

UNITED PERFORMING ARTS FUND, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED AUGUST 31, 2023 AND 2022

**UNITED PERFORMING ARTS FUND, INC.
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INDEPENDENT AUDITORS' REPORT

Board of Directors
United Performing Arts Fund, Inc.
Milwaukee, Wisconsin

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of United Performing Arts Fund, Inc., (a nonprofit organization) which comprise the statements of financial position as of August 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Performing Arts Fund, Inc. as of August 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of United Performing Arts Fund, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Change in Accounting Principle

As described in Note 1 to the financial statements, United Performing Arts Fund, Inc. adopted new accounting guidance for leases for the year ended August 31, 2023. The guidance requires lessees to recognize a right-of-use asset and corresponding liability for all operating and finance leases with lease terms greater than one year. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Performing Arts Fund, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

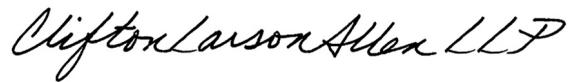
In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Performing Arts Fund, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Performing Arts Fund, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of allocations to member organizations and affiliates 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 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 audits 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.



CliftonLarsonAllen LLP

Milwaukee, Wisconsin
December 11, 2023

UNITED PERFORMING ARTS FUND, INC.
STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2023 AND 2022

ASSETS	2023	2022
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 3,261,543	\$ 4,358,399
Investments, at Fair Value	1,595,914	2,147,799
Contributions Receivable, Net of Allowance	2,547,413	1,781,083
Government Grants Receivable	28,000	339,497
Other Receivables	337	8,126
Advance Payments to Member Groups	750,000	750,000
Prepaid Expenses	22,143	2,018
Total Current Assets	8,205,350	9,386,922
LONG-TERM PORTION OF CONTRIBUTIONS RECEIVABLE, Net	862,526	381,255
RIGHT-OF-USE ASSET - OPERATING, Net	186,573	-
BOARD-DESIGNATED INVESTMENT FUNDS	4,155,647	3,139,833
Total Assets	\$ 13,410,096	\$ 12,908,010
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 35,904	\$ 52,105
Accrued Compensation and Related Benefits	50,898	123,313
Donor Designations Payable	1,060,779	1,448,373
Current Portion of Operating Lease Liability	99,662	-
Total Current Liabilities	1,247,243	1,623,791
LONG-TERM LIABILITIES		
Long-Term Portion of Operating Lease Liability	86,911	-
Total Liabilities	1,334,154	1,623,791
NET ASSETS		
Without Donor Restrictions:		
Undesignated and Available for Future Operations	405,265	847,931
Reserved for Future Allocations to Member Groups and Affiliates	5,361,976	6,048,659
Board-Designated	4,155,647	3,139,833
Total Without Donor Restrictions	9,922,888	10,036,423
With Donor Restrictions	2,153,054	1,247,796
Total Net Assets	12,075,942	11,284,219
Total Liabilities and Net Assets	\$ 13,410,096	\$ 12,908,010

See accompanying Notes to Financial Statements.

UNITED PERFORMING ARTS FUND, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2023

	Without Donor Restrictions		With Donor Restrictions	Total
	Non-Board Designated	Board- Designated		
REVENUE, SUPPORT, AND GAINS				
Public Support:				
Gross Fundraising Contributions	\$ 9,191,081	\$ -	\$ 1,768,438	\$ 10,959,519
Less: Donor Designations	(1,336,024)	-	-	(1,336,024)
Less: Provision for Uncollectible Promises	(48,500)	-	-	(48,500)
Net Fundraising Contributions	7,806,557	-	1,768,438	9,574,995
Special Event Income, Net of Costs of				
Direct Benefits to Donors of \$197,957	302,318	-	-	302,318
Bequests and Memorials	-	100,000	-	100,000
Donated Services	321,535	-	-	321,535
Total Public Support	8,430,410	100,000	1,768,438	10,298,848
Nonoperating Revenue:				
Investment Return	147,239	317,883	-	465,122
Other Interest	43,297	-	-	43,297
Distribution from the Greater				
Milwaukee Foundation	4,518	-	-	4,518
Total Nonoperating Revenue	195,054	317,883	-	512,937
Appropriation for Expenditure	250,000	(250,000)	-	-
Net Assets Transferred	(847,931)	847,931	-	-
Net Assets Released from Restrictions	863,180	-	(863,180)	-
Total Revenue, Support, and Gains	8,890,713	1,015,814	905,258	10,811,785
EXPENSES				
Program Services:				
Allocations to Member Organizations and Affiliates	6,667,059	-	-	6,667,059
Other Member Support	440,361	-	-	440,361
Community Engagement	102,071	-	-	102,071
Awareness	581,747	-	-	581,747
Total Program Services	7,791,238	-	-	7,791,238
Supporting Services:				
Administrative Expenses	657,968	-	-	657,968
Fundraising	1,570,856	-	-	1,570,856
Total Supporting Services	2,228,824	-	-	2,228,824
Total Expenses	10,020,062	-	-	10,020,062
CHANGE IN NET ASSETS	(1,129,349)	1,015,814	905,258	791,723
Net Assets - Beginning of Year	6,896,590	3,139,833	1,247,796	11,284,219
NET ASSETS - END OF YEAR	<u>\$ 5,767,241</u>	<u>\$ 4,155,647</u>	<u>\$ 2,153,054</u>	<u>\$ 12,075,942</u>

See accompanying Notes to Financial Statements.

