

**MESA UNITED WAY AND SUBSIDIARY**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2022**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Mesa United Way and Subsidiary  
Mesa, Arizona

### **Report on the Audit of the Consolidated Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Mesa United Way and Subsidiary (the Organization), which comprise the statement of financial position as of June 30, 2022, and the related consolidated statements of activities, 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 consolidated financial position of Mesa United Way as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

#### ***Responsibilities of Management for the Consolidated 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 Mesa United Way and Subsidiary's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mesa United Way and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Mesa United Way and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Other Matters – Report on Summarized Comparative Information***

We have previously audited the Organization's 2021 consolidated financial statements, and we expressed an unmodified audit opinion of those audited consolidated financial statements in our report dated June 13, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited consolidated financial statements which it has been derived.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and the consolidating statement of activities are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The 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.



**CliftonLarsonAllen LLP**

Phoenix, Arizona  
June 14, 2023

**MESA UNITED WAY AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2022**  
(WITH SUMMARIZED INFORMATION AS OF JUNE 30, 2021)

	2022	2021
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 798,607	\$ 672,594
Investments	2,668,094	3,090,749
Unconditional Promises Receivable, Net	664,380	377,734
Donor Designated Promises Receivable	52,704	71,478
Grants Receivable	39,574	201,275
Prepaid Expenses	3,941	3,291
Beneficial Interest in Charitable Remainder Trusts	83,685	84,750
Property and Equipment, Net	1,255,106	1,367,616
Total Assets	\$ 5,566,091	\$ 5,869,487
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 172,572	\$ 107,529
Donor Designated Payables	79,966	95,006
Capital Lease Obligations	563	8,185
Notes Payable	333,000	312,048
Total Liabilities	586,101	522,768
<b>NET ASSETS</b>		
Without Donor Restrictions	3,753,764	4,035,986
With Donor Restrictions	1,226,226	1,310,733
Total Net Assets	4,979,990	5,346,719
Total Liabilities and Net Assets	\$ 5,566,091	\$ 5,869,487

See accompanying Notes to Consolidated Financial Statements.

**MESA UNITED WAY AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2022**  
(WITH SUMMARIZED INFORMATION FOR YEAR ENDED JUNE 30, 2021)

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2022	2021
<b>SUPPORT AND REVENUES</b>				
Campaign Contributions:				
Annual Campaign	\$ 2,703,083	\$ -	\$ 2,703,083	\$ 2,719,890
Less: Provision for Uncollectible Promises to Give	(64,919)	-	(64,919)	(85,082)
Less: Donor Designated Contributions	(1,892,883)	-	(1,892,883)	(1,869,299)
Contributions, Donated Goods and Services	863,928	-	863,928	691,820
Other Contributions	6,181	-	6,181	642,111
Total Campaign Contributions, Net	1,615,390	-	1,615,390	2,099,440
Special Events Income	93,525	-	93,525	10,047
Special Events Income, Donated Goods and Services	820	-	820	849
Less Costs of Direct Benefits to Donors	(42,450)	-	(42,450)	(5,925)
Total Special Events	51,895	-	51,895	4,971
Special Program Grants	1,429,650	380,903	1,810,553	1,585,643
Investment Income	(302,957)	(101,579)	(404,536)	653,606
Total Support and Revenues	2,793,978	279,324	3,073,302	4,343,660
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	362,766	(362,766)	-	-
<b>EXPENSES</b>				
Program Services:				
Agency Allocations	-	-	-	228,646
Community Impact	276,418	-	276,418	342,014
Grant Programs	2,397,792	-	2,397,792	2,200,745
Community Awareness	141,650	-	141,650	171,449
Total Program Services	2,815,860	-	2,815,860	2,942,854
Supporting Activities:				
Administrative	328,036	-	328,036	287,272
Fundraising	295,070	-	295,070	351,194
Total Supporting Activities	623,106	-	623,106	638,466
Total Expenses	3,438,966	-	3,438,966	3,581,320
<b>CHANGE IN OPERATING NET ASSETS</b>	(282,222)	(83,442)	(365,664)	762,340
<b>NONOPERATING REVENUE AND EXPENSE</b>				
Change in Value of Beneficial Interest in Charitable Remainder Trusts	-	(1,065)	(1,065)	3,182
Total Nonoperating Revenue and Expense, Net	-	(1,065)	(1,065)	3,182
<b>CHANGE IN NET ASSETS</b>	(282,222)	(84,507)	(366,729)	765,522
Net Assets - Beginning of Year	4,035,986	1,310,733	5,346,719	4,581,197
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 3,753,764</u>	<u>\$ 1,226,226</u>	<u>\$ 4,979,990</u>	<u>\$ 5,346,719</u>

See accompanying Notes to Consolidated Financial Statements.

