

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

*June 30, 2013 and 2012*

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

United Way of Lincoln and Lancaster County

Years ended June 30, 2013 and 2012

TABLE OF CONTENTS

	<u>Page No.</u>
<b>Report of Independent Certified Public Accountants</b>	1-2
<b>Financial Statements</b>	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4-5
Consolidated Statements of Functional Expenses	6-7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9-18
<b>Supplemental Information</b>	
Consolidating Statements of Financial Position	20-21
Consolidating Statements of Activities	22-23
Consolidating Statements of Expenses	24-25
Schedules of Agency Allocations, Grants, Contracts and Designations	26-27

---

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, 2013 and 2012, 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 U.S. generally accepted accounting principles, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. 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, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.



## Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements and the schedule 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 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 with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*HBE Becker Meyer Love LLP*

October 22, 2013

**HBE**  
**HBE**  
Becker Meyer Love LLP  
Certified Public Accountants & Consultants

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30,

ASSETS

	<u>2013</u>	<u>2012</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents (note A)	\$ 2,852,310	\$ 2,658,355
Certificates of deposit (note B)	1,090,183	989,495
Investments (notes A, C and H)	609,451	551,067
Unconditional promises to give from campaigns (notes A and M)	2,804,617	2,528,102
Less: allowance for uncollectible promises to give (notes A and M)	(221,380)	(229,829)
Accounts receivable (note A)	43,698	42,122
Prepaid expenses	<u>42,778</u>	<u>28,484</u>
Total current assets	7,221,657	6,567,796
PROPERTY AND EQUIPMENT (notes A and D)	53,925	69,888
PROMISES TO GIVE - LONG-TERM (notes A and M)	<u>5,500</u>	<u>12,000</u>
Total assets	<u>\$ 7,281,082</u>	<u>\$ 6,649,684</u>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 52,175	\$ 60,894
Accrued vacation	29,036	30,012
Accrued expenses	4,290	4,402
Operations payable	1,192,060	1,087,762
Agency appropriations (note E)	421,819	304,243
Custodial funds	47,249	45,778
Deferred revenue (note A)	53,573	73,175
Allocations payable	2,085,375	2,082,375
Designations payable	<u>1,808,627</u>	<u>1,653,066</u>
Total current liabilities	5,694,204	5,341,707
<b>NET ASSETS (note A)</b>		
Unrestricted		
Undesignated	-	23,254
Designated		
Reserve for operations (note L)	909,585	675,053
Board designated endowment (note I)	415,286	363,616
Temporarily restricted (note I)	<u>262,007</u>	<u>246,054</u>
Total net assets	1,586,878	1,307,977
Total liabilities and net assets	<u>\$ 7,281,082</u>	<u>\$ 6,649,684</u>