UNITED PERFORMING ARTS FUND, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2022

	Without Donor Restrictions		With Donor Restrictions	Total
	Non-Board Designated	Board- Designated		
REVENUE, SUPPORT, AND GAINS				
Public Support:				
Gross Fundraising Contributions	\$ 8,522,215	\$ -	\$ 1,146,558	\$ 9,668,773
Less: Donor Designations	(1,307,941)	-	-	(1,307,941)
Less: Provision for Uncollectible Promises	(73,059)	-	-	(73,059)
Net Fundraising Contributions	7,141,215	-	1,146,558	8,287,773
Special Event Income, Net of Costs of				
Direct Benefits to Donors of \$167,742	376,923	-	-	376,923
Bequest and Memorials	-	661,234	-	661,234
Donated Services	414,631	-	-	414,631
Total Public Support	7,932,769	661,234	1,146,558	9,740,561
Nonoperating Revenue:				
Investment Return	2,609	(861,517)	-	(858,908)
Return on Beneficial Interest in Assets Held at Greater Milwaukee Foundation	4,315	-	-	4,315
Total Nonoperating Revenue	6,924	(861,517)	-	(854,593)
Government Grants	54,151	-	-	54,151
Appropriation for Expenditure	692,000	(692,000)	-	-
Net Assets Released from Restrictions	628,500	-	(628,500)	-
Total Revenue, Support, and Gains	9,314,344	(892,283)	518,058	8,940,119
EXPENSES				
Program Services:				
Allocations to Member Organizations and Affiliates	6,612,540	-	-	6,612,540
Other Member Support	481,457	-	-	481,457
Community Engagement	111,296	-	-	111,296
Awareness	569,865	-	-	569,865
Total Program Services	7,775,158	-	-	7,775,158
Supporting Services:				
Administrative Expenses	561,693	-	-	561,693
Fundraising	1,670,876	-	-	1,670,876
Total Supporting Services	2,232,569	-	-	2,232,569
Total Expenses	10,007,727	-	-	10,007,727
CHANGE IN NET ASSETS	(693,383)	(892,283)	518,058	(1,067,608)
Net Assets - Beginning of Year	7,589,973	4,032,116	729,738	12,351,827
NET ASSETS - END OF YEAR	<u>\$ 6,896,590</u>	<u>\$ 3,139,833</u>	<u>\$ 1,247,796</u>	<u>\$ 11,284,219</u>

See accompanying Notes to Financial Statements.

UNITED PERFORMING ARTS FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2023

	Program Services			Supporting Services			Total
	Allocations and Other Member Support	Community Engagement	Awareness	Administrative	Fundraising	Direct Benefit to Donors	
Allocations to Member Organizations and Affiliates	\$ 6,667,059	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,667,059
Special Board-Approved Member Funding	250,000	-	-	-	-	-	250,000
Salaries and Other Personnel Costs	177,753	90,371	258,742	536,500	896,019	-	1,959,385
Insurance	1,451	1,056	2,412	5,318	8,429	18,186	36,852
Rent	7,952	5,786	13,217	29,140	46,187	17,376	119,658
Equipment Rental and Maintenance	557	405	925	2,039	3,232	37,295	44,453
Office Supplies	390	1,251	2,964	1,430	4,582	262	10,879
Postage and Shipping	1,632	1,187	2,713	5,981	9,479	14,543	35,535
Telephone	626	455	1,040	2,294	3,636	-	8,051
Hardware and Software Support	-	-	59,435	26,352	85,787	-	171,574
Telefunding	-	-	52,379	-	52,379	-	104,758
Promotion and Advertising	-	-	89,609	-	22,402	-	112,011
Events and Donor Benefits	-	1,560	33,741	904	11,402	29,040	76,647
Meals, Travel, and Food	-	-	6,582	3,456	3,375	5,871	19,284
Fees and Permits	-	-	-	130	-	41,727	41,857
Merchandise	-	-	-	-	-	25,282	25,282
Dues, Memberships, and Conferences	-	-	5,294	-	5,294	-	10,588
Professional Services	-	-	51,548	-	51,548	8,375	111,471
Bank, Credit Card, and Broker Commission Fees	-	-	-	44,424	44,424	-	88,848
Contributed Services:							
Media Coverage	-	-	-	-	268,005	-	268,005
Special Event	-	-	-	-	27,910	-	27,910
Creative Advertising and Public Relations	-	-	-	-	25,620	-	25,620
Miscellaneous	-	-	1,146	-	1,146	-	2,292
Total Expenses	\$ 7,107,420	\$ 102,071	\$ 581,747	\$ 657,968	\$ 1,570,856	\$ 197,957	\$ 10,218,019

See accompanying Notes to Financial Statements.