**MESA UNITED WAY AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2022**  
**(WITH SUMMARIZED INFORMATION FOR YEAR ENDED JUNE 30, 2021)**

	Program Services				Supporting Activities			Direct Donor Benefits	Totals	
	Community Impact	Grant Programs	Community Awareness	Total Program Services	Administrative	Fundraising	Total Supporting Activities		2022	2021
Salaries	\$ 107,243	\$ 703,803	\$ 70,677	\$ 881,723	\$ 155,257	\$ 135,099	\$ 290,356	\$ -	\$ 1,172,079	\$ 1,186,550
Employee Benefits	30,199	118,353	10,656	159,208	17,036	37,799	54,835	-	214,043	224,928
Payroll Taxes	10,666	57,282	6,043	73,991	12,744	11,659	24,403	-	98,394	94,614
Retirement Plans	5,698	30,023	3,369	39,090	5,932	6,816	12,748	-	51,838	44,878
Campaign Supplies	-	4,974	-	4,974	-	3,008	3,008	-	7,982	4,361
Conferences and Training	-	5,098	158	5,256	2,209	240	2,449	-	7,705	3,634
Contracted Services	32,084	14,982	-	47,066	-	30	30	-	47,096	76,317
AmeriCorps Personnel	-	60,148	-	60,148	-	-	-	-	60,148	201,338
Dues and Subscriptions	510	8,003	-	8,513	3,977	625	4,602	-	13,115	22,670
Insurance	4,521	7,269	486	12,276	1,302	2,613	3,915	-	16,191	15,575
Marketing	-	11,065	269	11,334	94	630	724	-	12,058	3,507
Meetings	1,684	1,915	36	3,635	178	330	508	-	4,143	1,230
Travel	-	9,346	-	9,346	620	926	1,546	-	10,892	12,103
Processing Fees	945	25,493	584	27,022	1,399	10,806	12,205	-	39,227	36,746
Occupancy/Utilities/Parking	9,676	120,415	1,124	131,215	2,154	3,618	5,772	-	136,987	101,447
Office Expense	763	15,999	176	16,938	2,078	1,861	3,939	-	20,877	24,452
Postage and Shipping	236	853	95	1,184	665	2,507	3,172	-	4,356	5,404
Professional Fees	3,048	25,958	762	29,768	7,141	-	7,141	-	36,909	42,795
Printing	545	1,987	295	2,827	-	4,645	4,645	-	7,472	7,108
Repairs and Maintenance	33,729	53,271	14,308	101,308	31,429	36,728	68,157	-	169,465	163,153
Telephone	3,177	14,802	1,113	19,092	2,932	3,631	6,563	-	25,655	47,715
United Way of America Dues	-	-	-	-	49,567	-	49,567	-	49,567	34,968
Equipment Leases	-	5,033	-	5,033	-	-	-	-	5,033	504
Agency Initiatives	195	228,768	-	228,963	284	-	284	-	229,247	166,543
Agency Allocations	-	-	-	-	-	-	-	-	-	228,646
In-Kind Expenses:										
Marketing and Printing	-	920	-	920	-	-	-	-	920	776
Initiative - Direct Assistance	-	862,160	-	862,160	-	-	-	-	862,160	687,300
Professional Fees	-	-	-	-	-	-	-	-	-	3,744
Depreciation	31,499	9,872	31,499	72,870	31,038	31,499	62,537	-	135,407	138,314
Special Event Expenses	-	-	-	-	-	-	-	42,450	42,450	5,925
Total	276,418	2,397,792	141,650	2,815,860	328,036	295,070	623,106	42,450	3,481,416	3,587,245
Less: Expenses Netted Against Revenues on the Statement of Activities:										
Special Event Expenses	-	-	-	-	-	-	-	(42,450)	(42,450)	(5,925)
Total Expenses Included in the Expense Section of the Statement of Activities	\$ 276,418	\$ 2,397,792	\$ 141,650	\$ 2,815,860	\$ 328,036	\$ 295,070	\$ 623,106	\$ -	\$ 3,438,966	\$ 3,581,320

See accompanying Notes to Consolidated Financial Statements.



**MESA UNITED WAY AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2022**  
(WITH SUMMARIZED INFORMATION FOR YEAR ENDED JUNE 30, 2021)

