

UNITED WAY OF BRAZOS VALLEY, INC.

INDEPENDENT AUDITOR'S REPORT

AND

FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
United Way of the Brazos Valley, Inc.

We have audited the accompanying financial statements of United Way of the Brazos Valley, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

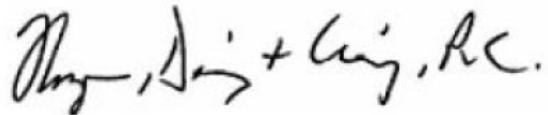
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of the Brazos Valley, Inc. as of June 30, 2020, 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.

Report on Summarized Comparative Information

We have previously audited the United Way of the Brazos Valley, Inc. 2019 financial statements, and our report dated October 23, 2019, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Thompson, Derrig & Craig, P.C." in a cursive style.

THOMPSON, DERRIG & CRAIG, PC

November 18, 2020

UNITED WAY OF THE BRAZOS VALLEY, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

ASSETS	<u>2020</u>	<u>2019</u>
Current assets:		
Cash and cash equivalents	\$ 678,909	\$ 536,161
Restricted cash	114,531	122,249
Pledges receivable, net	357,777	314,981
Grants receivable	29,973	61,226
Accounts receivable	1,500	9,010
Vanguard forfeiture fund	6,138	-
Prepaid expenses	6,530	5,138
Total current assets	<u>1,195,358</u>	<u>1,048,765</u>
Fixed assets:		
Furniture and equipment	55,714	53,145
Leasehold improvements	17,975	17,975
Less accumulated depreciation	<u>(37,324)</u>	<u>(30,736)</u>
Total fixed assets	<u>36,365</u>	<u>40,384</u>
Total assets	<u><u>\$ 1,231,723</u></u>	<u><u>\$ 1,089,149</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 3,981	\$ 5,166
Accrued expenses	17,115	15,502
Payroll Protection Program loan	52,050	-
Allocations (CC) payable	352,082	352,084
Donor designations (SECC) payable	276,848	267,663
Total current liabilities	<u>702,076</u>	<u>640,415</u>
Total liabilities	<u>702,076</u>	<u>640,415</u>
NET ASSETS		
Without donor restrictions	364,137	372,012
With donor restrictions	<u>165,510</u>	<u>76,722</u>
Total net assets	<u>529,647</u>	<u>448,734</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,231,723</u></u>	<u><u>\$ 1,089,149</u></u>

See independent auditor's report and notes to financial statements.

UNITED WAY OF THE BRAZOS VALLEY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2020	2019
SUPPORT AND REVENUE				
Gross campaign results	\$ 601,767	\$ 556,928	\$ 1,158,695	\$ 1,086,334
Less - donor designations (SECC)	-	(391,954)	(391,954)	(379,108)
Less - provision for uncollectible pledges	(65,154)	(54,106)	(119,260)	(91,664)
Net campaign contributions	536,613	110,868	647,481	615,562
Information and referral (211) revenue	339,041	36,941	375,982	347,009
Community Relief Fund contributions	1,202,228	11,701	1,213,929	-
Payroll Protection Program loan forgiveness	52,050	-	52,050	-
Other grants and contributions	23,632	-	23,632	24,615
Special events	82,927	6,000	88,927	29,465
Donated materials and services	7,600	-	7,600	56,879
Other income	15,175	-	15,175	1,728
Net assets released from time restriction	76,722	(76,722)	-	-
Total support and revenue	<u>2,335,988</u>	<u>88,788</u>	<u>2,424,776</u>	<u>1,075,258</u>
EXPENSES				
Program services:				
Gross distributions to agencies	729,786	-	729,786	745,218
Less - net donor designations to agencies	(391,954)	-	(391,954)	(379,108)
Net allocations to agency programs	337,832	-	337,832	366,110
Direct services	1,741,893	-	1,741,893	526,981
Total program services	2,079,725	-	2,079,725	893,091
General and administrative	103,641	-	103,641	103,881
Fundraising	160,497	-	160,497	233,361
Total expenses	<u>2,343,863</u>	<u>-</u>	<u>2,343,863</u>	<u>1,230,333</u>
Change in net assets	(7,875)	88,788	80,913	(155,075)
Beginning net assets	372,012	76,722	448,734	603,809
Ending net assets	<u>\$ 364,137</u>	<u>\$ 165,510</u>	<u>\$ 529,647</u>	<u>\$ 448,734</u>

See independent auditor's report and notes to financial statements.