See accompanying notes to financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended June 30, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND OTHER SUPPORT</b>			
Total amounts raised	\$ 4,270,745	\$ 2,514,083	\$ 6,784,828
Less: provision for uncollectible	(147,235)	-	(147,235)
Less: amounts designated by donors for specific organizations	<u>-</u>	<u>(2,514,083)</u>	<u>(2,514,083)</u>
Total contributions	<u>4,123,510</u>	<u>-</u>	<u>4,123,510</u>
<b>Other revenue</b>			
Investment income	52,302	29,334	81,636
Service fees	139,953	-	139,953
Sponsorship and special events	89,538	-	89,538
In-kind contributions	150,114	-	150,114
Grant income	<u>33,302</u>	<u>-</u>	<u>33,302</u>
Total other revenue	<u>465,209</u>	<u>29,334</u>	<u>494,543</u>
Net assets released from restrictions	<u>13,381</u>	<u>(13,381)</u>	<u>-</u>
Total revenue and other support	<u>4,602,100</u>	<u>15,953</u>	<u>4,618,053</u>
<b>Program distributions</b>			
Allocations distributed to affiliated agencies	2,047,375	-	2,047,375
Community initiatives and other funds distributed to affiliated agencies	1,486,555	-	1,486,555
Funds distributed to nonaffiliated agencies	<u>1,676,552</u>	<u>-</u>	<u>1,676,552</u>
	5,210,482	-	5,210,482
Less: distributions funded through donor designations	<u>(2,514,083)</u>	<u>-</u>	<u>(2,514,083)</u>
Net program distributions	<u>2,696,399</u>	<u>-</u>	<u>2,696,399</u>
<b>Expenses</b>			
Management and general	187,833	-	187,833
Campaign	625,513	-	625,513
Fund distribution and planning	542,197	-	542,197
Marketing and communications	173,300	-	173,300
Foundation operating expenses	9,612	-	9,612
Other program expenses	<u>104,298</u>	<u>-</u>	<u>104,298</u>
Total functional expenses	<u>1,642,753</u>	<u>-</u>	<u>1,642,753</u>
<b>INCREASE IN NET ASSETS</b>	262,948	15,953	278,901
Net assets at beginning of year	<u>1,061,923</u>	<u>246,054</u>	<u>1,307,977</u>
Net assets, end of year	<u>\$ 1,324,871</u>	<u>\$ 262,007</u>	<u>\$ 1,586,878</u>

See accompanying notes to financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended June 30, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND OTHER SUPPORT</b>			
Total amounts raised	\$ 3,882,262	\$ 2,330,657	\$ 6,212,919
Less: provision for uncollectible	(118,913)	-	(118,913)
Less: amounts designated by donors for specific organizations	<u>-</u>	<u>(2,330,657)</u>	<u>(2,330,657)</u>
Total contributions	<u>3,763,349</u>	<u>-</u>	<u>3,763,349</u>
<b>Other revenue</b>			
Investment income (loss)	17,383	(1,225)	16,158
Service fees	124,579	-	124,579
Sponsorship and special events	102,887	-	102,887
In-kind contributions	184,102	-	184,102
Grant income	<u>55,091</u>	<u>-</u>	<u>55,091</u>
Total other revenue	<u>484,042</u>	<u>(1,225)</u>	<u>482,817</u>
Net assets released from restrictions	<u>13,443</u>	<u>(13,443)</u>	<u>-</u>
Total revenue and other support	<u>4,260,834</u>	<u>(14,668)</u>	<u>4,246,166</u>
<b>Program distributions</b>			
Allocations distributed to affiliated agencies	2,047,375	-	2,047,375
Community initiatives and other funds distributed to affiliated agencies	1,221,916	-	1,221,916
Funds distributed to nonaffiliated agencies	<u>1,445,096</u>	<u>-</u>	<u>1,445,096</u>
	4,714,387	-	4,714,387
Less: distributions funded through donor designations	<u>(2,330,657)</u>	<u>-</u>	<u>(2,330,657)</u>
Net program distributions	<u>2,383,730</u>	<u>-</u>	<u>2,383,730</u>
<b>Expenses</b>			
Management and general	172,176	-	172,176
Campaign	654,904	-	654,904
Fund distribution and planning	502,426	-	502,426
Marketing and communications	167,011	-	167,011
Foundation operating expenses	11,750	-	11,750
Other program expenses	<u>95,051</u>	<u>-</u>	<u>95,051</u>
Total functional expenses	<u>1,603,318</u>	<u>-</u>	<u>1,603,318</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	273,786	(14,668)	259,118
Net assets at beginning of year	<u>788,137</u>	<u>260,722</u>	<u>1,048,859</u>
Net assets, end of year	<u>\$ 1,061,923</u>	<u>\$ 246,054</u>	<u>\$ 1,307,977</u>

See accompanying notes to financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2013

