

**UNITED WAY ALLIANCE OF THE
MID-OHIO VALLEY, INC.**

JUNE 30, 2019

DIMIT ACCOUNTING CORP - CERTIFIED PUBLIC ACCOUNTANTS

**UNITED WAY ALLIANCE OF THE
MID-OHIO VALLEY, INC.
JUNE 30, 2019**

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INDEPENDENT AUDITOR'S REPORT

November 13, 2019

United Way Alliance
Of the Mid-Ohio Valley, Inc.
935 Market Street
Parkersburg, WV 26101

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of United Way Alliance of the Mid-Ohio Valley, Inc. (a nonprofit organization) (the Alliance), which comprise the Statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses and cash flows for the year 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 to error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or to 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way Alliance of the Mid-Ohio Valley, Inc, as of June 30, 2019, 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.

Sincerely,

Dimit Accounting Corp

Dimit Accounting Corp
Parkersburg, WV

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2019

ASSETS

Current Assets	
Cash	\$ 133,880
Investments	15,784
Promises to Give, Net of Allowance	390,091
Prepaid Expenses	4,263
Total Current Assets	<u>544,018</u>
Restricted Assets	
Investments	479,537
Total Restricted Assets	<u>479,537</u>
Non-Current Assets	
Capital Assets	
Furniture and Equipment	43,173
Less: Accumulated Depreciation	<u>(41,535)</u>
Total Capital Assets, Net of Depreciation	1,638
Burial Plots	17,050
Total Non-Current Assets	<u>18,688</u>
TOTAL ASSETS	\$ <u><u>1,042,244</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts Payable	\$ 13,891
Designations Payable	
Member Designations	20,470
Non Member Designations	<u>61,219</u>
Total Designations Payable	81,689
Payroll Taxes Payable	6,686
Accrued Wages	7,669
Accrued Vacation Payable	<u>11,017</u>
Total Current Liabilities	<u>120,952</u>
Total Liabilities	<u>120,952</u>
Net Assets	
Permanently Restricted	50,075
Temporarily Restricted	889,755
Unrestricted	<u>(18,538)</u>
Total Net Assets	<u>921,292</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u><u>1,042,244</u></u>

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

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Support and Revenues				
Support				
Campaign Income	\$ -	\$ 888,240	\$ -	\$ 888,240
Less: Donor Designations	-	(135,298)	-	(135,298)
Program Income	-	41,245	-	41,245
Non-Cash Contributions	7,200	-	-	7,200
Other Grants and Contributions	-	28,445	-	28,445
Total Support	\$ 7,200	\$ 822,632	\$ -	\$ 829,832
Revenues				
Interest	366	12,810	-	13,176
Realized Gains on Marketable Securities-Endowment	193	11,255	-	11,448
Unrealized Gains (Losses) on Marketable Securities - Endowment	694	12,491	-	13,185
Bad Debt Recovery	-	-	-	0
Miscellaneous	24,000	-	-	24,000
Total Revenues	\$ 25,253	\$ 36,556	\$ -	\$ 61,809
NET ASSETS RELEASED FROM RESTRICTIONS				
Satisfaction of Program Restrictions	773,671	(773,671)	-	-
TOTAL SUPPORT AND REVENUES	<u>806,124</u>	<u>85,517</u>	<u>-</u>	<u>891,641</u>
EXPENSES				
Allocation Services	\$ 500,064	\$ -	\$ -	\$ 500,064
All Other Programs	250,716	-	-	250,716
Organizational Administration	88,606	-	-	88,606
Fundraising	132,394	-	-	132,394
United Way of America Dues	9,050	-	-	9,050
TOTAL EXPENSES	<u>980,830</u>	<u>-</u>	<u>-</u>	<u>980,830</u>
CHANGE IN NET ASSETS	(174,706)	85,517	-	(89,189)
NET ASSETS AT BEGINNING OF YEAR	\$ 156,168	\$ 804,238	\$ 50,075	\$ 1,010,481
NET ASSETS AT END OF YEAR	<u>\$ (18,538)</u>	<u>\$ 889,755</u>	<u>\$ 50,075</u>	<u>\$ 921,292</u>