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (366,729)	\$ 765,522
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	135,407	138,314
Change in Allowance for Uncollectible Promises Receivable	36,346	15,504
Change in Value of Beneficial Interest in Charitable Remainder Trusts	1,065	(3,182)
Net Realized and Unrealized Gain on Investments	436,648	(624,938)
Paycheck Protection Program Loan Forgiveness	-	(624,251)
(Increase) Decrease in Assets:		
Unconditional Promises Receivable and Donor Designated Promises Receivable	(304,218)	74,034
Grants Receivable	161,701	(21,357)
Notes Receivable	-	3,000
Prepaid Expenses	(650)	316
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	65,043	(4,586)
Donor Designated and Agency Allocations Payable	(15,040)	(79,216)
Net Cash Provided (Used) by Operating Activities	<u>149,573</u>	<u>(360,840)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	(22,897)	(6,000)
Proceeds from Sale of Investments	504,462	943,699
Purchases of Investments	(518,455)	(582,140)
Net Cash Provided (Used) by Investing Activities	<u>(36,890)</u>	<u>355,559</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on Capital Leases	(7,622)	(8,242)
Proceeds on Notes Payable	20,952	-
Paycheck Protection Program Loan Proceeds	-	460,294
Net Cash Provided by Financing Activities	<u>13,330</u>	<u>452,052</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	126,013	446,771
Cash and Cash Equivalents - Beginning of Year	<u>672,594</u>	<u>225,823</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 798,607</u>	<u>\$ 672,594</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest	<u>\$ 1,637</u>	<u>\$ 1,947</u>

See accompanying Notes to Consolidated Financial Statements.

**MESA UNITED WAY AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

Mesa United Way was officially established in November 1966 as a nonprofit philanthropic corporation under the laws of the state of Arizona. The Organization conducts the annual United Way Campaign on behalf of itself and its agency programs. The Organization also assesses and prioritizes critical human care needs in Mesa, Arizona. The Organization addresses these needs through community partners and internal program services.

Helen's Hope Chest is a wholly owned subsidiary organization of Mesa United Way. Helen's Hope Chest began operations in conjunction with Mesa United Way in 2009 and was organized as a separate entity in fiscal year 2014. Helen's Hope Chest and its program, Foster360, are exclusively focused on the needs of foster children, from infancy through young adulthood.

These consolidated financial statements include the activities of Mesa United Way and Helen's Hope Chest (collectively, the Organization). All material intercompany accounts and transactions have been eliminated in the consolidation.

The Organization has the following programs:

**Community Impact**

The Community Impact program carries out Mesa United Way's mission. This program brings Mesa United Way staff together with volunteers, agencies, and companies in Mesa to help members of the community lead better, more self-sufficient lives. Community Impact is accomplished through funding agency and grant programs, developing, and executing initiatives, and building relationships between community members. Current initiatives are: 12 Books/Mesa Youth Unite program (literacy and hunger intervention for low-income and low-performing children between kindergarten and third grade), AmeriCorps (a volunteer service program providing support for foster care initiatives at Helens Hope Chest), Mesa K-Ready (a collaborative program offering innovative pre-school solutions), Mesa Veterans Resource Center (resource navigation and essential services provided to veterans through a one-stop-shop center), VITA (Volunteer Income Tax Assistance program providing free tax return preparation to low- to moderate-income families and individuals), Helen's Hope Chest (clothing for foster and kinship families), and Foster360 (resource navigation and homelessness intervention for aging-out foster youth).

**MESA UNITED WAY AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Grant Programs**

*12 Books/Mesa Youth Unite*

The 12 Books Program provides literacy support for disadvantaged students through free books, reading mentors, and parent resources for K-3rd grade students in Mesa's Title I public schools. Children living in poverty who are not proficient in reading by the 4th grade have increased risks of dropping out of high school and experiencing homelessness, poverty, incarceration, and poor health as adults, but studies show that increasing children's access to books and positive experiences with reading can provide the support students' need to become proficient readers. In the summer, the Mesa Youth Unite AmeriCorps program hires 10-20 students to work with low-income and foster families to provide summer reading assistance while also receiving leadership and professional development training. In the 2021-2022 program year, 12 Books and Mesa Youth Unite served 4,165 students, distributed 17,556 books, and provided 131 hours of reading assistance.

*AmeriCorps*

This grant-funded program is geared specifically to place Mesa residents as direct service delivery professionals to the Helen's Hope Chest and Foster360 programs. Over 80% of the staff are AmeriCorps Members. This results in lowered overhead costs and allows a larger share of resources devoted to directly impacting the child and his or her foster family.

*Mesa K-Ready*

A collaboration between Mesa United Way, The City of Mesa, and Mesa Public Schools, Mesa K-Ready offers innovative pre-school solutions for families who cannot afford more traditional pre-school or who can't get into the current brick and mortar public pre-schools. Currently, Mesa K-Ready is working with 150 families to help parents become their child's first best teacher.

*Mesa Veterans Resource Center*

Knowing how to access available resources can be difficult and confusing for veterans. The Mesa Veterans Resource Center (MVRC) helps hundreds of veterans receive the aid they need, including emergency shelter services, employment training, transportation, mental health and substance abuse support, food assistance, basic needs and more. Our goal is to walk alongside these veterans to get them the resources and tools they need to not only get by, but succeed. In this last year, MVRC served 1,397 veterans.

