

**UNITED WAY OF JUNCTION CITY – GEARY COUNTY, INC.**

**FINANCIAL STATEMENTS AND  
INDEPENDENT REVIEWERS' REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**UNITED WAY OF JUNCTION CITY – GEARY COUNTY, INC.  
JUNCTION CITY, KANSAS**

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**Independent Accountant's Review Report**

To the Board of Directors of  
United Way of Junction City- Geary County, Inc.

We have reviewed the accompanying financial Statements of United Way of Junction City-Geary County, Inc., (a Nonprofit Organization), which comprise the statement of financial position as of December 31, 2019 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility 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; 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.

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

By:

A handwritten signature in black ink, appearing to read "Dale L Ramsey", is written over a horizontal line.

Dale L Ramsey CPA, Inc.  
Junction City, KS  
November 18, 2020

**UNITED WAY OF JUNCTION CITY - GEARY COUNTY, INC.  
JUNCTION CITY, KANSAS**

**STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)  
For the Years Ended December 31,**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 31,062	\$ 56,257
Edward Jones	21,255	17,863
Credit for Life - Sallie Mae	10,000	10,000
Pledges Receivable - 2017 Campaign	-	14,389
Pledges Receivable - 2018 Campaign	15,798	23,117
Pledges Receivable - 2019 Campaign	24,771	
Allowance for Uncollectible Receivables	<u>(7,686)</u>	<u>(7,475)</u>
Total Current Assets	<u>95,200</u>	<u>114,151</u>
Furniture and Equipment		
Furniture and Equipment	5,798	5,798
Less: Accumulated Depreciation	<u>(5,798)</u>	<u>(5,610)</u>
Total Furniture and Equipment	<u>-</u>	<u>188</u>
Total Assets	<u><u>\$ 95,200</u></u>	<u><u>\$ 114,339</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Allocations Payable	\$ 72,600	\$ 71,100
Payroll Taxes Payable	-	494
Total Current Liabilities	<u>72,600</u>	<u>71,594</u>
Net Assets		
Unrestricted	(27,969)	(4,761)
Temporarily Restricted	40,569	37,506
Restricted	<u>10,000</u>	<u>10,000</u>
Total Net Assets	<u>22,600</u>	<u>42,745</u>
Total Liabilities and Net Assets	<u><u>\$ 95,200</u></u>	<u><u>\$ 114,339</u></u>

The notes to the financial statements are an integral part of these statements.

**UNITED WAY OF JUNCTION CITY - GEARY COUNTY, INC.  
JUNCTION CITY, KANSAS**

**STATEMENT OF ACTIVITIES  
For the Years Ended December 31,**

	<u>2019</u>	<u>2018</u>
<b><u>UNRESTRICTED NET ASSETS</u></b>		
Support and Revenues		
Contributions	\$ 66,419	\$ 49,124
Special Contribution	-	-
Credit for Life - Sallie Mae	-	-
Interest Income	-	1
Investment Income	3,643	(1,298)
Special Events	9,516	-
Sponsorships	391	89
Stuff the Bus	2,392	1,693
Miscellaneous Income	2,048	2,567
Total Support and Revenues	<u>84,409</u>	<u>52,176</u>
Net Assets Released from Restrictions	<u>21,708</u>	<u>26,468</u>
Total Support and Revenues and Other Support	<u>106,117</u>	<u>78,644</u>
Expenses		
Program Services	99,489	89,610
Supporting Activities		
Management and General	19,365	15,072
Fundraising	14,408	8,374
Unallocated Payments to Affiliated Organizations	1,500	2,005
Total Expenses	<u>134,762</u>	<u>115,061</u>
Increase (Decrease) in Unrestricted Net Assets	(28,645)	(36,417)
<b><u>TEMPORARILY RESTRICTED NET ASSETS</u></b>		
Contributions	30,208	52,941
Net Assets Released from Restrictions	<u>(21,708)</u>	<u>(26,468)</u>
Increase (Decrease) in Temporarily Restricted Net Assets	<u>8,500</u>	<u>26,473</u>
Total Increase (Decrease) in Net Assets	(20,145)	(9,944)
Net Asset, Beginning of Year	<u>42,745</u>	<u>52,689</u>
Net Assets, End of Year	<u><u>\$ 22,600</u></u>	<u><u>\$ 42,745</u></u>

The notes to the financial statements are an integral part of these statements.

