
ASSETS							
Cash and cash equivalents	$ 6,288,914	$ 353,717	$ 287,123	$ -	$ -	$ 6,929,754	$ 62,440,053
Pledges receivable, net	4,432,308	-	-	-	-	4,432,308	4,139,507
Grants receivable	6,367,745	-	-	-	-	6,367,745	1,995,695
Rent receivable - affiliate	-	80,492	-	-	(80,492)	-	-
Bequests receivable	776,937	-	-	-	-	776,937	202,128
Investments	165,592,313	-	49,225,068	-	-	214,817,381	169,774,224
Property and equipment, net	55,390	1,528,686	-	-	-	1,584,076	1,685,717
Beneficial interest in split-interest agreements	4,742,094	-	-	-	-	4,742,094	4,790,000
Other assets	1,284,742	14,386	-	100	(100)	1,299,128	3,685,305
	$ 189,540,443	$ 1,977,281	$ 49,512,191	$ 100	$ (80,592)	$ 240,949,423	$ 248,712,629
LIABILITIES AND NET ASSETS							
LIABILITIES:							
Accounts payable and accrued expenses	$ 1,893,955	$ 36,940	$ -	$ -	$ -	$ 1,930,895	$ 1,151,994
Due to agencies	5,345,807	-	-	-	-	5,345,807	5,163,299
Deferred revenue	1,535,575	5,056	-	-	-	1,540,631	808,870
Rent payable - affiliate	80,492	-	-	-	(80,492)	-	-
Charitable gift annuity reserve	142,088	-	-	-	-	142,088	152,588
Pension and postretirement plan liability	2,170,612	-	-	-	-	2,170,612	3,127,993
Total liabilities	11,168,529	41,996	-	-	(80,492)	11,130,033	10,404,744
NET ASSETS:							
Without donor restrictions							
Undesignated	23,442,277	1,532,688	49,512,191	100	(100)	74,487,156	84,352,591
Board designated	9,855,995	402,597	-	-	-	10,258,592	4,541,974
Quasi-endowment	62,262,174	-	-	-	-	62,262,174	65,756,638
Total without donor restrictions	95,560,446	1,935,285	49,512,191	100	(100)	147,007,922	154,651,203
With donor restrictions	82,811,468	-	-	-	-	82,811,468	83,656,682
Total net assets	178,371,914	1,935,285	49,512,191	100	(100)	229,819,390	238,307,885
	$ 189,540,443	$ 1,977,281	$ 49,512,191	$ 100	$ (80,592)	$ 240,949,423	$ 248,712,629

The accompanying notes are an integral part of these statements.

UNITED WAY OF GREATER ROCHESTER AND THE FINGER LAKES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2022
(With Comparative Totals for 2021)

	Supplementary Information					Consolidated			
	United Way of Greater Rochester and the Finger Lakes, Inc.	UWGR Holding Company, Inc.	Supporting Foundations	The Systems Integration of Monroe County, LLC	Eliminations	Without donor restrictions	With donor restrictions	2022	2021
REVENUE, GAINS AND OTHER SUPPORT:									
Annual campaign	$ 13,107,628	$ -	$ -	$ -	$ -	$ 13,107,628	$ 4,802,032	$ 17,909,660	$ 17,062,999
Less: Received as agent for other United Ways	(517,767)	-	-	-	-	(517,767)	-	(517,767)	(234,310)
Less: Provision for uncollectible pledges	(578,946)	-	-	-	-	(578,946)	(361)	(579,307)	(523,846)
Annual campaign, net	12,010,915	-	-	-	-	12,010,915	4,801,671	16,812,586	16,304,843
Investment income used in operations in accordance with the United Way's total return spending policy	5,002,835	-	-	-	-	5,002,835	-	5,002,835	4,948,798
Donor advised fund gifts received	1,689,397	-	-	-	-	1,689,397	-	1,689,397	2,283,668
Donated goods and services	129,944	211,839	-	-	(210,642)	131,141	-	131,141	702,383
Community Crisis Fund revenue	-	-	-	-	-	-	-	-	6,196,197
ROC the Day revenue, net	-	-	-	-	-	-	839,965	839,965	835,548
Endowment legacies and other gifts received, net	(530,448)	-	-	-	-	(530,448)	2,250,350	1,719,902	20,250,061
Government and other grant revenue	-	-	-	-	-	-	11,670,790	11,670,790	12,052,429
Foundation allocations	-		-	-	-	-	-	-	50,048,105
Other	388,498	397,290	-	-	(298,874)	486,914	424	487,338	1,009,631
	18,691,141	609,129	-	-	(509,516)	18,790,754	19,563,200	38,353,954	114,631,663
Net assets released from restrictions -									
Satisfaction of program restrictions	14,595,920	-	-	-	-	14,595,920	(14,595,920)	-	-
Appropriation of endowment assets for expenditure	2,427,209	-	-	-	-	2,427,209	(2,427,209)	-	-
Expiration of time restrictions	5,247,453	-	-	-	-	5,247,453	(5,247,453)	-	-
	22,270,582	-	-	-	-	22,270,582	(22,270,582)	-	-
Total revenue, gains and other support	40,961,723	609,129	-	-	(509,516)	41,061,336	(2,707,382)	38,353,954	114,631,663
EXPENSES:									
Program services -									
Grants and distributions	30,432,107	-	-	-	-	30,432,107	-	30,432,107	32,139,591
Community impact	4,162,937	226,382	14,787	-	(228,444)	4,175,662	-	4,175,662	3,826,510
Grant funded programs	2,674,917	-	-	-	-	2,674,917	-	2,674,917	2,595,146
Total program services	37,269,961	226,382	14,787	-	(228,444)	37,282,686	-	37,282,686	38,561,247
Supporting services -									
Resource development	3,257,075	203,721	-	-	(149,008)	3,311,788	-	3,311,788	3,289,248
General management	2,079,624	175,495	-	-	(132,064)	2,123,055	-	2,123,055	2,154,504
Total supporting services	5,336,699	379,216	-	-	(281,072)	5,434,843	-	5,434,843	5,443,752
Total expenses	42,606,660	605,598	14,787	-	(509,516)	42,717,529	-	42,717,529	44,004,999
EXCESS (DEFICIENCY) OF REVENUE, GAINS AND OTHER SUPPORT OVER EXPENSES	(1,644,937)	3,531	(14,787)	-	-	(1,656,193)	(2,707,382)	(4,363,575)	70,626,664
OTHER ITEMS:									
Investment gains (losses), net	139,489	-	(608,917)	-	-	(469,428)	185,670	(283,758)	51,855,744
Investment income used in operations in accordance with the United Way's total return spending policy	(5,002,835)	-	-	-	-	(5,002,835)	-	(5,002,835)	(4,948,798)
Change in funded status of pension and postretirement plans	640,720	-	-	-	-	640,720	-	640,720	4,069,983
Net periodic pension costs from employee benefits	520,953	-	-	-	-	520,953	-	520,953	(473,385)
Capital contribution	-	-	-	100	(100)	-	-	-	-
Reclassification of net assets	(1,676,498)	-	-	-	-	(1,676,498)	1,676,498	-	-
CHANGE IN NET ASSETS	(7,023,108)	3,531	(623,704)	100	(100)	(7,643,281)	(845,214)	(8,488,495)	121,130,208
NET ASSETS - beginning of year	102,583,554	1,931,754	50,135,895	-	-	154,651,203	83,656,682	238,307,885	117,177,677
NET ASSETS - end of year	$ 95,560,446	$ 1,935,285	$ 49,512,191	$ 100	$ (100)	$ 147,007,922	$ 82,811,468	$ 229,819,390	238,307,885

The accompanying notes are an integral part of these statements.