**MESA UNITED WAY AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Grant Programs (Continued)**

*Volunteer Income Tax Assistance (VITA) Program*

The VITA program is a free tax preparation service for low- and moderate- income people in the community. Mesa United Way has supported VITA for many years, but for the last 13 years has been the lead agency for the Mesa program. Volunteers are trained to prepare tax returns and then must pass an Internal Revenue Service (IRS) certification test. During the 2021-2022 fiscal year, 110 Mesa United Way VITA volunteers contributed over 7,300 hours of their time to complete more than 4,800 tax returns. Their efforts returned over \$6.9 million in tax refunds to the members of our community who need it most. Over 900 hours of tax preparation services were provided at 14 different sites located in Mesa and Chandler. Mesa United Way's VITA coalition partners provided the facilities for the VITA sites.

*Helen's Hope Chest*

This subsidiary of Mesa United Way is committed to supporting children in foster and kinship care by alleviating some of the financial burden that foster and kinship families face in providing for their care. Operating from an 8,000 square-foot facility in Downtown Mesa that offers a welcoming storefront where youth can pick out clothing, school supplies and other basic needs, Helen's Hope Chest served 5,000 clients last year, providing nearly \$900,000 worth of items from diapers to clothing and backpacks to birthday and Christmas gifts.

*Foster360*

Nine-hundred youth age-out of foster care in Arizona every year. Currently, nearly half of those youth will experience homelessness before they turn 21. Committed to changing those dismal statistics at a grass-root level, Foster360 offers aging-out youth a 2-year transitional housing and personal development program where they will begin learning healthy independent living skills with the support of peers and personal resource navigators. Currently, Foster360's Culver Campus houses 10 aged-out foster youth and are hoping to expand with a second facility.

**Community Awareness (Communications)**

The Marketing and Communications program is responsible for developing ideas and concepts that will educate the community about Mesa United Way with the intention of inspiring people to volunteer and donate. This is done through the creation of marketing materials that explain Mesa United Way's vision, mission, accomplishments, and goals.

**Gross Campaign Contribution Summary**

A summary of the gross campaign contributions for the year ended June 30, 2022 is as follows:

Annual Campaign (Gross)	\$ 2,703,083
Special Program Grants	1,810,553
Special Event Income (Gross)	93,525
Other Contributions	6,181
Gross Campaign Contributions	<u>\$ 4,613,342</u>

**MESA UNITED WAY AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Gross Campaign Contribution Summary (Continued)**

Functional overhead for a nonprofit organization is defined as the expenses incurred in the administrative and fundraising supporting activities. These costs are detailed in the accompanying consolidated statement of functional expenses under the column titled Total Supporting Activities. The administrative and fundraising costs for the fiscal year ended June 30, 2022 totaled approximately \$623,000, or 13.50% of gross campaign contributions.

**Net Assets**

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

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

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

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**Measure of Operations**

In its consolidated statement of activities, the Organization includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities. Nonoperating activity consists primarily of changes in the Organization's beneficial interest in charitable remainder trusts.

**MESA UNITED WAY AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Prior Year Summarized Information**

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

**Cash and Cash Equivalents**

The Organization considers all highly liquid debt instruments with a remaining maturity of three months or less at date of acquisition to be cash equivalents.

**Investments**

Securities consist primarily of equity and fixed income mutual funds and cash/money market funds. Mutual funds are recorded at fair value as determined by quoted market prices. Cash/money market funds are recorded at cost which approximates fair value. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the change of net assets in the accompanying consolidated statement of activities.

**Contributions**

Unconditional promises to give designated by donors to specific nonprofit organizations are segregated as such in the accompanying consolidated financial statements as donor-designated receivables and donor-designated payables. Donors may choose to designate all or part of their contributions to be distributed to specific charitable organizations. These transactions are reported in the consolidated statement of activities as part of the current year Mesa United Way Annual Campaign and are then deducted as amounts designated to other organizations to arrive at net campaign revenue. Amounts deducted are carried as liabilities until received and then paid to the designated charitable organization.

**MESA UNITED WAY AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Contributions (Continued)**

Contributions of donated nonmonetary assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. In-kind contributions include printing, clothing, and food for receptions, rent, and advertising. In-kind contributions in the amount of \$864,748 for the year ended June 30, 2022. The Organization estimates the fair value of in-kind contributions on the basis of estimates of the current market rates for similar goods and other services in the Organization's market. The in-kind contributions above are reflected in the accompanying consolidated financial statements as follows:

Statement of Activities:	
Direct Donor Benefits	\$ 1,668
Statement of Functional Expenses:	
Grant Programs	<u>863,080</u>
Total	<u><u>\$ 864,748</u></u>

**Beneficial Interest in Charitable Remainder Trusts**

Interests in charitable remainder trusts are recorded at the trusts' fair value. Changes in the valuation of this receivable are recorded in the accompanying consolidated financial statements as a change in the value of beneficial interest in charitable remainder trusts. Because of inherent uncertainties in estimating the value of these agreements, it is at least reasonably possible that these estimates will change within the near future.