	Management and General	Fund Distribution and Planning	Fundraising Services		Foundation Operating Expenses	Totals
			Campaign	Marketing and Communications		
Salaries	\$ 88,969	\$ 256,532	\$ 316,750	\$ 83,427	\$ -	\$ 745,678
Employee benefits	13,061	31,685	43,495	14,051	-	102,292
Payroll taxes	6,548	18,719	23,245	6,178	-	54,690
<b>Total salaries and related expenses</b>	<b>108,578</b>	<b>306,936</b>	<b>383,490</b>	<b>103,656</b>	<b>-</b>	<b>902,660</b>
Professional fees	17,332	6,811	10,734	2,081	2,719	39,677
Supplies	874	2,092	3,251	928	-	7,145
Telephone	1,945	3,626	4,823	1,813	-	12,207
Postage	2,255	515	4,366	5	235	7,376
Occupancy	10,892	26,411	35,304	11,756	-	84,363
Rental, purchase and maintenance of equipment	2,857	12,786	7,706	1,679	-	25,028
Printing and advertising	4,113	120,026	46,093	33,187	446	203,865
Campaign supplies	-	-	6,133	-	-	6,133
Awards and recognition	3,220	281	1,209	-	-	4,710
Duplicating	969	383	2,948	584	-	4,884
Travel and meetings	1,815	620	5,579	444	369	8,827
Conferences, conventions, and other training	4,166	2,114	7,920	790	-	14,990
Membership dues	11,063	21,743	28,138	9,748	-	70,692
Subscriptions and publications	35	686	241	38	-	1,000
Insurance	791	1,921	2,503	852	-	6,067
Investment fees	-	-	-	-	2,382	2,382
Miscellaneous	1,871	4,783	7,130	1,865	3,461	19,110
Interviewing and relocation	147	-	-	-	-	147
Program initiatives	-	19,902	-	-	-	19,902
Special events	11,313	1,707	56,601	-	-	69,621
<b>Total before depreciation</b>	<b>184,236</b>	<b>533,343</b>	<b>614,169</b>	<b>169,426</b>	<b>9,612</b>	<b>1,510,786</b>
Depreciation of property and equipment	3,597	8,854	11,344	3,874	-	27,669
<b>TOTAL EXPENSES</b>	<b>\$ 187,833</b>	<b>\$ 542,197</b>	<b>\$ 625,513</b>	<b>\$ 173,300</b>	<b>\$ 9,612</b>	<b>\$ 1,538,455</b>

See accompanying notes to financial statements.



United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2012

	Management and General	Fund Distribution and Planning	Fundraising Services		Foundation Operating Expenses	Totals
			Campaign	Marketing and Communications		
Salaries	\$ 83,467	\$ 249,273	\$ 304,935	\$ 80,333	\$ -	\$ 718,008
Employee benefits	12,585	30,555	42,149	13,550	-	98,839
Payroll taxes	5,927	17,775	22,581	5,858	-	52,141
<b>Total salaries and related expenses</b>	<b>101,979</b>	<b>297,603</b>	<b>369,665</b>	<b>99,741</b>	<b>-</b>	<b>868,988</b>
Professional fees	9,924	6,027	9,970	2,453	2,710	31,084
Supplies	1,132	3,123	3,878	1,265	-	9,398
Telephone	1,919	3,787	5,145	1,817	-	12,668
Postage	1,449	732	1,342	20	1,526	5,069
Occupancy	10,889	26,130	34,720	11,478	-	83,217
Rental, purchase and maintenance of equipment	1,147	4,608	5,421	1,259	-	12,435
Printing and advertising	1,817	122,471	71,580	33,706	1,473	231,047
Campaign supplies	-	-	24,877	-	-	24,877
Awards and recognition	2,555	91	1,218	2	-	3,866
Duplicating	1,593	563	1,915	514	-	4,585
Travel and meetings	2,291	1,529	5,393	518	697	10,428
Conferences, conventions, and other training	5,690	375	2,449	-	-	8,514
Membership dues	9,666	18,602	24,365	8,377	-	61,010
Subscriptions and publications	34	682	307	36	-	1,059
Insurance	782	1,899	2,475	842	-	5,998
Investment fees	-	-	-	-	2,243	2,243
Miscellaneous	1,587	4,702	6,080	1,693	3,101	17,163
Interviewing and relocation	138	-	-	-	-	138
Program initiatives	-	483	-	-	-	483
Special events	14,529	1,500	74,470	-	-	90,499
<b>Total before depreciation</b>	<b>169,121</b>	<b>494,907</b>	<b>645,270</b>	<b>163,721</b>	<b>11,750</b>	<b>1,484,769</b>
Depreciation of property and equipment	3,055	7,519	9,634	3,290	-	23,498
<b>TOTAL EXPENSES</b>	<b>\$ 172,176</b>	<b>\$ 502,426</b>	<b>\$ 654,904</b>	<b>\$ 167,011</b>	<b>\$ 11,750</b>	<b>\$ 1,508,267</b>

