

GRANITE UNITED WAY

FINANCIAL REPORT

JUNE 30, 2021

CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT.....	1-2
FINANCIAL STATEMENTS	
Statement of financial position	3
Statement of activities and changes in net assets	4
Statement of functional expenses	5
Statement of cash flows.....	6
Notes to financial statements	7-19
SUPPLEMENTARY INFORMATION	
Supplementary schedules of community impact awards to qualified partner agencies and emerging opportunity grants	20-27
Schedule of expenditures of federal awards	28 and 29
Notes to schedule of expenditures of federal awards	30
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.....	31 and 32
REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE	33 and 34
SCHEDULE OF FINDINGS AND QUESTIONED COSTS.....	35 and 36



NATHAN WECHSLER & COMPANY
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Granite United Way
Manchester, New Hampshire 03101

Report on the Financial Statements

We have audited the accompanying financial statements of Granite United Way, which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Granite United Way as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2021 on our consideration of Granite United Way's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Granite United Way's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Granite United Way's internal control over financial reporting and compliance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedules of community impact awards to qualified partner agencies and emerging opportunity grants are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Nathan Wechsler & Company

Concord, New Hampshire
November 18, 2021

GRANITE UNITED WAY

STATEMENT OF FINANCIAL POSITION
June 30, 2021

ASSETS			
	Without Donor / Time Restrictions	With Donor / Time Restrictions	Total
CURRENT ASSETS			
Cash	\$ 247,084	\$ 674,019	\$ 921,103
Prepaid and reimbursable expenses	31,049	-	31,049
Investments	444,066	-	444,066
Accounts and rent receivable	76,730	-	76,730
Contributions and grants receivable, net of allowance for uncollectible contributions of \$400,365	-	2,902,143	2,902,143
<i>Total current assets</i>	798,929	3,576,162	4,375,091
OTHER ASSETS			
Property and equipment, net	1,152,668	-	1,152,668
Investments - endowment	13,026	247,705	260,731
Beneficial interest in assets held by others	-	2,171,078	2,171,078
<i>Total other assets</i>	1,165,694	2,418,783	3,584,477
<i>Total assets</i>	\$ 1,964,623	\$ 5,994,945	\$ 7,959,568
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Current maturities of long-term notes payable	\$ 14,311	\$ -	\$ 14,311
Donor-designations payable	322,278	261,946	584,224
Accounts payable	687,182	-	687,182
Accrued expenses	186,263	-	186,263
Funds held for others	9,669	-	9,669
<i>Total current liabilities</i>	1,219,703	261,946	1,481,649
LONG-TERM LIABILITIES			
Notes payable, less current maturities	172,347	-	172,347
<i>Total liabilities</i>	1,392,050	261,946	1,653,996
COMMITMENTS (See Notes)			
NET ASSETS:			
Without donor/ time restrictions	572,573	-	572,573
With donor/ time restrictions (Note 9)	-	5,732,999	5,732,999
<i>Total net assets</i>	572,573	5,732,999	6,305,572
<i>Total liabilities and net assets</i>	\$ 1,964,623	\$ 5,994,945	\$ 7,959,568

GRANITE UNITED WAY

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended June 30, 2021

	Without Donor / Time Restrictions	With Donor / Time Restrictions	Total
Support and revenues:			
Campaign revenue:			
Traditional contributions pledged	\$ -	\$ 5,627,124	\$ 5,627,124
Restricted contributions pledged	-	1,593,987	1,593,987
Less donor designations	-	(1,258,841)	(1,258,841)
Less provision for uncollectible pledges	-	(232,967)	(232,967)
Add prior years' excess provision for uncollectible pledges taken into income in current year	114,020	-	114,020
<i>Net campaign revenue</i>	114,020	5,729,303	5,843,323
Support:			
Grant revenue	-	4,741,440	4,741,440
Sponsors and program revenue	-	249,950	249,950
In-kind contributions	35,356	-	35,356
<i>Total support</i>	149,376	10,720,693	10,870,069
Other revenue:			
Rental income	96,913	-	96,913
Administrative fees	47,863	-	47,863
Miscellaneous income	15,092	-	15,092
<i>Total support and revenues</i>	309,244	10,720,693	11,029,937
Net assets released from restrictions:			
For satisfaction of time restrictions	4,205,818	(4,205,818)	-
For satisfaction of program restrictions	6,290,454	(6,290,454)	-
	10,805,516	224,421	11,029,937
Expenses:			
Program services	10,269,155	-	10,269,155
Support services:			
Fundraising	588,728	-	588,728
Management and general	461,753	-	461,753
<i>Total expenses</i>	11,319,636	-	11,319,636
<i>Increase (decrease) in net assets before non-operating activities</i>	(514,120)	224,421	(289,699)
Non-operating activities:			
Change in value of beneficial interest in trusts, net of fees of \$12,131	-	489,357	489,357
Realized and unrealized gains (losses) on investments	(12,468)	23,367	10,899
Paycheck Protection Program loan forgiveness	772,500	-	772,500
Investment income, net	129,416	4,784	134,200
<i>Total non-operating activities</i>	889,448	517,508	1,406,956
<i>Net increase in net assets</i>	375,328	741,929	1,117,257
Net assets, beginning of year	197,245	4,991,070	5,188,315
<i>Net assets, end of year</i>	<u>\$ 572,573</u>	<u>\$ 5,732,999</u>	<u>\$ 6,305,572</u>

