

UNITED WAY OF MOWER COUNTY, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED MARCH 31, 2023



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**UNITED WAY OF MOWER COUNTY, INC.
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YEAR ENDED MARCH 31, 2023**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
United Way of Mower County, Inc.
Austin, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of United Way of Mower County, Inc. (a nonprofit corporation), which comprise the statements of financial position as of March 31, 2023 and 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Mower County, Inc. as of March 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Mower County, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 Mower County, Inc.'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Mower County, Inc.'s ability to continue as a going concern for a reasonable period of time.

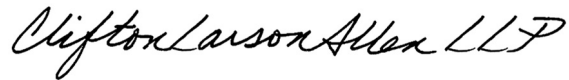
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We previously audited the United Way of Mower County, Inc. 2022 financial statements, and our report dated August 12, 2022, 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 March 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of allocations to agencies, schedule of custodial account allocations, and schedule of allocations to non-Mower County United Way agencies are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CliftonLarsonAllen LLP

Austin, Minnesota
August 23, 2023

UNITED WAY OF MOWER COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

ASSETS	2023	2022
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 730,690	\$ 730,505
Accounts Receivable	21,073	1,797
Accrued Interest	3,440	-
Pledges Receivable, Net	1,127,072	967,984
Prepaid Expenses and Other Assets	8,093	7,005
Total Current Assets	1,890,368	1,707,291
PROPERTY AND EQUIPMENT		
Furniture and Equipment	13,321	27,285
Less: Accumulated Depreciation	(7,542)	(27,285)
Total Property and Equipment	5,779	-
 Total Assets	 \$ 1,896,147	 \$ 1,707,291
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 24,931	\$ 11,875
Accrued Expenses	9,280	7,459
Allocations Payable	894,350	831,225
Donor Designations Payable	2,396	819
Total Current Liabilities	930,957	851,378
NET ASSETS		
Without Donor Restrictions:		
Undesignated	657,884	546,868
Board-Designated	33,377	3,000
Total Without Donor Restrictions	691,261	549,868
With Donor Restrictions	273,929	306,045
Total Net Assets	965,190	855,913
 Total Liabilities and Net Assets	 \$ 1,896,147	 \$ 1,707,291

See accompanying Notes to Financial Statements.

UNITED WAY OF MOWER COUNTY, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Totals
REVENUE, SUPPORT, AND GAINS				
Annual Campaign	\$ 1,318,029	\$ -	\$ 1,318,029	\$ 1,153,828
Less: Donor Designations	(2,396)	-	(2,396)	(819)
Less: Estimated Uncollectible Pledges	(50,000)	-	(50,000)	(55,000)
Net Campaign Contributions	<u>1,265,633</u>	<u>-</u>	<u>1,265,633</u>	<u>1,098,009</u>
Grant Income	-	-	-	5,000
Other Contributions	-	195,810	195,810	183,600
In-Kind Donations	-	8,022	8,022	11,296
Special Events	-	50,431	50,431	61,418
Net Investment Income	7,228	-	7,228	2,028
Other Income	260	-	260	1,275
Net Assets Released from Restrictions	<u>286,379</u>	<u>(286,379)</u>	<u>-</u>	<u>-</u>
Total Revenue, Support, and Gains	<u>1,559,500</u>	<u>(32,116)</u>	<u>1,527,384</u>	<u>1,362,626</u>
EXPENSES AND LOSSES				
Program Services Expense	1,286,054	-	1,286,054	1,198,080
Supporting Services Expense:				
Management and General	87,087	-	87,087	80,722
Fundraising	44,966	-	44,966	43,334
Total Supporting Services Expenses	<u>132,053</u>	<u>-</u>	<u>132,053</u>	<u>124,056</u>
Total Expenses	<u>1,418,107</u>	<u>-</u>	<u>1,418,107</u>	<u>1,322,136</u>
CHANGE IN NET ASSETS	141,393	(32,116)	109,277	40,490
Net Assets - Beginning of Year	<u>549,868</u>	<u>306,045</u>	<u>855,913</u>	<u>815,423</u>
NET ASSETS - END OF YEAR	<u>\$ 691,261</u>	<u>\$ 273,929</u>	<u>\$ 965,190</u>	<u>\$ 855,913</u>

See accompanying Notes to Financial Statements.