UNITED WAY OF THE BRAZOS VALLEY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019

	Program					Totals	
	Community Impact	211 Information & Referral	Community Relief Fund	G&A	Fundraising	2020	2019
Allocations to agencies, net	\$ 337,832	\$ -	\$ -	\$ -	\$ -	\$ 337,832	\$ 366,110
Community Allocations			1,202,228			1,202,228	-
Salaries and wages	82,834	230,275	4,877	38,493	71,527	428,006	413,270
Payroll taxes	6,532	19,318	387	3,799	6,420	36,456	32,850
Employee benefits	15,187	51,044	960	9,698	12,022	88,911	78,869
Rent	16,754	34,439	-	4,996	11,653	67,842	60,970
Utilities, insurance and taxes	2,522	4,141	-	4,589	859	12,111	8,665
Office expenses	1,470	4,793	-	2,314	1,214	9,791	14,210
Professional fees	5,418	2,370	-	3,209	284	11,281	11,833
Donated materials and services	-	-	-	-	7,600	7,600	56,879
Professional development	352	49	-	411	-	812	6,869
Contract services	-	5,500	-	556	923	6,979	31,237
Information technology	4,206	3,230	-	5,889	6,339	19,664	18,461
Advertising	1,960	1,803	-	-	3,750	7,513	6,787
Depreciation	1,627	3,344	-	485	1,132	6,588	6,920
Development & special events	1,835	-	-	1,835	35,769	39,439	62,933
Travel and mileage	524	1,513	-	1,615	175	3,827	6,082
Dues and subscriptions	5,235	3,612	-	23,936	-	32,783	24,770
Other programs	16,467	-	-	-	-	16,467	20,394
Miscellaneous expenses	-	-	5,087	1,816	830	7,733	2,224
Total expenses	\$ 500,755	\$ 365,431	\$ 1,213,539	\$ 103,641	\$ 160,497	\$ 2,343,863	\$ 1,230,333

See independent auditor's report and notes to financial statements.

UNITED WAY OF THE BRAZOS VALLEY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
Cash Flows from Operating Activities:		
Change in net assets	\$ 80,913	\$ (155,075)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	6,588	6,920
Change in operating assets and payables:		
Grants and accounts receivables	38,763	(1,296)
Prepaid expenses	(1,392)	11,328
Pledges receivable, net	(42,796)	21,590
Vanguard forfeiture fund	(6,138)	-
Accounts payable	(1,185)	4,507
Accrued expenses	1,613	3,402
Allocations and donor designations payable	9,183	(21,233)
Net cash provided (used) by operating activities	85,549	(129,857)
Cash Flows from Investing Activities:		
Purchase of equipment	(2,569)	-
Net cash provided (used by) investing activities	(2,569)	-
Cash Flows from Financing Activities:		
Payroll Protection Program loan	52,050	-
Net cash provided (used) by financing activities	52,050	-
Change in cash	135,030	(129,857)
Beginning cash	658,410	788,267
Ending cash	\$ 793,440	\$ 658,410

See independent auditor's report and notes to financial statements.

UNITED WAY OF THE BRAZOS VALLEY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 1 – Overview of Organization

The United Way of the Brazos Valley, Inc. (UWBV or the Organization) is a not-for-profit corporation chartered in the State of Texas. The mission of UWBV is to bring the community together to find solutions that change lives by advancing education, financial stability and health. UWBV raises funds for its programs and services through pledges from individuals in the community, employee workplace contributions, corporate gifts, and foundation and government grants. The Organization is run by a volunteer board of directors made up of concerned local citizens, and has no stockholders or members.

UWBV conducts the State Employees Charitable Campaign (SECC), a program initiated by the State of Texas in 1994, in the Brazos Valley area. UWBV also facilitates the 2-1-1 Texas program servicing the Brazos Valley. 2-1-1 Texas is a free information and referral call center, connecting residents to community resources.

Note 2 – Summary of Significant Accounting Policies

The organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit entities. The significant accounting and reporting policies used by the organization are described subsequently to enhance the usefulness and understandability of the financial statements.

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net Assets Without Donor Restrictions - Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net Assets With Donor Restrictions - Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor's instructions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial

UNITED WAY OF THE BRAZOS VALLEY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 2 – Summary of Significant Accounting Policies (continued)

statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the organization, unless the donor provides more specific directions about the period of its use.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. Management believes the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Contributions and Campaigns

Contributions, including unconditional promises to give and grants, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. If the donor restrictions are met in the same period as received, the amount is reported as an increase in net assets without donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

The annual community campaign (CC) is conducted throughout the fiscal year to raise support for payment of allocations to participating agencies in the subsequent fiscal year. Pledges are considered unconditional promises. These pledges, less an allowance for uncollectible accounts, are recorded as net assets with or without donor restrictions depending on the existence and nature of any donor restrictions.

