

*United Way of Lincoln and Lancaster County
and Controlled Foundation
Lincoln, Nebraska*

June 30, 2015 and 2014

*Consolidated Financial Statements
and
Report of Independent Certified Public Accountants*

United Way of Lincoln and Lancaster County

Years ended June 30, 2015 and 2014

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors
United Way of Lincoln and Lancaster County
and Controlled Foundation
Lincoln, Nebraska

We have audited the accompanying consolidated financial statements of United Way of Lincoln and Lancaster County and Controlled Foundation, which comprise the consolidated statements of financial position as of June 30, 2015 and 2014, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of United Way of Lincoln and Lancaster County and Controlled Foundation, as of June 30, 2015 and 2014, 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental consolidating statements and the schedules of agency allocations, grants, contracts and designations on pages 20-27 are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance accounting principles generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

ABE Becker Meyer Love LLP

October 22, 2015

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30,

ASSETS

	<u>2015</u>	<u>2014</u>
CURRENT ASSETS		
Cash and cash equivalents (note A)	\$ 3,463,200	\$ 3,217,258
Certificates of deposit (note B)	1,091,448	1,090,877
Investments (notes A, C and H)	729,088	718,673
Unconditional promises to give from campaigns, net (notes A and M)	2,626,879	2,577,663
Accounts receivable (note A)	38,997	46,283
Prepaid expenses	<u>23,303</u>	<u>31,892</u>
 Total current assets	 7,972,915	 7,682,646
 PROPERTY AND EQUIPMENT (notes A and D)	 <u>33,909</u>	 <u>37,852</u>
 Total assets	 <u>\$ 8,006,824</u>	 <u>\$ 7,720,498</u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 63,130	\$ 40,591
Accrued vacation	29,340	28,396
Accrued expenses	5,019	4,708
Operations payable	1,304,903	1,270,720
Community collaboratives payable (note E)	389,848	505,738
Custodial funds	46,057	43,481
Deferred revenue (note A)	88,946	84,304
Allocations payable	2,130,058	2,085,375
Designations payable	<u>1,930,737</u>	<u>1,841,488</u>
 Total current liabilities	 <u>5,988,038</u>	 <u>5,904,801</u>
 NET ASSETS (note A)		
Unrestricted		
Designated		
Reserve for operations (note L)	1,224,634	1,042,227
Board designated endowment (note I)	512,750	482,241
Temporarily restricted (note I)	<u>281,402</u>	<u>291,229</u>
 Total net assets	 <u>2,018,786</u>	 <u>1,815,697</u>
 Total liabilities and net assets	 <u>\$ 8,006,824</u>	 <u>\$ 7,720,498</u>

See accompanying notes to consolidated financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
CHANGE IN NET ASSETS			
Revenue and other support			
Total amounts raised	\$ 4,422,059	\$ 2,650,038	\$ 7,072,097
Provision for uncollectible	(229,269)	-	(229,269)
Amounts designated by donors			
for specific organizations	-	(2,650,038)	(2,650,038)
Total net contributions	<u>4,192,790</u>	<u>-</u>	<u>4,192,790</u>
Other revenue			
Investment income	19,542	6,710	26,252
Service fees	150,437	-	150,437
Sponsorship and special events	93,930	-	93,930
In-kind contributions	135,440	-	135,440
Grant income	<u>17,907</u>	<u>-</u>	<u>17,907</u>
Total other revenue	<u>417,256</u>	<u>6,710</u>	<u>423,966</u>
Net assets released from restrictions	<u>16,537</u>	<u>(16,537)</u>	<u>-</u>
Total revenue and other support	<u>4,626,583</u>	<u>(9,827)</u>	<u>4,616,756</u>
Program distributions			
Allocations distributed to affiliated agencies	2,082,058	-	2,082,058
Community initiatives and other funds			
distributed to affiliated agencies	1,425,023	-	1,425,023
Funds distributed to nonaffiliated agencies	<u>1,846,913</u>	<u>-</u>	<u>1,846,913</u>
Total program distributions	<u>5,353,994</u>	<u>-</u>	<u>5,353,994</u>
Less: distributions funded through			
donor designations	<u>(2,650,038)</u>	<u>-</u>	<u>(2,650,038)</u>
Net program distributions	<u>2,703,956</u>	<u>-</u>	<u>2,703,956</u>
Expenses			
Management and general	208,458	-	208,458
Fund distribution and planning	557,712	-	557,712
Campaign	698,425	-	698,425
Marketing and communications	200,404	-	200,404
Foundation operating expenses	<u>10,529</u>	<u>-</u>	<u>10,529</u>
Total functional expenses	<u>1,675,528</u>	<u>-</u>	<u>1,675,528</u>
Other program expenses	<u>34,183</u>	<u>-</u>	<u>34,183</u>
Total expenses	<u>1,709,711</u>	<u>-</u>	<u>1,709,711</u>
INCREASE (DECREASE) IN NET ASSETS	212,916	(9,827)	203,089
Net assets, beginning of year	<u>1,524,468</u>	<u>291,229</u>	<u>1,815,697</u>
Net assets, end of year	<u>\$ 1,737,384</u>	<u>\$ 281,402</u>	<u>\$ 2,018,786</u>