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2021

	Grants and awards	Salaries, employee benefits and taxes	Occupancy	Technology and telephone expenses	United Way Worldwide dues and other dues and subscriptions	Campaign, communications and printing	Professional services and subcontractors	Conferences, travel and staff development	Supplies, office expenses, insurance, and other	Depreciation and amortization	Total
Program services:											
211 New Hampshire	\$ -	\$ 633,032	\$ -	\$ 1,281,288	\$ 7,560	\$ 140	\$ 1,500	\$ 873	\$ 151,093	\$ -	2,075,486
Community impact grants	1,395,459	-	-	-	-	-	-	-	-	-	1,395,459
Public Health Network	-	438,606	14,171	568	-	1,861	479,944	10,282	145,702	-	1,091,134
CARES ACT - Basic Needs	758,910	-	-	-	-	-	-	-	-	-	758,910
CARES ACT - Recovery Friendly Workplace	659,091	-	-	-	-	-	-	-	-	-	659,091
Whole Village Family Resource Center	-	111,261	79,413	12,906	-	-	40,620	124	69,588	31,897	345,809
Department of Justice	-	79,071	-	-	-	-	128,716	-	1,442	-	209,229
CARES ACT - Empower Youth	158,500	-	-	-	-	-	-	23,313	7,525	-	189,338
Fuel Our Families	155,422	-	-	-	-	-	-	-	-	-	155,422
Recovery Friendly Workplace	-	138,135	-	-	-	2,467	-	4,123	7,525	-	152,250
Work United Program	-	98,246	-	-	-	-	-	51,688	-	-	149,934
Leader in Me	144,067	-	-	-	-	-	-	-	-	-	144,067
Volunteer Income Tax Assistance	-	106,686	-	-	-	-	10,209	-	21,148	-	138,043
COVID-19 Relief Fund	135,418	-	-	-	-	-	-	-	-	-	135,418
Literacy	20,000	-	-	-	-	-	-	-	78,790	-	98,790
Other program services	33,509	1,804,200	123,141	116,028	112,016	34,446	118,298	6,930	194,902	27,305	2,570,775
Total program services	3,460,376	3,409,237	216,725	1,410,790	119,576	38,914	779,287	97,333	677,715	59,202	10,269,155
Supporting Services:											
Fundraising	-	432,331	29,508	20,861	26,842	51,669	2,298	1,490	17,186	6,543	588,728
Management and general	-	327,710	22,367	15,812	20,346	-	46,742	1,129	22,687	4,960	461,753
Total supporting services	-	760,041	51,875	36,673	47,188	51,669	49,040	2,619	39,873	11,503	1,050,481
Total functional expenses	\$ 3,460,376	\$ 4,169,278	\$ 268,600	\$ 1,447,463	\$ 166,764	\$ 90,583	\$ 828,327	\$ 99,952	\$ 717,588	\$ 70,705	\$ 11,319,636

GRANITE UNITED WAY

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from donors	\$ 7,633,270
Cash received from grantors	4,019,420
Administrative fees	47,863
Other cash received	64,007
Cash received from trusts	92,470
Designations paid	(1,551,848)
Net cash received for funds held for others	2,464
Cash paid to agencies and grantees	(3,394,198)
Cash paid to suppliers, employees, and others	(7,150,154)
<i>Net cash used in operating activities</i>	<u>(236,706)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	(41,305)
Proceeds from sale of investments	7,228
<i>Net cash used in investing activities</i>	<u>(34,077)</u>

CASH FLOWS USED IN FINANCING ACTIVITIES

Repayments of long-term debt	<u>(13,417)</u>
<i>Net decrease in cash</i>	(284,200)

Cash, beginning of year	<u>1,205,303</u>
<i>Cash, end of year</i>	<u><u>\$ 921,103</u></u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash payments for:	
Interest expense	\$ 9,599

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities

Granite United Way is the result of six United Ways merging together to create a single, efficient organization that covers more than 80% of New Hampshire and Windsor County, Vermont. Granite United Way improves lives by mobilizing the caring power of their communities. More than fundraisers, Granite United Way is a partner in change, working with a broad range of people and organizations to identify and resolve pressing community issues. Granite United Way works closely with volunteer leadership to invest donor dollars to help the community learn, earn and be healthy. By focusing on these investment initiatives, Granite United Way is helping people in new and strategic ways.

Granite United Way conducts annual campaigns in the fall of each year to support hundreds of local programs, primarily in the subsequent year, while the State Employee Charitable Campaign, managed by Granite United Way, is conducted in May and June. Campaign contributions are used to support local health and human services programs, collaborations and to pay Granite United Way's operating expenses. Donors may designate their pledges to support a region of Granite United Way, a Community Impact area, other United Ways or to any health and human service organization having 501(c)(3) tax-exempt status. Amounts pledged to other United Ways or agencies are included in the total contributions pledged revenue and as designations expense. The related amounts receivable and payable are reported as an asset and liability in the statement of financial position. The net campaign results are reflected as with donor restrictions in the accompanying statement of activities and changes in net assets, as the amounts are to be collected in the following year. Prior year campaign results are reflected as net assets released from restrictions in the current year statement of activities and changes in net assets.

Granite United Way invests in the community through three different vehicles:

June 30,	2021
Community Impact Awards to partner agencies	\$ 1,395,459
Donor designated gifts to Health and Human Service agencies	1,258,841
Granite United Way Program services	8,873,696
<i>Total</i>	<u>\$ 11,527,996</u>

The Board of Directors approved Community Impact Grant Awards amounting to \$1,100,000 for the year ended June 30, 2022.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The financial statements of Granite United Way (the "United Way") have been prepared on the accrual basis. Under the accrual basis, revenues and gains are recognized when earned and expenses and losses are recognized when incurred. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

NOTES TO FINANCIAL STATEMENTS

Estimates and assumptions: The United Way prepares its financial statements in accordance with generally accepted accounting principles. Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents: For purposes of reporting cash flows, the United Way considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The United Way had no cash equivalents at June 30, 2021.

