

UNITED WAY OF CENTRAL MARYLAND, INC.

**Financial Statements Together with
Report of Independent Public Accountants**

For the Years Ended June 30, 2022 and 2021



S B & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

JUNE 30, 2022 AND 2021

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors
United Way of Central Maryland, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the statements of financial position of United Way of Central Maryland, Inc. (UWCM) as of June 30, 2022 and 2021, 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 accompanying financial statements present fairly, in all material respects, the financial position of UWCM as of June 30, 2022 and 2021, 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of UWCM and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 UWCM's ability to continue as a going concern for one year after the date that the financial statements are available for issuance.



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Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 UWCM'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 UWCM'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.

Owings Mills, Maryland
November 21, 2022

SB & Company, LLC

UNITED WAY OF CENTRAL MARYLAND, INC.

**Statements of Financial Position
As of June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 16,195,916	\$ 15,826,671
Pledges receivable, net	8,537,381	6,416,076
Grants receivable, net	2,932,108	524,900
Prepaid expenses and other assets	1,180,402	1,142,718
Investments, at fair value	31,778,628	28,002,156
Property, plant, and equipment, net	3,889,048	1,683,491
Beneficial Interest in Charitable Trust	3,255,216	6,594,530
Total Assets	<u>\$ 67,768,699</u>	<u>\$ 60,190,542</u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 2,737,743	\$ 2,555,858
Deferred revenue	17,876,701	39,287
Deferred rent	894,724	1,004,609
Allocations and other distributions payable	2,520,290	2,775,349
Retirement benefits payable	440,569	436,158
Designations payable	3,323,288	3,608,237
Total Liabilities	<u>27,793,315</u>	<u>10,419,498</u>
Net Assets		
Without donor restrictions	32,564,674	38,168,644
With donor restrictions	7,410,710	11,602,400
Total Net Assets	<u>39,975,384</u>	<u>49,771,044</u>
Total Liabilities and Net Assets	<u>\$ 67,768,699</u>	<u>\$ 60,190,542</u>

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF CENTRAL MARYLAND, INC.

Statement of Activities and Changes in Net Assets For the Year Ended June 30, 2022, with Comparative Totals for 2021

	2022						2021 Totals
	Without Donor Restrictions			Total Without Donor Restrictions	With Donor Restrictions	Total	
	Operating	Plant	Board Designated				
Public support and other revenue							
Campaign pledges and contributions							
Pledges and contributions	\$ 18,531,682	\$ -	\$ -	\$ 18,531,682	\$ 117,457	\$ 18,649,139	\$ 17,039,752
Provision for bad debt	(349,234)	-	-	(349,234)	(4,698)	(353,932)	(876,279)
Donor designations to outside agencies	(5,037,985)	-	-	(5,037,985)	(43,152)	(5,081,137)	(6,379,957)
Net Assets released from restrictions							
Satisfaction of restricted pledges and contributions	1,008,576	-	-	1,008,576	(1,008,576)	-	-
Satisfaction of restricted donor designation	(321,840)	-	-	(321,840)	321,840	-	-
Total public support	13,831,199	-	-	13,831,199	(617,129)	13,214,070	9,783,516
Other revenue							
Federal grant income	63,257,743	-	-	63,257,743	-	63,257,743	3,896,771
Grant income	3,828,626	-	-	3,828,626	224,788	4,053,414	3,141,647
PPP loan forgiveness	-	-	-	-	-	-	3,569,042
Community initiatives	100	-	-	100	-	100	20,150,925
Investment income, net	-	-	355,651	355,651	14,910	370,561	279,369
Realized net gain on investments	-	-	1,206,529	1,206,529	8,310	1,214,839	1,064,129
Unrealized net (loss) gain on investments	(4,587,296)	-	-	(4,587,296)	(265,755)	(4,853,051)	4,100,992
In-kind revenue	1,537,850	-	-	1,537,850	-	1,537,850	775,177
Other income, net	1,009,211	-	142,532	1,151,743	(3,339,314)	(2,187,571)	2,116,727
Net Assets released from restrictions							
Satisfaction of restricted grants	217,500	-	-	217,500	(217,500)	-	-
Total other revenue	65,263,734	-	1,704,712	66,968,446	(3,574,561)	63,393,885	39,094,779
Total public support and other revenue	79,094,933	-	1,704,712	80,799,645	(4,191,690)	76,607,955	48,878,295
Expenses							
Program support							
Impact Strategies:							
Allocations and other distributions	2,203,927	-	-	2,203,927	-	2,203,927	2,219,998
Grant expenses	2,556,375	-	-	2,556,375	-	2,556,375	2,052,586
In-kind	1,537,850	-	-	1,537,850	-	1,537,850	775,177
Impact strategies - payroll and other expenses	69,316,967	153,027	-	69,469,994	-	69,469,994	9,799,892
Neighborhood Zone	1,813,346	71,859	-	1,885,205	-	1,885,205	1,332,033
Information and referral	1,820,831	60,498	-	1,881,329	-	1,881,329	2,132,941
United Way Worldwide membership	439,758	-	-	439,758	-	439,758	227,822
Total program support	79,689,054	285,384	-	79,974,438	-	79,974,438	18,540,449
Support services							
Organizational administration	2,058,160	27,308	71,350	2,156,818	-	2,156,818	2,135,980
Resource development and endowment	3,988,185	57,632	-	4,045,817	-	4,045,817	3,714,735
United Way Worldwide membership	226,542	-	-	226,542	-	226,542	117,363
Total support services	6,272,887	84,940	71,350	6,429,177	-	6,429,177	5,968,078
Total expenses	85,961,941	370,324	71,350	86,403,615	-	86,403,615	24,508,527
Changes in net assets before transfers	(6,867,008)	(370,324)	1,633,362	(5,603,970)	(4,191,690)	(9,795,660)	24,369,768
Transfers							
Equipment purchases	(3,006,685)	3,006,685	-	-	-	-	-
Distribution of income	-	-	-	-	-	-	-
Total transfers	(3,006,685)	3,006,685	-	-	-	-	-
Changes in net assets	(9,873,693)	2,636,361	1,633,362	(5,603,970)	(4,191,690)	(9,795,660)	24,369,768
Net assets, beginning of year	12,677,912	1,252,686	24,238,046	38,168,644	11,602,400	49,771,044	25,401,276
Net assets, End of Year	\$ 2,804,219	\$ 3,889,047	\$ 25,871,408	\$ 32,564,674	\$ 7,410,710	\$ 39,975,384	\$ 49,771,044

The accompanying notes are an integral part of this financial statement.

UNITED WAY OF CENTRAL MARYLAND, INC.

Statement of Activities and Changes in Net Assets For the Year Ended June 30, 2021