See accompanying notes to consolidated financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended June 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
CHANGE IN NET ASSETS			
Revenue and other support			
Total amounts raised	\$ 4,436,719	\$ 2,473,539	\$ 6,910,258
Provision for uncollectible	(230,094)	-	(230,094)
Amounts designated by donors for specific organizations	<u>-</u>	<u>(2,473,539)</u>	<u>(2,473,539)</u>
Total net contributions	<u>4,206,625</u>	<u>-</u>	<u>4,206,625</u>
Other revenue			
Investment income	69,564	40,269	109,833
Service fees	149,460	-	149,460
Sponsorship and special events	107,662	-	107,662
In-kind contributions	133,193	-	133,193
Grant income	<u>5,053</u>	<u>-</u>	<u>5,053</u>
Total other revenue	<u>464,932</u>	<u>40,269</u>	<u>505,201</u>
Net assets released from restrictions	<u>11,047</u>	<u>(11,047)</u>	<u>-</u>
Total revenue and other support	<u>4,682,604</u>	<u>29,222</u>	<u>4,711,826</u>
Program distributions			
Allocations distributed to affiliated agencies	2,047,375	-	2,047,375
Community initiatives and other funds distributed to affiliated agencies	1,440,152	-	1,440,152
Funds distributed to nonaffiliated agencies	<u>1,803,855</u>	<u>-</u>	<u>1,803,855</u>
	5,291,382	-	5,291,382
Less: distributions funded through donor designations	<u>(2,473,539)</u>	<u>-</u>	<u>(2,473,539)</u>
Net program distributions	<u>2,817,843</u>	<u>-</u>	<u>2,817,843</u>
Expenses			
Management and general	195,313	-	195,313
Fund distribution and planning	508,458	-	508,458
Campaign	683,706	-	683,706
Marketing and communications	189,598	-	189,598
Foundation operating expenses	<u>9,432</u>	<u>-</u>	<u>9,432</u>
Total functional expenses	1,586,507	-	1,586,507
Other program expenses	<u>78,657</u>	<u>-</u>	<u>78,657</u>
Total expenses	<u>1,665,164</u>	<u>-</u>	<u>1,665,164</u>
INCREASE IN NET ASSETS	199,597	29,222	228,819
Net assets, beginning of year	<u>1,324,871</u>	<u>262,007</u>	<u>1,586,878</u>
Net assets, end of year	<u>\$ 1,524,468</u>	<u>\$ 291,229</u>	<u>\$ 1,815,697</u>

See accompanying notes to consolidated financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2015

	Management and General	Fund Distribution and Planning	Fundraising Services		Foundation Operating Expenses	Totals
			Campaign	Marketing and Communications		
Salaries	\$ 106,388	\$ 299,315	\$ 339,573	\$ 101,405	\$ -	\$ 846,681
Employee benefits	18,291	44,356	57,806	19,670	-	140,123
Payroll taxes	7,831	20,861	25,348	7,460	-	61,500
Total salaries and related expenses	132,510	364,532	422,727	128,535	-	1,048,304
Professional fees	14,055	14,196	18,673	2,159	2,750	51,833
Supplies	1,317	2,580	3,202	892	-	7,991
Telephone	2,646	4,192	5,625	2,074	-	14,537
Postage	1,809	519	5,847	8	4	8,187
Occupancy	12,861	31,239	41,137	13,848	-	99,085
Rental, purchase and maintenance of equipment	2,199	13,138	9,484	1,728	-	26,549
Printing and advertising	3,354	87,979	60,676	34,386	54	186,449
Campaign supplies	-	-	4,746	-	-	4,746
Awards and recognition	4,610	273	1,862	-	-	6,745
Duplicating	1,043	640	3,132	66	-	4,881
Travel and meetings	1,460	1,648	5,237	716	325	9,386
Conferences, conventions, and other training	2,428	100	3,677	1,029	-	7,234
Membership dues	11,133	21,771	28,261	9,767	-	70,932
Subscriptions and publications	46	720	336	49	-	1,151
Insurance	954	2,316	3,019	1,027	-	7,316
Investment fees	-	-	-	-	2,787	2,787
Miscellaneous	1,928	4,808	7,078	1,901	4,609	20,324
Interviewing and relocation	115	-	-	-	-	115
Program initiatives	-	385	-	-	-	385
Special events	11,930	1,605	67,209	-	-	80,744
Total before depreciation	206,398	552,641	691,928	198,185	10,529	1,659,681
Depreciation of property and equipment	2,060	5,071	6,497	2,219	-	15,847
TOTAL FUNCTIONAL EXPENSES	\$ 208,458	\$ 557,712	\$ 698,425	\$ 200,404	\$ 10,529	\$ 1,675,528

See accompanying notes to consolidated financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2014

	Management and General	Fund Distribution and Planning	Fundraising Services		Foundation Operating Expenses	Totals
			Campaign	Marketing and Communications		
Salaries	\$ 100,212	\$ 270,534	\$ 327,477	\$ 95,202	\$ -	\$ 793,425
Employee benefits	16,343	39,660	51,687	17,588	-	125,278
Payroll taxes	7,063	19,505	23,921	7,023	-	57,512
Total salaries and related expenses	123,618	329,699	403,085	119,813	-	976,215
Professional fees	8,886	4,432	8,034	1,247	2,785	25,384
Supplies	959	2,252	3,488	959	-	7,658
Telephone	2,387	3,935	5,299	1,906	-	13,527
Postage	1,832	960	6,089	10	12	8,903
Occupancy	11,723	28,383	37,560	12,599	-	90,265
Rental, purchase and maintenance of equipment	2,242	12,915	8,490	1,676	-	25,323
Printing and advertising	4,440	81,425	60,742	33,316	21	179,944
Campaign supplies	-	-	6,963	-	-	6,963
Awards and recognition	3,598	149	1,619	-	-	5,366
Duplicating	638	978	2,727	545	-	4,888
Travel and meetings	1,544	1,223	5,403	391	94	8,655
Conferences, conventions, and other training	5,200	1,308	1,701	17	-	8,226
Membership dues	11,086	22,355	28,746	10,248	-	72,435
Subscriptions and publications	226	690	246	40	-	1,202
Insurance	863	2,095	2,730	929	-	6,617
Investment fees	-	-	-	-	2,547	2,547
Miscellaneous	1,995	5,109	7,606	2,022	3,973	20,705
Interviewing and relocation	651	-	-	-	-	651
Program initiatives	-	81	-	-	-	81
Special events	9,822	1,600	81,814	-	-	93,236
Total before depreciation	191,710	499,589	672,342	185,718	9,432	1,558,791
Depreciation of property and equipment	3,603	8,869	11,364	3,880	-	27,716
TOTAL FUNCTIONAL EXPENSES	\$ 195,313	\$ 508,458	\$ 683,706	\$ 189,598	\$ 9,432	\$ 1,586,507