UNITED PERFORMING ARTS FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2022

	Program Services			Supporting Services			Total
	Allocations and Other Member Support	Community Engagement	Awareness	Administrative	Fundraising	Direct Benefit to Donors	
Allocations to Member Organizations and Affiliates	\$ 6,612,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,612,540
Special Board-Approved Member Funding	292,000	-	-	-	-	-	292,000
Salaries and Other Personnel Costs	176,324	94,056	272,715	406,453	945,499	-	1,895,047
Insurance	1,593	1,260	2,868	4,112	9,353	13,971	33,157
Rent	8,189	6,480	14,740	21,139	48,072	852	99,472
Equipment Rental and Maintenance	555	439	998	1,434	3,256	31,144	37,826
Office Supplies	439	6,321	6,605	1,134	8,393	-	22,892
Postage and Shipping	1,533	1,213	2,759	3,957	8,999	11,423	29,884
Telephone	824	652	1,483	2,127	4,837	-	9,923
Hardware and Software Support	-	-	39,496	24,696	64,192	-	128,384
Telefunding	-	-	46,229	-	46,228	-	92,457
Promotion and Advertising	-	-	115,003	-	28,751	-	143,754
Events and Donor Benefits	-	843	30,775	160	4,772	41,182	77,732
Meals, Travel, and Food	-	32	4,986	4,236	3,705	670	13,629
Fees and Permits	-	-	-	115	-	36,544	36,659
Merchandise	-	-	-	-	-	16,117	16,117
Dues, Memberships, and Conferences	-	-	7,918	-	7,917	-	15,835
Professional Services	-	-	21,248	43,150	21,248	15,839	101,485
Bank, Credit Card, and Broker Commission Fees	-	-	-	48,980	48,981	-	97,961
Contributed Services:							
Media Coverage	-	-	-	-	213,000	-	213,000
Special Event	-	-	-	-	56,691	-	56,691
Creative Advertising and Public Relations	-	-	-	-	144,940	-	144,940
Miscellaneous	-	-	2,042	-	2,042	-	4,084
Total Expenses	\$ 7,093,997	\$ 111,296	\$ 569,865	\$ 561,693	\$ 1,670,876	\$ 167,742	\$ 10,175,469

See accompanying Notes to Financial Statements.

UNITED PERFORMING ARTS FUND, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 791,723	\$ (1,067,608)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Change in Allowance for Uncollectible Promises	(31,035)	(72,025)
Change in Discounts to Net Present Value	11,229	33,983
Amortization of ROU Asset	97,342	-
Realized Gains on Investments, Including Mutual Fund Distributions	(223,189)	(224,474)
Unrealized (Appreciation) Depreciation on Investments	(69,842)	1,170,232
Changes in Operating Assets and Liabilities:		
Contributions Receivable	(1,227,795)	(10,033)
Government Grants Receivable	311,497	(54,151)
Other Receivables	7,789	(5,700)
Advance Payments to Member Groups	-	3
Prepaid Expenses	(20,125)	16,240
Accounts Payable	(16,201)	(6,147)
Accrued Compensation and Other Related Benefits	(72,415)	(67,719)
Donor Designations Payable	(387,594)	(341,542)
Lease Liability - Operating	(97,342)	-
Net Cash Used by Operating Activities	(925,958)	(628,941)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Purchases of Investments, Including Net Reinvestment of Income	(170,898)	(84,241)
Net Cash Used by Investing Activities	(170,898)	(84,241)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,096,856)	(713,182)
Cash and Cash Equivalents - Beginning of Year	4,358,399	5,071,581
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,261,543	\$ 4,358,399

See accompanying Notes to Financial Statements.

**UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022**

NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

United Performing Arts Fund, Inc. (UPAF) is a local, independent nonprofit agency that was formed to raise operating funds for its member organizations and affiliates. UPAF makes it possible for several nonprofit performing arts organizations in the greater Milwaukee area to meet their daily operating needs. Its mission statement is to “secure community resources and improve the quality of life through responsible investment in and financial support of the performing arts in southeastern Wisconsin.”