	Without Donor Restrictions			Total Without Donor Restrictions	With Donor Restrictions	Total
	Operating	Plant	Board Designated			
Public support and other revenue						
Campaign pledges and contributions						
Pledges and contributions	\$ 16,605,152	\$ -	\$ -	\$ 16,605,152	\$ 434,600	\$ 17,039,752
Provision for bad debt	(858,895)	-	-	(858,895)	(17,384)	(876,279)
Donor designations to outside agencies	(6,322,117)	-	-	(6,322,117)	(57,840)	(6,379,957)
Net Assets released from restrictions						
Satisfaction of restricted pledges and contributions	1,281,284	-	-	1,281,284	(1,281,284)	-
Satisfaction of restricted donor designation	(404,290)	-	-	(404,290)	404,290	-
Total public support	<u>10,301,134</u>	<u>-</u>	<u>-</u>	<u>10,301,134</u>	<u>(517,618)</u>	<u>9,783,516</u>
Other revenue						
Federal grant income	3,896,771	-	-	3,896,771	-	3,896,771
Grant income	2,896,928	-	-	2,896,928	244,719	3,141,647
PPP loan forgiveness	3,569,042	-	-	3,569,042	-	3,569,042
Community initiatives	20,150,925	-	-	20,150,925	-	20,150,925
Investment income, net	105	-	263,151	263,256	16,113	279,369
Realized net gain on investments	-	-	953,459	953,459	110,670	1,064,129
Unrealized net (loss) on investments	-	-	4,064,710	4,064,710	36,282	4,100,992
In-kind revenue	775,177	-	-	775,177	-	775,177
Other income, net	1,125,509	-	130,690	1,256,199	860,528	2,116,727
Net Assets released from restrictions						
Satisfaction of restricted grants	2,382,843	-	-	2,382,843	(2,382,843)	-
Total other revenue	<u>34,797,300</u>	<u>-</u>	<u>5,412,010</u>	<u>40,209,310</u>	<u>(1,114,531)</u>	<u>39,094,779</u>
Total public support and other revenue	<u>45,098,434</u>	<u>-</u>	<u>5,412,010</u>	<u>50,510,444</u>	<u>(1,632,149)</u>	<u>48,878,295</u>
Expenses						
Program support						
Impact Strategies:						
Allocations and other distributions	2,219,998	-	-	2,219,998	-	2,219,998
Grant expenses	2,052,586	-	-	2,052,586	-	2,052,586
In-kind	775,177	-	-	775,177	-	775,177
Impact strategies - payroll and other expenses	9,709,065	90,827	-	9,799,892	-	9,799,892
The Ben Center	1,320,301	11,732	-	1,332,033	-	1,332,033
Information and referral	2,080,442	52,499	-	2,132,941	-	2,132,941
United Way Worldwide membership	227,822	-	-	227,822	-	227,822
Total program support	<u>18,385,391</u>	<u>155,058</u>	<u>-</u>	<u>18,540,449</u>	<u>-</u>	<u>18,540,449</u>
Support services						
Organizational administration	2,102,863	33,117	-	2,135,980	-	2,135,980
Resource development and endowment	3,646,191	68,544	-	3,714,735	-	3,714,735
United Way Worldwide membership	117,363	-	-	117,363	-	117,363
Total support services	<u>5,866,417</u>	<u>101,661</u>	<u>-</u>	<u>5,968,078</u>	<u>-</u>	<u>5,968,078</u>
Total expenses	<u>24,251,808</u>	<u>256,719</u>	<u>-</u>	<u>24,508,527</u>	<u>-</u>	<u>24,508,527</u>
Changes in net assets before transfers	<u>20,846,626</u>	<u>(256,719)</u>	<u>5,412,010</u>	<u>26,001,917</u>	<u>(1,632,149)</u>	<u>24,369,768</u>
Transfers						
Equipment purchases	(9,296)	9,296	-	-	-	-
Distribution of income	(3,076,599)	-	3,076,599	-	-	-
Total transfers	<u>(3,085,895)</u>	<u>9,296</u>	<u>3,076,599</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net assets	<u>17,760,731</u>	<u>(247,423)</u>	<u>8,488,609</u>	<u>26,001,917</u>	<u>(1,632,149)</u>	<u>24,369,768</u>
Net assets, beginning of year	<u>(5,082,819)</u>	<u>1,500,109</u>	<u>15,749,437</u>	<u>12,166,727</u>	<u>13,234,549</u>	<u>25,401,276</u>
Net assets, End of Year	<u>\$ 12,677,912</u>	<u>\$ 1,252,686</u>	<u>\$ 24,238,046</u>	<u>\$ 38,168,644</u>	<u>\$ 11,602,400</u>	<u>\$ 49,771,044</u>

The accompanying notes are an integral part of this financial statement.

UNITED WAY OF CENTRAL MARYLAND, INC.

Statement of Functional Expenses
For the Year Ended June 30, 2022 with Comparative Totals for 2021

	2022									2021 Totals
	Program Support				Support Services			Total		
	Impact Strategies	Neighborhood Zone	Information and Referral	Total Program Support	Organizational Administration	Resource Development and Endowment	Total Support Services			
Allocations and other distributions	\$ 2,203,927	\$ -	\$ -	\$ 2,203,927	\$ -	\$ -	\$ -	\$ 2,203,927	\$ 2,219,997	
Grant expense	2,081,370	433,843	41,161	2,556,374	-	-	-	2,556,374	2,052,585	
In-kind	1,537,850	-	-	1,537,850	-	-	-	1,537,850	775,177	
Total allocations and grants	5,823,147	433,843	41,161	6,298,151	-	-	-	6,298,151	5,047,759	
Salaries	6,170,967	1,232,704	953,474	8,357,145	1,156,942	2,506,711	3,663,652	12,020,797	9,881,979	
Retirement plans	194,756	28,609	32,218	255,583	81,482	85,371	166,853	422,436	383,783	
Employee benefits	503,136	103,822	79,733	686,692	96,754	203,754	300,508	987,200	774,437	
Payroll taxes and insurance	454,275	90,199	73,103	617,577	87,926	181,154	269,080	886,657	753,774	
Total payroll expenses	7,323,134	1,455,334	1,138,528	9,916,996	1,423,104	2,976,989	4,400,093	14,317,089	11,793,973	
Accounting fees	-	-	-	-	72,100	-	72,100	72,100	54,160	
Client direct services	59,912,167	27,931	422,737	60,362,835	-	-	-	60,362,835	3,234,497	
Depreciation and amortization	153,027	71,859	60,498	285,384	27,308	57,632	84,940	370,324	256,719	
Equipment maintenance and rental	4,092	867	1,826	6,785	824	3,605	4,429	11,214	9,767	
Interest	-	-	-	-	-	-	-	-	40,723	
Legal fees	16,270	-	-	16,270	15,800	-	15,800	32,070	48,706	
Local transportation and meetings	6,757	10,181	22	16,960	1,531	7,047	8,578	25,538	8,574	
Marketing	291,244	-	-	291,244	-	389,036	389,036	680,280	845,007	
Membership dues and subscriptions	30,332	1,118	389	31,839	6,922	20,162	27,084	58,923	39,516	
Occupancy	318,714	12,798	111,115	442,627	106,514	110,984	217,498	660,125	571,525	
Out of town travel	8,832	149	-	8,981	507	-	507	9,488	273	
Postage and shipping	9,822	381	60	10,263	12,706	3,435	16,141	26,404	22,586	
Printing and promotion	49,376	8,356	-	57,732	5,477	37,173	42,650	100,382	56,475	
Professional fees and other services	1,029,628	140,404	69,259	1,239,291	443,425	297,745	741,170	1,980,461	1,726,445	
Public events	115,541	23,769	-	139,310	5,842	89,176	95,018	234,328	163,048	
Supplies	122,743	105,595	17,548	245,886	13,331	17,209	30,540	276,426	74,343	
Telecommunications	78,315	26,463	59,347	164,125	21,427	35,624	57,051	221,176	169,244	
Total other expenses	62,146,860	429,871	742,801	63,319,532	733,714	1,068,828	1,802,542	65,122,074	7,321,608	
Total payroll and other expenses	69,469,994	1,885,205	1,881,329	73,236,528	2,156,818	4,045,817	6,202,635	79,439,163	19,115,581	
United Way Worldwide membership	378,725	32,316	28,718	439,759	76,558	149,984	226,542	666,301	345,187	
Total expenses	\$ 75,671,867	\$ 2,351,364	\$ 1,951,208	\$ 79,974,438	\$ 2,233,376	\$ 4,195,801	\$ 6,429,177	\$ 86,403,615	\$ 24,508,527	

The accompanying notes are an integral part of this financial statement.

UNITED WAY OF CENTRAL MARYLAND, INC.