Net assets: The United Way reports information regarding its financial position and activities according to two categories of net assets: net assets with donor restrictions and net assets without donor restrictions. Descriptions of these net asset categories are as follows:

Net assets without donor/ time restrictions: Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. From time to time the Board of Directors designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. For example, the Board has designated a portion of net assets without donor restrictions as a quasi-endowment (an amount to be treated by management as if it were part of the donor restricted endowment) for the purpose of securing the United Way's long-term financial viability.

The United Way has board designated net assets of \$13,026 for endowment at June 30, 2021.

Net assets with donor/ time restrictions: Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

The United Way reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

Some net assets with donor restrictions include a situation that assets provided be maintained permanently (perpetual in nature) while permitting the United Way to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy.

Contributions receivable: Campaign pledge contributions are generally paid within one year. The United Way provides an allowance for uncollectible pledges at the time campaign results are recorded. Provisions for uncollectible pledges have been recorded in the amount of \$232,967 for the campaign period ended June 30, 2021. The provision for uncollectible pledges was calculated at 4.5% of the total pledges for the year June 30, 2021.

NOTES TO FINANCIAL STATEMENTS

Investments: The United Way's investments in marketable equity securities and all debt securities are reported at their fair value based upon quoted market prices in the accompanying statement of financial position. Unrealized gains and losses are included in the changes in net assets in the accompanying statement of activities. The United Way's investments do not have a significant concentration of credit risk within any industry, geographic location, or specific location.

Revenue recognition - Contributions: The United Way recognizes contributions received and made, including unconditional promises to give, as revenue in the period received or made. Contributions received are reported as either revenues without donor restrictions or revenues with donor restrictions. Contributions with donor restrictions that are used for the purposes specified by the donor in the same year as the contribution is received are recognized as revenues with donor restrictions and are reclassified as net assets released from restrictions in the same year. Promises to contribute that stipulate conditions to be met before the contribution is made are not recorded until the conditions are met. There were no conditional promises to give as of June 30, 2021.

Donated goods and services: Contributed services are recognized when the services received would typically need to be purchased if they had not been provided by donation or require specialized skills and are provided by individuals possessing those skills. Various types of in-kind support, including services, call center space, gift certificates, materials and other items, amounting to \$35,356 have been reflected at fair value in the financial statements for year ended June 30, 2021.

A substantial number of volunteers have donated significant amounts of their time in United Way's program services; however, the value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition.

Functional allocation of expenses: The statement of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the United Way are reported as expenses of those functional areas. A portion of general and administrative costs that benefit multiple functional areas (indirect costs) have been allocated across programs and other supporting services based on estimates of time and effort.

Property and equipment: Property and equipment are carried at cost if purchased and fair value if contributed. Maintenance, repairs, and minor renewals are expensed as incurred, and major renewals and betterments are capitalized. The United Way capitalizes additions of property and equipment in excess of \$2,500.

Depreciation of property and equipment is computed using the straight-line method over the following useful lives:

	Years
Building and building improvements.....	5-31½
Leasehold improvements	15
Furniture and equipment.....	3-10

Operating measure: The United Way has presented the statement of activities and changes in net assets based on an intermediate measure of operations. The measure of operations includes all revenues and expenses that are an integral part of the United Way's programs and supporting activities and net assets released from restrictions to support operating activities. Non-operating activities are limited to resources outside of those program and services and are comprised of investment return, the changes in fair value of the beneficial interest in trusts, and gains and losses on sales and dispositions of assets.

Concentrations of credit risk: Financial instruments which potentially subject the United Way to concentrations of credit risk, consist primarily of contributions receivable, substantially all of which are from individuals, businesses, or not-for-profit organizations. Concentrations of credit risk are limited due to the large number of donors comprising the United Way's donor base. As a result, at June 30, 2021, the United Way does not consider itself to have any significant concentrations of credit risk with respect to contributions receivable.

In addition, the United Way maintains cash accounts with several financial institutions insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2021, there was approximately \$676,000 included in cash in excess of federally insured limits.

Income taxes: The United Way is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The United Way is also exempt from state income taxes by virtue of its ongoing exemption from federal income taxes. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The United Way has adopted the provisions of FASB ASC 740 Accounting for Uncertainty in Income Taxes. Accordingly, management has evaluated the United Way's tax positions and concluded the United Way had maintained its tax-exempt status, does not have any significant unrelated business income and had taken no uncertain tax positions that require adjustment or disclosure in the financial statements.

With few exceptions, the United Way is no longer subject to income tax examinations by the U.S. Federal or State tax authorities for tax years before 2018.

Change in accounting principle: The United Way has adopted *Revenue from Contracts with Customers* (Accounting Standard Update 2014-09). Analysis of various provisions of this standard resulted in no significant changes in the way the United Way recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

The United Way has adopted *Fair Value Measurement (Topic 820) Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement* (Accounting Standards Update 2018-13). The disclosures have been updated in accordance with the standard.

Recent accounting pronouncements: In February 2016, the FASB issued, *Leases, Topic 842* (ASU 2016-02). Under ASU 2016-02, at the commencement of a long-term lease, lessees will recognize a liability equivalent to the discounted payments due under the lease agreement, as well as an offsetting right-of-use asset.

NOTES TO FINANCIAL STATEMENTS

Lessees (for capital and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees may not apply a full retrospective transition approach. This standard will be effective for the United Way for the year ended June 30, 2023, with early adoption permitted. Management is currently evaluating the impact this will have on its financial statements.