UNITED WAY OF GREATER ROCHESTER AND THE FINGER LAKES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2022
(With Comparative Totals for 2021)

	Program Services				Supporting Services			Total	
	Allocations	Community Impact	Grant Funded Programs	Total	Resource Development	General Management	Total	2022	2021
SALARIES AND RELATED EXPENSES:									
Salaries	$ -	$ 1,823,644	$ 1,614,129	$ 3,437,773	$ 1,630,509	$ 1,091,636	$ 2,722,145	$ 6,159,918	$ 5,670,358
Employee health, retirement, pension and postretirement expenses	-	600,550	256,722	857,272	542,690	358,474	901,164	1,758,436	1,723,762
Payroll taxes	-	131,577	125,264	256,841	116,829	75,421	192,250	449,091	405,952
Total salaries and related expenses	-	2,555,771	1,996,115	4,551,886	2,290,028	1,525,531	3,815,559	8,367,445	7,800,072
OTHER EXPENSES:									
Grants and distributions	19,444,213	-	-	19,444,213	-	-	-	19,444,213	18,405,003
Less: Granted as agent to other United Ways	(517,767)	-	-	(517,767)	-	-	-	(517,767)	(234,310)
	18,926,446	-	-	18,926,446	-	-	-	18,926,446	18,170,693
Donor advised fund grants	2,507,470	-	-	2,507,470	-	-	-	2,507,470	3,836,921
Community initiatives	8,998,191	-	-	8,998,191	-	-	-	8,998,191	10,131,977
In-kind supplies distributed	-	4,855	-	4,855	-	-	-	4,855	608,733
Professional fees and contracted services (including $117,814 and $93,650 of donated services in 2022 and 2021, respectively)	-	731,694	453,831	1,185,525	241,278	191,170	432,448	1,617,973	1,827,548
Meetings and conferences	-	51,351	29,830	81,181	58,549	22,659	81,208	162,389	89,924
United Way Worldwide dues	-	183,432	-	183,432	191,834	123,510	315,344	498,776	372,814
Occupancy and office (including $8,473 of donated supplies in 2022)	-	403,521	169,911	573,432	282,371	182,814	465,185	1,038,617	718,552
Printing and advertising	-	34,650	4,004	38,654	136,188	410	136,598	175,252	64,664
Other	-	139,620	21,226	160,846	46,964	35,385	82,349	243,195	198,126
Total other expenses	30,432,107	1,549,123	678,802	32,660,032	957,184	555,948	1,513,132	34,173,164	36,019,952
Total expenses before depreciation	30,432,107	4,104,894	2,674,917	37,211,918	3,247,212	2,081,479	5,328,691	42,540,609	43,820,024
DEPRECIATION	-	70,768	-	70,768	64,576	41,576	106,152	176,920	184,975
	$ 30,432,107	$ 4,175,662	$ 2,674,917	$ 37,282,686	$ 3,311,788	$ 2,123,055	$ 5,434,843	$ 42,717,529	$ 44,004,999

UNITED WAY OF GREATER ROCHESTER AND THE FINGER LAKES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2022
(With Comparative Totals for 2021)

	Supplementary Information					Consolidated	
	United Way of Greater Rochester and the Finger Lakes, Inc.	UWGR Holding Company, Inc.	Supporting Foundations	The Systems Integration of Monroe County, LLC	Eliminations	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES:							
Change in net assets	$ (7,868,322)	$ 3,531	$ (623,704)	$ (100)	$ -	$ (8,488,595)	$ 121,130,208
Adjustments to reconcile change in net assets to net cash flow from operating activities:							
Net realized and unrealized (gain) loss on investments	1,453,776	-	1,388,479	-	-	2,842,255	(49,688,664)
Sale proceeds of donated financial assets	1,472,410	-	-	-	-	1,472,410	1,912,802
Depreciation	39,598	137,322	-	-	-	176,920	184,975
Loss on disposal of property and equipment	-	21,442	-	-	-	21,442	-
Permanently restricted legacies and gifts	(573,851)	-	-	-	-	(573,851)	(79,032)
Change in funded status of pension and postretirement liability	(640,720)	-	-	-	-	(640,720)	(4,069,983)
Provision for uncollectible pledges	579,307	-	-	-	-	579,307	523,846
Changes in:							
Pledges receivable	(872,108)	-	-	-	-	(872,108)	1,439,709
Grants receivable	(4,372,050)	-	-	-	-	(4,372,050)	(607,859)
Other assets	2,379,127	7,050	-	100	-	2,386,277	(3,482,878)
Rent receivable - affiliate	-	19,453	-	-	(19,453)	-	-
Bequests receivable	(574,809)	-	-	-	-	(574,809)	(128,824)
Accounts payable and accrued expenses	761,540	17,361	-	-	-	778,901	(49,498)
Due to agencies	182,508	-	-	-	-	182,508	1,439,820
Deferred revenue	726,705	5,056	-	-	-	731,761	(1,082,146)
Rent payable - affiliate	(19,453)	-	-	-	19,453	-	-
Pension and postretirement plan liability	(316,661)	-	-	-	-	(316,661)	700,134
Net cash flow from operating activities	(7,643,003)	211,215	764,775	-	-	(6,667,013)	68,142,610
CASH FLOW FROM INVESTING ACTIVITIES:							
Purchases of property and equipment, net of disposals	(14,564)	(82,157)	-	-	-	(96,721)	(41,358)
Purchases of investments	(30,780,950)	-	(50,614,547)	-	-	(81,395,497)	(44,956,458)
Proceeds from sales of investments	32,036,675	-	1,000	-	-	32,037,675	33,542,572
Changes in beneficial interest in split-interest arrangements	47,482	-	-	-	-	47,482	(1,138,022)
Net cash flow from investing activities	1,288,643	(82,157)	(50,613,547)	-	-	(49,407,061)	(12,593,266)
CASH FLOW FROM FINANCING ACTIVITIES:							
Permanently restricted legacies and gifts	573,851	-	-	-	-	573,851	79,032
Decrease in charitable gift annuity reserve	(10,500)	-	-	-	-	(10,500)	(53,144)
Change in pooled life income fund assets	424	-	-	-	-	424	(14,907)
Net cash flow from financing activities	563,775	-	-	-	-	563,775	10,981
CHANGE IN CASH AND CASH EQUIVALENTS	(5,790,585)	129,058	(49,848,772)	-	-	(55,510,299)	55,560,325
CASH AND CASH EQUIVALENTS - beginning of year	12,079,499	224,659	50,135,895	-	-	62,440,053	6,879,728
CASH AND CASH EQUIVALENTS - end of year	$ 6,288,914	$ 353,717	$ 287,123	$ -	$ -	$ 6,929,754	$ 62,440,053

The accompanying notes are an integral part of these statements.

1. THE ORGANIZATION

United Way of Greater Rochester and the Finger Lakes, Inc.
The United Way of Greater Rochester and the Finger Lakes, Inc. (United Way), formerly known as United Way of Greater Rochester, Inc., is a not for profit organization founded in 1918. United Way had affiliation agreements with the United Way of Wayne County, Inc.; the United Way of Ontario County, Inc.; the Genesee Country United Way; the United Way of Livingston County, Inc.; and the United Way of Wyoming County, Inc. until May 2021. Effective May 2021, these entities and United Way of Greater Rochester, Inc. entered into a merger agreement whereby the surviving organization was the United Way of Greater Rochester, Inc. In connection with this merger, the name of the surviving organization was amended to be United Way of Greater Rochester and the Finger Lakes, Inc.

UWGR Holding Company, Inc.
UWGR Holding Company, Inc. (Holding Company), a not-for-profit corporation organized for the purpose of accepting, holding and managing gifts of real property, interests in real property, and other gifts for the sole benefit of United Way. United Way is Holding Company's sole corporate member.

Supporting Foundations
An affiliation between The Wegmans Family Foundation, Inc. and the United Way is in place that establishes The Wegmans Family Foundation as a supporting organization of the United Way.

The Systems Integration of Monroe County, LLC
The consolidated financial statements also include the accounts of The Systems Integration of Monroe County, LLC. Additionally, an affiliation between The Systems Integration of Monroe County, LLC and United Way is in place that establishes the LLC as a supporting organization of United Way.