**Statement of Functional Expenses
For the Year Ended June 30, 2021**

	Program Support			Total Program Support	Support Services		Total Support Services	Total
	Impact Strategies	Neighborhood Zone	Information and Referral		Organizational Administration	Resource Development and Endowment		
Allocations and other distributions	\$ 2,995,174	\$ -	\$ -	\$ 2,995,174	\$ -	\$ -	\$ -	\$ 2,995,174
Grant expense	1,690,825	213,795	147,965	2,052,585	-	-	-	2,052,585
In-kind	-	-	-	-	-	-	-	-
Total allocations and grants	4,685,999	213,795	147,965	5,047,759	-	-	-	5,047,759
Salaries	3,855,503	1,082,529	1,325,166	6,263,198	1,207,578	2,411,203	3,618,781	9,881,979
Retirement plans	157,882	21,537	45,388	224,807	76,171	82,805	158,976	383,783
Employee benefits	288,143	63,967	132,585	484,695	102,411	187,331	289,742	774,437
Payroll taxes and insurance	299,191	64,710	107,361	471,262	94,164	188,348	282,512	753,774
Total payroll expenses	4,600,719	1,232,743	1,610,500	7,443,962	1,480,324	2,869,687	4,350,011	11,793,973
Accounting fees	-	-	-	-	54,160	-	54,160	54,160
Client direct services	3,093,835	10,263	130,399	3,234,497	-	-	-	3,234,497
Depreciation and amortization	96,066	6,495	52,499	155,060	33,116	68,543	101,659	256,719
Equipment maintenance and rental	3,750	320	1,230	5,300	834	3,633	4,467	9,767
Interest	24,452	-	-	24,452	16,271	-	16,271	40,723
Legal fees	19,862	-	3,876	23,738	24,968	-	24,968	48,706
Local transportation and meetings	3,338	2,668	270	6,276	1,169	1,129	2,298	8,574
Marketing	471,050	-	-	471,050	-	373,957	373,957	845,007
Membership dues and subscriptions	18,481	811	3,229	22,521	4,394	12,601	16,995	39,516
Occupancy	248,676	11,290	91,264	351,230	97,880	122,415	220,295	571,525
Out of town travel	-	-	-	-	273	-	273	273
Postage and shipping	8,037	445	841	9,323	11,272	1,991	13,263	22,586
Printing and promotion	37,345	1,185	140	38,670	5,614	12,191	17,805	56,475
Professional fees and other services	932,160	27,665	173,618	1,133,443	371,659	221,343	593,002	1,726,445
Public events	163,787	7,982	-	171,769	683	(9,404)	(8,721)	163,048
Supplies	33,499	19,123	5,657	58,279	13,184	2,880	16,064	74,343
Telecommunications	44,835	11,043	59,418	115,296	20,179	33,769	53,948	169,244
Total other expenses	5,199,173	99,290	522,441	5,820,904	655,656	845,048	1,500,704	7,321,608
Total payroll and other expenses	9,799,892	1,332,033	2,132,941	13,264,866	2,135,980	3,714,735	5,850,715	19,115,581
United Way Worldwide membership	161,202	24,716	41,906	227,824	42,079	75,284	117,363	345,187
Total expenses	\$ 14,647,093	\$ 1,570,544	\$ 2,322,812	\$ 18,540,449	\$ 2,178,059	\$ 3,790,019	\$ 5,968,078	\$ 24,508,527

The accompanying notes are an integral part of this financial statement.

UNITED WAY OF CENTRAL MARYLAND, INC.

**Statements of Cash Flows
For the Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities		
Changes in net assets	\$ (9,795,660)	\$ 24,369,768
Adjustment to reconcile changes in net assets to net cash used in operating activities		
Depreciation and amortization	370,324	256,719
Net realized and unrealized loss (gain) on investments	3,638,212	(5,165,121)
Contributions received for capital	-	(9,296)
(Decrease) increase in provision for uncollectible pledges	(390,536)	107,587
Change in value of charitable trust	3,339,314	(861,455)
PPP loan forgiveness	-	(3,569,042)
Effects from changes in non-cash operating assets and liabilities		
Pledges receivable	(1,730,769)	1,033,031
Grants receivable	(2,407,208)	182,119
Prepaid expenses and other assets	(37,684)	(175,276)
Accounts payable and accrued expenses	181,885	1,048,098
Deferred revenue	17,837,414	-
Deferred rent	(109,885)	(88,493)
Allocations and other distributions payable	(255,059)	719,894
Retirement benefits payable	4,411	145,097
Designation payable	(284,949)	(366,529)
Net Cash from Operating Activities	<u>10,359,810</u>	<u>17,627,101</u>
Cash Flows from Investing Activities		
Purchases of equipment and construction in progress	(2,575,881)	(430,805)
Purchases of investments	(29,183,880)	(16,882,107)
Proceeds from sale of investments	21,769,196	13,390,270
Net Cash from Investing Activities	<u>(9,990,565)</u>	<u>(3,922,642)</u>
Net change in cash and cash equivalents	369,245	13,704,459
Cash and cash equivalents, beginning of year	15,826,671	2,122,212
Cash and Cash Equivalents, End of Year	<u>\$ 16,195,916</u>	<u>\$ 15,826,671</u>
Supplemental Cash Flow Disclosure		
Cash paid for interest	<u>\$ -</u>	<u>\$ 40,723</u>

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

1. NATURE OF OPERATIONS

Background

United Way of Central Maryland, Inc. (UWCM) is a nonprofit charitable organization, incorporated in 1925 as The Community Fund of Baltimore. UWCM's mission is "To improve lives by empowering leaders and mobilizing the caring power of our communities." UWCM licenses its name and trademarks from United Way Worldwide (UWW). UWCM's service area consists of the City of Baltimore and Anne Arundel, Baltimore, Carroll, Harford and Howard counties.

Ultimate authority and responsibility for managing UWCM's affairs resides with its volunteer Board of Directors. UWCM also receives advice and advocacy from volunteer non-governing boards in each jurisdiction UWCM serves: Baltimore City and Anne Arundel, Baltimore, Carroll, Harford and Howard counties. The chair of each of these six entities also serves on UWCM's Board of Directors.

In June 2019, UWCM's Board of Directors approved a new strategic plan to guide the organization's work through 2025. This plan commits UWCM to help reduce the number of families and individuals living at or below 300% of the Federal Poverty Level who are "asset-limited income-constrained employed" (ALICE), i.e., often working two or more full-time minimum wage jobs yet struggling to afford basic needs. UWCM focuses on strategies to empower these families with emphasis on the essentials of stability: education, economic advancement, housing, and health; pursuing a resident-driven, neighborhood-centered model that deploys best and promising practices. UWCM leverages its strengths as a convener, collaborator, and knowledge source; analyzes data on indicators; and convenes residents and stakeholders to formulate collective impact strategies and programs. UWCM funds its own proven programs and promising initiatives as well as those of non-profit agencies and organizations (e.g., schools) that help people living as ALICE using tools such as childcare vouchers, homelessness prevention, and supportive services. The goal is to transition families to self-sustainable solutions such as permanent housing, asset-building and financial literacy. To support this work, UWCM raises revenue year-round across Central Maryland through workplace giving in the private sector, from individuals who are solicited directly and via grants from public and private sources. It also recruits volunteers for board-level, committee-level work and/or hands-on support. UWCM also holds the top 4-star rating on Charity Navigator.

All organizations receiving discretionary funding are required to submit periodic reports demonstrating their adherence to formal and enforced criteria and goals around program models, staffing, organizational capacity, and historical experience in the delivery of stated services. Reports are carefully monitored, with assistance provided when failure to adhere to goals is indicated.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

1. NATURE OF OPERATIONS (continued)

Background (continued)

UWCM also owns and houses one of four geographically dispersed call centers in the 2-1-1 Maryland System, providing comprehensive community information and referral services to Maryland residents seeking health and human services. The service is accessible 24/7 in more than 150 languages, providing callers with help on thousands of health and human service needs ranging from housing, utility, and earned-income tax credit assistance, to childcare, access to health care and eviction prevention. Service is provided through the 2-1-1 Maryland UWCM Helpline.

Program Services

Program services represent the cost of UWCM managed programs that provide services to individuals, families, nonprofit agencies and the community in general. These services include:

Information and Referral

2-1-1 Maryland UWCM Helpline

2-1-1 Maryland UWCM Helpline provides comprehensive, 24-hour community information and referral services to Maryland residents who seek health and human services. Using an automated community resource database that is updated at least annually, trained community resource specialists who are certified by the Alliance of Information and Referral Systems (AIRS), answer requests for assistance as well as problem-solve for a wide range of needs, including financial resources to prevent utility cut-off or eviction, emergency food and shelter, disaster relief, substance abuse treatment, after school programs and domestic violence counseling. Community resource specialists assess callers' service needs and provide information, referral, advocacy, crisis intervention and follow-up as appropriate. 2-1-1 Maryland UWCM Helpline is accredited by AIRS.