Note 3. Fair Value Measurements

The Fair Value Measurements Topic of the FASB Accounting Standards Codification (FASB ASC 820-10) establishes 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 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

- Level 1 – inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date. The types of assets carried at Level 1 fair value generally are securities listed in active markets. The United Way has valued their investments listed on national exchanges at the last sales price as of the day of valuation.
- Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option-pricing models, discounted cash flow models, and similar techniques.

Financial assets carried at fair value on a recurring basis consist of the following at June 30, 2021:

	Level 1	Level 2	Level 3
Money market funds	\$ 113,295	\$ 33,689	\$ -
Mutual funds:			
Domestic equity	100,093	-	-
Fixed income	274,798	-	-
Fixed income funds	150,923	8,476	-
Corporate bonds	-	45,882	-
Beneficial interest in assets held by others	-	-	2,171,078
<i>Total</i>	<u>\$ 639,109</u>	<u>\$ 88,047</u>	<u>\$ 2,171,078</u>

All assets have been valued using a market approach, except for the beneficial interest in assets held by others, and have been consistently applied. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. Prices may be indicated by pricing guides, sales transactions, market trades, or other sources.

The beneficial interest in assets held by others is valued using the income approach. The value is determined by calculating the present value of future distributions expected to be received, which approximates the value of the trust's assets at June 30, 2021.

GAAP requires disclosure of an estimate of fair value for certain financial instruments. The United Way's significant financial instruments include cash and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value.

Note 4. Property and Equipment

Property and equipment, at cost, at June 30,	2021
Land, buildings and building improvements	\$ 1,440,636
Leasehold improvements	5,060
Furniture and equipment	370,804
<i>Total property and equipment</i>	<u>1,816,500</u>
Less accumulated depreciation	(663,832)
<i>Total property and equipment, net</i>	<u><u>\$ 1,152,668</u></u>

Note 5. Endowment Funds Held by Others

Agency endowed funds: The United Way is a beneficiary of various agency endowment funds at The New Hampshire Charitable Foundation. Pursuant to the terms of the resolution establishing these funds, property contributed to The New Hampshire Charitable Foundation is held as separate funds designated for the benefit of the United Way.

In accordance with its spending policy, the Foundation may make distributions from the funds to the United Way. The New Hampshire Charitable Foundation's charitable distribution rate is currently 5% of the fund's average market value of the trailing 20 calendar quarters.

The estimated value of the future distributions from the funds is included in these financial statements as required by FASB ASC 958-605, however, all property in the fund was contributed to The New Hampshire Charitable Foundation to be held and administered for the benefit of the United Way.

The United Way received \$86,884 from the agency endowed funds during the year ended June 30, 2021.

NOTES TO FINANCIAL STATEMENTS

Designated funds: The United Way is also a beneficiary of two designated funds at The New Hampshire Charitable Foundation. Pursuant to the terms of the resolution establishing these funds, property contributed to The New Hampshire Charitable Foundation is held as a separate fund designated for the benefit of the United Way. In accordance with its spending policy, the Foundation makes distributions from the funds to the United Way. The New Hampshire Charitable Foundation's charitable distribution rate is currently 5% of the fund's average market value of the trailing 20 calendar quarters.

These funds are not included in these financial statements, since although all property in these funds was contributed to The New Hampshire Charitable Foundation to be held and administered for the benefit of the United Way, The New Hampshire Charitable Foundation may redirect funds to another organization.

The United Way received \$5,586 from the designated funds during the year ended June 30, 2021. The market value of these fund's assets amounted to approximately \$139,000 at June 30, 2021.

Note 6. Long-term Debt

Long-term debt at June 30,	2021
Mortgage financed with a local bank. Interest rate at the 5-year Federal Home Loan Classic Advance Rate plus 2.5% (4.82% at June 30, 2021). Due in monthly installments of principal and interest of \$1,908 through December, 2031. Collateralized by the United Way's building located in Plymouth, NH.	\$ 186,658
Less portion payable within one year	14,311
<i>Total long-term debt</i>	<u><u>\$ 172,347</u></u>

The scheduled maturities of long-term debt at June 30, 2021 were as follows:

<u>Year Ending June 30,</u>	
2022	\$ 14,311
2023	15,016
2024	15,756
2025	16,532
2026	17,347
Thereafter	107,696
<i>Total</i>	<u><u>\$ 186,658</u></u>

The mortgage note contains a financial covenant for debt service coverage, which is tested annually based on the year-end financial statements.

The United Way has a revolving line-of-credit with Citizen's Bank with a maximum borrowing limit of \$250,000. The line-of-credit is subject to annual review and renewal. The line-of-credit agreement bears interest equal to the Wall Street Journal prime rate plus 0.25% (3.5% as of June 30, 2021) and is secured by all assets of the United Way. At June 30, 2021, there were no amounts outstanding on this line-of-credit agreement. See Note 15 for details about the Payroll Protection loan.

Note 7. Funds Held for Others

The United Way held funds for others for the following projects:

June 30,		2021
Work United Loan Default Program	\$	4,555
Concord Multicultural Festival		3,729
Get Moving Manchester		1,140
Better Together Lakes Region		245
<i>Total</i>	\$	<u><u>9,669</u></u>

Note 8. Endowment Funds

The United Way's endowment consists of four individual funds established for youth programs, Whole Village Resource Center, and general operating support. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law: The United Way is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Directors appropriates such amounts for expenditures. Most of those net assets are also subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board of Directors of the United Way has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund unless a donor stipulates the contrary.

As a result of this interpretation, when reviewing its donor-restricted endowment funds, the United Way considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

The United Way has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with UPMIFA, the United Way considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the organization and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the organization, and (7) the investment policies of the United Way.