United Way's mission is to unite the good will and resources of the Greater Rochester and the Finger Lakes communities so that everyone can thrive. United Way supports a broad network of human service organizations, community initiatives and innovative strategies to address the region's most pressing local challenges with real, impactful solutions.

United Way is governed by a volunteer Board of Directors (Board) and carries out its purpose through various programs.

1. THE ORGANIZATION (Continued)

Annual Campaign and Year-Round Giving

United Way inspires collective giving in the community to support an Annual Campaign supported by workplace giving, individual donors, corporate gifts and grants. The Resource Development team secures financial and volunteer resources on a year-round basis by developing a long-range, revenue generating engagement strategy. Critical components include recruiting high-level volunteers to serve throughout the entire United Way region; securing and conducting annual workplace campaigns in over 800 organizations; developing a new account acquisition model to secure first-time employee campaigns and corporate contributions, with a special emphasis on the small business sector; and connecting community initiatives with government grants and funding for sustainable change. Additionally, an individual giving program is also utilized in the annual campaign that includes gifts from donors outside workplace campaigns of less than $10,000 and cultivating major gifts of $10,000 and above for the Tocqueville Society. Other giving opportunities include Leaders United, Women United, African American Leadership Society, Circulo Latino Leadership Society, Labor Leaders Club and Emerging Leaders Society.

Community Impact

Through its annual campaign efforts, United Way invests donor dollars in the community by utilizing a network of trained, community volunteers who, in coordination with expert staff, determine how to invest dollars in the most efficient and effective manner possible to ensure strong long-term results for individuals and families, based on the priorities of our community. These dollars are invested where they will make a measurable impact on the community by funding evidence-informed programs, supporting engagement in strategic community partnerships, mobilizing volunteers and advancing advocacy efforts in support of strategies to positively impact people throughout their lifespan—from babies to older adults and everyone in between.

United Way also allows donors to direct their campaign pledges to our Community Impact fund by county, various service areas, funded Community Impact providers and other eligible health and human service organizations.

Community Crisis Fund

In response to the impact of the COVID-19 pandemic in our region, United Way and Rochester Area Community Foundation partnered on a centralized funding pool to rapidly deploy flexible resources to nonprofits that were disproportionately impacted by the COVID-19 pandemic. The dollars were strategically invested to mitigate the economic consequences of the outbreak, support community and organizational recovery, and provide a buffer for future community emergencies.

The use of the first phase of funding was to meet the immediate needs of front-line human service organizations that have strong experience serving low-income and vulnerable residents. These organizations address the economic impact of the COVID-19 outbreak and the immediate needs of economically vulnerable populations caused by pandemic-related closures (food, shelter, clothing, childcare, hygiene products, cleaning supplies, etc.). In the second phase, the Fund supported nonprofits disproportionately impacted by the pandemic, and provided community and organizational recovery. The last phase of funding was used to support vaccine distribution and the final payment from the fund was distributed in February 2021.

1. THE ORGANIZATION (Continued)

Grant Funded Programs

United Way serves as the host and fiscal agent for communitywide initatives that align with its mission. The Rochester-Monroe Anti-Poverty Initiative (RMAPI) is a multi-sector community collaborative with a goal to improve quality of life by reducing poverty and increasing self-sufficiency. To do this, RMAPI is focused on increasing income, making basic needs more affordable and accessible and lowering concentrations of poverty. Project Uplift is a program that provides direct support to low-income individuals through a network of human service providers. Additional grant funded programs run during the year include COVID-19 Vaccination Distribution Support; Maternal, Infant, and Early Childhood Home Visiting; Livable Communities work with Aging Alliance; and Stable Housing Support.

United Way also serves as host and fiscal agent for the Systems Integration Project (SIP) whose goal is to improve the health and economic well-being of individuals and families in Monroe County, especially those who are vulnerable or impacted by poverty. SIP's goal is to establish connections between 300+ health, education and human services providers transforming the way that our community works together to help individuals and families obtain support. When fully implemented by March 2024, the SIP will both enable and evaluate coordinated cross-sector interventions that support a person's transition from crisis to stable to thriving across the lifespan. A related organization, The Systems Integration of Monroe County, LLC (SIMC), was created to house the data ecosystem for the SIP.

Donor Advised Funds

United Way offers various opportunities for planned gifts, donor advised funds and endowment giving. United Way's Donor Advised Fund (DAF) program provides support for our donors' philanthropic interests. A DAF can be established by an individual, family or group. Gifts are made to a DAF through cash, marketable securities or other assets. The donors may recommend grant distributions from their fund to any qualified domestic 501(c)(3) charity.

ROC the Day

ROC the Day is an annual 24-hour online event established by United Way that provides donors an opportunity to support more than 570 participating not-for-profit organizations in the nine-county Greater Rochester area. United Way powers the ROC the Day website, convenes community partners, recruits local not-for-profits to participate and processes the donations during the event. ROC the Day is open to any eligible not-for-profit in the nine-county Greater Rochester region, serving a variety of sectors including animals, arts and culture, environment, human services, health, education, religion and community development.

Leadership Development

United Way provides leadership development programs in the following areas: African American Leadership, Latino Leadership, Asian Pacific Americans, Pride (LGBTQ), Emerging Leaders (under age 40), Indian-American Leaders and Labor Unions. These leadership programs prepare individuals for leadership positions in the community, in particular, on the boards and committees of not-for-profit organizations. The labor participation program continues the collaborations and historic relationships between labor unions and United Way with the annual Union Community Assistance Network program, recognition of the work unions provide, as well as various activities aimed at promoting organized labor's support.

Additionally, United Way established the Leadership-Equity-Advancement-Development (LEAD) Mentoring and Coaching Program as a mentoring and coaching program exclusively for alumni of United Way's African American Leadership and Latino Leadership Development Programs to build community, capacity, and leadership opportunities for Black and Latino leaders through coaching, mentoring, networking, and sponsorship.

1. THE ORGANIZATION (Continued)

Volunteer United

United Way offers a Volunteer United program that connects and matches dedicated volunteers and corporate groups with local nonprofits that need an extra hand or are seeking support for specific projects and volunteer opportunities. Additionally in response to the impact of the COVID-19 pandemic, United Way provided volunteer matching services to assist with distribution of vaccinations to the public reaching over a million residents in the region.

National Campaign Processing

United Way provides processing for workplace campaigns where fundraising occurs at a national level. This processing includes collecting pledges, data entry of the pledges and payment to other United Ways and agencies as directed by the donor. Fees for this service are charged at a rate as allowed by the United Way Worldwide standards and are included in other revenue.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The consolidated financial statements of United Way are prepared in conformity with accounting principles generally accepted in the United States (GAAP).

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the United Way of Greater Rochester and the Finger Lakes, Inc., (United Way) Wegmans Family Foundation, Systems Integration of Monroe County, LLC and Holding Company (collectively, the Organizations). All significant intercompany transactions and balances have been eliminated.

Financial Reporting

The revenue, expenses and net assets of the Organizations are reported in the following classifications:

- **Without Donor Restrictions**
  Net assets without donor restrictions include funds available for operating activities. In addition, they include net investment in property and equipment and other resources specifically designated by the respective governing Boards.

- **With Donor Restrictions**
  Net assets with donor restrictions include investments and other assets received with donor stipulations that limit their use, as well as investment earnings on permanently restricted endowment funds not yet appropriated for expenditure by the Board. When a donor restriction expires or the Board makes an appropriation, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities and change in net assets as net assets released from restriction. Additionally, net assets with donor restrictions include investments from endowments and beneficial interests in shared interest arrangements. These are subject to the restrictions of gift instruments requiring that the principal be invested in perpetuity.