**Property and Equipment**

Acquisitions of property and equipment in excess of \$1,600 are capitalized. Property and equipment are stated at cost, or, if donated, at the approximate fair value at the date of donation. Depreciation of property and equipment is provided on a straight-line basis over the estimated useful lives of the respective assets.

Major additions and improvements are capitalized. Maintenance and repairs are expensed as incurred. When assets are retired or otherwise disposed of, the related costs and accumulated depreciation are removed from the accounts and gains and losses are included in the consolidated statement of activities.

**Income Taxes**

Mesa United Way and Helen's Hope Chest are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and, therefore, have no provision for federal income taxes. In addition, Mesa United Way and Helen's Hope Chest qualify for the charitable contribution deduction under Section 170 of the IRC and have been classified as organizations that are not private foundations. Income determined to be unrelated business taxable income (UBTI) would be taxable.

**MESA UNITED WAY AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Income Taxes (Continued)**

Mesa United Way and Helen's Hope Chest follow the accounting standard for uncertain tax positions. Mesa United Way and Helen's Hope Chest's policy with respect to the standard prescribes a recognition threshold and measurement principles for the consolidated financial statements recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. This policy had no impact on Mesa United Way and Helen's Hope Chest's consolidated financial statements.

Mesa United Way and Helen's Hope Chest file as tax-exempt organizations.

**Estimates**

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

**Fundraising Costs**

The Organization expenses all fundraising costs as they are incurred.

**Functional Allocation of Expenses**

The costs of providing the Organization's programs and supporting activities have been summarized in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting activities. These costs are allocated by the actual cost incurred, by estimated costs based on per hour rate of the employee who performed the service, or by estimates of benefits derived.

**Market Value Risk**

The Organization provides for investment in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect investment balances and the amounts reported in the consolidated statement of financial position.



**MESA UNITED WAY AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Fair Value Measurements**

The Organization categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement. Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

*Level 2* – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

*Level 3* – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

Professional standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis. The Organization has not elected to measure any existing financial instruments at fair value. However, it may elect to measure newly acquired financial instruments at fair value in the future.

Fair values are measured using independent pricing models or other model-based valuation techniques such as appraised values, adjusted for the security's credit rating, prepayment assumptions, and other factors such as credit loss assumptions. The Organization does not have any assets or liabilities that are valued using Level 2 inputs.

**Change in Accounting Principle**

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This standard requires that contributed nonfinancial assets are reported on a separate line item in the statements of activities, apart from contributions of cash and other financial assets. It also requires disclosure of disaggregated amounts of contributed nonfinancial assets by category that depicts the type of contributed nonfinancial assets along with additional qualitative information about the monetization of such assets, donor restrictions and valuation techniques. The adoption of this standard did not have any significant impact on the accompanying financial statements or disclosures.

**MESA UNITED WAY AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Accounting Pronouncement Not Yet Effective**

In February 2016, FASB issued ASU 2016-02, Leases. This accounting standard requires organizations that lease assets to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in its statement of financial position. This accounting standard will also require additional disclosures about the amount, timing and uncertainty of cash flows arising from leases. This accounting standard is effective for the Organization as of fiscal year 2023. Management is currently evaluating the impact of adopting this accounting standard.

**Subsequent Events**

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 14, 2023, the date the consolidated financial statements were available to be issued.

**NOTE 2 LIQUIDITY AND AVAILABILITY**

The Organization strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures.

Total Financial Assets	\$ 4,170,655
Donor Imposed Restrictions:	
Restricted Funds	(380,695)
Endowments	<u>(671,846)</u>
Net Financial Assets after Donor-Imposed Restrictions	<u>\$ 3,118,114</u>

**MESA UNITED WAY AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 INVESTMENTS AND FAIR VALUE MEASUREMENTS**

The following table presents the fair value hierarchy for the balances of the assets of the Organization measured at fair value on a recurring basis as of June 30, 2022:

	Level 1	Level 2	Level 3	Assets Not Held at Fair Value	Total
Investments:					
Mutual Funds	\$ 2,592,810	\$ -	\$ -	\$ -	\$ 2,592,810
Cash and Money Markets	-	-	-	75,284	75,284
Total Investments	<u>2,592,810</u>	<u>-</u>	<u>-</u>	<u>75,284</u>	<u>2,668,094</u>
Interest in Charitable Remainder Trusts	-	-	83,685	-	83,685
Total	<u>\$ 2,592,810</u>	<u>\$ -</u>	<u>\$ 83,685</u>	<u>\$ 75,284</u>	<u>\$ 2,751,779</u>

**Level 3 Assets**

The following table describes the valuation techniques used to calculate fair value for assets in Level 3. There were no changes in valuation techniques and related inputs from the prior year.