NOTES TO FINANCIAL STATEMENTS

Underwater Endowment Funds: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the United Way to retain as a fund of perpetual duration. The United Way did not have any funds with deficiencies of this nature as of June 30, 2021.

Investment Return Objectives, Risk Parameters and Strategies: The United Way has adopted investment policies, approved by the Board of Directors, for endowment assets for the long-term. The United Way seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable level of risk. Investment risk is measured in terms of the total endowment fund; investment assets and allocations between asset classes and strategies are managed to not expose the fund to unacceptable level of risk.

Spending Policy: The United Way does not currently have a spending policy for distributions each year as they strive to operate within a budget of their current Campaign's income. To date there have been no distributions from the endowment fund.

Endowment net asset composition by type of fund as of June 30, 2021 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment	\$ 13,026	\$ -	\$ 13,026
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	142,652	142,652
Accumulated investment gains	-	105,053	105,053
<i>Total funds</i>	<u>\$ 13,026</u>	<u>\$ 247,705</u>	<u>\$ 260,731</u>

Changes in the endowment net assets as of June 30, 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2020	\$ 11,545	\$ 219,554	\$ 231,099
Investment return, net	1,481	28,151	29,632
Endowment net assets, June 30, 2021	<u>\$ 13,026</u>	<u>\$ 247,705</u>	<u>\$ 260,731</u>

NOTES TO FINANCIAL STATEMENTS

Note 9. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

June 30,	2021
Subject to expenditure for specified time period:	
Contributions receivable related to campaigns	\$ 2,055,226
Designations payable to other agencies and United Ways	(261,946)
	<u>1,793,280</u>
Subject to expenditure for specified purpose:	
Public Health Network services	574,736
Manchester Proud	505,095
Leader in Me	150,092
Youth Enrichment Partnership	112,750
Literacy Program	97,198
Work United	74,255
Other programs	6,810
	<u>1,520,936</u>
Endowments subject to the United Way's spending policy and appropriation:	
Investments in perpetuity (original amounts of \$142,652), which once appropriated, is expendable to support:	
Whole Village Resource Center	119,978
General Operations	97,874
Youth Programs	29,853
	<u>247,705</u>
Beneficial interest in assets held by others:	
Agency endowed funds at the New Hampshire Charitable Foundation	2,171,078
	<u>2,171,078</u>
<i>Total net assets with donor restrictions</i>	<u><u>\$ 5,732,999</u></u>

NOTES TO FINANCIAL STATEMENTS

Note 10. Liquidity and Availability of Resources

The United Way's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

June 30,	2021
Cash	\$ 921,103
Investments	704,797
Contributions receivable, net	2,902,143
Beneficial interest in trust	2,171,078
Accounts and rent receivable	76,730
<i>Total financial assets</i>	<u>6,775,851</u>
Less amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with time or purpose restrictions	(396,233)
Subject to appropriation and satisfaction or donor restrictions	(247,705)
Agency endowed funds at the New Hampshire Charitable Foundation	<u>(2,171,078)</u>
<i>Total amounts unavailable for general expenditure within one year</i>	<u>(2,815,016)</u>
Amounts unavailable to management without Board's approval:	
Board designated endowment	<u>(13,026)</u>
<i>Total financial assets available to management for general expenditure within one year</i>	<u>\$ 3,947,809</u>

Liquidity Management

The United Way maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs the United Way has committed a line of credit of \$250,000, which it could draw upon. Additionally, the United Way has board designated net assets without donor restrictions that, while the United Way does not intend to spend these for purposes other than those identified, the amounts could be made available for current operations, if necessary.

Note 11. Pension Fund

The United Way sponsors a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code, whereby electing employees contribute a portion of their salaries to the plan. For the year ended June 30, 2021 the United Way contributed \$109,028 to employees participating in the plan.

Note 12. Lease Commitments

During a prior year, the United Way entered into an operating lease agreement for a four year term commencing September 1, 2017 through August 31, 2021 for an office space in Concord, New Hampshire. The lease required monthly payments of \$3,337 through August 31, 2018.

NOTES TO FINANCIAL STATEMENTS

During a prior year, the United Way entered into an operating lease agreement for a five year term commencing July 15, 2016 through June 30, 2021 for an office space in Manchester, New Hampshire. The lease required monthly payments of \$6,082 through June 30, 2021.

During a prior year, the United Way entered into an operating lease agreement for a five year term commencing on September 1, 2018 through August 31, 2023 for an office space in Lebanon, New Hampshire. The lease requires monthly payments of \$1,760 through August 31, 2020. After August 31, 2020, the rent will increase each year depending on the consumer price index. The lease requires payments for common costs.

During a prior year, the United Way entered into an operating lease agreement for a two year term commencing on January 1, 2019 through December 31, 2020 for an office space in Berlin, New Hampshire. The lease requires monthly payments of \$187 through December 31, 2020. The lease continues on a month to month basis after December 31, 2020.

Total rent expense for these leases amounted to approximately \$160,500 for the year ended June 30, 2021.

The United Way leases multiple copier machines under the terms of operating lease agreements. The monthly lease payments amount to approximately \$2,500. The lease expense amounted to approximately \$24,000 for these leases for the year ended June 30, 2021.

The United Way's future minimum lease commitments are as follows:

<u>Year ending June, 30</u>	
2022	\$ 46,654
2023	38,176
2024	8,759
2025	5,482
2026	4,112
<i>Total</i>	<u>\$ 103,183</u>

Note 13. Commitments

In Plymouth, the United Way rents space in a building which they own and occupy to twelve non-affiliated, non-profit organizations. The monthly lease payments range from \$125 to \$1,995 per month. For the year ended June 30, 2021, the rental income amounted to \$96,913.