Cash and Cash Equivalents

The Organizations consider liquid investments, with a maturity of less than three months when purchased, to be cash equivalents. In addition, cash and cash equivalents include bank accounts and money market funds, which, at times, may exceed federally insured limits. The Organizations have not experienced any losses in such accounts and believe they are not exposed to any significant credit risk with respect to cash and cash equivalents.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants Receivable and Revenue

United Way received grants from government, foundation and other funding sources for the purpose of funding the Rochester Monroe Anti-Poverty Initiative, Systems Integration Project, capital improvements and other programs. These amounts are recorded as revenue to the extent that expenses have been incurred and barriers to revenue recognition have been overcome under the terms of the grant agreement.

Bequests Receivable

United Way is the beneficiary under various wills and trust agreements, the total realizable value of which is not presently determinable. Amounts are recorded as bequests receivable when a will is declared valid by a probate court and the proceeds are measurable. Bequest receivables recorded were $776,937 and $202,128 at March 31, 2022 and 2021, respectively.

Investments

The Organizations invest in various types of investment vehicles that are recorded at fair value in the accompanying consolidated financial statements. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

Fair Value Measurement - Definition and Hierarchy

The Organizations use various valuation techniques in determining fair value. GAAP establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Organizations. Unobservable inputs are inputs that reflect the Organizations' assumptions about the assumptions market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities that the United Way has the ability to access. Valuation adjustments are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation does not entail a significant degree of judgment.

- Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.

- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of observable inputs can vary and is affected by a wide variety of factors. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are recorded at cost if purchased or the fair market value at the date of donation. The Organizations' policy is to capitalize all property and equipment purchases greater than $5,000 with a useful life greater than one year. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which range from 3 to 15 years for equipment and furniture and 40 years for building and improvements. No depreciation expense is recognized in the year of acquisition for equipment and furniture. Depreciation is recognized in the first full month after acquisition for building and improvements.

Split-Interest Agreements

United Way has recorded as contributions various types of split-interest agreements, including charitable remainder and perpetual trusts. With respect to charitable remainder trust agreements, United Way has recorded the contributions as donor-restricted revenue at the estimated fair value of the assets to be received based on their minimum interest in the fair value of the trust's assets.

Under the terms of perpetual trust arrangements, a donor establishes and funds a perpetual trust administered by an individual or organization other than United Way . Under the terms of the trust, United Way has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. United Way has recorded an asset at the estimated fair value of the United Way's beneficial interest in trust assets. Income earned on the trust assets is recorded as unrestricted revenue in the accompanying consolidated statement of activities and changes in net assets, unless otherwise restricted by the donor. Subsequent changes in fair value of the beneficial interest in the trust assets are recorded as a component of investment income in net assets with donor restrictions.

Deferred Revenue

Deferred revenue consists primarily of cash received under grants that exceed the revenue earned. Grant revenue is recognized in the period in which expenses are incurred or the related work is performed and barriers are overcome in accordance with the terms of the grant.

Due to Agencies

United Way allocates campaign pledges to agencies on a twelve-month cycle, which runs from August 1 to July 31 each year. The amount accrued represents the final four months of 2020 campaign pledges due to be paid to agencies as of United Way's fiscal year-end, as well as the final three to nine months of 2020 campaign pledges to be paid for the remaining United Ways depending on their individual payment cycle. All donor-designated pledges are paid in full to agencies by year-end.

Contributions

United Way reports gifts of cash and other assets as with donor restrictions support if they are received with donor stipulations that limit their use. Contributions with donor restrictions whose restrictions are met in the same reporting period as the contributions are received are reported as revenue with donor restrictions and net assets released from restrictions in the same year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Goods and Services

United Way recognizes contributed goods and services as revenue and expense if such services meet the criteria for recognition under GAAP. Donated services totaled $117,814 and $93,650 in fiscal 2022 and 2021, respectively. Donated services consist primarily of advertising services, including advertising time on television and radio stations, and legal services provided to the organization.

Donated goods totaled $13,328 and $608,733 in fiscal 2022 and 2021, respectively. In 2021, donated goods included one-time personal protective equipment donated as a result of the pandemic.

In addition to the previously described services, volunteers have donated significant amounts of time in support of the United Way's activities. These contributions have not been recorded as revenue and expense as they do not meet the criteria for recognition under generally accepted accounting principles.

Investment Gains, Losses and Income

Dividend, interest and other investment income (losses) are reported in the period earned as increases in net assets with donor restrictions, unless the use of income on such assets is explicitly limited by donor-imposed restrictions. Investment income earned on endowment gifts with donor restrictions follows the donor's restrictions on the use of the related income (interest and dividends), and income without donor restrictions on permanent endowment funds is classified as with donor restrictions until appropriated for expenditure by the Board. Donor-restricted investment income is reported as an increase in net assets with donor restrictions. Gains and investment income that are limited to specific uses by donor-imposed restrictions are reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the gains and income are recognized.

Advertising Costs

Advertising costs are charged to expense as incurred. Advertising costs other than donated services were $118,998 and $41,532 in 2022 and 2021, respectively.

Expenses

United Way records allocations to agencies as allocations expense in the period such allocations are approved by the Board of Directors and commitments are made to the recipient agencies. United Way has a policy of making Monroe, Livingston, Ontario and Wayne County allocation commitments in July for an allocation-funding year of August 1 to July 31. Allocation funding cycles for Genesee and Wyoming counties start in January and October, respectively.

Donor advised fund grants include grants recommended by donors to qualified organizations and approved for distribution from donor advised funds.

The costs of providing various community investment and services, resource development and general management activities have been summarized on a functional basis in the statement of activities and change in net assets and are based on the percentage of salary dollars for the specific programs or activities to total salary expense. All other expenses are directly allocated to the program benefited by the expense.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expenses (Continued)
Community Impact expenses are incurred for the following programs described in footnote 1: annual campaign allocations and designations, donor advised fund grants, ROC the Day allocations, Community Crisis fund allocations, Grant funded programs and Leadership Development.

Resource Development expenses are incurred to secure financial resources obtained through the annual campaign and individual and planned giving.

General Management expenses include the functions of the offices of the president, finance, information technology, human resources and facilities. Specific activities include accounting, endowment investment management, pledge processing (local and national campaigns), grants management, facilities management, data security, information technology support and human resources management.

Allocation of Certain Expenses
The consolidated statement of functional expenses presents expenses by both functional and natural classification. Expenses directly attributable to a specific functional area or program of the Organizations are reported as expenses of those functional areas. Expenses that benefit multiple functional areas (indirect costs) have been allocated across Program and Supporting Services based on a review of the percent of time each person spends in a functional category. This overall calculation is then used as a general formula for allocating the following expenses: salaries and related expenses; organization meetings and conferences; United Way Worldwide dues; information technology; rent and occupancy; insurance; office supplies; building maintenance and repairs; rental equipment; interest and other expense.

Cost Deduction
United Way may assess fundraising and management and general fees in accordance with the United Way Worldwide membership requirements as outlined in United Way Worldwide's publication titled "United Way of America Cost Deduction Requirements for Standard M." The standard establishes a maximum fee amount a United Way may assess another United Way organization. United Way follows the standard by charging the maximum fee allowed or less.

Income Taxes
United Way and Holding Company are not-for-profit organizations and are exempt from income taxes as organizations qualified under Section 501(c)(3) of the Internal Revenue Code. The Organizations have also been classified by the Internal Revenue Service (IRS) as entities that are not private foundations. The Wegmans Family Foundation, Inc. is a public charity, Type I supporting organization to United Way. Systems Integration of Monroe County, LLC is exempt from federal income tax due to the fact that their sole member is exempt from federal income tax under Section 501(a) of the Internal Revenue Code. Systems Integration of Monroe County, LLC receives the benefit of their sole member's tax-exempt status and is a disregarded entity for income tax purposes.

Comparative Information
The consolidated financial statements include certain prior year comparative information in total, but not by net asset class or functional expense. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organizations' consolidated financial statements for the year ended March 31, 2021, from which the information was derived.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

3. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organizations are substantially supported by contributions from the public and grant funds. In addition, the Organizations hold financial assets for specific programmatic purposes and/or with specific donor designations. Thus, financial assets reported on the accompanying consolidated balance sheets may not be available for general expenditure within one year.