Type of Assets	Fair Value at June 30, 2022	Principal Valuation Technique	Unobservable Inputs
Beneficial Interest in Charitable Remainder Trusts	\$ 83,685	Fair Market Value of Investments	Value of Underlying Assets
Total	<u>\$ 83,685</u>		

There were no purchases, sales, distributions from or contributions to the beneficial interest in charitable remainder trusts for the year ended June 30, 2022.

**NOTE 4 PROMISES RECEIVABLE**

A summary of promises receivables at June 30, 2022 is as follows:

Total Amounts Due in:	
Within One Year	\$ 688,645
One to Five Years	<u>172,161</u>
Gross Promises Receivable	860,806
Less: Allowance for Doubtful Accounts	(143,722)
Less: Donor Designated Promises Receivable	<u>(52,704)</u>
Unconditional Promises Receivable	<u>\$ 664,380</u>

**MESA UNITED WAY AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4 PROMISES RECEIVABLE (CONTINUED)**

As of June 30, 2022, promises receivable reflect those amounts not collected from the two annual campaigns conducted from July 2019 through June 2022. Promises include both unrestricted funds and donor-designated funds. When contemplating a reserve for uncollectible amounts, the Organization monitors factors such as employee layoff activities of organizations that participate in its donation campaigns as well as historical collection rates.

**NOTE 5 BENEFICIAL INTEREST IN CHARITABLE REMAINDER TRUSTS**

The Organization has been designated as an irrevocable beneficiary of various charitable remainder trusts, in accordance with its agreement with Ameritrust Network, Inc. These trusts are expected to be realized over approximately the next 10 years at their present value, using a discount rate of 6%, and an expected date of distribution based on trust stipulations and mortality tables.

**NOTE 6 PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at June 30, 2022:

	Amount	Estimated Useful Lives in Years
Land	\$ 12,475	
Buildings and Improvements	2,219,027	20 to 27.5
Furniture and Equipment	352,804	3 to 7
Vehicles	7,000	3 to 7
Construction in Progress	400	N/A
Total Property and Equipment	<u>2,591,706</u>	
Less: Accumulated Depreciation	<u>(1,336,600)</u>	
Property and Equipment, Net	<u><u>\$ 1,255,106</u></u>	

**NOTE 7 CAPITAL LEASE OBLIGATIONS**

The Organization leases certain office equipment under capital leases. The economic substance of these leases is that the Organization is financing the acquisition of the equipment through the lease and, accordingly, the equipment is recorded as an asset and the lease is recorded as a liability. The total cost and accumulated depreciation of the equipment under the capital leases are as follows:

Equipment	\$ 26,642
Less: Accumulated Depreciation	<u>(26,079)</u>
Total	<u><u>\$ 563</u></u>

**MESA UNITED WAY AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 7 CAPITAL LEASE OBLIGATIONS (CONTINUED)**

Future lease payments under the capital leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	<u>\$ 635</u>
Total Payments	635
Less: Amount Representing Interest	(72)
Present Value of Net Minimum Lease Payments	<u><u>\$ 563</u></u>

**NOTE 8 NOTES PAYABLE**

The Organization received an interest free, forgivable loan in the amount of \$333,000 through to City of Mesa’s Community Development Block Grant program to the renovation of their building. If certain requirements are met, the loan will be forgiven in full on December 31, 2024.

**NOTE 9 PAYCHECK PROTECTION PROGRAM LOAN**

On May 6, 2020, the Organization received proceeds in the amount of \$460,294 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The PPP loan may be forgiven by the U.S. Small Business Administration (SBA) subject to certain performance barriers, as outlined in the loan agreement and the CARES Act. Therefore, the Organization has classified this loan as a conditional contribution for accounting purposes. Payment of principal and interest was deferred until the date on which the amount of forgiveness is remitted to the lender or, if the Organization fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. The covered period from May 6, 2020 to July 1, 2020 was the time that an organization has to spend their PPP Loan funds. The loans were forgiven during the year ended June 30, 2021.

On January 27, 2021 the Organization received Second Draw PPP Loans totaling \$460,294 as part of the Paycheck Protection Program. These funds must be used in accordance with the program requirements. Additionally, some or all of the funds may be forgiven based on compliance with program requirements and approval by the U.S. Small Business Administration. The loans were forgiven during the year ended June 30, 2022.

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

**MESA UNITED WAY AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 NET ASSETS**

Net assets with donor restrictions were available for the following purposes at June 30, 2022:

Subject to Expenditure for Specified Purpose:	
12 Books/Mesa Youth Unite	\$ 95,685
US2-Emergency Hotel Stay Program	8,773
Mesa K Ready	271,931
Jakelle's Christmas Box	4,306
Total	<u>380,695</u>
Subject to Passage of Time:	
Beneficial Interests in Charitable Remainder Trusts	83,685
Promises to Give that are Not Restricted by Donors, but Which are Unavailable for Expenditure Until Due	90,000
Total	<u>173,685</u>
Endowments:	
Subject to Endowment Spending Policy and Appropriation:	
Earnings on Endowment Funds	120,664
Original Donor-Restricted Gift Amount to be Maintained in Perpetuity:	
Hostetler Endowment	551,182
Total	<u>671,846</u>
Total Net Assets With Donor Restrictions	<u><u>\$ 1,226,226</u></u>