Annual campaigns are conducted each year to raise campaign contributions that are used to support numerous performing arts organizations during the subsequent fiscal year and to pay UPAF’s current operating expenses. For example, pledges that are not designated to specific member organizations from the 2023 annual campaign will fund allocations to member organizations and affiliates for the fiscal year beginning September 1, 2023. The amounts allocated to each member organization and affiliate are determined by a committee consisting of members of the board of directors and community volunteers. These program allocations excluding direct donor designations will be recorded as expenses during the fiscal year beginning September 1, 2023. Designated pledges by donors to both member and nonmember agencies are recorded as donor designations payable in the statements of financial position.

Basis of Accounting

The financial statements of UPAF have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities with revenues and expenses reflected in the period earned or incurred.

Basis of Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets of \$4,155,647 and \$3,139,833 as of August 31, 2023 and 2022, respectively, to be used as an operating reserve. UPAF separately designated \$5,361,976 and \$6,048,659 of net assets without donor restrictions as of August 31, 2023 and 2022, respectively, that will be used to fund future allocations to member groups and affiliates during the next fiscal year.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of Presentation (Continued)

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

UPAF defines cash and cash equivalents as highly liquid debt instruments with a maturity at the date of acquisition of three months or less. UPAF earned \$14,769 and \$2,609 in interest income on its cash equivalents during the years ended August 31, 2023 and 2022, respectively.

Concentrations of Credit Risk

UPAF maintains cash accounts at different financial institutions. Deposits with the financial institutions are insured by the Federal Deposit Insurance Corporation in the amount of \$250,000 per official custodian. UPAF's cash deposits may exceed these federally insured limits at times during the year. UPAF has not experienced any losses on these accounts and management believes UPAF is not exposed to any significant credit risk on its cash and cash equivalent balances.

Valuation of Investments and Income Recognition

UPAF's investments are recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Fair value is 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. Quoted market prices in active markets are used to value investments. Donated assets are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation).

Investment income or loss and unrealized gains or losses are included in the statements of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Risks and Uncertainties

UPAF invests in various investment securities within its investments and endowment investments. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in these financial statements.

Contributions Receivable

General and donor-designated pledges to UPAF through the annual community campaign, less an allowance for uncollectible amounts, are recorded as receivables and gross campaign contributions in the year the unconditional promise is made. An allowance for uncollectible pledges is established based on the length of time pledges are past due, previous loss history, and the donor's current ability to pay. When amounts are determined to be uncollectible, they are charged to the allowance and recoveries of previously written off amounts replenish the allowance. Pledges receivable due beyond one year are recorded at fair value at the date of promise by computing a present value applied to the anticipated cash flows.

Government Grants Receivable and Government Grants Income

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. During the years ended August 31, 2022 and 2021, UPAF complied with the conditions of the Employee Retention Credit (ERC) funding in the amount of \$54,151 and \$285,346 in accordance with the program. Grants related to this program are classified as government grants and government grants receivable, resulting in total government grants receivable of \$339,497 as of August 31, 2022. The grant funding was received during the year ended August 31, 2023, with the exception of \$28,000 that remains a government grant receivable. Eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors are subject to review. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on UPAF's financial position.

Property and Equipment

Property and equipment are stated at cost if purchased or fair market value at date of the gift if donated. All acquisitions of equipment in excess of \$1,000 and all expenditures for improvements and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs, and minor improvements are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income. Property and equipment are depreciated using the straight-line method over their estimated useful lives. Total property and equipment costs of \$90,212 were capitalized and were fully depreciated as of August 31, 2023 and 2022. Donated property and equipment is recorded as an increase in net assets without donor restrictions at its estimated fair market value as of the date received.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Donor Designations Payable

In certain limited situations, donors can specify their campaign contribution to a specific member group. These contributions are included in gross campaign contributions and then recorded as a direct reduction from gross campaign contributions in the year of designation and reported as donor designations payable. These amounts are typically paid with the board of directors approved allocation payments over a 9-month period beginning in October of each year.

Revenue Recognition

Contributions, including promises receivable, are recognized in the period received. Conditional promises are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. When contributions raised are designated by donors to be distributed to specific member organizations, UPAF acts as an agent and these contributions are considered agency transactions, and as such, are not included in net campaign contributions.

UPAF reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Periodically, contributions and net asset classifications are reviewed to determine that all restrictions are documented and being followed, as a result changes may need to be made to classifications to better reflect the donor's intent.

Special event revenue is recognized when performance obligations are met. Special event revenues reported in the statements of activities include both contributions (nonreciprocal transactions) and exchange (reciprocal) transactions. For the years ended August 31, 2023 and 2022, special event revenue included \$176,695 and \$186,325, respectively, of exchange transactions. Such revenue is recognized over time, as all performance obligations are met when the events occur. Costs of direct benefits to donors for incidental activities are netted against special event revenue. Such costs totaled \$197,957 and \$167,742 for the years ended August 31, 2023 and 2022, respectively.