The Organizations' financial assets available within one year of the balance sheet date for general expenditures are as follows:

	2022	2021
Financial assets at March 31	$ 239,182,342	$ 246,873,435
Less: Financial assets unavailable for general expenditures within one year:		
Quasi-endowment	(62,262,174)	(65,756,638)
Endowment with donor restrictions	(72,908,649)	(73,845,056)
Permanently restricted perpetual trust	(4,256,824)	(4,301,566)
Split-interest agreements	(485,316)	(488,434)
Other long-term investments	(2,503,654)	(1,502,123)
Board designated net assets	(10,258,592)	(4,541,974)
Bequest receivable	(776,937)	(202,128)
Plus: Appropriation in accordance with United Way's total return spending policy	5,309,530	5,002,835
Financial assets available to meet cash needs for general expenditure within one year	$ 96,047,738	$101,238,351

The Organizations maintain a policy of structuring their financial assets to be available as their general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organizations have Board designated net assets without donor restrictions that, while the Organizations do not intend to spend these for purposes other than those identified, could be made available for operations if necessary.

4. ANNUAL CAMPAIGN

The annual campaign is conducted to raise support for distribution to programs that are driven by demonstrated quality, customer focus and results.

Campaign results are as follows for the years ended March 31:

	2022	2021
Total amount raised	$ 17,778,253	$ 16,527,240
Less:		
State and federal campaign fundraising	(187,700)	(242,653)
Provision for uncollectible pledges - current year	(579,307)	(523,846)
Perpetual gifts of investment income from bequests	(615,780)	(617,938)
Reversal of investment grants from advised funds	(212,962)	(390,729)
Amounts recorded in prior year	(4,171,589)	(3,369,267)
Add:		
Amounts recorded related to next year's campaign	4,801,671	4,922,036
Amount recorded in consolidated statements of activities	$ 16,812,586	$ 16,304,843

5. PLEDGES RECEIVABLE

At March 31, 2022 and 2021, contributors to United Way had outstanding written unconditional promises to give in connection with annual campaigns as follows:

	2022	2021
2022 Campaign	$ 2,590,227	$ -
2021 Campaign	2,550,805	2,486,495
2020 Campaign	11,324	2,330,111
2019 Campaign	1,775	129,655
Less: Allowance for uncollectible pledges	(721,823)	(806,754)
	$ 4,432,308	$ 4,139,507

Most pledges lack due dates or are due within one year or less. Consequently, all pledges are recorded without any discount to present value. United Way records an allowance for uncollectible accounts in anticipation of future collection problems. The allowance for uncollectible accounts is computed based on management estimates of current collectability and includes estimates of economic factors, which are applied to gross campaign pledges, including donor designations.

6. DONOR DIRECTED PLEDGES

Annual Campaign

As part of the annual campaign, United Way donors have the option of directing their pledges to various service areas, funded providers, and other eligible organizations as part of our annual campaign giving. Pledges directed to funded providers, which are in excess of the program allocation as determined by the United Way, are also remitted to the provider.

6. DONOR DIRECTED PLEDGES (Continued)

Annual campaign revenue includes donor directed pledges as follows for the years ended March 31:

	2022	2021
Donor directed pledges - funded providers	$ 955,595	$ 964,932
Donor directed pledges - funded providers in excess of program allocations	48,675	42,305
Donor directed pledges - other eligible organizations	4,450,491	3,802,450
	$ 5,454,761	$ 4,809,687

Donor directed pledges made through United Way's annual campaign are subject to the United Way's policy, which provides that United Way can unilaterally redirect the funds otherwise designated by the donor should United Way determine the designation is contrary to the goals and strategies of United Way .

ROC the Day

As part of the ROC the Day event, United Way donors have the option of designating their donations to local not-for-profit organizations approved for participation in the event. Designations to ROC the Day, excluding sponsorships, were $827,965 and $835,548 for the years ended March 31, 2022 and 2021, respectively.

7. INVESTMENTS

Investments consisted of the following at March 31:

	2022	2021
Mutual funds and pooled funds:		
Domestic equity mutual funds	$ 69,492,235	$ 49,766,175
International equity mutual and pooled funds	49,529,858	43,772,352
Fixed income mutual and pooled funds	18,976,476	29,612,984
Balanced mutual funds	7,134,629	6,794,328
Flexible capital	17,118,650	14,988,877
Private equity	3,173,904	-
Inflation risk management:		
Real estate	7,059,478	5,462,813
Commodities	3,225,864	1,777,701
Treasury inflation protected securities	7,627,409	9,581,433
Fixed income:		
U.S. government obligations	20,975,429	7,182,867
Corporate bonds	9,380,873	10,331
Temporary investments	1,122,576	824,363
	$ 214,817,381	$ 169,774,224

8. SPLIT-INTEREST AGREEMENTS

Assets related to split-interest agreements, valued at fair value, consisted of the following at March 31:

	2022	2021
Perpetual trusts	$ 4,256,824	$ 4,301,566
Pooled life income fund	211,996	211,572
Charitable remainder trusts	232,846	236,763
Life insurance	40,428	40,099
	$ 4,742,094	$ 4,790,000

In addition, included in the United Way's investments are certain assets given under the term of charitable gift annuities for which United Way is the trustee. Liabilities related to these agreements were $142,088 and $152,588, at March 31, 2022 and 2021, respectively. Liabilities are recorded equal to the estimated present value of payments that the United Way is required to make to specified beneficiaries under the terms of these agreements.

The change in value of split-interest agreements was a loss of $70,350 and a gain of $1,209,059 for the years ended March 31, 2022 and 2021, respectively, and is included in "Investment gains, net" in the accompanying consolidated statements of activities and change in net assets.

9. FAIR VALUE MEASUREMENTS

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in valuation methodologies used at March 31, 2022 and 2021.

United Way's investments in mutual funds and U.S. government obligations are valued based on quoted market prices. The value of the United Way's investments in corporate bonds are determined by entering standard inputs into a pricing model. These inputs include benchmark yields, reported trades, broker/dealer quotes, issuer spreads and industry and economic events.

Certain investments are redeemable at net asset value (NAV) under the original terms of the subscription agreements and operations of the underlying funds. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by these funds, changes in market conditions and the economic environment may significantly impact the NAV of the funds and, consequently, the fair value of United Way's interest in the funds. Furthermore, changes to the liquidity provisions of the funds may significantly impact the fair value of United Way's interest in the funds.

United Way's investment objectives for funds valued at NAV as a practical expedient are as follows:

- Flexible capital - seeks to earn long-term rates of return with an emphasis on capital preservation and appreciation.
- Commodities fund - invests in commodities (i.e. energy, industrial metals, precious metals, agriculture) via futures, swaps, options, and ETFs. The objective of this fund is to outperform its custom benchmark, an equal sector-weighted version of the S&P Goldman Sachs Commodities Index, through active management of commodities exposure.
- International equity pooled funds - these funds invest in U.S. value and growth equities, and non-U.S. developed, emerging and global markets with the goal of long-term capital growth.

9. FAIR VALUE MEASUREMENTS (Continued)

- Balanced mutual funds - these funds invest in a balance of 55% equities and 45% fixed income funds to achieve the preservation of capital and production of income.
- Fixed income pooled funds - investment in a global bond fund, focused on medium term capital growth and income. This investment is structured to have a low correlation to high growth assets such as equities.
- Private equity - primarily consists of investment in technology and venture capital funds fund, investing in information technology, media, artificial intelligence and life sciences. The funds target a growth strategy with a high rate of return.
- Domestic equity funds - these funds consist of limited partnerships who invest in a portfolio of domestic companies. The funds objectives are to achieve long term capital appreciation.