Net assets with donor restriction released from program restrictions during the year ended June 30, 2022 consisted of the following:

Subject to Expenditure for Specified Purpose:	
12 Books/Mesa Youth Unite	\$ 124,680
VITA	26,667
Mesa Veterans Resource Center (MVRC)	48,088
Mesa K Ready	120,933
Jakelle's Christmas Box	5,158
Capital Fund	7,240
Total	<u>332,766</u>
Subject to Passage of Time:	
Promises to Give that are Not Restricted by Donors, but Which are Unavailable for Expenditure Until Due	30,000
Total	<u>30,000</u>
Total Net Assets Released from Restrictions	<u><u>\$ 362,766</u></u>

**MESA UNITED WAY AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 11 ENDOWMENT**

Net assets of the endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions. The board of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (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, the Organization classifies as donor-restricted net assets: (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulated earnings on the donor-restricted endowment funds. The accumulated earnings on the endowment funds remain treated as donor-restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Organization has adopted an investment policy which includes the diversification of asset investment into U.S. and foreign equity and fixed income accounts. The assets are managed by one portfolio manager. The asset allocation is determined by the Investment Committee with guidance from the portfolio manager. The policy transfers assets to the Organization's operating fund, annually, up to 4% of a trailing three-year average of the fund's total asset value, with the understanding that this spending rate plus inflation will not normally exceed total return from investment. However, it is understood that this total return basis for calculating spending is sanctioned by UPMIFA, under which guidelines the organization is permitted to spend an amount in excess of the current yield (interest and dividends earned), including realized or unrealized appreciation. The composition of endowment net assets by type of fund for 2022 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds	\$ -	\$ 671,846	\$ 671,846
Total Funds	<u>\$ -</u>	<u>\$ 671,846</u>	<u>\$ 671,846</u>

The change in endowment net assets for 2022 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Funds - Beginning of Year	\$ -	\$ 773,425	\$ 773,425
Investment Return:			
Investment Loss	-	(101,579)	(101,579)
Total Investment Return	<u>-</u>	<u>(101,579)</u>	<u>(101,579)</u>
Endowment Funds - End of Year	<u>\$ -</u>	<u>\$ 671,846</u>	<u>\$ 671,846</u>

**MESA UNITED WAY AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 12 RETIREMENT PLANS**

The Organization sponsors a defined contribution plan in which employees are eligible to participate after completing a full year of service and are at least 21 years of age. The plan provides for discretionary employer contributions, subject to limitations of the IRC. These discretionary contributions, determined by the board of directors, are allocated among participants based on annual compensation.

Employer contributions to the plan amounted to \$51,838 for the year ended June 30, 2022.

**NOTE 13 OPERATING LEASES**

The Organization leases certain office equipment under various operating lease agreements, which expire at various times through August 2024. Lease expenses under these operating lease agreements was \$119,099 for the year ended June 30, 2022.

Subsequent to year-end, the Organization entered into a lease through October 2022 and the future minimum lease payments are reflected in the following schedule. Minimum future rental payments under these noncancelable operating leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 38,487
2024	1,321
2025	220
Total Minimum Operating Lease Payments	<u><u>\$ 40,028</u></u>

**NOTE 14 RELATED PARTY TRANSACTIONS**

The Organization was required to pay monthly dues to United Way of America, its national affiliate, in the amount of \$49,567 for the year ended June 30, 2022.

The Organization received various contributions during the year from both employees and members of the board of directors. Total contributions (including in-kind donations) received during the year ended June 30, 2022 amounted to \$45,534.

The Organization also made various vendor payments to companies that employ members of the board of directors. Total amounts paid to these vendors during the year ended June 30, 2022 amounted to \$23,082.



**MESA UNITED WAY AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 15 CONCENTRATION OF CREDIT RISK**

Financial instruments that subject the Organization to potential concentrations of credit risk consist principally of cash and cash equivalents and receivables. The Organization maintains its cash in bank accounts, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash balances.

As of June 30, 2022, 46% The Organization's promises receivable are due from three donors.