See accompanying notes to consolidated financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended June 30,

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Cash received from donors and support	\$ 4,418,796	\$ 4,482,702
Cash paid for campaign distributions	(2,782,663)	(2,741,424)
Cash paid to employees and suppliers	(1,393,553)	(1,364,603)
Interest income	<u>23,972</u>	<u>22,271</u>
Net cash provided by operating activities	<u>266,552</u>	<u>398,946</u>
Cash flows from investing activities		
Purchase of property and equipment	(11,905)	(11,644)
Purchase of investments	(362,060)	(84,877)
Redemptions of investments	<u>353,355</u>	<u>62,523</u>
Net cash used by investing activities	<u>(20,610)</u>	<u>(33,998)</u>
Net increase in cash and cash equivalents	245,942	364,948
Cash and cash equivalents, beginning of year	<u>3,217,258</u>	<u>2,852,310</u>
Cash and cash equivalents, end of year	<u>\$ 3,463,200</u>	<u>\$ 3,217,258</u>
Reconciliation of increase in net assets to net cash provided by operating activities		
Increase in net assets	<u>\$ 203,089</u>	<u>\$ 228,819</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	15,847	27,716
Reinvested interest	(570)	(695)
Realized and unrealized gains on investments	(1,710)	(86,867)
(Increase) decrease in assets		
Unconditional promises to give	(49,216)	11,074
Accounts receivable	5,448	(4,673)
Prepaid expenses	8,589	10,886
Increase (decrease) in liabilities		
Accounts payable	24,377	(9,496)
Accrued vacation	944	(639)
Accrued expenses	311	418
Operations payable	34,183	78,660
Agency appropriations	(115,890)	83,919
Custodial funds	2,576	(3,768)
Deferred revenue	4,642	30,731
Allocations payable	44,683	-
Designations payable	<u>89,249</u>	<u>32,861</u>
Total adjustments to increase in net assets	<u>63,463</u>	<u>170,127</u>
Net cash provided by operating activities	<u>\$ 266,552</u>	<u>\$ 398,946</u>

See accompanying notes to consolidated financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

United Way of Lincoln and Lancaster County (United Way) provides an opportunity for all citizens and agencies, governmental and private, to join together in the delivery of efficient human service programs related to current community needs. The major functional divisions include Resource Development Campaign, Community Impact Fund Distribution and Planning, and Marketing and Communications. These divisions work together to produce maximum contributions from within the community and provide a system for distributing those resources to human programs in Lancaster County.

United Way of Lincoln and Lancaster County Foundation, Inc. (Foundation) is a not-for-profit corporation formed for the purpose of supporting the mission of United Way of Lincoln and Lancaster County.

NOTE A - SUMMARY OF ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows:

Principles of Consolidation. The accompanying consolidated financial statements include accounts of United Way of Lincoln and Lancaster County and United Way of Lincoln and Lancaster County Foundation, Inc., a controlled not-for-profit corporation (collectively referred to as the Organization). All significant intercompany accounts and transactions have been eliminated.

Method of Accounting. The accompanying consolidated financial statements of the Organization have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents. For purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with a maturity of three months or less to be cash equivalents.

Investments. Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the consolidated statement of financial position. Unrealized gains and losses are included in the consolidated statement of activities. Donated securities are recorded as contributions equal to the fair market value of the securities at the date of gift.

Endowment Investment and Payout Policies. The Organization has adopted investment and payout policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while seeking to maintain the purchasing power of the endowment assets. The Organization's investment and payout policies, which have been approved by the Organization's Board of Directors, work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. The current investment objective is to achieve an annual rate of return to allow for distributions of up to 5% while growing the funds.

To satisfy its objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation between equity-based and fixed income investments to achieve its return objectives within prudent risk parameters.

The payout policy determines the amount of money distributable from the Organization's various endowment funds. The current payout policy is to allow distributions from each endowment in an amount up to 5% of the average net fair value for the last three years through the calendar year-end preceding the year in which the distribution is planned.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Fair Value Measurements. 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 measurement date. The Organization utilizes a framework to prioritize 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 unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization 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. Transfers between levels shall occur at the actual date of the event or change in circumstances that caused the transfer. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Promises to Give. Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Unconditional promises to give that are expected to be collected or paid in more than one year are recognized at the present value of estimated future cash flows. Management provides for probable uncollectible unconditional promises receivable through a charge to net assets and a credit to a valuation allowance based on prior years' experience and management's analysis of specific promises made. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to unconditional promises receivable. Changes in the valuation allowance have not been material to the financial statements. Unconditional promises to give are stated at the amount management expects to collect from balances outstanding at year-end.

Accounts Receivable. Accounts receivable are reported at the amount management expects to collect on balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

Property and Equipment and Depreciation. Property and equipment are carried at cost, if purchased and at fair market value at the date of contribution, if received by donation, less accumulated depreciation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives computed primarily on the straight-line method. Furniture and equipment are depreciated over estimated useful lives from three to seven years. It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Deferred revenue. Campaign donations received in advance are revenues for the succeeding year and are recognized as income in the applicable year when earned.

Net Asset Classification. The Organization reports 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.

Unrestricted net assets. Net assets that are not subject to outside restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Temporarily restricted net assets. Net assets on which grantors or donors have placed restrictions regarding the use of the funds or the time period in which the funds can be used. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as “net assets released from restrictions.”

Permanently restricted net assets. Net assets whose funds must be held indefinitely. The Organization has no permanently restricted net assets.

The State of Nebraska adopted UPMIFA effective September 1, 2007. The Organization adopted the Financial Accounting Standards Board’s guidance and required disclosures for the year ended June 30, 2010. The Board of Directors has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets the original value of the gifts donated and subsequent gifts to the permanent endowment. The accumulations to the donor-restricted endowment that are not classified as permanently restricted are classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. Temporarily restricted net assets also include general limitation endowment funds with an unfulfilled restriction on the purpose for which the monies from the fund may be applied and the specific limitation endowment funds for which the donor allows some principal invasions in the gift instrument.