The annual SECC is managed by UWBV and allows donors to choose to designate their contribution to be distributed to a specific organization. Those contributions are referred to as donor designations. The collection of these contributions and distributions to donor specified agencies are agency transactions in which United Way is acting as an intermediary. These transactions are included in the total campaign amounts raised on the statement of activities and then deducted as amounts raised on behalf of others before arriving at net campaign results.

See independent auditor's report.

UNITED WAY OF THE BRAZOS VALLEY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions.

Restricted Cash

Restricted cash represents cash collected from SECC pledges but not yet paid in accordance with donor designations. The following table provides a reconciliation of cash, cash equivalents, and restricted cash, as reported on the statement of financial position, that equals the total cash as shown on the statement of cash flows.

	2020	2019
Cash and cash equivalents	\$ 678,909	\$ 536,161
Restricted cash	114,531	122,249
Total cash	\$ 793,440	\$ 658,410

Reclassifications

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with presentation in current year financial statements.

Promises to give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Fixed assets and depreciation

Purchased property and equipment is carried at cost. Donated property and equipment is stated at management’s estimate of fair value at the date of receipt. Depreciation of property and equipment is computed over the estimated useful lives using the straight-line method. The cost of routine or annual maintenance and repairs is charged to expense as paid, and significant improvements greater than \$1,500 are capitalized.

Donor Designations

Designations result from contributions by donors that are specifically directed to individual organizations and agencies. When received, these funds are distributed to the intended organizations, net of the administrative fee of approximately 10%.

See independent auditor’s report.

UNITED WAY OF THE BRAZOS VALLEY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Pledges Receivable

Pledges receivable at June 30, 2020 and 2019 consist of pledges to UWBV as part of the CC, and pledges designated by donors for other charitable agencies or organizations as part of the SECC. The provision for uncollectible pledges is estimated based on UWBV's historical bad debt experience and on management's judgment. All pledges outstanding are expected to be received within one year.

Cash Equivalents

UWBV considers all demand deposits at financial institutions and all highly liquid debt instruments with original maturities of three months or less to be cash and cash equivalents.

Allocations

Allocations result from contributions by donors that are not specifically directed to individual organizations and agencies. These funds are allocated for distribution to various member agencies and programs based on need and other criteria deemed appropriate by the Board of Directors. Total allocations are accrued at the conclusion of each annual fundraising campaign when approved by the Board of Directors.

Expense Recognition and Allocation

The cost of providing the organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied, as follows:

- Salaries and wages, benefits, and payroll taxes are allocated based on activity reports prepared by key personnel.
- All other expenses that cannot be directly identified are allocated using management's estimated percentage of the portions related to either program or supporting activity.

Every three years, or more often when new space or programs are added, the bases on which costs are allocated are evaluated.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

UNITED WAY OF THE BRAZOS VALLEY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Tax Status

UWBV is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax has been made in the accompanying financial statements. In addition, UWBV qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

Note 3 – Liquidity and Availability

The following reflects the Organization’s financial assets as of June 30, 2020, reduced by amounts not available for general use within one year of the balance sheet date due to contractual or donor-imposed restrictions or internal designations:

Cash and cash equivalents	\$ 678,909
Restricted cash	114,531
Pledges receivable, net	357,777
Other receivables	<u>31,473</u>
Total financial assets	<u>\$ 1,182,690</u>
Less restrictions/designations:	
Campaign commitments (CC)	\$ (352,082)
Campaign commitments (SECC)	<u>(276,848)</u>
Financial assets available for general expenditures within one year	<u>\$ 553,760</u>

Note 4 – Retirement Plan

UWBV offers a qualified retirement plan under Section 403(b) of the Internal Revenue Code. Full-time employees, as defined in the plan, are eligible for the retirement program after one year of employment. After eligibility is reached, UWBV begins contributing 4% of earnings for each pay period to the account of an eligible employee. Employees are eligible for up to an additional 2% match to their personal contributions up to the annual limit allowed by the IRS. UWBV’s contribution vests at 20% per year for five years. Employer contributions to the plan amounted to \$18,899 and \$18,457 for the years ended June 30, 2020 and 2019, respectively. There are no other post-retirement benefits.

See independent auditor’s report.