UNITED WAY OF MOWER COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

	Program Services	Management and General	Fundraising	Totals	
				2023	2022
Impact Grants and Awards	\$ 857,734	\$ -	\$ -	\$ 857,734	\$ 806,174
Less: Donor Designations	(2,396)	-	-	(2,396)	(819)
Impact Grants and Awards, Net	855,338	-	-	855,338	805,355
Salaries and Wages	106,778	56,948	14,237	177,963	166,155
Payroll Taxes	8,051	4,294	1,074	13,419	12,547
Total	114,829	61,242	15,311	191,382	178,702
Program Expense	283,351	-	-	283,351	247,867
Advertising	-	2,878	-	2,878	2,521
Campaign	-	-	11,371	11,371	7,767
Conferences and Meetings	806	605	605	2,016	850
Dues and Subscriptions	15,739	-	1,246	16,985	24,067
Equipment and Maintenance	429	322	322	1,073	756
Insurance	1,212	909	909	3,030	2,780
Miscellaneous	1,330	998	998	3,326	3,646
Occupancy	7,920	5,940	5,940	19,800	16,300
Postage	-	413	-	413	386
Professional fees	-	9,954	-	9,954	9,534
Special Events	-	-	4,438	4,438	8,951
Supplies	642	482	482	1,606	1,777
Telephone and Technology	4,458	3,344	3,344	11,146	10,877
Total Functional Expenses	<u>\$ 1,286,054</u>	<u>\$ 87,087</u>	<u>\$ 44,966</u>	<u>\$ 1,418,107</u>	<u>\$ 1,322,136</u>

See accompanying Notes to Financial Statements.

UNITED WAY OF MOWER COUNTY, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 109,277	\$ 40,490
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Uncollected Pledges Adjustment	50,000	55,000
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(19,276)	(1,797)
Accrued Interest	(3,440)	-
Promises to Give, Net	(209,088)	(84,247)
Prepaid Expenses and Other Assets	(1,088)	11
Accounts Payable	13,056	804
Accrued Expenses	1,821	(5,456)
Allocations Payable	63,125	22,000
Donor Designations Payable	1,577	(4,125)
Net Cash Provided by Operating Activities	5,964	22,680
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(5,779)	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	185	22,680
Cash and Cash Equivalents - Beginning of Year	730,505	707,825
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 730,690	\$ 730,505

See accompanying Notes to Financial Statements.

UNITED WAY OF MOWER COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Organization

The United Way of Mower County, Inc. (the Organization) was established in 1958 as a nonprofit corporation. It was established to promote and conduct annually, in Mower County, Minnesota, one united drive or campaign for contributions for charitable and humanitarian purposes and to make distributions of funds received to qualified nonprofit organizations.

Comparative Financial Information

The accompanying 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 (U.S. GAAP). Accordingly, such information should be read in conjunction with the audited financial statements for the year ended March 31, 2022, from which the summarized information was derived.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Pledges Receivable

Pledges receivable are due within one campaign collection cycle. Pledges are recorded as receivables and allowances are provided for amounts estimated to be uncollectible. The provision for uncollectible pledges is computed based upon historical averages, adjusted by management's estimate of current economic factors applied to the gross campaign.

Property and Equipment

The Organization records property and equipment additions over \$1,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of three years. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statement of activities and changes in net assets. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

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. The governing board has designated, from net assets without donor restrictions, net assets for a discretionary fund.

UNITED WAY OF MOWER COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

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.

The Organization reports contributions restricted by donors 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. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as Net Assets Released from Restrictions.

Revenue and Revenue Recognition

Revenue is recognized when earned. The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give — that is, those with a measurable performance or other barrier and a right of return — are not recognized until the conditions on which they depend have been met.

Advertising Costs

Advertising costs are expensed as incurred and totaled \$2,878 for the year ended March 31, 2023.

Designation Processing and Membership Requirement M Compliance

Designations to other charitable organizations are charged a handling fee to cover the cost of fundraising and administration of these gifts.