The unfunded commitment and redemption provisions of investments valued at NAV as a practical expedient by major classification are presented as follows at March 31, 2022:

	Fair Value	Unfunded Commitments	Redemption Provisions	Expected Liquidation Terms
Flexible capital	$ 17,118,650	$ -	Annual or quarterly, with notification requirement varying from 30 days to 6 months	N/A
Commodities	3,198,978	-	Daily, with daily notification requirement	N/A
Balanced mutual funds	116,299	-	Daily, with daily notification requirement	N/A
International equity pooled funds	40,461,525	-	Monthly, with notification requirement varying from 4 to 30 days	N/A
Fixed income pooled funds	4,135,794	-	Twice a month, with notification period of business days	N/A
Private Equity	3,173,904	2,731,000	Illiquid	N/A
Domestic equity funds	20,988,615	-	Quarterly, with notification period of 45 days	N/A
	$ 89,193,765	$ 2,731,000		

Temporary investments consist of cash included in the investment portfolio expected to be reinvested.

Split-Interest Agreements
The fair value of United Way's split-interest agreements is determined on a recurring basis by estimating the present value of future cash flows, which incorporates an estimate of an annual rate of return on trust assets, life expectancy and discount rate. Trust assets held in split-interest agreements include publicly traded equity securities and corporate and U.S. government bonds.

9. FAIR VALUE MEASUREMENTS (Continued)

United Way's investments and split-interest agreements are classified in the following fair value hierarchy at March 31, 2022:

Investments	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	NAV as Practical Expedient	Total
Mutual funds:					
Domestic equity mutual funds	$ 48,503,620	$ -	$ -	$ 20,988,615	$ 69,492,235
International equity mutual funds	9,068,333	-	-	-	9,068,333
Fixed income mutual funds	14,840,682	-	-	-	14,840,682
Balanced mutual funds	7,018,330	-	-	116,299	7,134,629
Pooled funds:					
International equity pooled funds	-	-	-	40,461,525	40,461,525
Fixed income pooled funds	-	-	-	4,135,794	4,135,794
Flexible capital	-	-	-	17,118,650	17,118,650
Private equity	-	-	-	3,173,904	3,173,904
Inflation risk management:					
Real estate mutual funds	7,059,478	-	-	-	7,059,478
Commodities funds	26,886	-	-	3,198,978	3,225,864
Treasury inflation protected securities mutual funds	7,627,409	-	-	-	7,627,409
Fixed income:					
U.S. government obligations	20,975,429	-	-	-	20,975,429
Corporate bonds	-	9,380,873	-	-	9,380,873
Temporary investments	1,122,576	-	-	-	1,122,576
Total investments	$ 116,242,743	$ 9,380,873	$ -	$ 89,193,765	$ 214,817,381

Split-interest agreements	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	NAV as Practical Expedient	Total
Pooled life income fund	$ 211,996	$ -	$ -	$ -	$ 211,996
Other split-interest agreements	-	4,530,098	-	-	4,530,098
Total split-interest agreements	$ 211,996	$ 4,530,098	$ -	$ -	$ 4,742,094

9. FAIR VALUE MEASUREMENTS (Continued)

United Way's investments and split-interest agreements are classified in the following fair value hierarchy at March 31, 2021:

Investments	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	NAV as Practical Expedient	Total
Mutual funds:					
Domestic equity mutual funds	$ 39,564,848	$ -	$ -	$ 10,201,327	$ 49,766,175
International equity mutual funds	9,286,189	-	-	-	9,286,189
Fixed income mutual funds	25,146,098	-	-	-	25,146,098
Balanced mutual funds	6,699,231	-	-	95,097	6,794,328
Pooled funds:					
International equity pooled funds	-	-	-	34,486,163	34,486,163
Fixed income pooled funds	-	-	-	4,466,886	4,466,886
Flexible capital	-	-	-	14,988,877	14,988,877
Inflation risk management:					
Real estate	5,465,813	-	-	-	5,462,813
Commodities	20,325	-	-	1,757,376	1,777,701
Treasury inflation protected securities	9,581,433	-	-	-	9,581,433
Fixed income:					
U.S. government obligations	7,182,867	-	-	-	7,182,867
Corporate bonds	-	10,331	-	-	10,331
Total investments	$ 102,943,804	$ 10,331	$ -	$ 65,995,726	$ 168,949,861

Split-interest agreements	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	NAV as Practical Expedient	Total
Pooled life income fund	$ 211,572	$ -	$ -	$ -	$ 211,572
Other split-interest agreements	-	4,578,428	-	-	4,578,428
Total split-interest agreements	$ 211,572	$ 4,578,428	$ -	$ -	$ 4,790,000

10. DONOR ADVISED FUNDS

At March 31, 2022 and 2021, the Organizations held investments of approximately $11,400,000 and $11,800,000, respectively, as part of the United Way's Donor Advised Fund program. These amounts represent contributions without donor restrictions received by the United Way. However, the donors may make non-binding recommendations to United Way as to the timing, amount and recipient of distributions from these funds, including the distribution of fund principal.

11. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at March 31:

	2022	2021
Land	$ 228,000	$ 228,000
Building and improvements	3,339,665	3,293,681
Equipment	180,631	184,380
Furniture and fixtures	73,389	73,389
Computer equipment	520,890	543,022
	4,342,575	4,322,472
Less: Accumulated depreciation	(2,758,499)	(2,636,755)
	$ 1,584,076	$ 1,685,717

12. PAYCHECK PROTECTION PROGRAM

In April 2020, United Way obtained an unsecured promissory note payable to a bank in the amount of $1,054,322. This note was entered into under the terms of the U.S. Small Business Administration's (SBA) Paycheck Protection Program (PPP) created by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The PPP provides for this borrowing to be forgiven, in whole or in part, to the extent that United Way meets defined requirements related to the expenditure of funds and management of personnel levels. Forgiveness is determined by the bank and is subject to approval by the SBA. Any portion of the loan that is not forgiven will be required to be repaid under the terms of the agreement, which include monthly payments, fixed interest at 1%, and maturity two years from the date funded

As United Way believed it met all requirements to obtain complete forgiveness for the year ended March 31, 2021, $1,054,322 was recorded as grant revenue in the accompanying consolidated statement of activities and change in net assets. United Way received formal approval for complete forgiveness of the note payable on June 22, 2021.

13. PENSION AND OTHER POSTRETIREMENT BENEFITS

Pension Plan

United Way maintains a noncontributory defined benefit pension plan that provides retirement, disability and death benefits and covers individuals who were employees of the United Way and United Way Services Corporation prior to January 1, 2007. The Plan was frozen by United Way's Board of Directors as of January 1, 2007 at which time it was replaced by a 403(b) plan. United Way's funding policy is to contribute annually an amount that meets the minimum funding requirements of the Employee Retirement Income Security Act of 1974 (ERISA).

Measurement Dates

The measurement date for the year-end benefit obligations and assets is March 31 for the fiscal years ended March 31, 2022 and 2021.

Funded Status

Obligations and funded status of the plan are as follows:

	2022	2021
Projected benefit obligation	$ (12,660,538)	$ (13,632,959)
Fair value of plan assets at end of year	11,948,427	12,387,246
Funded status	$ (712,111)	$ (1,245,713)
Accumulated benefit obligation	$ (12,660,538)	$ (13,632,959)
Employer contributions	$ 326,100	$ 326,100
Benefit payments	$ (762,986)	$ (749,977)

Financial Statement Recognition

As of March 31, the following amounts were recognized in the consolidated balance sheet:

	2022	2021
As a non-current liability	$ (712,111)	$ (1,245,713)

Amounts recognized in the consolidated statements of activities and changes in net assets as of March 31 consist of:

	2022	2021
Service cost	$ 104,000	$ 106,000
Interest cost	369,012	404,198
Expected return on plan assets	(716,526)	(621,358)
Amortization of net loss	151,767	1,013,238
Net periodic pension cost	$ (91,747)	$ 902,078

13. PENSION AND OTHER POSTRETIREMENT BENEFITS (Continued)

Financial Statement Recognition (Continued)
As of March 31, 2022, the following items included in net assets had not yet been recognized as components of benefits expense:

	Net Actuarial Loss
Unrecognized amounts at March 31, 2022	$ 1,835,031

For the year ended March 31, 2022, the United Way recognized $151,767 related to the amortization of its net actuarial loss in the consolidated statement of activities and change in net assets.