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

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	Program Services			Supporting Services			Total Supporting Services	Total
	Allocation Services	All Other Programs	Total Program Services	Organizational Administration	Fundraising	United Way of America Dues		
Agency Awards	\$ 500,064	\$ -	\$ 500,064	\$ -	\$ -	\$ -	\$ -	\$ 500,064
Salaries	-	79,389	79,389	47,633	49,398	-	97,031	176,420
Employee Benefits	-	6,925	6,925	4,586	4,476	-	9,062	15,987
Payroll Taxes	-	6,318	6,318	3,791	3,931	-	7,722	14,040
Office Expenses	-	-	-	14,483	-	-	14,483	14,483
Occupancy	-	22,341	22,341	7,447	-	-	7,447	29,788
Communications	-	10,649	10,649	3,549	-	-	3,549	14,198
Repairs & Maintenance	-	26	26	9	-	-	9	35
Travel	-	1,877	1,877	1,126	1,168	-	2,294	4,171
Insurance	-	1,155	1,155	385	-	-	385	1,540
Professional Fees	-	3,623	3,623	2,173	2,254	-	4,427	8,050
Endowment Fees	-	2,240	2,240	1,344	1,394	-	2,738	4,978
Program Expenses	-	112,589	112,589	-	-	-	-	112,589
Dues and Subscriptions	-	1,125	1,125	676	701	-	1,377	2,502
Printing and Campaign Materials	-	-	-	-	67,706	-	67,706	67,706
Miscellaneous	-	1,926	1,926	1,156	1,198	-	2,354	4,280
United Way of America Dues	-	-	-	-	-	9,050	9,050	9,050
Conferences	-	176	176	105	109	-	214	390
Awards and Recognition	-	94	94	56	59	-	115	209
Depreciation	-	263	263	87	-	-	87	350
Uncollectible Accounts	-	-	-	-	-	-	-	-
TOTAL EXPENSES	\$ 500,064	\$ 250,716	\$ 750,780	\$ 88,606	\$ 132,394	\$ 9,050	\$ 230,050	\$ 980,830

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

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

Cash Flows from Operating Activities

Change in Net Assets	\$	(89,189)
Adjustments to Reconcile Change in Net Assets to Cash Provided (Used) by Operating Activities		
Depreciation		350
Reinvested Investment Earnings		(13,176)
Realized Gain on Investments		(11,448)
Unrealized Gain on Investments		(13,185)
(Increase) Decrease in Promises to Give, Net		(72,747)
(Increase) Decrease in Prepaid Expenses		798
Increase (Decrease) in Operating Liabilities		
Increase (Decrease) Accounts Payable		8,655
Increase (Decrease) in Designations Payable		22,244
Increase (Decrease) in Payroll Taxes Payable		1,134
Increase (Decrease) in Accrued Vacation Payable		3,327
Increase (Decrease) in Accrued Wages Payable		7,669
Net Cash Used in Operating Activities	\$	<u>(155,568)</u>

Cash Flows from Investing Activities

Investment Distributions	\$	<u>22,463</u>
Net Cash Provided by Investing Activities	\$	<u>22,463</u>

Net Decrease in Cash and Cash Equivalents \$ (133,105)

Cash and Cash Equivalents at Beginning of Year \$ 266,985

Cash and Cash Equivalents at End of Year \$ 133,880

Cash Paid for Interest	\$	<u><u>-</u></u>
Cash Paid for Taxes	\$	<u><u>-</u></u>

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

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1. NATURE OF OPERATIONS

The mission of the United Way Alliance of the Mid-Ohio Valley, Inc. (a not-for-profit organization) (the Alliance) is to unite communities, contributors, and human service agencies in a common goal to improve the quality of life in the greater Mid-Ohio Valley area.

Annual campaigns are conducted in the fall of each year. Campaign contributions are used to support local health and human service programs of member and nonmember agencies and to pay the Alliance's operating expenses. Donor may designate their pledge to a member agency that provides human services within the local area or another United Way Organization.

Annual fall campaigns are reduced by pledges that are collected on behalf of others or are pledged to a specific organization, and by a provision for uncollectable pledges. The resulting net pledges are reflected as temporarily restricted until released from restriction and expanded. Amounts collected which are designated to a member agency, nonmember agency, or other United Way have been recorded as designations payable in the statement of financial position and the net effect of those designations have not been recorded as revenue or expense in the statement of activities.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Alliance accounts for its revenues and related expenses on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America. Revenues are reported in the year earned. Costs and expenses are charged against revenues in the year to which the cost is applicable.

Financial Statement Presentation

The Alliance has adopted Financial Accounting Standards Board Accounting Standards Codification (ASC) No. 958-210, Presentation of Financial Statements. Under ASC 958-210, the Alliance is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Income Tax Status

The Alliance is exempt from federal income taxes as described under Internal Revenue Code (IRC) 501(c)(3) and 509(a)(1). Therefore, no provision for income tax has been recorded in the accompanying financial statements.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Alliance and recognize a tax liability (or asset) if the Alliance has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions taken by the Alliance, and has concluded that as of June 30, 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Alliance is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Alliance's Federal Return of Organization Exempt from Income Tax (Federal Form 990) for 2016, 2017, and 2018 are subject to examination by the IRS, generally for three years after they were filed.