The Organization follows costs deduction standards for membership requirement M. issued by United Way Worldwide to ensure uniformity of designation processing across the entire Organization system. This standard requires that designations paid to other charitable organizations are charged no more than the actual cost incurred to process and transfer gifts and that no additional processing fees will be charged against designations received from the Organization. Handling fees do not exceed the established maximum of a three-year average of fundraising and management and general cost as a percentage of total revenue taken from the three most recent Internal Revenue Service (IRS) Forms 990.

UNITED WAY OF MOWER COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among program, management and general, and fundraising. Direct personnel costs and other direct expenses that can be identified are allocated directly according to their natural expense classification. Salary, indirect personnel costs and other indirect expenses that are common to several functions are allocated to each functional expense category based on the best estimates of management.

Income Taxes

The Organization is classified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income taxes. As such, it is subject to federal and state income taxes on net unrelated business income.

The Organization follows the accounting standards for contingencies in evaluating uncertain tax positions and files as a tax-exempt organization. Should that status be challenged in the future, all years since inception could be subject to review by the IRS.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Concentration of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and unsecured receivables. Management believes the Organization's cash balances are maintained with quality financial institutions in order to offset the risk of loss that may occur when balances exceed the Federal Deposit Insurance Corporation limits on each account of \$250,000. The ability to collect pledges resulting from resource recruitment efforts is affected by general economic conditions in Mower County.

Leases

The Organization leases office space. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the statement of financial position. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on the statement of financial position.

UNITED WAY OF MOWER COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Organization uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the balance sheet.

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

The Organization's lease agreement does not contain any material residual guarantees or material restrictive covenants.

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 (Topic 958)*. The update increases transparency of contributed nonfinancial assets through enhancements to presentation and disclosure. The financial statements reflect the retrospective application of ASU 2020-07 guidance beginning in 2022. The adoption of ASU 2020-07 did not significantly impact the Organization's financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities be lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the requirements of the guidance effective April 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption, with certain practical expedients available.

UNITED WAY OF MOWER COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principle (Continued)

The Organization has elected to adopt the package of practical expedients available in the year of adoption. The Organization has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the Organization's ROU assets.

Subsequent Events

We have evaluated subsequent events through August 23, 2023, the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program-related activities as well as the conduct of services undertaken to support those programs to be general expenditures.

At March 31, 2023, the following financial assets could be readily made available within one year of the statement of financial position date to meet general expenditures:

Financial Assets at Year-End:	
Cash and Cash Equivalents	\$ 730,690
Accounts Receivable	21,073
Accrued Interest	3,440
Promises to Give, Net	<u>1,127,072</u>
Total Financial Assets at Year-End	1,882,275
Less: Amount Not Available to Meet General Expenditures Within One Year:	
Board Designated Assets	(33,377)
Restricted by Donors for Future Periods	<u>(273,929)</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 1,574,969</u>

NOTE 3 PLEDGES RECEIVABLE

Pledges receivable at March 31, 2023 are summarized as follows:

Hormel Foundation - Community Support	\$ 420,000
Other Pledges Receivable	757,072
Less: Allowance for Uncollectible Pledges	<u>(50,000)</u>
Total	<u>\$ 1,127,072</u>

UNITED WAY OF MOWER COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

NOTE 4 ASC 842 LEASES

The Organization leases office space under a long-term, noncancelable lease agreement. The lease expired on March 31, 2023.

The following table provides quantitative information concerning the Organization's lease:

	<u>2023</u>
Operating Lease Costs	\$ 19,800
Operating Cash Flows from Operating Lease	\$ 19,800
Weighted-Average Remaining Lease Term - Operating Lease	0 Years
Weighted-Average Discount Rate - Operating Lease	0.28%

In June 2023, the Organization entered into a new lease agreement for the same office location.

NOTE 5 CUSTODIAL ACCOUNT

The Organization is custodian of funds distributed by the Hormel Foundation to specific approved agencies. For the year ended March 31, 2023, the Organization received and disbursed \$582,625 under this agency agreement for the Hormel Foundation. These amounts are not recorded as revenue or as expense on the books of the Organization as the funds are transfers of assets to other nonprofit organizations.