Assumptions
Weighted average assumptions used to determine benefit obligations at March 31, are as follows:

	2022	2021
Discount rate	3.35%	2.79%
Average annual increase in compensation	N/A	N/A
Expected long-term rate of return on plan assets	4.50%	6.00%

The expected long-term rate of return on plan assets was developed by considering historical plan performance, current asset allocation and forecasts of future returns.

The United Way uses the Pri-2012 Mortality Table, with scale MP-2021 for the actuarial calculation of Plan obligations.

Plan Assets
The United Way's pension plan weighted average asset allocations at March 31, 2022 and 2021, by asset category, were as follows:

	2022	2021	Target
Equity securities	18%	24%	18%
Fixed income securities	70%	60%	70%
International securities	12%	16%	12%
	100%	100%	100%

The overall objective for investing the Pension Plan is to reduce the volatility in the funded status with the benchmark being the plan's liabilities. This strategy focuses on aligning investments with similar interest rates and duration with the anticipated pension liability exposure, with the objective to manage the funded status of the pension plan. The plan will invest assets using a glide path methodology and will adjust the asset allocation based on interest/discount rates and funded status of the plan.

13. PENSION AND OTHER POSTRETIREMENT BENEFITS (Continued)

Plan Assets (Continued)

The fair values of the pension plan assets at March 31, 2022 are as follows:

	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
Cash and equivalents	$ 63,450	$ -	$ -	$ 63,450
Vanguard Long-Term Treasury Fund Admiral	1,168,755	-	-	1,168,755
Vanguard Long Term Bond Index Fund	2,396,456	-	-	2,396,456
Vanguard Intermediate-Term Treasury Fund Admiral	596,137	-	-	596,137
Vanguard Total Stock Market Index Fund	2,178,892	-	-	2,178,892
Vanguard Long-Term Inv Grade Fund	4,125,147	-	-	4,125,147
Vanguard Total International Stock Index	1,419,590	-	-	1,419,590
	$ 11,948,427	$ -	$ -	$ 11,948,427

The fair values of the pension plan assets at March 31, 2021 are as follows:

	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
Cash and equivalents	$ 61,657	$ -	$ -	$ 61,657
Vanguard Long-Term Treasury Fund Admiral	604,088	-	-	604,088
Vanguard Long Term Bond Index Fund	2,468,505	-	-	2,468,505
Vanguard Total Stock Market Index Fund	2,997,217	-	-	2,997,217
Vanguard Long-Term Inv Grade Fund	4,290,482	-	-	4,290,482
Vanguard Total International Stock Index	1,965,297	-	-	1,965,297
	$ 12,387,246	$ -	$ -	$ 12,387,246

Contributions

The United Way expects to contribute $275,000 to the Plan in fiscal year 2023, which will comply with the minimum funding requirements of the Employee Retirement Income Security Act of 1974.

13. PENSION AND OTHER POSTRETIREMENT BENEFITS (Continued)

Estimated Future Benefit Payments

Benefit payments are expected to be paid as follows for the years ending March 31:

2023	$	835,800
2024	$	853,860
2025	$	855,495
2026	$	852,174
2027	$	860,496
2028 - 2032	$	4,128,914

Other Postretirement Benefits Plan

United Way provides health care for employees who retire from United Way and have attained age 55 with 10 years of service. The United Way's policy is to contribute amounts to this plan on an annual basis as needed for current benefit payments. The plan was amended in January 2015 to increase the maximum amount contributed for health insurance benefits for post-65 retirees from $80 to $85 per month including participating in other medical plans. The formula for early retirees has been changed and provides the same benefit for the retiree as if they were an active employee.

For employees who retired prior to July 2014, a life insurance benefit of one quarter of their final salary is also provided.

The measurement date for the year-end benefit obligations and assets is March 31 for the fiscal years ended March 31, 2022 and 2021.

The following table sets forth the health care plan's funded status and expense recognized in the United Way's consolidated financial statements as of and for the years ended March 31, 2022 and 2021 based on actuarial reports.

	2022	2021
Accumulated postretirement benefit obligation	$ (1,458,501)	$ (1,882,280)
Market value of plan assets	-	-
Funded status	$ (1,458,501)	$ (1,882,280)
Net periodic postretirement benefit expense	$ 157,109	$ 181,921
Employer contributions	$ 49,339	$ 71,169
Benefits paid	$ 59,187	$ 83,235

As of March 31, the following amounts were recognized in the consolidated balance sheet:

	2022	2021
As a liability	$ (1,458,501)	$ (1,882,280)

13. PENSION AND OTHER POSTRETIREMENT BENEFITS (Continued)

Other Postretirement Benefits Plan (Continued)

Amounts recognized in the consolidated statements of activities and changes in net assets as of March 31 consist of:

	2022	2021
Service cost	$ 106,876	$ 107,345
Interest cost	50,233	56,073
Amortization of prior service credit	-	11,947
Amortization of net loss	-	6,556
Net periodic postretirement benefit cost	$ 157,109	$ 181,921
Amounts unamortized in other change in net assets at March 31:		
Actuarial gain recognition	$ (428,540)	$ (14,227)
Prior service costs	$ (117,236)	$ -
Amounts expected to be amortized in other change in net assets in the coming year:		
Actuarial loss recognition	$ -	$ (6,556)
Prior service costs	$ -	$ (11,947)

The significant actuarial assumptions on which the actuarial valuations were based are:

	2022	2021
Discount rate	3.38%	2.77%
Medical care cost trend rate - Pre 65	7.00%	7.00%
Medical care cost trend rate - Post 65	4.50%	4.50%
Rate of future salary increases	3.25%	3.25%

The medical care cost trend rate used in the actuarial computation for 2022 gradually reduces to 3.784% in fiscal 2075 and subsequent years.

It was determined that the effect of a one-percentage point change in the assumed rates would not materially increase or decrease the accrued postretirement benefit cost and postretirement benefit expense.

United Way did not seek the 28% Retiree Drug Subsidy offered by Medicare Part D effective January 1, 2006. Therefore, the actuary did not recognize the impact of the Medicare Prescription Drug Improvement and Modernization Act of 2003 on the Plan's accumulated benefit obligation or periodic pension cost.

13. PENSION AND OTHER POSTRETIREMENT BENEFITS (Continued)

Other Postretirement Benefits Plan (Continued)

In general, the United Way intends to fund the postretirement plan on a pay as incurred basis. The following table of benefit payments are expected to be paid for the years ending March 31:

2023	$	94,505
2024	$	111,332
2025	$	105,917
2026	$	77,358
2027	$	84,042
2028 - 2032	$	535,419

Contributions

The United Way expects to contribute $94,505 to the postretirement plan in fiscal year 2023, which will comply with the minimum funding requirements of the Employee Retirement Income Security Act of 1974.

14. RETIREMENT PLAN

United Way sponsors a retirement plan qualified under Section 403(b) of the Internal Revenue Code. All employees of United Way may elect to contribute a percentage of their compensation subject to limitations imposed by the Internal Revenue Service. For qualifying employees, United Way makes contributions to the plan. United Way recognized $387,904 and $403,608 of expense related to the plan in 2022 and 2021, respectively.

United Way also has plans qualified under Section 457 of the Internal Revenue Code for highly compensated employees. The United Way recognized $14,576 and $14,758 of expense related to these plans in 2022 and 2021, respectively.