UNITED WAY OF THE BRAZOS VALLEY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 5 – Pledges Receivable

Pledges receivable are shown net of an allowance for uncollectible pledges, as shown below:

As of June 30, 2019

	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
Community campaign (CC)	\$ 220,217	\$ 50,650	\$ 169,567
SECC	186,428	41,014	145,414
	<u>\$ 406,645</u>	<u>\$ 91,664</u>	<u>\$ 314,981</u>

As of June 30, 2020

	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
Community campaign (CC)	\$ 260,614	\$ 65,154	\$ 195,460
SECC	216,423	54,106	162,317
	<u>\$ 477,037</u>	<u>\$ 119,260</u>	<u>\$ 357,777</u>

Note 6 – Lease Commitments

Operating Leases

The Organization has an operating lease for office space that expires in 2023. Future minimum lease payments under operating leases that have remaining terms in excess of one year as of June 30, 2020 are as follows:

2021	63,388
2022	65,395
2023	22,021
	<u>\$ 150,804</u>

Note 7 – Cash in Excess of FDIC Limits

UWBV maintains cash in a bank that at times is in excess of the \$250,000 insured by the Federal Deposit Insurance Corporation. As of the June 30, 2020 and 2019, the amount in excess of the insured limit was \$38,911 and \$356,369, respectively.

Note 8 – Donated Materials and Services

UWBV receives services related to the promotion and advertising of programs and events. Donations are primarily related to the Over the Edge event; however, for the year ended June 30, 2020, the Organization did not host the event. For the years ended June 30, 2020 and 2019, the amount of donated services was \$7,600 and \$56,879, respectively.

See independent auditor's report.

UNITED WAY OF THE BRAZOS VALLEY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 9 – Risks and Uncertainties

UWBV’s ongoing profitability may experience instability and estimates included in the financial statements may change due to current political and economic conditions as a result of public health concerns related to the novel coronavirus, or COVID-19. The duration and intensity of these impacts and resulting disruption to which these events affect UWBV’s operations will depend on future developments, which are highly uncertain and cannot be predicted at this time.

Note 10 – Restrictions on Net Assets

Net assets with donor restrictions at June 30, 2020 and 2019, in the amount of \$248,437 and \$76,722, respectively, consist of both purpose-restricted and time-restricted contributions. The purpose-restricted contributions consist of A) supplemental HHSC funding provided to cover additional 2-1-1 program costs incurred after June 30, 2020; B) funds remaining to be allocated from the Community Relief Fund campaign; and C) sponsorships for special events originally intended for the year ended June 30, 2020, but delayed due to COVID. The time-restricted contributions consist of amounts raised from SECC and retained by UWBV as both a recipient organization and to cover administrative costs associated with administering the campaign.

Subject to expenditures for specified purpose:	
2-1-1 supplemental grants	\$ 36,941
Community Relief Fund campaign	11,701
Sponsorships for future special events	6,000
	54,642
Subject to expenditures after a specified time:	
SECC - UWBV proceeds and administrative fees	110,868
Total net assets with donor restrictions	\$ 165,510

Note 11 – Community Relief Fund

The Community Relief Fund (CRF) was a unique campaign organized and hosted by UWBV in the year ended June 30, 2020. The CRF was a collaborative effort among UWBV, the City of Bryan, the City of College Station, the Community Foundation, and the Chamber of Commerce to provide financial assistance to Brazos Valley not-for-profit organizations and small businesses in response to the impacts of COVID-19. For the year ended June 30, 2020, the campaign received contributions of \$1,213,929 and distributed \$1,202,228. The remaining contributed amount, \$11,701, will be distributed after year end and is recognized as net assets with donor restrictions on the statement of activities.

See independent auditor’s report.

UNITED WAY OF THE BRAZOS VALLEY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 11 – Community Relief Fund (continued)

UWBV incurred approximately \$11,317 in campaign management expenses; these expenses were not funded through contributions to the CRF, and UWBV assessed no administrative fees in relation to the campaign. Funds were assessed based on the needs of qualifying businesses and organizations that met established criteria and provided adequate supporting documentation. The awards were determined by a committee comprised of members of the aforementioned organizations.

Note 12 – Payroll Protection Program Loan

In response to the economic fallout caused by the COVID-19 pandemic, Congress passed the CARES Act in March 2020. The main stimulus for small businesses, including non-profits, in the CARES Act is the Paycheck Protection Program (PPP), which includes approximately \$659 billion of funding administered by the Small Business Administration (SBA) and distributed via primarily local banks and related institutions.

On April 7, 2020, the Organization obtained a PPP loan in the amount of \$104,100. FASB ASC 958-605 allows for conditional contributions to be recognized as income when conditions have been substantially met. For the year ended June 30, 2020, the Organization had incurred approximately \$52,050 of eligible expenses, and management considered the loan forgiveness requirements to be substantially met for this amount. As such, \$52,050 has been recognized as income in the accompanying statement of activities, and the remaining \$52,050 is recorded as a liability in the accompanying statement of financial position.

On November 9, 2020, the Organization was notified by its lender that the SBA had paid UWBV's loan in full. Therefore, the Organization's loan is considered fully forgiven.

Note 13 – Subsequent Events

These financial statements considered subsequent events through November 18, 2020, the date the financial statements were available to be issued.