

Fiscal Year End Change

In 2019, United Way of Palm Beach County, Inc. (UWPBC) underwent a fiscal year end change from June 30 to September 30. For the short period July1, 2019 – September 30, 2019, UWPBC was audited by Daskal Bolton, LLP, and filed an IRS Form 990 Short period return. Due to the change in fiscal year there was one significant change in the accounting results period over period which is explained as follows:

Allocations Payable to Agencies

The Organization annually allocates funds to its affiliated agencies. The board of directors approves the total amount of allocations to be distributed for the next fiscal year. The amounts allocated to the individual agencies are determined by the Community Impact Committee. Once the board approves the allocations, the agencies are notified and agreements are executed. The allocations are considered conditional promises to give as the agencies must execute the agreements and comply with the terms and conditions included therein in order to receive the funds. As the possibility of the agencies not executing the agreements or not meeting the routine performance requirements or other conditions are considered unusual, the allocations are recognized as an expense and liability when the agreements are executed with the agencies. On occasion, funding is discontinued for an agency for not fulfilling contractual requirements, at which time an adjustment is made to the allocations payable and related expense account.

In June 2019, the board of directors approved allocations and executed contract extensions with agencies for an additional three months in preparation of changing the Organization's fiscal year end to September 30. At June 30, 2019 and 2018, allocations payable were \$780,026 and \$3,198,494, respectively.

In September 2019, the board of directors approved allocations and executed contracts with agencies for the year ending September 30, 2020. At September 30, 2019, allocations payable were \$3,175,413.

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Laurie George, President & CEO
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Tula Hudson-Miller, Senior Vice President of Finance
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