15. 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. The Board has designated a portion of net assets without donor restrictions as a quasi-endowment for the purpose of securing the Organization's long-term financial viability. The Organization's net assets without donor restrictions is comprised of undesignated and Board designated amounts for the following purposes, as follows:

	2022	2021
Undesignated	$ 74,487,156	$ 84,352,591
Board designated	10,258,592	4,541,974
Quasi-endowment	62,262,174	65,756,638
	$ 147,007,922	$ 154,651,203

15. NET ASSETS WITHOUT DONOR RESTRICTIONS (Continued)

The Board of Directors has designated the following amounts to meet anticipated program expansion and future needs at March 31:

	2022	2021
Funds held for Future Operations	$ 1,103,729	$ 1,160,842
Endowment Agency Fund	3,959,082	-
Reserve for Future Year Community Impact Grants	1,670,821	884,854
Wayne County	516,232	567,024
Ontario County	76,544	461,876
UWGR Holding Co. Capital Reserve Fund	402,597	322,460
Synergy Fund	-	309,394
Innovation Fund	267,897	187,582
Livingston County	52,241	113,457
Hardware/Software acquisition	87,571	110,562
Genesee County	39,698	91,070
Blueprint Fund	121,547	89,191
Wyoming County	43,832	87,434
Building Renovations	-	46,825
Community Crisis Fund	-	44,759
United Way Community Crisis Fund Reserve	1,896,825	-
Community Partnership Fund	-	41,482
UWSC Post Retirement Reserve Fund	19,976	20,066
Emergency Assistance	-	3,096
	$ 10,258,592	$ 4,541,974

16. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are as follows at March 31:

	2022	2021
Endowment:		
Time restricted - for use as part of a future year annual campaign	$ 1,549,589	$ 1,404,744
Time restricted - living endowment arrangements	57,940	59,204
Time restricted - to be used for agency capital projects	1,561,168	1,618,398
Accumulated unappropriated earnings on permanently restricted endowment funds	34,668,124	37,620,208
Program restrictions	3,381,927	1,949,820
Endowment funds to be held in perpetuity	35,416,897	34,609,643
George L. & Elizabeth C. Todd Permanent Trust	944,605	944,605
Total endowment net assets with donor restrictions	77,580,250	78,206,622
Time restricted - for use as part of a future year annual campaign	4,801,671	4,921,249
Time restricted - charitable remainder trust arrangements	232,846	236,763
Program restrictions	196,701	292,048
Total net assets with donor restrictions	$ 82,811,468	$ 83,656,682

16. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets with donor restrictions were released as follows at March 31:

	2022	2021
Program restriction:		
For allocations to United Way agencies	$ 160,440	$ 155,817
Other programs	12,758,982	18,345,948
	$ 12,919,422	$ 18,501,765
Appropriation in accordance with United Way's total return spending policy	$ 2,427,209	$ 2,396,341
Time restriction:		
For use as part of the current year annual campaign	$ 5,247,453	$ 5,352,060

17. ENDOWMENT

United Way's endowment consists of numerous individual funds established over time for a variety of purposes. Its endowment includes both assets with donor restrictions and funds designated by the Board of Directors to function as quasi-endowments. United Way's endowment was as follows for the years ended March 31:

	2022	2021
Endowment with donor restrictions	$ 77,580,251	$ 78,206,622
Quasi-endowment	$ 62,262,174	$ 65,756,638

Changes in the quasi-endowment net assets for the years ended March 31 were as follows:

	2022	2021
Quasi-endowment, beginning of year	$ 65,756,638	$ 46,656,562
New board designations	926,021	122,349
Appropriation in accordance with United Way's total return spending policy	(2,586,059)	(2,552,457)
Other appropriations	(1,859,459)	(146,314)
Investment return:		
(Losses) gains on investments	(672,720)	21,325,270
Interest income	697,753	351,228
Quasi-endowment, end of year	$ 62,262,174	$ 65,756,638

In July 2013, the Board of Directors updated the reserve fund policy to United Way to respond to unexpected programmatic and operational events and to initiate operational initiatives. The fund was established at a level approximately equal to three months of operating expense and Monroe County program funding and is recalculated and adjusted accordingly on an annual basis in October. The amount is approximately $4,900,000 at March 31, 2022.

17. ENDOWMENT (Continued)

Changes in endowment net assets with donor restrictions for the year ended March 31 were as follows:

	2022	2021
Endowment with donor restrictions, beginning of year	$ 78,206,622	$ 55,698,819
Appropriation in accordance with United Way's total return spending policy	(2,427,209)	(2,396,341)
Contributions and other revenue	573,851	79,030
Release of donor-imposed restrictions	(639,100)	(651,507)
Investment return:		
(Losses) gains on investments	(4,020,310)	20,498,207
Interest income	5,886,397	4,978,414
Endowment with donor restrictions, end of year	$ 77,580,251	$ 78,206,622

Underwater Endowment Funds
United Way considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instruments. The United Way has interpreted New York Prudent Management of Institutional Funds Act (NYPMIFA) to permit spending from underwater funds in accordance with the prudent measures required under law. There were no such underwater funds as of March 31, 2022 and 2021.

Return Objectives and Risk Parameters
United Way has adopted investment and spending policies for endowment assets to attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under the investment policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is net of fees intended to exceed the price and yield results of the spending policy plus the rate of inflation as measured by the Consumer Price Index (over the long term) within a reasonable level of volatility.

Strategies Employed for Achieving Objectives
To satisfy its long-term rate of return objectives, United Way 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). United Way targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and Related Investment Objectives
United Way has adopted a total return spending policy, under which it appropriates a percentage of the average market value of investments at the end of the previous five years to help support its annual operating expenses. The current spending formula is 5% of the trailing twenty-quarter average market value.

United Way has interpreted the applicable provisions of New York Not-for-Profit Corporation Law to mean that the classification of appreciation on restricted endowment gifts, beyond the original gift amount, follows the donor's restriction on the use of the related income (interest and dividends), and income is classified as restricted until appropriated by the Board for expenditure.

17. ENDOWMENT (Continued)

Spending Policy and Related Investment Objectives (Continued)

New York State law allows the Board of Directors to expend net appreciation of endowment investments and in certain circumstances the principal of the gift. The Board of Directors must consider the long and short-term needs of United Way in carrying out its purposes, its present and anticipated financial requirements, expected total return on its investments, price level trends and general economic conditions when determining the amount to expend. United Way believes that its total return spending policy meets New York State requirements.

18. RELATED PARTY

The United Way is related to United Way Services Corporation (UWSC) through certain common members of management and common board representation. The United Way provides management consulting and support services relating to internal financial controls, computer services and operational functions to UWSC. Reimbursement for such services was $20,101 and $8,557 in 2022 and 2021, respectively. In addition, United Way provides marketing services to UWSC. Payment for such services was $25,263 and $23,119 in 2022 and 2021, respectively.

19. COMMITMENTS AND CONTINGENCIES

Future Lease Payments

United Way leases office space and office equipment under the terms of operating lease agreements. Rental expense for fiscal 2022 and 2021 was approximately $90,000 and $130,000, respectively. Minimum payments under these lease agreements are as follows for the years ending March 31:

2023	$ 30,581
2024	30,581
2025	27,747
2026	15,984
2027 and after	14,230
	$ 119,123

Line of Credit

United Way has a revolving line of credit available in the amount of $5,000,000. Funds may be drawn down until June 29, 2022, and after that date, the balance on the line of credit will convert to a business loan. Monthly payments of interest at 2.23% will be due for a period of 108 months after the final draw down. The principal balance of the loan is due on the maturity date in June 2031. The loan is collateralized by certain investment accounts held in United Way's quasi endowment investment portfolio.

There were no amounts outstanding on the line of credit at March 31, 2022 or 2021. Subsequent to year-end, United Way drew down $5,000,000 on their line of credit to support additional community investment.

Risks and Uncertainties

The United States is presently in the midst of a national health emergency related to a virus, commonly known as Novel Coronavirus (COVID-19). The overall consequences of COVID – 19 on a national, regional and local level are unknown, but it has the potential to result in a significant economic impact. The impact of this situation on United Way and its future results and financial position is not presently determinable.

20. SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 2, 2022 which is the date the consolidated financial statements were available to be issued.