Donated 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 need to be purchased if not provided by donation. Such services totaled \$321,535 and \$414,631 for the years ended August 31, 2023 and 2022, respectively, and are reflected as public support and expenses on the statements of activities. Donated services are comprised of media coverage, creative advertising, public relations, print services, and fundraising research and these professional services are valued at the respective fair values of the services received.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Allocations to Member Organizations and Affiliates

Allocations to member organizations and affiliates (excluding direct donor designations) are recorded as an expense in the year the allocations are determined by the committee and approved by the board of directors and the member organizations and affiliates have been notified of the awards. Current fiscal year allocations are based on the level of campaign pledges received during the previous fiscal year. UPAF makes ratable allocation payments over a 12-month period beginning in July of each year. Estimated payments begin in July and August of the current year for the next fiscal year and these payments are recorded as advance payments to member groups in the statements of financial position.

Promotion and Advertising Costs

UPAF expenses the costs of producing advertisements as incurred. UPAF expenses the costs of communicating advertisements as the items or services are received. Promotion and advertising expenses for the years ended August 31, 2023 and 2022 were \$112,011 and \$143,754, respectively.

Tax-Exempt Status

UPAF is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, UPAF qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a). UPAF is also exempt from Wisconsin income taxes.

Functional Expense Allocation

UPAF classifies expenses into two functions: program services and supporting services. In the accompanying statements of functional expenses, all expenses are allocated based upon the functions to which they relate. Expenses that can be identified with a specific function are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by management's use of estimated time spent on the respective program and support functions.

Leases

Beginning September 1, 2022, UPAF began accounting for its leases in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 842, *Leases*. UPAF determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. UPAF recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. See Notes 11 for additional information on UPAF's leases as of and for the year ended August 31, 2023. See Note 12 for additional information on UPAF's leases as of and for the year ended August 31, 2022, which were accounted for under ASC 840, *Leases*.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Leases (Continued)

ROU assets represent UPAF's right to use an underlying asset for the lease term and lease liabilities represent UPAF's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that UPAF will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. UPAF has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the statement of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, UPAF has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of all lease liabilities.

UPAF has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

Adoption of New Accounting Standards

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

UPAF adopted the requirements of the guidance effective September 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption, while continuing to present the comparative period in accordance with the guidance under the lease standard in effect during that period.

UPAF has elected to adopt the package of practical expedients available in the year of adoption. UPAF has elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of UPAF's ROU assets.

Subsequent Events

UPAF has evaluated events and transactions for potential recognition and disclosure in the financial statements through December 11, 2023, the date on which the financial statements were available to be issued.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2023	2022
Total Financial Assets Available Within One Year:		
Cash and Cash Equivalents	\$ 3,261,543	\$ 4,358,399
Investments, Current Portion	1,595,914	2,147,799
Current Portion of Contributions Receivable, Net of Allowance	2,547,413	1,781,083
Government Grants Receivable	28,000	339,497
Other Receivables	337	8,126
Total	7,433,207	8,634,904
Less: Amounts Not Available for General Expenditures Within One Year Due to:		
Donor Designations Payable	1,060,779	1,448,373
Allocated to Member Groups and Affiliates, Net of Advance Payments to Member Groups	4,611,976	5,298,659
Donor Restricted to Current Portion of Time or Purpose Restrictions	1,290,528	866,541
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 469,924	\$ 1,021,331

UPAF has established a board-designated investment fund in the amount of \$4,155,647 and \$3,139,833 as of August 31, 2023 and 2022, respectively, and is subject to use as determined by the board of directors. Although UPAF does not intend to spend from these board-designated funds for general expenditure within one year, these amounts could be made available if necessary.

As part of the UPAF's liquidity management plan, they invest cash in excess of daily requirements in money market funds. The board will designate certain of its net assets without donor restrictions to be used to fund future allocations to member groups and affiliates during the next fiscal year.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 3 CONTRIBUTIONS RECEIVABLE

Outstanding contributions receivable are expected to be realized as follows as of August 31:

	<u>2023</u>	<u>2022</u>
Less Than One Year	\$ 2,794,353	\$ 2,059,058
One to Five Years	912,500	420,000
Total	<u>3,706,853</u>	<u>2,479,058</u>
Less: Discount to Present Value	(49,974)	(38,745)
Less: Allowance for Uncollectible Pledges	<u>(246,940)</u>	<u>(277,975)</u>
Net Contributions Receivable	3,409,939	2,162,338
Less: Current Portion of Contributions Receivable	<u>2,547,413</u>	<u>1,781,083</u>
Long-Term Portion of Contributions Receivable	<u>\$ 862,526</u>	<u>\$ 381,255</u>

Estimated cash flows from pledges receivable have been discounted to present value as of August 31, 2023 and 2022 using a discount rate of 5% which was based on the expected rate of return on UPAF's investments.