Note 14. Payment to Affiliated Organizations and Related Party

The United Way pays dues to United Way Worldwide. The United Way's dues paid to this affiliated organization aggregated \$154,044 for the year ended June 30, 2021.

Note 15. COVID - 19 and the Paycheck Protection Program Loan

The COVID-19 pandemic has impacted and could further impact the United Way's operations. The extent of the impact of COVID-19 on the United Way will depend on future developments, including the duration and spread of the outbreak and the impact on the United Way's donors and the community.

In April 2020, the United Way received \$772,500 in funds from the federal Paycheck Protection Program (PPP). The PPP is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for the specified period of time and the money is used for payroll, rent, mortgage interest, or utilities.

During the year ended June 30, 2021, the United Way received forgiveness for the PPP loan. The forgiveness is recognized in the statement of activities and changes in net assets as nonoperating income.

Note 16. Subsequent Events

The United Way has evaluated subsequent events through November 18, 2021, the date which the financial statements were available to be issued and have not evaluated subsequent events after that date. Subsequent to year end, the United Way is in the final stages of an alignment with the United Way of Greater Seacoast.

There were no other subsequent events that would require disclosure in financial statements for the year ended June 30, 2021.

GRANITE UNITED WAY

SUPPLEMENTARY SCHEDULE OF COMMUNITY IMPACT AWARDS TO QUALIFIED
PARTNER AGENCIES AND EMERGING OPPORTUNITY GRANTS
MERRIMACK COUNTY REGION
Year Ended June 30, 2021

	Community Impact Awards
Blueberry Express Day Care Center	\$ 25,000
Concord Coalition to End Homelessness	20,000
Concord Family YMCA	12,500
Easter Seals New Hampshire, Inc.	22,500
Girls Inc. of New Hampshire	3,850
Merrimack Valley Day Care	37,500
New Hampshire Harm Reduction	10,000
Second Start	10,150
The Friends Program:	
Foster Grandparents	16,000
Emergency Housing	25,000
The Pittsfield Youth Workshop	25,000
Tiny Twisters Child Care Center	7,500
Waypoint	5,000
	<u>\$ 220,000</u>
	Emerging Opportunity Grants
Concord Police Department	\$ 1,782
City of Concord	5,527
	<u>\$ 7,309</u>

GRANITE UNITED WAY

SUPPLEMENTARY SCHEDULE OF COMMUNITY IMPACT AWARDS TO QUALIFIED
PARTNER AGENCIES
NORTH COUNTRY REGION
Year Ended June 30, 2021

	Community Impact Awards
Believe in Books	\$ 1,998
Boys and Girls Club of the North Country	10,000
Copper Cannon Camp	6,000
Disability Rights Center	2,500
Epilepsy Foundation	500
Grafton County Senior Citizens:	
ServiceLink	4,750
RSVP	5,090
Senior Nutrition and Transportation	5,625
Greenpath Financial Wellness	500
NH Legal Assistance	5,000
Northern Human Services	2,250
The Family Resource Center	4,263
Tri-County Community Action Program:	
Support Center at Burch House	4,262
Tyler Blain House	5,262
Waypoint Parenting Transitional Living Program	5,000
	<u>\$ 63,000</u>

GRANITE UNITED WAY

SUPPLEMENTARY SCHEDULE OF COMMUNITY IMPACT AWARDS TO QUALIFIED
PARTNER AGENCIES
UPPER VALLEY REGION
Year Ended June 30, 2021

	<u>Community Impact Awards</u>
Child Care Center in Norwich	\$ 10,000
Copper Cannon Camp	1,000
Creative Lives	7,000
Cover Home Repair	10,000
Dismas of Vermont	2,500
Disability Rights Center - NH	2,500
Girls Inc. of New Hampshire	3,750
Global Campuses Foundation	4,500
Good Neighbor Health Care	2,650
Grafton County Senior Citizens Council	3,750
Headrest	3,500
HIV/HCV Resource Center	10,000
Mascoma Community Healthcare	20,000
Mt. Ascutney Hospital and Health Center	1,500
Safeline	3,000
Second Wind Foundation	5,500
Southeastern Vermont Community Action	14,000

GRANITE UNITED WAY

SUPPLEMENTARY SCHEDULE OF COMMUNITY IMPACT AWARDS TO QUALIFIED
PARTNER AGENCIES
UPPER VALLEY REGION (CONTINUED)
Year Ended June 30, 2021

	Community Impact Awards (Continued)
Springfield Family Center	\$ 2,500
Springfield Supported Housing Program	5,000
The Family Place	20,000
The Mayhew Program	2,500
The Special Needs Support Center	4,000
TLC Family Resource Center	5,500
Tri-Valley Transit	500
Twin Pines Housing Trust	2,850
Upper Valley Habitat for Humanity:	3,750
Food Services	12,500
Shelter Services	6,750
Upper Valley Trails Alliance	1,000
Visions for Creative Housing Solutions	7,500
Visiting Nurse and Hospice for Vermont and NH	15,000
Waypoint	7,500
West Central Behavioral Health	7,500
Willing Hands Enterprises	5,000
Windham & Windsor Housing Trust	4,500
Immigration Legal Services Program	4,000
Emergency Shelter and Housing Program	2,000
	<u>\$ 225,000</u>