2-1-1 Maryland

UWCM received funding from corporate, foundation, government, nonprofit and individual funders for staffing and communication system support; from CASH Campaign of Maryland to continue to enhance UWCM's efforts to increase awareness of the earned income tax credit and set appointments for free tax preparation at local sites through several community partners; from CareFirst to connect community members to vital resources related to social determinants of health ; and from the Maryland Department of Health (MDH) and the Behavioral Health Administration through the statewide 211 system.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

1. NATURE OF OPERATIONS (continued)

Impact Strategies

Impact Strategies Division (IS): IS works to ensure that basic human needs are met, especially for ALICE (Asset Limited Income Constrained Employed), and in doing so, aims to stabilize their lives and build self-sufficiency to help families achieve their dreams. This is accomplished in several ways.

IS administers two primary types of funding streams to nonprofit organizations: competitive grants and directed grants. Competitive grants provide agencies with programmatic, operating and/or emergency funding, usually in the areas of food, housing, income/employment, health/mental health, education, neighborhood strengthening, and crisis response. UWCM maintains six volunteer Region United Network (RUN Boards, formerly Partnership Boards) covering each of the jurisdictions it serves. One of the important roles of the RUN Boards is to monitor ongoing and emerging community needs and identify where the gaps in resources and services at the local level. Through open and competitive grant processes, UWCM seeks applications from nonprofit organizations to address identified needs. RUN Boards assess these applications and, based on where funding from UWCM will have the greatest impact, select community partners for grant awards.

Directed grants are usually noncompetitive and are awarded to uniquely qualified organizations that serve UWCM's target populations and achieve the goals of identified initiatives.

In the ongoing response to the pandemic, UWCM has continues to participate in two funding collaboratives, one serving the Greater Baltimore region and one specifically for Howard County. UWCM awarded grants through these collaboratives, which greatly streamlined the grant seeking process for nonprofits at a time when they were working extremely hard to meet the rapidly mounting community needs. Additionally, these efforts helped local funders collaborate and eliminate funding duplication. UWCM also made directed grants to several local organizations who were well positioned to provide quick and effective emergency response in areas such as food access.

Ultimate authority for all grants rests with UWCM's board of directors. IS monitors grantees to ensure funds are expended as intended outcomes are achieved and sound fiscal health is maintained.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

1. NATURE OF OPERATIONS (continued)

Impact Strategies (continued)

Impact Strategies Division (IS): (continued)

On a limited basis, IS professionals also provide direct case management and modest financial support to individuals and families at high risk of, or experiencing, homelessness. IS also provides staff support to the Veterans Treatment Docket, an alternative resolution court in Baltimore City and Anne Arundel County for veterans, and organizes Project Homeless Connect, a one-day resource fair for people experiencing homelessness in Harford County. IS also provides staff support for plans to end homelessness in Baltimore City and other jurisdictions. The IS team also manages various regional initiatives and educates the public about the challenges faced by those experiencing poverty. In addition, IS provides subject matter expertise and serves as a regional convener on various health and human service problems. For agencies, IS provides training and technical services, advocacy and public policy support, training, and networking opportunities. Recently, the IS division has separated into several divisions: IS, Grants, and the newly formed Social Impact Accelerator. The Accelerator has become the HUB for data and research Partnerships with higher education research institutes and other UWs provides a mechanism for such publications as the ALICE report and Benefits Cliff Study. The Accelerator will also now routinely performs Return on Investment Analysis and produces research papers on best practices.

UWCM has hired a team of staff to address the eviction crisis in Central Maryland. These positions and the financial support to prevent the evictions including rent arrearages and rent forward payments have been secured through the state and local government's allocation of federal grant dollars designed to address the ongoing effects of the pandemic on household's ability to pay rent. These dollars have significantly changed how eviction prevention is delivered allowing for "bulk" prevention by working directly with the landlords vs. the historical strategy of household by household. The staff are responsible for document review and compliance.

Government and Public Affairs: Senior level staff within the IS division participate on several boards and committees of organizations who perform advocacy as part of their mission. Thus, UWCM is able to remain up to date on current legislative issues. UWCM also maintains relationships with several lobbyists, contracting with a Public Affairs firm to further stay abreast of public policy issues. The board Public Policy Committee sets, and gets approval from the Board of Directors, the legislative agenda each year for the organization. The ALICE report has been instrumental in helping to provide openings with stakeholders and policymakers to discuss UWCM's work.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

1. NATURE OF OPERATIONS (continued)

Impact Strategies (continued)

United Way Neighborhood Zones

United Way Neighborhood Zone in Brooklyn (a.k.a. Ben Center): In October 2017, UWCM took over the operations of the Ben Center and integrated the strategy/programs into operations. The UW Neighborhood Zone in Brooklyn is operated out of Benjamin Franklin High School in the Brooklyn/Curtis Bay neighborhood of Baltimore City. This unique concept has been designed to create a "hub" within the community that provides a safe, nurturing environment for students and community members to not only seek out a vast array of services, but to be active participants in shaping their community to be what will help them fulfill their hopes and dreams for themselves, their family, and the community.

The program philosophy is one in which resident voices are heard and their priorities are turned into actions through a network of partners that have been created through evidence-based practices that will support steady, high rates of school attendance, boost student achievement, and engage families and stakeholders. Programs include family stability case manager, community schools coordinator, mental health, economic advancement, advocacy and the United Way Family Center, an early learning/teen parent program providing quality childcare and parent support, so they graduate from high school and break the cycle of teen pregnancy.

UWCM now has three such zones, all of which address the unique needs of their respective neighborhoods.

Volunteerism: UWCM employs a volunteer director who is responsible for community engagement and organizing various volunteer projects throughout the year that support local nonprofit organizations that are working to help people meet their basic needs. Additionally, the volunteer director serves as a liaison between UWCM donors, workplaces, and local volunteer centers.

100th Anniversary

In 2025, United Way of Central Maryland will commemorate 100 years of service and partnership to the Greater Baltimore region. This \$20 million campaign will support three initiatives: the endowment, equity programs, and an innovation fund. The Endowment ensures stability for our organization and versatility for our programming in the future. Equity is at the heart of all our work, and achieving equity requires Innovative solutions that will improve the quality of life for our neighbors living as ALICE throughout Central Maryland. Taken together, these three initiatives of UWCM's 100th Anniversary campaign will ensure that United Way will always be prepared to act decisively and compassionately to address critical challenges facing our community in our next century of service.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

1. NATURE OF OPERATIONS (continued)

Administration and Support Services

Support services are classified as organizational administration and development. Organizational administration includes governance, overall executive direction, strategic planning and implementation, financial management, technology, risk management, human resources, and administrative support services. Resource and endowment development represents all activities that constitute an appeal for financial support in all private and governmental campaigns, including staff support, campaign supplies, marketing, media advertising, public relations and communications, recruiting and training volunteer solicitors and mail solicitations.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of UWCM are presented on the accrual basis of accounting in accordance with accounting standards generally accepted in the United States of America.

Use of Estimates

The preparation of 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, amounts deposited in financial institutions and highly liquid investments with an original maturity of three months or less.

Credit Risk

UWCM maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. UWCM has not experienced any losses in such cash accounts and management believes it is not exposed to significant risk on cash. UWCM invests board designated assets (functioning as an endowment) in a professionally managed portfolio that contains shares of various common stocks, corporate bonds and notes and U.S. government obligations. Such investments are exposed to various risks such as interest rate, market and credit. Due to the levels of risk associated with such investments and uncertainty related to changes in the fair value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Provision for Uncollectible Pledges

The provision for uncollectible pledges is calculated using a three-year historical average of actual results. Management also assesses the need to increase the provision based on current economic uncertainty that would increase the likelihood of uncollectible pledges, such as corporate downsizing, mergers and bankruptcies. The provision for uncollectible pledges is ultimately based on management's estimate of the collectability of existing amounts receivable.