NOTE 4 INVESTMENTS

Investments are reported at fair value and are summarized by type of investment as of August 31, 2023 and 2022 as follows:

	<u>Cost or Gift Value</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
<u>August 31, 2023</u>			
Bond Mutual Funds	\$ 3,035,076	\$ 2,917,859	\$ (117,217)
Equity Mutual Funds	1,866,456	2,738,841	872,385
Money Market Fund	94,861	94,861	-
Total Investments	<u>\$ 4,996,393</u>	<u>\$ 5,751,561</u>	<u>\$ 755,168</u>
<u>August 31, 2022</u>			
Bond Mutual Funds	\$ 1,211,454	\$ 1,124,546	\$ (86,908)
Equity Mutual Funds	2,248,567	3,032,773	784,206
Money Market Fund	1,130,313	1,130,313	-
Total Investments	<u>\$ 4,590,334</u>	<u>\$ 5,287,632</u>	<u>\$ 697,298</u>

**UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022**

NOTE 4 INVESTMENTS (CONTINUED)

Investments are classified in the accompanying statements of financial position as of August 31, 2023 and 2022 as follows:

	<u>2023</u>	<u>2022</u>
Current Assets:		
With Donor Restrictions	\$ 16,767	\$ 8,141
Without Donor Restrictions	<u>1,579,147</u>	<u>2,139,658</u>
Total	1,595,914	2,147,799
Noncurrent Assets:		
Board-Designated	<u>4,155,647</u>	<u>3,139,833</u>
Total Investments	<u>\$ 5,751,561</u>	<u>\$ 5,287,632</u>

External and direct internal expenses relating to investment revenues amounted to \$18,763 and \$21,284 for the years ended August 31, 2023 and 2022, respectively, and have been netted against investment revenues in the accompanying statements of activities.

NOTE 5 GREATER MILWAUKEE FOUNDATION ENDOWMENT FUND

UPAF is a beneficiary of an endowment fund (GMFEF) held and managed at the Greater Milwaukee Foundation (the Foundation) which was established in 1976 for the sole benefit of UPAF. A trust agreement pertaining to the management of this fund permits distributions available for current operations to UPAF according to the distribution policy. The GMFEF was established by permanently restricted donations to provide support for UPAF's mission. These funds were the legal assets of the Foundation with the restriction that the Foundation make distributions to UPAF from the earnings of these funds on an annual basis. These funds remain at the Foundation for the benefit of UPAF but are not reported as a beneficial interest in the assets held at the Foundation.

The Foundation governs the investment policies and objectives for the GMFEF funds which are to preserve principal and to maintain the purchasing power as well as to provide additional real growth through investment return. GMFEF investments consisted of equity and bond mutual funds which are all recorded at fair value. Distributions from the GMFEF are in accordance with the distribution policy which was based on an annual distribution amount that is calculated to be 4.5% or less of the average market value of the fund over the prior 20 quarters. The current amount of funds held by GMFEF for the benefit of UPAF is \$126,120 and \$126,188 as of August 31, 2023 and 2022, respectively. Distributions from GMFEF were \$4,518 and \$4,315 during the years ended August 31, 2023 and 2022, respectively.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 6 BOARD-DESIGNATED INVESTMENT FUND

In 1999, a board-designated investment fund (Fund) was established to ensure continued success of UPAF by providing a reserve for future critical needs. The Fund is owned by UPAF and investments are comprised of money market accounts and equity and fixed income mutual funds which are all recorded at fair value.

UPAF's current policy is that any bequests and other noncampaign-related unrestricted contributions received by UPAF will be allocated to the Fund. Other funds may be allocated to the Fund at the discretion of the UPAF board of directors and accumulated investment returns on all investments owned by UPAF are also retained and allocated to the Fund.

UPAF has adopted an investment policy for the Fund with the objective to achieve investment returns that are viewed in a long-term context, on a five-year annualized basis. The investment policy is to obtain the highest possible total return while maintaining a prudently acceptable level of risk and maximizing income to satisfy the needs of the Fund. In order to meet its needs, the investment strategy of the Fund is to emphasize total return with aggregate returns from capital appreciation and dividend and interest income. Assets are to be invested in a well-diversified asset mix, which includes equity and fixed income securities and cash.

Investment risk is measured in terms of the total Fund, investment assets and allocation between asset classes and strategies are reviewed by management to not expose the funds to unacceptable levels of risk. Distributions from the Fund can only be appropriated upon the approval of the UPAF board of directors as needed.