In accordance with UPMIFA, the Organization 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
- (7) The investment policies of the Organization

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

Advertising. Advertising costs of the Organization are expensed as incurred. Advertising expense was \$154,390 and \$148,522 for the years ended June 30, 2015 and 2014, respectively.

In-Kind Donations. In-kind donations are recorded as contributions at their estimated fair values at the date of donation. Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would have otherwise been purchased by the Organization.

Income Taxes. United Way and the Foundation are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, income earned in the performance of their exempt purpose is not subject to income tax. Any income earned through activities not related to their exempt purpose is subject to income tax at normal corporate rates.

Use of Estimates. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B - CERTIFICATES OF DEPOSIT

Certificates of deposit consist of:

	2015			
	Date of Purchase/Renewal	Amount	Interest Rate	Maturity Date
Union Bank & Trust Company	5/8/2011	\$ 98,000	2.55%	5/8/2016
West Gate Bank	6/12/2014	100,071	0.25%	6/12/2016
Cattle National Bank	11/25/2013	99,000	0.90%	11/25/2017
Mutual of Omaha Bank	2/12/2015	99,000	1.14%	6/12/2017
First State Bank	3/5/2014	99,136	0.50%	3/5/2016
Pinnacle Bank	6/3/2014	99,176	0.95%	7/3/2016
Great Western Bank	9/5/2014	97,164	0.40%	9/5/2016
US Bank	2/16/2016	100,871	0.50%	9/16/2016
Cornhusker Bank	3/28/2014	99,000	0.55%	3/28/2016
Nebraska Bank of Commerce	11/30/2013	100,030	0.50%	11/30/2015
Security First Bank	12/4/2014	100,000	0.20%	12/4/2016
		<u>\$ 1,091,448</u>		

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE B - CERTIFICATES OF DEPOSIT - CONTINUED

	2014			
	Date of Purchase/Renewal	Amount	Interest Rate	Maturity Date
Union Bank & Trust Company	5/8/2011	\$ 98,000	2.55%	5/8/2016
West Gate Bank	6/12/2014	99,514	0.25%	6/12/2016
Cattle National Bank	11/25/2013	99,000	0.90%	11/25/2017
Mutual of Omaha Bank	2/12/2013	99,000	0.55%	2/12/2015
First State Bank	3/5/2014	99,136	0.50%	3/5/2016
Pinnacle Bank	6/3/2014	99,176	0.95%	7/3/2016
Great Western Bank	9/5/2012	97,149	0.90%	9/5/2014
US Bank	7/16/2013	100,871	0.50%	2/16/2015
Cornhusker Bank	3/28/2014	99,000	0.55%	3/28/2016
Nebraska Bank of Commerce	11/30/2013	100,031	0.50%	11/30/2015
Security First Bank	12/4/2012	<u>100,000</u>	0.75%	12/3/2014
		<u>\$ 1,090,877</u>		

NOTE C - INVESTMENTS

Investments consist of:

	2015		2014	
	Cost	Market	Cost	Market
Mutual funds	\$ 315,304	\$ 449,406	\$ 315,304	\$ 462,881
Bond funds	<u>280,277</u>	<u>279,682</u>	<u>249,477</u>	<u>255,792</u>
	<u>\$ 595,581</u>	<u>\$ 729,088</u>	<u>\$ 564,781</u>	<u>\$ 718,673</u>
Unrealized gain		<u>\$ 133,507</u>		<u>\$ 153,892</u>

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment consists of:

	2015	2014
Furniture and equipment	\$ 196,422	\$ 184,517
Accumulated depreciation	<u>(162,513)</u>	<u>(146,665)</u>
	<u>\$ 33,909</u>	<u>\$ 37,852</u>

The consolidated financial statements include depreciation expense of \$15,847 and \$27,716 for the years ended June 30, 2015 and 2014, respectively.

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE E - COMMUNITY COLLABORATIVES

Community collaboratives are distributions of support which were approved by the Board of Directors but not drawn at the end of the year. Community collaboratives payable consist of:

	<u>2015</u>	<u>2014</u>
Background checks	\$ 5,812	\$ 10,350
Planning/Needs Assessment	5,000	10,000
Outcome Measurements	-	500
One-Time Dollars	-	231
2-1-1	64,871	84,013
Gift-in-kind	-	417
Food and Hunger Initiatives	25,482	39,319
Community Impact	16,782	122,098
UW Foundation	10,250	8,412
Women's Leadership Council	237,112	205,901
Women in Philanthropy	<u>24,539</u>	<u>24,497</u>
	<u>\$ 389,848</u>	<u>\$ 505,738</u>

NOTE F - OPERATING LEASES

On May 1, 2009, the Organization entered into a 120-month operating lease for office space. Under the terms of the lease, monthly rent payments are \$5,681 and increase 2% to 3% on each anniversary of the commencement of the lease, July 1, 2009. The Organization is also obligated for payment of the Organization's proportionate share of common area and facilities maintenance and real estate taxes. On October 1, 2013, the Organization amended the original lease to include an additional space for storage. Under the terms of the lease, monthly rent payments for the storage space are \$391.

On July 18, 2012, the Organization entered into a 39-month operating lease for office equipment. Under the terms of the lease, monthly rent payments are \$220.

On April 1, 2013, the Organization entered into a 63-month operating lease for a postage machine. Under the terms of the lease, monthly rent payments are \$148.

The consolidated financial statements include rent expense of \$86,261 and \$77,601, and equipment lease expense of \$7,909 and \$6,992 for the years ended June 30, 2015 and 2014, respectively.