Fair Value Measurements

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under accounting principles generally accepted in the United States of America are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the entity has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

UWCM's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurements (continued)

The following is a description of the valuation techniques used by UWCM.

Level 1: Investments in securities traded on a national securities exchange, or reported on the NASDAQ national market, are stated at the last reported settlement prices. These financial instruments are classified as Level 1 in the fair value hierarchy.

Level 2: Investments in corporate bonds and U.S. treasury securities are stated at the last reported sales price on the day of valuation. These financial instruments are classified as Level 2 in the fair value hierarchy.

Level 3: Investments are not readily marketable. UWCM has no control over or possession of the investments that are held by Baltimore Community Foundation and the charitable trust.

UWCM distributed gains and losses realized from security transactions among all endowment funds and funds functioning as endowments based on the ratio of each fund's net assets to the total net assets. Endowment income restricted to specific purposes is distributed based on each fund's governing documentation.

Property, Plant and Equipment

Property and equipment purchases related to federal grant procurements over \$5,000, or non-federal grant procurements over \$1,000, are considered capital assets and recorded at cost. Lesser amounts are expensed. Depreciation of all equipment, furniture and software is provided on a straight-line basis over the estimated useful lives of the assets ranging from two to ten years. Donated equipment and improvements are capitalized at their estimated fair value at the date of donation. Leasehold improvements are depreciated over the life of the lease. Construction in process is not depreciated until the assets are ready for use.

Valuation of Long-Lived Assets

UWCM reviews long-lived assets and certain identifiable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurements (continued)

Beneficial Interest in Charitable Trust

Beneficial Interest in Charitable Trust represents the fair value of UWCM's interest as one of six selected charities in the donor's trust account (the Trust). UWCM will receive a share of the net income from the Trust for an initial period of 50 years through December 2053, after which the corpus will be distributed outright and free of trust in equal shares to the six charities. The Trust was created by a donor, independently of UWCM and is neither in the possession nor under the control of UWCM. The Trust is administered by outside fiscal agents as directed by the donor. UWCM records the fair value of the Trust, using present value calculations, assuming a long-term blended rate of return of 5.48% and 5.75% as of June 30, 2022 and 2021, respectively.

As of June 30, 2022 and 2021, UWCM has estimated its fair value of the Trust based on the discount rate from the IRS Section 7520 table to be used for valuing certain charitable interest in trusts. That rate was 3.60% and 1.22% as of June 30, 2022 and 2021, respectively. The increase in the discount rate is reflective of the current market and economy. The discount rates used coupled with the market performance resulted in a decrease in the fair market value of the Trust by \$3,339,314 for the year ended June 30, 2022 and an increase in the fair market value of the Trust by \$861,455 for the year June 30, 2021. The adjustments in the Trust were recorded in other income resulting and in net assets with donor restrictions in the accompanying financial statements. The value of UWCM's beneficial interest in the Trust as of June 30, 2022 and 2021, were \$3,255,216 and \$6,594,530, respectively. A 0.4% or 1.0% increase in the discount rate used as of June 30, 2022, would have decreased the valuation of the Trust to \$3,042,627 or \$2,760,259, respectively.

Net Assets

Net assets without donor restrictions are assets and contributions that are not restricted by donors or for which restrictions have expired. Net assets without donor restrictions consist of the following:

Operating: Represents resources available for support of operations.

Plant: Represents net assets expended for plant.

Board Designated: Represents all other unrestricted resources and are directed by the Board of Directors.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets (continued)

Net assets with donor restrictions are those whose use by the UWCM has been restricted by donors primarily for a specific time period or purpose. When a donor restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions. If a donor restriction is met in the same reporting period in which the contribution is received, the contribution (to the extent that the restrictions have been met) is reported as net assets without donor restrictions.

Net assets with donor restrictions also consist of contributions received from donors to be maintained by UWCM in perpetuity.

Campaign Pledges and Contributions

Contributions are recognized when the donor makes a pledge to UWCM that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are received.

Contributions in the form of donated financial assets converted nearly immediately into cash have been classified with all other cash donations in the statements of cash flows.

Grant Revenue

Grant revenue is recognized when expenses are incurred. As the grant revenue is considered conditional, amounts received in advance are considered deferred revenue until expended for the purposes of the grant. For the year ended June 30, 2022, UWCM received Federal funding for the Emergency Rental Assistance Program (ERA) that were unspent as of year-end. There was \$17,852,299 of deferred revenue recorded in the accompanying statement of financial position as of June 30, 2022, related to this Federal grant program.

Community Initiatives

Community Initiatives revenue is recognized when the donor makes a pledge to UWCM that is, in substance, unconditional. Revenue that is restricted by the donor is reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are received.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Private Sector Campaigns

UWCM conducts a Private Sector Campaign for Central Maryland. UWCM conducts hundreds of workplace giving campaigns and solicits gifts from individuals outside the workplace in various ways. Most workplace and direct fundraising activities are conducted from September through December; however, due to timing variances of some campaigns and the submission of pledge information, the campaign is not typically finalized until June 30 of the following year. UWCM encourages undesignated gifts, but donors may direct all or part of their contributions to any 501(c)(3) charitable organization in good standing based on UWCM designation guidelines. A processing fee up to 5% is deducted from designations to nonprofit agencies in the Private Sector workplace campaign, with a cost cap of \$500. Any unpaid donor designations are included in designations payable.

Support provided to participating companies and organizations in each of these campaigns includes accounting, gift acknowledgement, fundraising expertise, regulatory compliance, staff training, promotional materials, volunteer activities and events, website maintenance, customer service, agency speakers and tours and all aspects of paper and/or electronic pledge processing support. All campaign pledges and contributions are recognized when the donor makes a pledge that is, in substance, unconditional. If donor restrictions expire in the current fiscal year, the pledge or contribution will be recorded as without donor restrictions. Pledges and contributions that are received for future year campaigns are reported as net assets with donor restrictions until the time restriction expires.

The total results from the annual campaign are reduced by donor designations to specific agencies and a provision for uncollectible pledges in the statements of activities and changes in net assets.

There are instances where UWCM receives checks made payable directly to an agency, as well as a small number of companies who run campaigns with UWCM involvement and support but use a third party processor to record donor pledges and distribute money collected directly to designated agencies. In these cases, UWCM does not directly receive the money. Because UWCM is providing direct fundraising support to a company, including materials and staff and to allow companies to receive recognition for their total results, UWCM records the total campaign results in pledges and contributions on the accompanying statements of activities and changes in net assets. Amounts paid directly to agencies totaled \$1,316,584 and \$1,416,887 for the years ended June 30, 2022 and 2021, respectively and is recorded in donor designations to outside agencies on the accompanying statements of activities and changes in net assets.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements

June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Rent

Rent payments on operating leases are reported in accordance with accounting standards generally accepted in the United States, whereby total rent expense under the leases is expensed on the straight-line method over the term of the related leases. Rent expensed in excess of amounts paid is reported as deferred rent.

UWCM leases certain operating locations for which the landlord paid for tenant improvements and UWCM is paying for these improvements over the term of the lease. The cost of these improvements have been capitalized by UWCM, and are included in property, plant and equipment with the related obligation recorded as deferred rent. The deferred rent amount is amortized as an offset to rent expense over the lease term. Tenant improvements are also amortized over the term of the lease on a straight-line basis.

Functional Allocations of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services that benefit from those costs. Indirect costs include those expenses that are not directly identified with any other specific function but provide for the overall support and direction of UWCM. All direct costs are charged to the specific program or event. Indirect costs are allocated based on estimated full-time equivalents in each area.

Contributed Services and Supplies

The accompanying financial statements do not include amounts for contributed services because they do not meet the criteria under generally accepted accounting principles. UWCM pays for substantially all services requiring specific expertise; however, a substantial number of volunteers have donated significant amounts of their time in UWCM's fundraising campaign and program services. In-kind revenue recorded in the accompanying statements of activities and changes in net assets represent goods donated to UWCM and distributed to recipients. Goods were valued based on the estimated retail price.