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**
ESTIMATES

In preparing financial statements in conformity with GAAP, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and the revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

For purpose of the Statement of Cash Flows, the Alliance considers all highly liquid instruments purchased with maturity of three months or less to be cash equivalents.

Promises to Give

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

Capital Assets

All acquisitions of property and equipment, and all expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful life of a capital asset, with a useful life of greater than 5 years are capitalized. Capital assets are carried at cost, or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over five to twenty years for all depreciated assets.

Expenditures for maintenance and repairs, which do not extend the originally estimated useful lives of the assets, are charged to expenses.

Fair Value Measurements

As defined in FASB ASC No. 825-10 fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, FASB ASC No. 825-10 establishes a fair value hierarchy that prioritizes observable inputs used to measure fair value into three levels, as described in Note 11 to the financial statements.

Donated Assets

Donated marketable securities and other no-cash donations are recorded as contributions at their estimated fair market values at the date of the donation.

Contributed Services

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically be purchased if not provided by donation. The Alliance reports such contributions at their estimated fair value when received.

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

The Alliance reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The Alliance reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Alliance reports expirations or donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions of services shall be recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

NOTE 3. CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Alliance to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 as of June 30, 2019.

The carrying amount of the Alliance's cash and cash equivalents was \$133,880 at June 30, 2019. The bank balance at June 30, 2019 was \$136,497 which was fully insured by the FDIC.

The Alliance receives contributions primarily from business and individuals in the Parkersburg and surrounding Mid-Ohio Valley area. Contributors' ability to donate depends upon the area's economy.

NOTE 4. PROMISES TO GIVE AND ALLOWANCE FOR UNCOLLECTABLE PLEDGES

Legally enforceable pledges are recorded as unconditional promises to give in the year made. Unconditional promises to give for support of current operations are recorded as campaign income while pledges for support of future campaigns are recorded as temporarily restricted net assets until the time restriction is satisfied.

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 4. PROMISES TO GIVE AND ALLOWANCE FOR UNCOLLECTABLE PLEDGES (CONTINUED)

As of June 30, 2019, unconditional promises to give were comprised of the following:

Promise to Give	\$	414,091
Less: Allowance for Uncollectible Pledges		<u>(24,000)</u>
Promise to Give, Net of Allowance	\$	<u>390,091</u>

All unconditional promises to give outstanding at year end were substantially collectible within one year. Provision for uncollectible is determined based on historical write-offs of uncollectible pledges and is determined by management.

NOTE 5. INVESTMENTS

The Alliance has investments with the Parkersburg Area Community Foundation. The principal and net income from the fund may be distributed to or for the benefit of the Alliance for its charitable purposes upon the written request of 75% of the Alliance's Board of Directors accompanied by a certification by the Board's Secretary.

In addition, the Alliance received permanently restricted gifts to establish an endowment fund in the name of one of its former Presidents.

The following is the activity of the endowment funds maintained by the Parkersburg Area Community Foundation for the year ended June 30, 2019:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Beginning Balance	\$ 415,231	\$ 50,075	\$ 465,306
Interfund Gifts	1,000	-	1,000
Interest	11,809	-	11,809
Realized Gain (Loss)	11,255	-	11,255
Unrealized Gain (Loss)	12,491	-	12,491
Other Income	-	-	-
Approved Distributions	(17,400)	-	(17,400)
Management Fees	(4,914)	-	(4,914)
Other Fees	\$ <u>(10)</u>	\$ _____	\$ <u>(10)</u>
Ending Balance	\$ <u>429,462</u>	\$ <u>50,075</u>	\$ <u>479,537</u>

The Alliance also has an investment at the Marietta Community Foundation in an investment pool managed by the Foundation. The Foundation is not registered with the SEC as an investment company and is recognized as an external investment pool by the Alliance. The Alliance measures their investment in the Foundation at the net asset value (NAV) per share provided by the foundation. The NAV per share is calculated on an amortized basis that provides a NAV per share approximates fair value.

**UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019**

NOTE 5. INVESTMENTS (CONTINUED)

The following is the activity of the investments for the year ended June 30, 2019:

	<u>Unrestricted</u>
Beginning Balance (From United Way of Washington County)	\$ 14,670
Interest	282
Realized Gain (Loss)	694
Unrealized Gain (Loss)	192
Management Fees	(54)
Ending Balance	\$ 15,784

NOTE 6. BURIAL PLOTS

In prior fiscal years, the Alliance received in-kind donations of 20 burial plots and 2 vaults located in local cemeteries. These plots will be used to provide burial space for the homeless and for families that have lost a child that cannot otherwise afford to purchase a plot. The fair market value of the remaining burial plots totaled \$17,050.