Future minimum lease payments are as follows:

<u>Year ending June 30,</u>	
2016	\$ 85,434
2017	87,125
2018	89,543
2019	<u>90,252</u>
	<u>\$ 352,354</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE G - RETIREMENT PLAN

The Organization has a 401(k) plan covering eligible employees. Under the plan, employer contributions are made to the account of each individual employee based on 3% of their annual compensation, with an additional matching contribution of up to 3%. An employee must be at least age twenty and have one year of service with the Organization before they can participate in the plan. Total expense incurred was \$45,551 and \$40,439 for the years ended June 30, 2015 and 2014, respectively.

NOTE H - FAIR VALUE MEASUREMENTS

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in methodologies used during the years ended June 30, 2015 and 2014.

Mutual funds: Valued at the observable net asset value (NAV) of shares held by the Organization at year end.

Bond funds: Valued using independent pricing models.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization 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 table sets forth the balances of assets and liabilities measured at fair value on a recurring basis as of June 30, 2015 and 2014.

<u>June 30, 2015</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Mutual funds				
International	\$ 93,983	\$ 93,983	\$ -	\$ -
Large cap	323,075	323,075	-	-
Mid cap	20,535	20,535	-	-
Small cap	11,813	11,813	-	-
Bond funds				
Fixed income	<u>279,682</u>	<u>-</u>	<u>279,682</u>	<u>-</u>
	<u>\$ 729,088</u>	<u>\$ 449,406</u>	<u>\$ 279,682</u>	<u>\$ -</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE H - FAIR VALUE MEASUREMENTS - CONTINUED

<u>June 30, 2014</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Mutual funds				
International	\$ 103,845	\$ 103,845	\$ -	\$ -
Large cap	323,762	323,762	-	-
Mid cap	23,883	23,883	-	-
Small cap	11,391	11,391	-	-
Bond funds				
Fixed income	<u>255,792</u>	<u>-</u>	<u>255,792</u>	<u>-</u>
	<u>\$ 718,673</u>	<u>\$ 462,881</u>	<u>\$ 255,792</u>	<u>\$ -</u>

NOTE I - ENDOWMENT

Endowment net asset composition by type of fund as of June 30, 2015 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Board-designated endowment funds	<u>\$ 512,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 512,750</u>
Donor-restricted endowment funds	<u>\$ -</u>	<u>\$ 281,402</u>	<u>\$ -</u>	<u>\$ 281,402</u>

Changes in endowment net assets for the year ended June 30, 2015 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Balance June 30, 2014	\$ 482,241	\$ 291,229	\$ -	\$ 773,470
Contributions	28,411	-	-	28,411
Investment performance	9,840	6,710	-	16,550
Investment fees	(4,579)	(2,787)	-	(7,366)
Amounts appropriated for expenditure	<u>(3,163)</u>	<u>(13,750)</u>	<u>-</u>	<u>(16,913)</u>
Balance June 30, 2015	<u>\$ 512,750</u>	<u>\$ 281,402</u>	<u>\$ -</u>	<u>\$ 794,152</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE I - ENDOWMENT - CONTINUED

Endowment net asset composition by type of fund as of June 30, 2014 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Board-designated endowment funds	\$ 482,241	\$ -	\$ -	\$ 482,241
Donor-restricted endowment funds	\$ -	\$ 291,229	\$ -	\$ 291,229

Changes in endowment net asset for the year ended June 30, 2014 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Balance June 30, 2013	\$ 415,286	\$ 262,007	\$ -	\$ 677,293
Contributions	15,051	-	-	15,051
Investment performance	58,788	40,269	-	99,057
Investment fees	(3,973)	(2,547)	-	(6,520)
Amounts appropriated for expenditure	(2,911)	(8,500)	-	(11,411)
Balance June 30, 2014	\$ 482,241	\$ 291,229	\$ -	\$ 773,470

NOTE J - CFC COMPLIANCE

During the years ended June 30, 2015 and 2014, the Organization complied with the requirements of the Combined Federal Campaign (CFC) to honor designations made to each member agency by distributing a proportionate share of receipts based on donor designations to each member agency.

NOTE K - INCOME TAXES

United Way and the Foundation are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. For the years ended June 30, 2015 and 2014, United Way and the Foundation had no unrelated business activity. United Way and the Foundation believe that they have appropriate support for any tax positions taken, and as such, do not have any uncertain tax positions that are material to the financial statements.

United Way and the Foundation's federal Returns of Organization Exempt from Income Tax (Form 990) for June 30, 2015, 2014, and 2013 are subject to examination by the IRS, generally for three years after they were filed.

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE L - DESIGNATED NET ASSETS

Reserve for Operations

The Board of Directors has established a reserve for operations to help ensure the financial stability of the Organization's internal operations and for programs receiving allocations.

NOTE M - ANNUAL CAMPAIGN SUPPORT

Public support recorded as unconditional promises to give consist of:

	<u>2015</u>	<u>2014</u>
Total public support	\$ 7,072,097	\$ 6,910,258
Payments received prior to June 30	<u>(4,162,809)</u>	<u>(4,042,244)</u>
	2,909,288	2,868,014
Allowance for unconditional promises to give	<u>(282,409)</u>	<u>(290,351)</u>
Unconditional promises to give at June 30	<u>\$ 2,626,879</u>	<u>\$ 2,577,663</u>

Unconditional promises to give are due in the following period:

<u>Year ending June 30,</u>	
2016	<u>\$ 2,626,879</u>

NOTE N - AFFILIATED AGENCIES

An affiliated agency is one who is currently receiving funding for a program that addresses one of the Organization's focus areas: investing in children toward graduation and assisting those in crisis toward stability. These agencies have applied through a fund distribution process that uses community volunteers to review and recommend to the Organization's Board approval for funding.

NOTE O - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the audit report date, the date the consolidated financial statements were available to be issued.