**UNITED WAY OF JUNCTION CITY - GEARY COUNTY, INC.**  
**JUNCTION CITY, KANSAS**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Years Ended December 31,**

	2019				2018			
	Program Services	Supporting Activities Organizational Administration	Fund Raising	Total	Program Services	Supporting Activities Organizational Administration	Fund Raising	Total
Allocations to Participating Agencies	\$ 72,600	\$ -	\$ -	\$ 72,600	\$ 71,100	\$ -	\$ -	\$ 71,100
Director's Salary	13,414	6,175	1,703	21,292	12,075	5,558	1,533	19,167
Payroll Taxes	1,106	509	140	1,756	964	444	122	1,530
Employee Benefits	819	377	104	1,300	693	319	88	1,100
Miscellaneous	290	-	-	290	290	-	-	290
Campaign Costs	-	-	2,685	2,685	-	-	1,208	1,208
Special Events	-	-	8,392	8,392	-	-	3,913	3,913
Legal & Accounting	-	7,755	-	7,755	-	4,825	-	4,825
Rent	2,268	1,044	288	3,600	2,268	1,044	288	3,600
Depreciation	62	63	63	188	150	150	151	451
Telephone and Internet	440	440	441	1,321	589	589	588	1,766
Software	474	473	473	1,420	391	392	392	1,175
Postage	118	118	118	354	90	90	90	270
Insurance	-	1,624	-	1,624	-	1,605	-	1,605
Dues and Subscriptions	-	575	-	575	-	50	-	50
Supplies	-	196	-	196	-	-	-	-
Greater Geary Community Foundation	-	-	-	-	1,000	-	-	1,000
Bad Debts	7,898	-	-	7,898	-	-	-	-
Bank Charges	-	16	-	16	-	6	-	6
<b>Total Functional Expenses</b>	<b>\$ 99,489</b>	<b>\$ 19,365</b>	<b>\$ 14,408</b>	<b>\$ 133,262</b>	<b>\$ 89,610</b>	<b>\$ 15,072</b>	<b>\$ 8,374</b>	<b>\$ 113,056</b>

**UNITED WAY OF JUNCTION CITY - GEARY COUNTY, INC.**  
**JUNCTION CITY, KANSAS**

**INDIRECT METHOD STATEMENT OF CASH FLOWS**  
For the Years Ended December 31,

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (20,145)	\$ (9,944)
Adjustments to reconcile change in net assets to net cash provided by operations		
Depreciation	188	451
Changes in assets and liabilities		
Pledges Receivable	(3,063)	3,351
Allowance for Uncollectible Receivables	212	128
Allocations Payable	1,500	(7,400)
Other Payables	(494)	(38)
Net Cash Provided by Operating Activities	<u>(21,802)</u>	<u>(13,452)</u>
Cash Flow from Financing Activities	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash	(21,802)	(13,452)
Cash at Beginning of Year	<u>84,120</u>	<u>97,572</u>
Cash at End of Year	<u><u>\$ 62,318</u></u>	<u><u>\$ 84,120</u></u>

The notes to the financial statements are an integral part of these statements.

**UNITED WAY OF JUNCTION CITY- GEARY COUNTY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 – Summary of Significant Accounting Policies**

**Nature of Activities**

United Way of Junction City – Geary County, Inc. (United Way), was incorporated December 29, 1961, and is the local affiliate of United Way Worldwide. United Way is a voluntary, non-profit organization, which emphasizes broad citizen involvement and seeks to provide financial, volunteer and professional resources to effectively and efficiently meet human needs in Junction City and throughout Geary County. United Way is governed by a volunteer board of directors.

**Basis of Accounting**

The financial statements are reported on the accrual basis of accounting. Interest and other income is recognized when earned, contributions are recognized when received or unconditionally promised and expenses are recognized when incurred.

**Cash and Cash Equivalents**

Cash and equivalents consist of checking and savings accounts in several banks located in Junction City, Kansas. As of December 31, 2019 and 2018, cash and equivalents totaled \$62,317 and \$84,120 respectively, all of which was insured by the Federal Deposit Insurance Corporation.

**Pledges Receivable**

Unconditional promises to give that are expected to be collected within one year are recorded as pledges receivable at net realizable value. United Way provides an allowance for estimated uncollectible contributions. 2018 Campaign pledges receivable were received by May 31, 2019. These are unconditional promises to give through payroll deductions and have been recognized as contributions.

**Allowance for Uncollectible Pledges**

A provision for uncollectible pledges is computed based upon using past history of collections adjusted for current economic factors. The estimated allowances at December 31, 2019 and 2018 were \$7,686 and \$7,475, respectively.

**Property and Equipment**

Property and equipment are stated at cost. Depreciation is provided using the straight-line method over the estimated useful life of each asset. Furniture and equipment in excess of \$500 and with useful lives of more than one year are capitalized.