Income Tax Status

UWCM is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, UWCM qualifies for charitable contribution deductions under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Income, which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. UWCM had no unrelated business income for the years ended June 30, 2022 and 2021.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax Status (continued)

The provisions included in accounting principles generally accepted in the United States of America provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition of tax positions taken or expected to be taken in a tax return. UWCM performed an evaluation of uncertain tax positions as of June 30, 2022 and 2021, and determined that there were no matters that would require recognition in the financial statements or, which may have any effect on its tax-exempt status. As of June 30, 2022, the statute of limitations for fiscal years 2019 through 2022 remains open with the U.S. Federal jurisdiction or the various states and local jurisdictions in which UWCM files tax returns.

Liquidity

UWCM receives contributions from donors which may or may not be restricted for specific purposes. Financial assets of UWCM are primarily comprised of cash and cash equivalents, grants and pledges receivable from donors and investments. UWCM structures its financial assets to be available as general expense liabilities and other obligations come due.

To achieve this, UWCM forecasts its future cash flows and monitors its liquidity on a monthly basis. Management and the Board have been monitoring the UWCM's cash balances to ensure that there is at least 3 months of working capital available throughout the year.

The following table summarizes the UWCM's financial assets available as of June 30, 2022 and 2021, that are without donor or other restrictions limiting their use, for grant obligations and general expenditure within one year of the balance sheet date:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Financial Assets:		
Cash and cash equivalents	\$ 16,195,916	\$ 15,826,671
Pledges receivable, net	8,537,381	6,416,076
Grants receivable, net	2,932,108	524,900
Investments, at fair value	31,778,628	28,002,156
Beneficial interest in Charitable Trust	3,255,216	6,594,530
Available financial assets	<u>62,699,249</u>	<u>57,364,333</u>
Less financial assets unavailable for expenditures due to:		
Contractual or donor-imposed restrictions		
Pledges not expected to be collected within one year	(554,533)	(1,157,328)
Restricted by donor with time or purpose restrictions	(7,410,710)	(11,602,400)
Board designations:		
Impacts grants campaign	(2,520,290)	(2,775,349)
Net available financial assets	<u>\$ 52,213,716</u>	<u>\$ 41,829,256</u>

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting Pronouncements Adopted

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. This standard will require the UWCM to present gifts-in-kind as a separate line item on the statement of activities and changes in net assets. Additionally, gifts-in-kind are to be disaggregated into categories based on the type of gift received, with required disclosures made for each category. UWCM adopted this ASU for the year ended June 30, 2022. The adoption of this ASU did not have a material impact on the accompanying financial statements.

Accounting Pronouncements Pending

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which creates a singular reporting model for leases. This standard will require UWCM to record changes to its statement of financial position to reflect balances for current leases that are not shown in the consolidated statement of financial position. This standard will be effective for periods beginning after December 15, 2021. The amendments in this ASU are effective for UWCM for the fiscal year ending June 30, 2023.

Management is evaluating the effects of this pronouncement on the financial statements and will implement this pronouncement by its effective date.

Subsequent Events

UWCM evaluated the subsequent events and transactions through November 21, 2022, the date these financial statements were available for issue and have determined that no material subsequent events have occurred that would affect the information presented in the accompanying financial statements or require additional disclosure.

3. PLEDGES RECEIVABLE

As of June 30, 2022 and 2021, the pledges receivable are scheduled to be received as follows:

	<u>2022</u>	<u>2021</u>
Less than 1 year	\$ 8,511,524	\$ 6,177,960
1 to 5 years	508,000	1,000,000
6 to 10 years	100,000	200,000
	<u>9,119,524</u>	<u>7,377,960</u>
Less: provision for uncollectible pledges	528,676	919,212
Less: discount to present value (2.70% - 2022, 1.34% - 2021)	53,467	42,672
Pledges receivable, net	<u>\$ 8,537,381</u>	<u>\$ 6,416,076</u>

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

4. INVESTMENTS

The spending policy governing the investment funds allows UWCM's paid professional investment advisor to develop long-term investment strategies that will produce the cash flow needed to support the mission of the organization within its formal investment policy guidelines which were revised and approved by the Board of UWCM in September 2013 and amended in November 2020. Oversight is provided by the Investment Committee of the Board. This policy limits withdrawals to 5% of the rolling four-year average based on the market value of the fund; however, the Board has the authority to exceed that limitation and must approve all withdrawals.

Assets held by UWCM were comprised of the following as of June 30, 2022 and 2021:

	2022		2021	
	Cost	Fair Value	Cost	Fair Value
Money market funds	\$ 2,258,008	\$ 2,258,008	\$ 805,256	\$ 800,981
U.S. Treasury notes	4,105,937	3,970,565	1,213,785	1,237,782
U.S. government agencies	262,203	233,213	275,074	276,206
Municipal obligations	30,574	1,853,762	30,574	36,248
Corporate bonds and notes	1,267,512	2,279,927	1,984,948	2,086,174
Fixed income funds	3,770,595	3,486,736	2,859,288	2,918,919
Preferred stocks	4,284	4,284	9,757	9,757
Common stocks	1,070,720	1,795,219	1,119,193	2,542,344
Equity funds	12,569,124	13,850,674	11,573,358	15,767,100
Alternative investments	1,600,000	1,772,455	1,600,000	1,926,399
Pooled funds	273,786	273,786	400,246	400,246
Charitable trust	3,255,216	3,255,216	6,594,530	6,594,530
	<u>\$ 30,467,959</u>	<u>\$ 35,033,844</u>	<u>\$ 28,466,009</u>	<u>\$ 34,596,686</u>

The components of investment (loss) income for the years ended June 30, 2022 and 2021, were as follows:

	2022	2021
Realized gain, net	\$ 1,214,839	\$ 1,064,129
Unrealized (loss) gain, net	(4,853,051)	4,100,992
Interest and dividend income	441,911	346,378
Less: investment advisors' fees	71,350	67,009
	<u>\$ (3,267,651)</u>	<u>\$ 5,444,490</u>

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

4. INVESTMENTS (continued)

The following table summarizes the valuation of UWCM's assets by the fair value hierarchy levels as of June 30, 2022:

	2022			Total
	Level 1	Level 2	Level 3	
Cash equivalents:				
Money market funds	\$ 2,258,008	\$ -	\$ -	\$ 2,258,008
Preferred stocks:				
Financials	4,284	-	-	4,284
Common stocks:				
Communication Services	190,448	-	-	190,448
Industrials	99,320	-	-	99,320
Consumer discretionary	271,060	-	-	271,060
Consumer staples	-	-	-	-
Energy	30,400	-	-	30,400
Financials	420,307	-	-	420,307
Health care	239,260	-	-	239,260
Information technology	512,099	-	-	512,099
Real estate	32,325	-	-	32,325
Total common stocks	<u>1,795,219</u>	<u>-</u>	<u>-</u>	<u>1,795,219</u>
Fixed income:				
Municipal obligations	-	1,853,762	-	1,853,762
U.S. corporate bonds	-	2,279,927	-	2,279,927
U.S. Treasury securities	-	3,970,565	-	3,970,565
U.S. governmental securities	-	233,213	-	233,213
Fixed income funds	-	3,486,736	-	3,486,736
Total fixed income	<u>-</u>	<u>11,824,202</u>	<u>-</u>	<u>11,824,202</u>
Equity funds	13,850,674	-	-	13,850,674
Pooled funds	-	-	273,786	273,786
Investments at fair value	<u>\$ 17,908,185</u>	<u>\$ 11,824,202</u>	<u>\$ 273,786</u>	<u>30,006,173</u>
Investments at NAV (a)				<u>1,772,455</u>
Total Investments				<u>\$ 31,778,628</u>
Charitable Trust	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,255,216</u>	<u>\$ 3,255,216</u>

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

4. INVESTMENTS (continued)

The following table summarizes the valuation of UWCM's assets by the fair value hierarchy levels as of June 30, 2021:

	2021			Total
	Level 1	Level 2	Level 3	
Cash equivalents:				
Money market funds	\$ 800,981	\$ -	\$ -	\$ 800,981
Preferred stocks:				
Financials	9,757	-	-	9,757
Common stocks:				
Communication Services	389,486	-	-	389,486
Industrials	125,617	-	-	125,617
Consumer discretionary	425,368	-	-	425,368
Consumer staples	12,733	-	-	12,733
Energy	-	-	-	-
Financials	481,707	-	-	481,707
Health care	257,221	-	-	257,221
Information technology	785,939	-	-	785,939
Real estate	64,273	-	-	64,273
Total common stocks	2,542,344	-	-	2,542,344
Fixed income:				
Municipal obligations	-	36,248	-	36,248
U.S. corporate bonds	-	2,086,174	-	2,086,174
U.S. Treasury securities	-	1,237,782	-	1,237,782
U.S. governmental securities	-	276,206	-	276,206
Fixed income funds	-	2,918,919	-	2,918,919
Total fixed income	-	6,555,329	-	6,555,329
Equity funds	15,767,100	-	-	15,767,100
Pooled funds	-	-	400,246	400,246
Investments at fair value	\$ 19,120,182	\$ 6,555,329	\$ 400,246	26,075,757
Investments at NAV (a)				1,926,399
Total Investments				\$ 28,002,156
Charitable Trust	\$ -	\$ -	\$ 6,594,530	\$ 6,594,530

(a) In accordance with Subtopic 820-10 as amended by ASU 2018-13, *Fair Value Measurement (Topic 820) Fair Value Measurement (Topic 820) Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*, certain investments that were measured at net asset value (NAV) per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

UWCM invests in certain investment vehicles for which the fair value measurement is assessed using net asset value per share, or its equivalents. Information pertaining to these investments is as follows:

	Fair value as of June 30, 2022	Fair value as of June 30, 2021	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Global equity fund	\$ 1,772,455	\$ 1,926,399	\$ -	Semi-annual	65 Days

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

4. INVESTMENTS (continued)

The alternative investments invest in long/short global equities and long/short-fixed income products. The value of the investments has been estimated using the NAV per share of the investments.

The following table presents certain activity for the Level 3 assets for the years ended June 30, 2022:

	<u>Pooled funds</u>	<u>Charitable Trust</u>	<u>Total</u>
Transfers in	\$ -	\$ -	\$ -
Transfers out	-	-	-
Purchases	-	-	-
Sales	(17,663)	-	(17,663)

To assess the appropriate classification of assets within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of assets from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. UWCM evaluates the significance of transfers between levels based upon the nature of the assets and size of the transfer relative to total net assets.

5. PROPERTY, PLANT, AND EQUIPMENT, NET

Property, plant, and equipment consisted of the following as of June 30, 2022 and 2021:

<u>Asset Category</u>	<u>2022</u>	<u>2021</u>	<u>Estimated Useful Lives</u>
Audio visual equipment	\$ 132,590	\$ 128,834	3 years
Furniture & fixtures	834,320	601,552	10 years
Leasehold improvements	4,106,416	1,529,812	lesser of lease term or useful life
Licenses	29,460	29,460	2 to 5 years
Personal computers	157,128	161,030	3 years
Printing equipment	10,935	3,285	3 years
Software programs	485,056	412,804	2 to 5 years
System computers, servers & heavy duty printers	145,711	145,712	3 years
Telecommunication system	127,908	125,019	5 years
Vehicles	118,153	-	
Constuction in process	-	446,705	N/A
	<u>6,147,677</u>	<u>3,584,212</u>	
Less: accumulated depreciation and amortization	<u>2,258,629</u>	<u>1,900,721</u>	
Property, Plant, and Equipment, Net	<u>\$ 3,889,048</u>	<u>\$ 1,683,491</u>	

Depreciation expense totaled \$370,324 and \$256,719 for the years ended June 30, 2022 and 2021, respectively.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

6. NOTES PAYABLE

UWCM has a \$5,000,000 secured note bearing interest at the London Interbank Offered Rate (LIBOR) plus 1.25% (2.70% and 1.34% as of June 30, 2022 and 2021, respectively). The note is collateralized by cash and marketable securities held by UWCM. UWCM can make draws on the note as needed with no expiration date. There was no outstanding balance on the note as of June 30, 2022 and 2021, respectively. There was no interest expense for the year ended June 30, 2022. Interest expense was \$40,724, for the year ended June 30, 2021.

7. RETIREMENT BENEFITS

UWCM provides a defined contribution retirement plan under Section 403(b) of the Internal Revenue Code (403(b)), which covers substantially all full-time employees of UWCM. UWCM makes non-elective contributions to the 403(b). These contributions apply to all employees who have completed one year of service, regardless of whether the employee is making voluntary contributions to the 403(b). The 403(b) also provides for UWCM matching 25% of employee's voluntary contributions, up to 6% of their salary. The match begins as soon as the employee begins to contribute to the 403(b).

Both the non-elective and matching contributions are subject to a vesting period. These contributions are 50% vested after two years of service and 100% vested after four years of service. UWCM's costs under the 403(b) were \$422,436 and \$387,507 for the years ended June 30, 2022 and 2021, respectively.

UWCM's non-elective contribution varies based on length of services as follows:

Years of Service	<u>Compensation</u>
Less than 5	2%
5 but less than 10	3%
10 or more	4%

Executives and senior staff members of UWCM are also eligible to participate in other retirement plans and may elect to contribute a portion of their compensation on a tax-deferred basis. There is a liability of \$440,569 and \$436,158, recorded as of June 30, 2022 and 2021, respectively, related to these plans. UWCM has \$440,569 and \$436,158, on deposit with a trustee as of June 30, 2022 and 2021, respectively, for future settlement of these obligations. These amounts are included in retirement benefits payable in the statements of financial position.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, are restricted to:

	<u>2022</u>	<u>2021</u>
Time or Purpose Restrictions		
Future year gifts, committed for subsequent year allocation to agencies	\$ 678,316	\$ 1,295,444
Restricted for other programs	1,030,622	936,265
Gifts of life insurance	88,677	88,677
Roy Sachs fund	119,908	105,245
Nachlas endowment restricted to inner city youth programs	1,267,249	1,520,575
Contino	7,062	26,307
Accumulated earnings on donor-restricted endowments	230,216	301,913
Langenfelder charitable trust	2,362,095	4,194,352
Total Time or Purpose Restrictions	<u>5,784,145</u>	<u>8,468,778</u>
Held in Perpetuity		
Contino	100,000	100,000
Charles Bagby	474,768	474,768
Leonard Eisenberg	158,676	158,676
Langenfelder charitable trust	893,121	2,400,178
Total Net Assets Held in Perpetuity	<u>1,626,565</u>	<u>3,133,622</u>
Total Net Assets With Donor Restrictions	<u>\$ 7,410,710</u>	<u>\$ 11,602,400</u>

Net assets with donor restrictions to be held in perpetuity were \$1,626,565 and \$3,133,622 as of June 30, 2022 and 2021, respectively. The income from these assets is expendable to support all activities of UWCM and included in accumulated earnings above.

Interpretation of Relevant Law

The provisions of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) were enacted into law in Maryland effective April 14, 2009. UWCM has added the required disclosures which is a requirement for any organization with endowment funds.

UWCM has interpreted the State of Maryland's enacted version of 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, UWCM classifies net assets with donor restrictions in perpetuity as (a) the original value of gifts to the permanent endowment, and (b) the original value of the subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions in perpetuity is classified as net assets with donor restrictions unavailable for appropriation, until those amounts are appropriated for expenditure by UWCM in a manner consistent with the standard of prudence prescribed by UPMIFA.

UNITED WAY OF CENTRAL MARYLAND, INC.

**Notes to the Financial Statements
June 30, 2022 and 2021**

8. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Interpretation of Relevant Law (continued)

In accordance with UPMIFA, UWCM considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- a. The duration and preservation of the fund;
- b. The purposes of UWCM and the donor-restricted endowment fund;
- c. General economic conditions;
- d. The possible effects of inflation and deflation;
- e. The expected total return from income and the appreciation or depreciation of investments;
- f. Other resources of UWCM; and
- g. The investment policies of UWCM.