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Becker Meyer Love LLP
Certified **SUPPLEMENTAL INFORMATION**

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

June 30, 2015

ASSETS

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Eliminations	Consolidated
CURRENT ASSETS				
Cash and cash equivalents	\$ 3,408,636	\$ 54,564	\$ -	\$ 3,463,200
Certificates of deposit	1,091,448	-	-	1,091,448
Investments	-	729,088	-	729,088
Unconditional promises to give from campaigns	2,904,038	5,250	-	2,909,288
Less allowance for uncollectible promises to give	(282,409)	-	-	(282,409)
Accounts receivable	38,997	10,250	(10,250)	38,997
Prepaid expenses	23,303	-	-	23,303
	<u>7,184,013</u>	<u>799,152</u>	<u>(10,250)</u>	<u>7,972,915</u>
PROPERTY AND EQUIPMENT	<u>33,909</u>	<u>-</u>	<u>-</u>	<u>33,909</u>
Total assets	<u>\$ 7,217,922</u>	<u>\$ 799,152</u>	<u>\$ (10,250)</u>	<u>\$ 8,006,824</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES				
Accounts payable	\$ 73,380	\$ -	\$ (10,250)	\$ 63,130
Accrued vacation	29,340	-	-	29,340
Accrued expenses	5,019	-	-	5,019
Operations payable	1,304,903	-	-	1,304,903
Community collaboratives payable	389,848	-	-	389,848
Custodial funds	46,057	-	-	46,057
Deferred revenue	83,946	5,000	-	88,946
Allocations payable	2,130,058	-	-	2,130,058
Designations payable	1,930,737	-	-	1,930,737
	<u>5,993,288</u>	<u>5,000</u>	<u>(10,250)</u>	<u>5,988,038</u>
NET ASSETS				
Unrestricted				
Designated				
Reserve for operations	1,224,634	-	-	1,224,634
Board designated endowment	-	512,750	-	512,750
Temporarily restricted	-	281,402	-	281,402
	<u>1,224,634</u>	<u>794,152</u>	<u>-</u>	<u>2,018,786</u>
Total net assets	<u>1,224,634</u>	<u>794,152</u>	<u>-</u>	<u>2,018,786</u>
Total liabilities and net assets	<u>\$ 7,217,922</u>	<u>\$ 799,152</u>	<u>\$ (10,250)</u>	<u>\$ 8,006,824</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

June 30, 2014

ASSETS

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Eliminations	Consolidated
CURRENT ASSETS				
Cash and cash equivalents	\$ 3,177,373	\$ 39,885	\$ -	\$ 3,217,258
Certificates of deposit	1,090,877	-	-	1,090,877
Investments	-	718,673	-	718,673
Unconditional promises to give from campaigns	2,856,514	11,500	-	2,868,014
Less allowance for uncollectible promises to give	(290,351)	-	-	(290,351)
Accounts receivable	46,283	8,412	(8,412)	46,283
Prepaid expenses	31,892	-	-	31,892
	<u>6,912,588</u>	<u>778,470</u>	<u>(8,412)</u>	<u>7,682,646</u>
PROPERTY AND EQUIPMENT	<u>37,852</u>	<u>-</u>	<u>-</u>	<u>37,852</u>
Total assets	<u>\$ 6,950,440</u>	<u>\$ 778,470</u>	<u>\$ (8,412)</u>	<u>\$ 7,720,498</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES				
Accounts payable	\$ 49,003	\$ -	\$ (8,412)	\$ 40,591
Accrued vacation	28,396	-	-	28,396
Accrued expenses	4,708	-	-	4,708
Operations payable	1,270,720	-	-	1,270,720
Community collaboratives payable	505,738	-	-	505,738
Custodial funds	43,481	-	-	43,481
Deferred revenue	79,304	5,000	-	84,304
Allocations payable	2,085,375	-	-	2,085,375
Designations payable	1,841,488	-	-	1,841,488
	<u>5,908,213</u>	<u>5,000</u>	<u>(8,412)</u>	<u>5,904,801</u>
NET ASSETS				
Unrestricted				
Designated				
Reserve for operations	1,042,227	-	-	1,042,227
Board designated endowment	-	482,241	-	482,241
Temporarily restricted	-	291,229	-	291,229
	<u>1,042,227</u>	<u>773,470</u>	<u>-</u>	<u>1,815,697</u>
Total net assets	<u>1,042,227</u>	<u>773,470</u>	<u>-</u>	<u>1,815,697</u>
Total liabilities and net assets	<u>\$ 6,950,440</u>	<u>\$ 778,470</u>	<u>\$ (8,412)</u>	<u>\$ 7,720,498</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended June 30, 2015

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Eliminations	Consolidated
CHANGE IN NET ASSETS				
Revenue and other support				
Total amounts raised	\$ 7,051,186	\$ 28,411	\$ (7,500)	\$ 7,072,097
Provision for uncollectible Amounts designated by donors for specific organizations	(229,269)	-	-	(229,269)
	<u>(2,650,038)</u>	<u>-</u>	<u>-</u>	<u>(2,650,038)</u>
Total net contributions	<u>4,171,879</u>	<u>28,411</u>	<u>(7,500)</u>	<u>4,192,790</u>
Other revenue				
Investment income	9,702	16,550	-	26,252
Service fees	150,437	-	-	150,437
Sponsorship and special events	93,930	-	-	93,930
In-kind contributions	135,440	-	-	135,440
Grant income	17,907	-	-	17,907
	<u>407,416</u>	<u>16,550</u>	<u>-</u>	<u>423,966</u>
Total other revenue	<u>407,416</u>	<u>16,550</u>	<u>-</u>	<u>423,966</u>
Total revenue and support	<u>4,579,295</u>	<u>44,961</u>	<u>(7,500)</u>	<u>4,616,756</u>
Program distributions				
Allocations distributed to affiliated agencies	2,082,058	-	-	2,082,058
Community initiatives and other funds distributed to affiliated agencies	1,428,773	3,750	(7,500)	1,425,023
Funds distributed to nonaffiliated agencies	1,836,913	10,000	-	1,846,913
	<u>5,347,744</u>	<u>13,750</u>	<u>(7,500)</u>	<u>5,353,994</u>
Less: distributions funded through donor designations	<u>(2,650,038)</u>	<u>-</u>	<u>-</u>	<u>(2,650,038)</u>
Net program distributions	<u>2,697,706</u>	<u>13,750</u>	<u>(7,500)</u>	<u>2,703,956</u>
Expenses				
Management and general	208,458	-	-	208,458
Fund distribution and planning	557,712	-	-	557,712
Campaign	698,425	-	-	698,425
Marketing and communications	200,404	-	-	200,404
Foundation operating expenses	-	10,529	-	10,529
	<u>1,664,999</u>	<u>10,529</u>	<u>-</u>	<u>1,675,528</u>
Total functional expenses	<u>1,664,999</u>	<u>10,529</u>	<u>-</u>	<u>1,675,528</u>
Other program expenses	<u>34,183</u>	<u>-</u>	<u>-</u>	<u>34,183</u>
Total expenses	<u>1,699,182</u>	<u>10,529</u>	<u>-</u>	<u>1,709,711</u>
INCREASE IN NET ASSETS	182,407	20,682	-	203,089
Net assets, beginning of year	<u>1,042,227</u>	<u>773,470</u>	<u>-</u>	<u>1,815,697</u>
Net assets, end of year	<u>\$ 1,224,634</u>	<u>\$ 794,152</u>	<u>\$ -</u>	<u>\$ 2,018,786</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended June 30, 2014