The changes in the board-designated net assets for the years ended August 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Board-Designated Investments - Beginning of Year	\$ 3,139,833	\$ 4,032,116
Investment Return:	317,883	(861,517)
Bequests allocated to Board-Designated Fund	100,000	661,234
Transfers to Board-Designated Fund	847,931	-
Appropriations for Expenditure	<u>(250,000)</u>	<u>(692,000)</u>
Board-Designated Investments - End of Year	<u>\$ 4,155,647</u>	<u>\$ 3,139,833</u>

During the year ended August 31, 2023, the board of directors approved the release of board-designated funds from the Fund for special funding totaling \$250,000 requested by and awarded to member organizations.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 6 BOARD-DESIGNATED INVESTMENT FUND (CONTINUED)

During the year ended August 31, 2022, the board of directors approved the release of board-designated funds from the Fund for special funding totaling \$292,000 requested by and awarded to two member organizations and to appropriate an additional \$400,000 to assist in the funding of the total amount allocated to member groups and affiliates that were distributed for the year ended August 31, 2022.

NOTE 7 FAIR VALUE MEASUREMENTS

UPAF reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy that determines fair value are described below:

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

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The following is a description of the methodologies used for investments reported at fair value:

Mutual Funds and Money Market Funds: Valued at the daily closing price as reported by the funds. Mutual funds held by UPAF are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are actively traded and are required to publish their daily net asset value (NAV) and to transact at that price.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 7 FAIR VALUE MEASUREMENTS (CONTINUED)

The preceding valuation methodologies may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although UPAF believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables provide by level, within the fair value hierarchy, UPAF's investment assets as of August 31, 2023 and 2022:

	2023			
	Level 1	Level 2	Level 3	Total
Investments, at Fair Value:				
Bond Mutual Funds	\$ 2,917,859	\$ -	\$ -	\$ 2,917,859
Equity Mutual Funds:				
Small-Cap Funds	399,346	-	-	399,346
Mid-Cap Funds	396,421	-	-	396,421
Large-Cap Funds	1,319,932	-	-	1,319,932
International	623,142	-	-	623,142
Emerging Markets Funds	-	-	-	-
Short-Term Cash Investment	94,861	-	-	94,861
Total Investments at Fair Value	<u>\$ 5,751,561</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,751,561</u>
	2022			
	Level 1	Level 2	Level 3	Total
Investments, at Fair Value:				
Bond Mutual Funds	\$ 1,124,546	\$ -	\$ -	\$ 1,124,546
Equity Mutual Funds:				
Small-Cap Funds	447,099	-	-	447,099
Mid-Cap Funds	448,922	-	-	448,922
Large-Cap Funds	1,561,641	-	-	1,561,641
International	456,720	-	-	456,720
Emerging Markets Funds	118,391	-	-	118,391
Short-Term Cash Investment	1,130,313	-	-	1,130,313
Total Investments at Fair Value	<u>\$ 5,287,632</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,287,632</u>

NOTE 8 LINE OF CREDIT

As of August 31, 2023 and 2022, UPAF has an unsecured revolving line of credit agreement with a bank that allows UPAF to borrow up to \$750,000 at an interest of prime rate minus .25%. The interest rate in effect as of August 31, 2023 was 8.25%. The agreement has no expiration and there were no outstanding borrowings under the line of credit as of August 31, 2023 and 2022.

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2023</u>	<u>2022</u>
Contributions Received and Restricted to Use for Future Years (Held in Investments)	\$ 16,767	\$ 8,141
Contributions Restricted for UPAF Programs:		
Bright Minds Arts Education	316,000	319,000
Kasey's Fund (Outreach and Education)	73,500	87,500
Resonate - Next Gen Program (Awareness)	58,900	69,900
UPAF Connect (Awareness)	92,500	142,000
Contributions Receivable Restricted to Time	<u>1,595,387</u>	<u>621,255</u>
Total Net Assets With Donor Restrictions	<u>\$ 2,153,054</u>	<u>\$ 1,247,796</u>

NOTE 10 RELATED PARTIES

Members of the board of directors of UPAF typically make contributions to the various campaigns of UPAF. UPAF received pledges from members of the board of directors and the total amount that remains a receivable as of August 31, 2023 and 2022 is \$13,300 and \$11,500, respectively. The board of directors may also be employees of organizations with which UPAF conducts business. All business transactions involving the board of directors, their employers and other related parties occur at arm's length and the applicable board members abstain from voting on any business transactions that involve potential conflicts of interest.

NOTE 11 OPERATING LEASE – ASC 842

Beginning January 1, 2013, UPAF had entered into a long-term noncancelable operating lease for office space that expired on June 30, 2020. The building lease contained renewal options for two additional five-year periods. UPAF exercised the first of the five year renewal which now expires on June 30, 2025. In addition, UPAF leases office equipment under long-term, noncancelable lease agreements. The leases expire at various dates through 2028.