Endowment fund composition by type as of June 30:

	2022			
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions (For Appropriation)	Net Assets With Donor Restrictions (in Perpetuity)	Total
Donor-restricted endowment funds	\$ -	\$ 230,216	\$ 1,626,565	\$ 1,856,781

	2021			
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions (For Appropriation)	Net Assets With Donor Restrictions (in Perpetuity)	Total
Donor-restricted endowment funds	\$ -	\$ 301,913	\$ 3,133,622	\$ 3,435,535

Changes in endowment net assets for the years ended June 30, 2022 and 2021:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions (For Appropriation)	Net Assets With Donor Restrictions (in Perpetuity)	Total
Endowment funds July 1, 2020	\$ -	\$ 281,601	\$ 2,848,663	\$ 3,130,264
Investment income	-	20,312	-	20,312
Change in fair value of charitable trust	-	-	284,959	284,959
Endowment funds June 30, 2021	-	301,913	3,133,622	3,435,535
Investment income	-	(71,697)	-	(71,697)
Change in fair value of charitable trust	-	-	(1,507,057)	(1,507,057)
Endowment funds June 30, 2022	\$ -	\$ 230,216	\$ 1,626,565	\$ 1,856,781

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements

June 30, 2022 and 2021

8. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Return Objectives and Risk Parameters

UWCM has established investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for use by UWCM while seeking to preserve the value of endowment assets. Endowment assets include those donor-restricted funds that UWCM must hold in perpetuity or for a donor-specified period, as well as unrestricted assets. Under this policy, as approved by the Board of Directors, endowment assets are invested in a manner intended to earn sufficient income from assets each year (interest, dividends and other current income).

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objective, UWCM uses a third-party manager whose investment style maximizes the advantages of diversification and minimizes risk consistent with the stated objectives. UWCM targets a diversified asset allocation that places an emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

Endowment Withdrawals and How the Investment Objectives Relate to the Endowment Spending Policy

UWCM has a board-approved endowment spending policy that limits withdrawals to no more than 5% of the rolling four-year average assets. The Board has the authority to exceed that limitation. Both current income and appreciation can be used with the intent that original endowment funds are preserved. This is consistent with UWCM's objective to maintain and grow endowment assets currently held as well as to provide additional real growth through new gifts and investment return. The Board must approve all recommended withdrawals.

9. COMMITMENTS AND CONTINGENCIES

Operating Leases

As of June 30, 2022, UWCM has long-term operating leases for office space at four locations in Maryland. On August 23, 2016, UWCM entered into a new office space lease agreement for its main office. The ten-year lease began on March 1, 2017, and rent payments began September 1, 2017. Base annual rent was initially set at \$36,784 per month which increases at certain intervals during the lease. Total base rent payable over the lease period is approximately \$5,649,000.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

9. COMMITMENTS AND CONTINGENCIES (continued)

Operating Leases (continued)

Future lease payments for all locations were as follows as of June 30, 2022:

<u>Years ending June 30:</u>	<u>Amount</u>
2023	\$ 677,125
2024	702,765
2025	729,400
2026	757,060
2027	785,776
Thereafter	328,917
Total	<u>\$ 3,981,044</u>

Rent expense was \$502,540 and \$464,409, for the years ended June 30, 2022 and 2021, respectively.

Other Long-Term Commitments

UWCM has entered into contracts with certain contractual affiliates to provide allocations from 2017 through current and future campaigns. The maximum amount to be paid by UWCM in future years is \$2,520,290.

10. UNITED WAY WORLDWIDE, INC.

United Way Worldwide, Inc. (UWW) is a national trade association and owner of the United Way name and brand mark. In order for UWCM to use the name and brand mark, it is required to make a membership investment in UWW. This expense totaled \$666,300 and \$345,184, for the years ended June 30, 2022 and 2021, respectively. In addition to the use of the name and brand mark, UWCM receives many other benefits from UWW. Through its association, it has easy access to UWW's knowledge and support on marketing, program outcomes, community impact, fundraising, national trends, campaign materials and a wide array of other tools and topics. UWW also represents all United Way organizations on important legislation or issues presented to Congress.

In an effort to increase accountability and transparency, UWW has developed standards for excellence. Each year, UWCM must submit a report on its compliance with each of the standards. UWCM has committed to comply with all UWW membership standards.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

11. GRANT ACTIVITY INFORMATION

2-1-1 Maryland UWCM Helpline received grants from corporate, foundation, nonprofit, government, and individual funders for staffing and communication system support; from CASH Campaign of Maryland to continue to enhance UWCM's efforts to increase awareness of the Earned Income Tax Credit and set appointments for free tax preparation at local sites through several community partners; from Bank of America and CareFirst connect community members to vital resources related to social determinants of health; from United Way Worldwide to partner with Lyft to provide transportation to callers in need and to provide some financial support to grocery workers; from Better Bedrest to provide telephone reassurance and support to women experiencing high risk pregnancies; and from Maryland Department of Health (MDH) and the Behavioral Health Administration (BHA) through the statewide 211 system.

Health programs include sustainable access to healthy food. This builds on UWCM's previous work to address the more than 345,000 food insecure people living in central Maryland. The pandemic highlighted the vulnerability of the food supply chain, particularly in healthy food priority communities. UWCM has partnered with grassroots organizations to move upstream to implement long-term solutions such as a reimagined corner store that uses local sources of fresh produce and makes them available to community members, also addressing transportation barriers. We partnered with an organization in Cherry Hill to support the creation of a food cooperative that uses hyper-local sources of produce and has garnered community buy-in. As part of our efforts to reduce barriers to healthcare, UWCM has partnered with the Baltimore City Health Department to promote COVID vaccine education and health literacy in one of the communities in Baltimore City most impacted by COVID.

Family stability was created by UWCM with the help of a multi-year grant that renewed for a tenth term from The Siemer Family Foundation to target family stability, issues concerning student mobility, and homelessness prevention. The initiative includes flexible financial assistance to address root causes of housing instability, including eviction prevention and utility assistance, and also case management services to help families regain self-sufficiency. The prevention program is one-of-a-kind in central Maryland and targets families with school-age children who are at risk of homelessness. Case management includes financial education that builds financial security through asset building, budgeting, and financial literacy. The program is currently located in 13 sites across Maryland.

UNITED WAY OF CENTRAL MARYLAND, INC.

Notes to the Financial Statements June 30, 2022 and 2021

11. GRANT ACTIVITY INFORMATION (continued)

An Education Strategy named On Track 4 Success (OT4S), was launched in fiscal year 2017. OT4S is an innovative data-driven approach that is working to ensure underserved students have the resources they need to get and stay on-track for school success through the crucial middle school years and into the transitional 9th grade year. Supported by Johns Hopkins University's School of Education (JHU) and based on their early warning high school dropout prevention model, OT4S utilizes student data to examine proven predictors of dropping out: poor attendance, behavior and course performance (ABC's). When a student falls behind in any of these areas, a cross-disciplinary team of school staff, including a United Way social worker and site manager, meet to discuss the student's unique situation and determine appropriate interventions. In FY 2020 UWCM partnered with two school districts in Central Maryland and implemented the program in five schools: Baltimore City Public Schools (Maree G. Farring Elementary/Middle School, grades 4-8, Curtis Bay Elementary/Middle School, grades 4-8, and Ben Franklin High School, grade 9) and Anne Arundel County Public Schools (Meade Middle School, grades 6-8 and Meade High School, grade 9).

ALICE project is a grassroots movement committed to improving the lives of asset-limited, income-constrained, employed (ALICE) individuals and families. Grants from a collaborative of other local United Ways along with support from the National ALICE Advisory Council, have allowed UWCM to initiate this project, which provides a report with a framework and common language around issues facing the ALICE population in the state of Maryland. Data from the report will allow UWCM to identify advocacy priorities and implement needed programmatic services for the ALICE population. This report was originally published in January 2017, with updates occurring every 2 years, and has provided a mechanism for educating legislators and other stakeholders on the need in Maryland. Kaiser Permanente is the lead sponsor of the project.