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Eliminations	Consolidated
CHANGE IN NET ASSETS				
Revenue and other support				
Total amounts raised	\$ 6,902,707	\$ 15,051	\$ (7,500)	\$ 6,910,258
Provision for uncollectible Amounts designated by donors for specific organizations	(230,094)	-	-	(230,094)
	<u>(2,473,539)</u>	<u>-</u>	<u>-</u>	<u>(2,473,539)</u>
Total net contributions	<u>4,199,074</u>	<u>15,051</u>	<u>(7,500)</u>	<u>4,206,625</u>
Other revenue				
Investment income	10,775	99,058	-	109,833
Service fees	149,460	-	-	149,460
Sponsorship and special events	107,662	-	-	107,662
In-kind contributions	133,193	-	-	133,193
Grant income	5,053	-	-	5,053
	<u>406,143</u>	<u>99,058</u>	<u>-</u>	<u>505,201</u>
Total other revenue	<u>406,143</u>	<u>99,058</u>	<u>-</u>	<u>505,201</u>
Total revenue and support	<u>4,605,217</u>	<u>114,109</u>	<u>(7,500)</u>	<u>4,711,826</u>
Program distributions				
Allocations distributed to affiliated agencies	2,047,375	-	-	2,047,375
Community initiatives and other funds distributed to affiliated agencies	1,442,902	4,750	(7,500)	1,440,152
Funds distributed to nonaffiliated agencies	1,800,105	3,750	-	1,803,855
	<u>5,290,382</u>	<u>8,500</u>	<u>(7,500)</u>	<u>5,291,382</u>
Less: distributions funded through donor designations	<u>(2,473,539)</u>	<u>-</u>	<u>-</u>	<u>(2,473,539)</u>
Net program distributions	<u>2,816,843</u>	<u>8,500</u>	<u>(7,500)</u>	<u>2,817,843</u>
Expenses				
Management and general	195,313	-	-	195,313
Fund distribution and planning	508,458	-	-	508,458
Campaign	683,706	-	-	683,706
Marketing and communications	189,598	-	-	189,598
Foundation operating expenses	-	9,432	-	9,432
	<u>1,577,075</u>	<u>9,432</u>	<u>-</u>	<u>1,586,507</u>
Total functional expenses	<u>1,577,075</u>	<u>9,432</u>	<u>-</u>	<u>1,586,507</u>
Other program expenses	<u>78,657</u>	<u>-</u>	<u>-</u>	<u>78,657</u>
Total expenses	<u>1,655,732</u>	<u>9,432</u>	<u>-</u>	<u>1,665,164</u>
INCREASE IN NET ASSETS	132,642	96,177	-	228,819
Net assets, beginning of year	<u>909,585</u>	<u>677,293</u>	<u>-</u>	<u>1,586,878</u>
Net assets, end of year	<u>\$ 1,042,227</u>	<u>\$ 773,470</u>	<u>\$ -</u>	<u>\$ 1,815,697</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF EXPENSES

Year ended June 30, 2015

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Consolidated
Salaries	\$ 846,681	\$ -	\$ 846,681
Employee benefits	140,123	-	140,123
Payroll taxes	<u>61,500</u>	<u>-</u>	<u>61,500</u>
Total salaries and related expenses	1,048,304	-	1,048,304
Professional fees	49,083	2,750	51,833
Supplies	7,991	-	7,991
Telephone	14,537	-	14,537
Postage	8,183	4	8,187
Occupancy	99,085	-	99,085
Rental, purchase and maintenance of equipment	26,549	-	26,549
Printing and advertising	186,395	54	186,449
Campaign supplies	4,746	-	4,746
Awards and recognition	6,745	-	6,745
Duplicating	4,881	-	4,881
Travel and meetings	9,061	325	9,386
Conferences, conventions, and other training	7,234	-	7,234
Membership dues	70,932	-	70,932
Subscriptions and publications	1,151	-	1,151
Insurance	7,316	-	7,316
Investment fees	-	2,787	2,787
Miscellaneous	15,715	4,609	20,324
Interviewing and relocation	115	-	115
Program initiatives	385	-	385
Special events	80,744	-	80,744
Other program expenses	<u>34,183</u>	<u>-</u>	<u>34,183</u>
Total before depreciation	1,683,335	10,529	1,693,864
Depreciation of property and equipment	<u>15,847</u>	<u>-</u>	<u>15,847</u>
TOTAL EXPENSES	<u>\$ 1,699,182</u>	<u>\$ 10,529</u>	<u>\$ 1,709,711</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF EXPENSES