GRANITE UNITED WAY

SUPPLEMENTARY SCHEDULE OF COMMUNITY IMPACT AWARDS TO QUALIFIED
PARTNER AGENCIES
SOUTHERN REGION
Year Ended June 30, 2021

	Community Impact Awards
Boys & Girls Club of Greater Salem, Inc.	\$ 14,280
City Year New Hampshire	10,000
Community Caregivers of Greater Derry	6,246
Copper Cannon Camp	5,000
Disability Rights Center - NH	6,000
Easter Seals New Hampshire, Inc.	12,750
Epilepsy Foundation New England	5,524
Girls Inc. of New Hampshire	10,200
Granite State Children's Alliance	5,000
International Institute of New England	7,650
Manchester Community Resource Center, Inc.	10,000
Mayhew Program	5,000
NeighborWorks Southern New Hampshire	5,000
New Hampshire Legal Assistance	13,320
NHBA Pro Bono Referral Program	9,180
Plaistow YMCA	12,750
Rockingham Nutrition and Meals on Wheels Program	11,250
Salem Haven, Inc.	6,000
St. Joseph Community Services, Inc.	16,250
The Granite YMCA	10,000
The Mental Health Center of Greater Manchester	10,200
The Upper Room:	
Adolescent Wellness Program	15,300
Greater Derry Juvenile Diversion Program	12,750
Waypoint	7,500
YWCA	17,850
	<u>\$ 245,000</u>

GRANITE UNITED WAY

SUPPLEMENTARY SCHEDULE OF COMMUNITY IMPACT AWARDS TO
QUALIFIED PARTNER AGENCIES - YOUTH ENRICHMENT PARTNERSHIP
SOUTHERN REGION (Continued)
Year Ended June 30, 2021

	Youth Enrichment Partnership
Amoskeag Health	\$ 55,000
Boys and Girls Club of Manchester	60,000
Southern New Hampshire University, Center for New Americans	20,000
City Year New Hampshire	10,000
Daniel Webster Council, Boy Scouts of America	10,000
Girls Incorporated of New Hampshire	20,000
Manchester Community Music School	15,000
Manchester Police Athletic League	30,000
Media Power Youth	43,150
Mental Health Center of Greater Manchester	30,000
New Hampshire Legal Assistance	10,000
The Granite YMCA	150,000
University of New Hampshire, STEM Discovery Lab	20,000
UpReach Therapeutic Equestrian Center	15,000
	<u>\$ 488,150</u>

GRANITE UNITED WAY

SUPPLEMENTARY SCHEDULE OF COMMUNITY IMPACT AWARDS TO QUALIFIED
PARTNER AGENCIES
NORTHERN REGION
Year Ended June 30, 2021

	<u>Community Impact Awards</u>
Believe in Books	\$ 2,000
Coos County Family Health Services, Inc.	1,500
Copper Cannon Camp	3,000
Disability Rights Center	1,250
Epilepsy Foundation New England	501
Green Path Financial Wellness	850
Harvest Christian Fellowship:	
Community Café	4,000
Feeding Hope Food Pantry	4,500
Helping Hands North, Inc.	4,000
North Conway Community Center	2,000
Northern Human Services	2,250
The Family Resource Center at Gorham	4,000
Tri-County Community Action Program:	
Tyler Blain House	1,149
ServiceLink	1,000
	<u>\$ 32,000</u>

GRANITE UNITED WAY

SUPPLEMENTARY SCHEDULE OF COMMUNITY IMPACT AWARDS TO QUALIFIED
PARTNER AGENCIES
CENTRAL REGION
Year Ended June 30, 2021

	Community Impact Awards
Big Brothers Big Sisters of New Hampshire	\$ 7,500
Boys and Girls Clubs of Central New Hampshire	15,000
Circle Program	5,000
Grafton County Senior Citizens Council, Inc.	2,625
Granite State Children's Alliance	5,000
Health First Family Care Center	10,000
Kingswood Youth Center	7,500
Lakes Region Community Developers	12,500
Lakes Region Community Services	12,500
Lakes Region Mental Health Center	10,000
Mayhew Program	2,500
New Beginnings Without Violence and Abuse	10,000
New Hampshire Legal Assistance	2,625
Pemi Youth Center	3,750
Plymouth Area Recovery Connection	8,500
	<u>\$ 115,000</u>

GRANITE UNITED WAY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2021

Federal Grantor Pass-through Grantor Program Title	Assistance Listing Number	Federal Expenditures	Expenditures to Subrecipients
Regional Public Health Network Services Cluster			
<u>U.S. Department of Health and Human Services</u>			
State of N.H. Department of Health and Human Services - South Central Public Health Network			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	\$ 127,494	\$ 118,886
Hospital Preparedness Program & Public Health Emergency Preparedness Aligned Coop Agreements	93.074	111,917	104,713
Public Health Crisis Response	93.354	4,723	-
Preventive Health and Health Services Block Grant	93.758	30,130	30,130
Disaster Grant Public Assistance	97.036	32,934	-
Environmental Public Health and Emergency Response	93.070	13,708	12,511
Young Adult Substance Misuse Prevention Strategies	93.243	72,972	69,252
<i>Total State of N.H. Department of Health and Human Services - South Central Public Health Network</i>		393,878	335,492
State of N.H. Department of Health and Human Services - Capital Area Public Health Network			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	145,382	-
Hospital Preparedness Program & Public Health Emergency Preparedness Aligned Coop Agreements	93.074	78,652	-
Public Health Crisis Response	93.354	32,602	-
Preventive Health and Health Services Block Grant	93.758	22,650	-
Immunization Cooperative Agreements	93.268	12,546	-
Disaster Grant Public Assistance	97.036	28,824	-
Environmental Public Health and Emergency Response	93.070	11,953	-
Young Adult Substance Misuse Prevention Strategies	93.243	76,848	55,410
<i>Total State of N.H. Department of Health and Human Services - Capital Area Public Health Network</i>		409,457	55,410
State of N.H. Department of Health and Human Services - Carroll County Coalition for Public Health			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	111,441	-
Hospital Preparedness Program & Public Health Emergency Preparedness Aligned Coop Agreements	93.074	55,204	-
Public Health Crisis Response	93.354	31,631	-
Preventive Health and Health Services Block Grant	93.758	29,024	-
Immunization Cooperative Agreements	93.268	11,133	-
Disaster Grant Public Assistance	97.036	2,450	-
Environmental Public Health and Emergency Response	93.070	8,185	-
Young Adult Substance Misuse Prevention Strategies	93.243	61,630	900
<i>Total State of N.H. Department of Health and Human Services - Carroll County Coalition for Public Health</i>		310,698	900
<i>Total Regional Public Health Network Services Cluster</i>		1,114,033	391,802