NOTE 7. TRANSFER OF ASSETS

Contributions received which have been designated for specific United Way Alliance agencies are passed on to that agency on an estimated basis with any difference being adjusted by final distribution.

The Alliance has no variance power and is obligated to transfer the contributions received. The identities of these agencies are as follows: American Red Cross – Mid-Ohio Valley Chapter, Belpre Area Ministries, Belpre Safetytown, Belpre Senior Center, Big Brothers/Big Sisters, Boy Scouts of Allohak Council, Boys & Girls Club of Parkersburg, Catholic Charities of WV, Children’s Home Society of West Virginia, Circles Campaign of the MOV, Ely Chapman Education Foundation, Eve, Inc., Firefly-A Spark of Hope, Family Crisis Intervention Center, Foster Grandparent Program, Gabriel Project of West Virginia, GoPacks, Literacy Volunteers – Mid-Ohio Valley, Mid-Ohio Valley Autism, Mid-Ohio Valley Fellowship Home, Mid-Ohio Valley Health Department, O’Neill Senior Center, Parents and Friends of the Hearing Impaired, Parkersburg Area Coalition of the Homeless, Parkersburg/Wood County Public Library, SW Resources, Senior Nutrition Program, The Arc of the Mid-Ohio Valley, The Children’s Listening Place, The Salvation Army, Vienna Public Library, Washington County Harvest of Hope, Washington – Morgan Community Action, Williamstown Community Association, Williamstown Public Library, Wood County 4-H Leaders Association, Wood County Society, and the YMCA of Parkersburg.

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 8. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at June 30, 2019:

Investments in Parkersburg Area Community Foundation	\$ 429,462
Campaign Revenue Receivable for Future Periods	436,488
Campaign Revenue Received for Future Periods	<u>23,805</u>

Total Temporarily Restricted Net Assets \$ 889,755

Asset:

Pledges Receivable	\$ 436,488
Pledges Received 2019-2020	23,805
Investments	<u>429,462</u>

Total Temporarily Restricted Assets \$ 889,755

During the year ended June 30, 2019, time and use restrictions on temporarily restricted net assets totaling \$773,671, were satisfied. The satisfaction of these restrictions is reflected in the statement of activities as a transfer from temporarily restricted to unrestricted net assets.

Permanently restricted net assets totaling \$50,075 consist of gifts to an endowment fund created in memory of a former Alliance President. Income from this endowment is to be utilized to support operations in future periods.

NOTE 9. RETIREMENT

The Alliance maintains a Simple IRA Plan for all of its eligible employees. Any employee that has earned \$5,000 in either of the previous two years, or is expected to earn \$5,000 or more in the current year is eligible. At the discretion of the Board of Directors, the Alliance will match 100% of the first 3% of gross compensation that is contributed for its eligible employees. Contribution to the Simple IRA Plan during year ended June 30, 2019 was \$2,538.

NOTE 10. OPERATING LEASE

Beginning April 1, 2018, the Alliance entered into a non-cancelable lease for its administrative office space expiring March 31, 2021. Monthly rent expense for the fiscal year ended June 30, 2019 was \$1,475.

Future minimum lease obligations under this lease are as follows:

2020	\$ 17,700
2021	<u>4,425</u>
Total	<u>\$ 22,125</u>

UNITED WAY ALLIANCE OF THE MID-OHIO VALLEY, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 10. OPERATING LEASE (CONTINUED)

Because the fair market value of the leased office space is higher than the actual lease payment, the Alliance recognizes an in-kind contribution of rent expense. For 2019 the in-kind contribution from the lessor totaled \$7,200.

NOTE 11. FAIR VALUE MEASUREMENTS

The fair value hierarchy defines three levels of input, as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement data for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in inactive markets, or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

In determining the fair value, the Alliance utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value.

Financial assets and liabilities are carried at fair value at June 30, 2019, and are classified as Level 1, Level 2, and Level 3 as follows:

	Level 1	Level 2	Level 3
Endowment Funds	\$ 495,321	\$ -	\$ -
Burial Plots	-	17,050	-
Total Assets at Fair Value	\$ 495,321	\$ 17,050	\$ -

NOTE 12. RELATED PARTY TRANSACTIONS

The Alliance pays quarterly installments for membership in the United Way Worldwide. Total membership fees for the year ended June 30, 2019, were \$9,050.

NOTE 13. SUBSEQUENT EVENTS

Management has evaluated events subsequent to the date of the financial statements through November 13, 2019. No events have occurred subsequent to the date of the financial statements through November 13, 2019 that would require adjustment or disclosure in the financial statements.