Year ended June 30, 2014

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Consolidated
Salaries	\$ 793,425	\$ -	\$ 793,425
Employee benefits	125,278	-	125,278
Payroll taxes	<u>57,512</u>	<u>-</u>	<u>57,512</u>
Total salaries and related expenses	976,215	-	976,215
Professional fees	22,599	2,785	25,384
Supplies	7,658	-	7,658
Telephone	13,527	-	13,527
Postage	8,891	12	8,903
Occupancy	90,265	-	90,265
Rental, purchase and maintenance of equipment	25,323	-	25,323
Printing and advertising	179,923	21	179,944
Campaign supplies	6,963	-	6,963
Awards and recognition	5,366	-	5,366
Duplicating	4,888	-	4,888
Travel and meetings	8,561	94	8,655
Conferences, conventions, and other training	8,226	-	8,226
Membership dues	72,435	-	72,435
Subscriptions and publications	1,202	-	1,202
Insurance	6,617	-	6,617
Investment fees	-	2,547	2,547
Miscellaneous	16,732	3,973	20,705
Interviewing and relocation	651	-	651
Program initiatives	81	-	81
Special events	93,236	-	93,236
Other program expenses	<u>78,657</u>	<u>-</u>	<u>78,657</u>
Total before depreciation	1,628,016	9,432	1,637,448
Depreciation of property and equipment	<u>27,716</u>	<u>-</u>	<u>27,716</u>
TOTAL EXPENSES	<u><u>\$ 1,655,732</u></u>	<u><u>\$ 9,432</u></u>	<u><u>\$ 1,665,164</u></u>

United Way of Lincoln and Lancaster County and Controlled Foundation

SCHEDULE OF AGENCY ALLOCATIONS,
GRANTS, CONTRACTS AND DESIGNATIONS

Year ended June 30, 2015

AFFILIATED AGENCIES

American Red Cross, Cornhusker Chapter	\$ 78,000
The Arc of Lincoln/Lancaster County	5,000
Asian Community and Cultural Center	10,000
Boys and Girls Clubs of Lincoln/Lancaster County	25,000
CASA for Lancaster County (Court Appointed Special Advocates)	21,000
Catholic Social Services	43,000
CEDARS Youth Services	381,500
Center for People in Need	25,000
City Impact	35,000
Clyde Malone Community Center	50,000
Community Action Partnership of Lancaster and Saunders County	95,000
Community CROPS	11,000
Cornhusker Council #324 Boy Scouts of America	5,000
El Centro de las Americas	40,000
Family Service Association of Lincoln	165,000
Food Bank of Lincoln	40,000
Foundation for Lincoln Public Schools	17,500
Fresh Start Home	30,000
Friendship Home of Lincoln	78,500
Good Neighbor Community Center	25,000
Guidance to Success Youth Club	5,000
Heartland Big Brothers/Big Sisters	72,500
HUB - Central Access Point for Young Adults	50,000
League of Human Dignity, Inc.	5,000
Legal Aid of Nebraska	15,000
Lighthouse	72,200
Lincoln Literacy Council	33,000
Lincoln Medical Education Partnership	20,000
Lincoln/Lancaster County Child Advocacy Center	77,250
Lincoln/Lancaster County Child Guidance Center	175,000
Lux Center for the Arts	5,000
Matt Talbot Kitchen and Outreach	28,000
Mourning Hope	20,000
Northeast Family Center	40,000
People's City Mission	15,000
St. Monica's Home	28,250
TeamMates Mentoring Program of LPS	64,358
Salvation Army Lincoln, Nebraska Corps.	76,000
Voices of Hope, Lincoln	79,000
Volunteer Partners	16,000
Willard Community Center	10,000
YWCA Lincoln	5,000
Amount reallocated from year ended June 30, 2014 distributions	(10,000)
Designations and other funds distributed to affiliated agencies	<u>1,425,023</u>

	3,507,081
Designations and other funds distributed to nonaffiliated agencies	<u>1,846,913</u>
	<u>\$ 5,353,994</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

SCHEDULE OF AGENCY ALLOCATIONS,
GRANTS, CONTRACTS AND DESIGNATIONS

Year ended June 30, 2014

AFFILIATED AGENCIES

American Red Cross, Cornhusker Chapter	\$ 101,000
The Arc of Lincoln/Lancaster County	10,000
Asian Community and Cultural Center	5,000
Boys and Girls Clubs of Lincoln/Lancaster County	25,000
CASA for Lancaster County (Court Appointed Special Advocates)	20,000
Catholic Social Services	41,000
CEDARS Youth Services	390,134
Center for People in Need	25,000
City Impact	34,000
Clyde Malone Community Center	65,000
Community Action Partnership of Lancaster and Saunders County	81,000
Community CROPS	6,000
Cornhusker Council #324 Boy Scouts of America	7,500
El Centro de las Americas	29,000
Family Service Association of Lincoln	165,000
Food Bank of Lincoln	30,000
Foundation for Lincoln Public Schools	17,500
Fresh Start Home	27,402
Friendship Home of Lincoln	73,809
Good Neighbor Community Center	23,023
Heartland Big Brothers/Big Sisters	72,500
HUB - Central Access Point for Young Adults	48,862
Indian Center, Inc.	5,000
League of Human Dignity, Inc.	5,000
Legal Aid of Nebraska	15,000
Lighthouse	63,963
Lincoln Literacy Council	30,000
Lincoln Medical Education Partnership	20,000
Lincoln/Lancaster County Child Advocacy Center	72,000
Lincoln/Lancaster County Child Guidance Center	165,000
Matt Talbot Kitchen and Outreach	28,000
Mourning Hope	20,362
Northeast Family Center	44,000
People's City Mission	17,000
St. Monica's Home	23,000
Tabitha Inc.	13,000
TeamMates Mentoring Program of LPS	62,500
Salvation Army Lincoln, Nebraska Corps.	61,820
Voices of Hope, Lincoln	74,000
Volunteer Partners	15,000
Willard Community Center	10,000
YWCA Lincoln	5,000
Designations and other funds distributed to affiliated agencies	<u>1,440,152</u>
	3,487,527
Designations and other funds distributed to nonaffiliated agencies	<u>1,803,855</u>
	<u>\$ 5,291,382</u>