GRANITE UNITED WAY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

For the Year Ended June 30, 2021

Federal Grantor Pass-through Grantor Program Title	Assistance Listing Number	Federal Expenditures	Expenditures to Subrecipients
<u>U.S. Internal Revenue Services</u>			
Department of the Treasury			
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009	\$ 58,144	\$ -
<u>Coronavirus Aid Relief and Economic Security (CARES)</u>			
Governor's Office for Emergency and Relief Recovery			
Basic Needs	21.019	741,523	702,183
NH Empowering Youth Program	21.019	200,000	158,500
Recovery Friendly Workplace	21.019	725,000	659,091
<i>Total CARES</i>		1,666,523	1,519,774
<u>U.S. Department of Justice</u>			
State of N.H. Department of Justice			
Comprehensive Opioid Abuse Program (COAP)-Recovery	16.838	192,929	112,060
Crime Victim Assistance-ACERT	16.575	28,222	16,656
<i>Total State of NH Department of Justice</i>		221,151	128,716
<u>Federal Emergency Management Agency (FEMA)</u>			
State of N.H. Department of Safety, Homeland Security and Emergency Management			
Emergency Support Function (ESF 14)	97.042	55,778	-
<u>U.S. Department of Health and Human Services</u>			
State of N.H. Division for Behavioral Health, Bureau of Drug and Alcohol Services			
State Opioid Response Grant	93.788	451,198	-
<i>Total Expenditures of Federal Awards</i>		\$ 3,566,827	\$ 2,040,292

The accompanying notes are an integral part of this schedule.

GRANITE UNITED WAY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The Schedule of Expenditures of Federal Awards ("the Schedule") includes the federal grant activity of Granite United Way ("the United Way"), under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) *Uniform Guidance*. Because the schedule presents only a selected portion of the operations of the United Way, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the United Way.

Note 2. Basis of Accounting

This schedule is prepared on the same basis of accounting as the United Way's financial statements. The United Way uses the accrual basis of accounting. Expenditures represent only the federally funded portions of the program. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3. Program Costs

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs could be more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-122, Cost Principles for Non-Profit Organizations, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 4. Major Programs

In accordance with OMB Uniform Guidance, major programs are determined using a risk-based approach. Programs in the accompanying Schedule are determined by the independent auditor to be major programs.

Note 5. Indirect Cost Rate

The amount expended includes \$250,219 claimed as an indirect cost recovery. The United Way elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



NATHAN WECHSLER & COMPANY
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Granite United Way
Manchester, New Hampshire 03101

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Granite United Way as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Granite United Way's basic financial statements, and have issued our report thereon dated November 18, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Granite United Way's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Granite United Way's internal control. Accordingly, we do not express an opinion on the effectiveness of Granite United Way's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Page 31

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Granite United Way's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Nathan Wechsler & Company

Concord, New Hampshire
November 18, 2021



NATHAN WECHSLER & COMPANY
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM
GUIDANCE**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Granite United Way
Manchester, New Hampshire 03101

Report on Compliance for Each Major Federal Program

We have audited Granite United Way's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Granite United Way's major federal programs for year ended June 30, 2021. Granite United Way's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Granite United Way's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Granite United Way's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Granite United Way's compliance.

Page 33

Opinion on Each Major Federal Program

In our opinion, Granite United Way complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Granite United Way is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Granite United Way's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Granite United Way's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Nathan Wechsler & Company

Concord, New Hampshire
November 18, 2021

GRANITE UNITED WAY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
(UNIFORM GUIDANCE)
YEAR ENDED JUNE 30, 2021

Section I: Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: *unmodified*

Internal control over financial reporting:

Are any material weaknesses identified?	_____ Yes	___X___ No	
Are any significant deficiencies identified?	_____ Yes	___X___ None Reported	
Is any noncompliance material to financial statement noted?	_____ Yes	___X___ No	

Federal Awards

Internal control over major federal programs:

Are any material weaknesses identified?	_____ Yes	___X___ No	
Are any significant deficiencies identified?	_____ Yes	___X___ None Reported	
Type of auditor's report issued on compliance for major federal programs:	<i>unmodified</i>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ Yes	___X___ No	
Identification of major federal programs:			
Assistance Listing Numbers	Name of federal program or cluster		
21.019 – Basic Needs	CARES - Governor's Office for Emergency and Relief Recovery		
21.019 – NH Empowering Youth Program	CARES - Governor's Office for Emergency and Relief Recovery		
21.019 – Recovery Friendly Workplace	CARES - Governor's Office for Emergency and Relief Recovery		
93.788 – State Opioid Response Grant	DHHS – State of N.H. Division for Behavioral Health, Bureau of Drug and Alcohol Services		
Dollar threshold used to distinguish between type A and type B programs:	\$750,000		
Auditee qualified as a low-risk auditee?	___X___ Yes	_____ No	

**GRANITE UNITED WAY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
(UNIFORM GUIDANCE)
YEAR ENDED JUNE 30, 2021**

Section II – Financial Statement Findings

No financial statement findings noted.

Section III – Federal Awards Findings

No federal awards findings noted.