NOTE 6 BOARD-DESIGNATED NET ASSETS

The Organization's board of directors has designated net assets without donor restrictions for the following purposes as of March 31, 2023:

Board Discretionary Fund	\$ 1,026
Student Support - Backpack Program	30,000
Student Support - Success Closet	2,000
Volunteerism	351
Total Board-Designated Net Assets	<u>\$ 33,377</u>

UNITED WAY OF MOWER COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023
(WITH COMPARATIVE TOTALS AS OF MARCH 31, 2022)

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods as of March 31, 2023.

Subject to Expenditure for Specified Purpose:	
Success by Six	\$ 223,128
Student Support Programs	34,160
Disaster Fund	5,227
2-1-1 Program	2,458
Community Connect	992
Technology	151
Born Learning Trail	243
COVID-19 Fund	7,570
Total Net Assets with Donor Restrictions	<u><u>\$ 273,929</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended March 31, 2023:

Satisfaction of Purpose Restrictions:	
Success by Six	\$ 206,240
Student Support Programs	74,360
Technology	5,779
Total Net Assets Released from Donor Restrictions	<u><u>\$ 286,379</u></u>

NOTE 8 RELATED PARTIES

There is a member of the board of directors of the Organization who holds a board of director position of the Hormel Foundation. The Hormel Foundation allocated \$605,000 to the Organization during the year ended March 31, 2023.

NOTE 9 IN-KIND DONATIONS

The Organization received donated supplies to be given to participants in various programs totaling \$8,022 during the year ended March 31, 2023. The donated supplies are measured at fair value which is determined based on the market prices of similar supplies that would have otherwise been purchased.

All donated supplies received by the Organization for the year ended March 31, 2023 were considered with donor restrictions as they were to be used for the student support programs.

UNITED WAY OF MOWER COUNTY, INC.
SCHEDULE OF ALLOCATIONS TO AGENCIES
YEAR ENDED MARCH 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)

Adams Area Ambulance Service	\$ 20,000
Apple Lane Community Child Care Center	16,563
Cedar Valley Services, Inc.	40,000
Children's Dental Health Services	55,000
Comunidades Latinas Unidas En Servicio	20,000
Comprehensive Human Services	79,925
Crime Victims Resource Center	35,000
Nexus-Gerard Family Healing	70,000
Girl Scouts of Minnesota and Wisconsin River Valleys	(35,000)
Hormel Historic Home	30,000
Immigrant Law Center of Minnesota	25,000
LIFE Mower County	29,500
Mower Council for the Handicapped, Inc.	30,000
Mower County Seniors, Inc.	38,000
Parenting Resource Center, Inc.	206,850
Recovery is Happening	10,000
Salvation Army	85,000
Semcac	40,000
ServeMinnesota	10,000
St. Olaf Wee Learning Center	13,000
Twin Valley Council Boy Scouts of America	6,500
Workforce Development	20,000
YMCA of Austin, Minnesota	10,000
	<hr/>
Total Allocations to be Paid Out in the 2023-2024 Fiscal Year	<u><u>\$ 855,338</u></u>

UNITED WAY OF MOWER COUNTY, INC.
SCHEDULE OF CUSTODIAL ACCOUNT ALLOCATIONS
YEAR ENDED MARCH 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)

Austin Aspires	\$ 77,700
Children's Dental Health Services	75,000
Comprehensive Human Services Foundation	50,089
Gerard Academy	261,735
Comunidades Latinas Unidas En Servicio	10,000
Hormel Historic Home	33,963
LIFE Mower County	3,981
Mower Council for the Handicapped, Inc.	9,169
Pacelli Catholic Schools, Inc.	42,398
Twin Valley Council Boy Scouts of America	15,000
Recovery is Happening	<u>3,590</u>
Total	<u><u>\$ 582,625</u></u>

UNITED WAY OF MOWER COUNTY, INC.
SCHEDULE OF ALLOCATIONS TO NON-UNITED WAY OF MOWER COUNTY AGENCIES
YEAR ENDED MARCH 31, 2023
(SEE INDEPENDENT AUDITORS' REPORT)

United Way of Freeborn County	\$ 1,228
Austin Area Foundation	729
United Way of Steele County	<u>439</u>
Total	<u><u>\$ 2,396</u></u>



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