**UNITED WAY OF JUNCTION CITY- GEARY COUNTY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 – Summary of Significant Accounting Policies, Continued**

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Net Assets**

The accompanying financial statements have been prepared in conformity with the disclosure and display requirements of the Financial Accounting Standards Board (FASB) as set forth in FASB ASC 958-210-50 (formally Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations, dated June, 1993). Accordingly, the net assets of United Way are reported in each of the following three classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets. Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, are legally unrestricted, and are reported as part of the unrestricted class.

**Contributions**

The Financial Accounting Standards Board (FASB) as set forth in FASB *ASU No. 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Accounting for Contributions Received and Contributions Made*, states that promises to give are to be recognized in the financial statements. The United Way normally receives contributions by means of cash during the campaign or payroll deductions during the year following the campaign which are shown as pledges receivable in the statement of financial position.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in unrestricted net assets. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period are recorded as unrestricted contributions.

United Way has variance power over all contributions received during each campaign.

**UNITED WAY OF JUNCTION CITY- GEARY COUNTY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 – Summary of Significant Accounting Policies, Continued**

**Income Taxes**

United Way is a not-for-profit organization that is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. United Way's Form 990, *Return of Organization Exempt from Income Tax*, for the years ending 2019, 2018 and 2017 are subject to examination by the IRS, generally for three years after they are filed.

**Advertising**

United Way expenses advertising costs as they are incurred. Advertising expense was \$2,181 and \$1,157 for the years ended December 31, 2019 and 2018 respectively.

**Functional Allocation of Expenses**

The costs of providing United Way's programs and administration have been summarized on a functional basis in the Statement of Activities and are detailed on the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and support services benefited.

**NOTE 2 – Net Assets and Restrictions**

Temporarily restricted net assets as of December 31, 2019 were pledges receivable from the 2019 and 2018 campaigns of \$40,569. Temporarily restricted net assets as of December 31, 2018 were pledges receivable from the 2018 and 2017 campaigns of \$37,506. Receivables have implied temporary time restrictions until received.

Restricted net assets as of December 31, 2019 and 2018 were \$10,000 consisting of The Credit for Life – Sallie Mae grant. The grant is restricted until Central National Bank needs the funds for a credit for life program.

**NOTE 3 – Donor Concentration**

A significant portion of the Organization contribution revenue comes from one Donor's payroll withholding and sponsored events. This Donor's contributions consisted of approximately 37% of contributions in 2019 and approximately 51% of the contributions in 2018.

**NOTE 4 – Subsequent Events**

Management has evaluated subsequent events through November, 18th 2020, the date on which the financial statements were available to be issued.

**UNITED WAY OF JUNCTION CITY- GEARY COUNTY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 4 – Subsequent Events, Continued**

**COVID-19**

In December 2019, a novel strain of coronavirus (“COVID-19”) was reported to have surfaced in China. The World Health Organization has declared COVID-19 to constitute a “Public Health Emergency of International Concern” and characterized COVID-19 as a pandemic. The U.S. government has also implemented enhanced screenings, quarantine requirements, and travel restrictions in connection with the COVID-19 outbreak. The spread of this virus began causing business disruptions domestically beginning in January 2020 and are anticipated to continue for the foreseeable future. The Organization expects this matter to have an impact on its financial statements. The extent of the impact of the COVID-19 on the Organization’s operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related restrictions, all of which are highly uncertain and cannot be predicted.

**NOTE 5 – Program Services – Allocations to Participating Agencies**

Each year the Board of Directors of United Way of Junction City – Geary County, Inc. approves recommendations by allocation committees to allocate contributions collected to various qualifying non-profit organizations in the Junction City – Geary County area. The Board designated agencies and allocations payable or paid to them are as follows:

Agency	2019	2018
Armed Services YMCA	\$7,000	\$8,000
Big Brothers/Big Sisters	2,500	2,500
Crisis Center	6,000	8,500
Delivering Change	1,500	1,000
Food Pantry	3,000	2,000
Geary County CASA	15,000	15,000
Girl Scouts	2,000	1,900
Housing & Credit Counseling	-	1,100
JC Pacesetters	3,600	3,600
Junction City Family YMCA	7,000	5,000
Kansas Legal Services	11,000	11,000
Konza Community Health	2,500	-
Open Door Community House	7,000	7,000
Pawnee Mental Health	2,000	-
Salvation Army	2,500	2,500
Sunflower CASA-CVEC	____-	<u>2,000</u>
Total Paid	\$72,600	\$71,100

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To the Board of Directors  
United Way of Junction City – Geary County, Inc.  
Junction City, KS 66441

Management is responsible for the accompanying financial statements of United Way of Junction City – Geary County, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

A handwritten signature in dark ink, appearing to read 'Dale L. Ramsey', written over a horizontal line.

Dale L. Ramsey CPA, Inc.  
Junction City, KS 66441

November 18, 2020