**MESA UNITED WAY AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2022  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Mesa United Way	Helen's Hope Chest	Eliminations	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 430,687	\$ 367,920	\$ -	\$ 798,607
Investments	2,178,245	489,849	-	2,668,094
Unconditional Promises Receivable, Net	664,380	-	-	664,380
Donor Designated Promises Receivable	52,704	-	-	52,704
Grants Receivable	204,043	229,695	(394,164)	39,574
Prepaid Expenses	3,703	238	-	3,941
Beneficial Interest in Charitable Remainder Trusts	83,685	-	-	83,685
Property and Equipment, Net	1,237,205	17,901	-	1,255,106
Total Assets	<u>\$ 4,854,652</u>	<u>\$ 1,105,603</u>	<u>\$ (394,164)</u>	<u>\$ 5,566,091</u>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Expenses	\$ 347,891	\$ 218,845	\$ (394,164)	\$ 172,572
Donor Designated Payables	79,966	-	-	79,966
Capital Lease Obligations	563	-	-	563
Notes Payable	333,000	-	-	333,000
Total Liabilities	<u>761,420</u>	<u>218,845</u>	<u>(394,164)</u>	<u>586,101</u>
<b>NET ASSETS</b>				
Without Donor Restriction	2,931,313	822,451	-	3,753,764
With Donor Restrictions	1,161,919	64,307	-	1,226,226
Total Net Assets	<u>4,093,232</u>	<u>886,758</u>	<u>-</u>	<u>4,979,990</u>
Total Liabilities and Net Assets	<u>\$ 4,854,652</u>	<u>\$ 1,105,603</u>	<u>\$ (394,164)</u>	<u>\$ 5,566,091</u>

**MESA UNITED WAY AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Mesa United Way	Helen's Hope Chest	Eliminations	Total
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>				
Campaign Contributions:				
Annual Campaign	\$ 2,703,083	\$ -	\$ -	\$ 2,703,083
Less: Provision for Uncollectible Promises to Give	(64,919)	-	-	(64,919)
Less: Donor Designated Contributions	(1,892,883)	-	-	(1,892,883)
Contributions, Donated Goods and Services	283,973	579,955	-	863,928
Management Fee Revenue	199,600	-	(199,600)	-
Other Contributions	6,181	-	-	6,181
Total Campaign Contributions, Net	<u>1,235,035</u>	<u>579,955</u>	<u>(199,600)</u>	<u>1,615,390</u>
Special Events Income	88,525	5,000	-	93,525
Special Events Income, Donated Goods and Services	820	-	-	820
Less Costs of Direct Benefits to Donors	(42,450)	-	-	(42,450)
Total Special Events	<u>46,895</u>	<u>5,000</u>	<u>-</u>	<u>51,895</u>
Special Program Grants	557,165	872,485	-	1,429,650
Investment Loss	(225,253)	(77,704)	-	(302,957)
Total Support and Revenues	<u>1,613,842</u>	<u>1,379,736</u>	<u>(199,600)</u>	<u>2,793,978</u>
Net Assets Released from Purpose Restriction	350,368	12,398	-	362,766
Total Support and Revenues Without Donor Restrictions	<u>1,964,210</u>	<u>1,392,134</u>	<u>(199,600)</u>	<u>3,156,744</u>
<b>EXPENSES</b>				
Program Services:				
Community Impact	276,418	-	-	276,418
Grant Programs	1,005,138	1,392,654	-	2,397,792
Community Awareness	141,650	-	-	141,650
Total Program Services	<u>1,423,206</u>	<u>1,392,654</u>	<u>-</u>	<u>2,815,860</u>
Supporting Activities:				
Administrative	317,581	90,295	(79,840)	328,036
Fundraising	289,659	125,171	(119,760)	295,070
Total Supporting Activities	<u>607,240</u>	<u>215,466</u>	<u>(199,600)</u>	<u>623,106</u>
Total Expenses	<u>2,030,446</u>	<u>1,608,120</u>	<u>(199,600)</u>	<u>3,438,966</u>
Change in Net Assets Without Donor Restrictions	<u>(66,236)</u>	<u>(215,986)</u>	<u>-</u>	<u>(282,222)</u>
<b>CHANGES IN DONOR NET ASSETS WITH DONOR RESTRICTIONS</b>				
Operating:				
Special Program Grants	316,597	64,306	-	380,903
Investment Loss	(101,579)	-	-	(101,579)
Net Assets Released from Restrictions	(350,368)	(12,398)	-	(362,766)
Operating Changes in Net Assets With Donor Restrictions	<u>(135,350)</u>	<u>51,908</u>	<u>-</u>	<u>(83,442)</u>
Nonoperating:				
Change in Value of Interest in Charitable Remainder Trusts	(1,065)	-	-	(1,065)
Nonoperating Changes in Net Assets With Donor Restrictions	<u>(1,065)</u>	<u>-</u>	<u>-</u>	<u>(1,065)</u>
Changes in Net Assets With Donor Restrictions	<u>(136,415)</u>	<u>51,908</u>	<u>-</u>	<u>(84,507)</u>
Change in Net Assets	<u>(202,651)</u>	<u>(164,078)</u>	<u>-</u>	<u>(366,729)</u>
Net Assets - Beginning of Year	<u>4,295,883</u>	<u>1,050,836</u>	<u>-</u>	<u>5,346,719</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 4,093,232</u>	<u>\$ 886,758</u>	<u>\$ -</u>	<u>\$ 4,979,990</u>



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