Quantitative information concerning the Organization's lease for the year ended August 31, 2023:

Operating Lease Cost	\$ 99,052
Operating Cash Flows from Operating Leases	\$ 97,337
Right-of-Use Assets Obtained in Exchange for Operating Lease Liabilities	\$ 283,915
Weighted-Average Remaining Lease Term	2.0 Years
Weighted-Average Discount Rate	5.00%

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 11 OPERATING LEASE – ASC 842 (CONTINUED)

A maturity analysis of annual undiscounted cash flows for lease liabilities as of August 31, 2023 is as follows:

<u>Year Ending August 31,</u>	<u>Amount</u>
2024	\$ 99,186
2025	84,018
2026	2,592
2027	2,592
2028	2,592
Undiscounted Cash Flows	190,980
(Less) Imputed Interest	(4,407)
Total Present Value	<u>\$ 186,573</u>
Short-Term Lease Liabilities	\$ 99,662
Long-Term Lease Liabilities	86,911
Total	<u>\$ 186,573</u>

NOTE 12 OPERATING LEASE – ASC 840

Beginning January 1, 2013, UPAF had entered into a long-term noncancelable operating lease for office space that expired on June 30, 2020. The building lease contained renewal options for two additional five-year periods. UPAF exercised the first of the five year renewal which now expires on June 30, 2025. Lease expense on UPAF's office space was recognized on the straight-line basis over the original term of the lease. The difference between the expense amount recorded and the cumulative actual lease payments paid was recognized as a liability on the statement of financial position as of August 31, 2019. Rent expense on the office space operating lease was \$90,785 for the year ended August 31, 2022.

The future minimum annual rental commitment remaining under this operating lease as of August 31, 2022 is as follows:

<u>Years Ending August 31,</u>	<u>Amount</u>
2023	\$ 92,597
2024	94,446
2025	80,174
Total	<u>\$ 267,217</u>

UNITED PERFORMING ARTS FUND, INC.
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND 2022

NOTE 13 RETIREMENT PLAN

UPAF has a 403(b) defined contribution retirement savings plan covering all eligible employees. UPAF makes discretionary contributions to the plan in amounts determined annually. For the year ended August 31, 2022, eligible employees received contributions from UPAF of 3% of their gross earnings and up to an additional 2% match for eligible employees that contributed up to 2% of their salary into the plan. For the year ended August 31, 2023, eligible employees received contributions from UPAF of a 2% match for eligible employees that contributed up to 2% of their salary into the plan. Retirement plan expense for the years ended August 31, 2023 and 2022 was \$35,834 and \$58,314, respectively.

NOTE 14 PROGRAMS

UPAF's primary purpose is to collectively raise operating funds from its annual campaign and other fundraising events for the benefit of all of its member organizations and affiliates. In addition to supporting these member organizations and affiliates with the allocation and distributions of available financial resources, UPAF also exists to provide the following services for the general benefit of the performing arts:

Community Engagement: Annually, UPAF hosts community events to bring people and communities together and bridge cultural divides in celebration of the impact the performing arts makes in southeastern Wisconsin.

Awareness: Through fundraising campaigns, community events, and opportunities to increase access to the performing arts for all, UPAF strives to generate a greater awareness of the local arts industry sector and nonprofit performing arts member organizations as well as seeks to continuously educate the general public as to the benefits of and importance in growing and maintaining a healthy, robust, local performing arts community.

UNITED PERFORMING ARTS FUND, INC.
SCHEDULES OF ALLOCATIONS TO MEMBER ORGANIZATIONS AND AFFILIATES
YEARS ENDED AUGUST 31, 2023 AND 2022
(SEE INDEPENDENT AUDITORS' REPORT)

	<u>2023</u>	<u>2022</u>
Member Organizations:		
Bel Canto Chorus of Milwaukee, Inc.	\$ 81,386	\$ 65,406
Black Arts MKE	195,430	113,668
Danceworks, Inc.	247,715	205,319
First Stage Milwaukee, Inc.	894,216	842,763
Florentine Opera Company, Inc.	658,253	685,596
Milwaukee Ballet Company, Inc.	925,304	958,470
Milwaukee Chamber Theatre, Ltd.	123,557	129,819
Milwaukee Repertory Theater, Inc.	1,679,574	1,763,723
Milwaukee Symphony Orchestra, Inc.	1,469,214	1,858,968
Milwaukee Youth Symphony Orchestra, Inc.	472,648	400,360
Next Act Theatre, Inc.	160,454	117,136
Present Music, Inc.	141,490	95,888
Renaissance Theaterworks, Inc.	199,443	137,432
Skylight Music Theatre Corporation	436,122	465,962
Total Allocations to Member Organizations	<u>7,684,806</u>	<u>7,840,510</u>
Affiliates	290,194	169,500
Total Allocations to Member Organizations and Affiliates	<u>\$ 7,975,000</u>	<u>\$ 8,010,010</u>
Donor Designations Directed to Member Organizations	\$ 1,307,941	\$ 1,396,407
Donor Designations Directed to UPAF Programs	618,400	508,000
UPAF Allocations	6,048,659	6,105,603
Total	<u>\$ 7,975,000</u>	<u>\$ 8,010,010</u>