See accompanying notes to financial statements.

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended June 30,

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities		
Cash received from donors and support	\$ 4,135,855	\$ 3,981,235
Cash paid for campaign distributions	(2,606,579)	(2,570,624)
Cash paid to employees and suppliers	(1,246,175)	(1,211,884)
Interest income	25,118	30,057
	<u>308,219</u>	<u>228,784</u>
Net cash provided by operating activities		
Cash flows from investing activities		
Purchase of property and equipment	(11,706)	(55,649)
Purchase of certificate of deposit	(100,000)	-
Purchase of investments	(6,000)	(139,014)
Redemptions of investments	3,442	129,209
	<u>(114,264)</u>	<u>(65,454)</u>
Net cash used by investing activities		
Net increase in cash and cash equivalents	193,955	163,330
Cash and cash equivalents, beginning of year	<u>2,658,355</u>	<u>2,495,025</u>
Cash and cash equivalents, end of year	<u>\$ 2,852,310</u>	<u>\$ 2,658,355</u>
Reconciliation of increase in net assets to net cash provided by operating activities		
Increase in net assets	<u>\$ 278,901</u>	<u>\$ 259,118</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	27,669	23,498
Reinvested interest	(688)	(174)
Unrealized (gains) losses on investments	(55,827)	14,073
(Increase) decrease in assets		
Unconditional promises to give	(278,464)	(114,869)
Accounts receivable	(2,744)	1,117
Prepaid expenses	(14,294)	7,329
Increase (decrease) in liabilities		
Accounts payable	(7,551)	10,788
Accrued vacation	(975)	519
Accrued expenses	(112)	916
Operations payable	104,298	97,851
Agency appropriations	117,576	(60,718)
Custodial funds	1,471	1,499
Deferred revenue	(19,602)	5,913
Allocations payable	3,000	(77,095)
Designations payable	155,561	59,019
	<u>29,318</u>	<u>(30,334)</u>
Total adjustments to increase in net assets		
Net cash provided by operating activities	<u>\$ 308,219</u>	<u>\$ 228,784</u>

See accompanying notes to 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 Campaign, 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:

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

**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.

**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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED**

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

**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 4% 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 4% 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.

**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 statement of financial position. Unrealized gains and losses are included in the statement of activities. Donated securities are recorded as contributions equal to the fair market value of the securities at the date of gift.

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.

**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.

**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.

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED**

**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.

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

**Advertising.** Advertising costs of the Organization are expensed as incurred. Advertising expense was \$166,603 and \$199,279 for the years ended June 30, 2013 and 2012, 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. Donated professional services, which is also included in advertising expenses, in the amount of \$125,324 and \$157,900 were recorded for the years ended June 30, 2013 and 2012, respectively.

**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 U.S. generally accepted accounting principles 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:

	2013			
	Date of Purchase	Amount	Interest Rate	Maturity Date
Union Bank & Trust Company	5/8/2011	\$ 98,000	2.55%	5/8/2016
West Gate Bank	6/12/2012	98,820	0.70%	6/12/2014
Cattle National Bank	2/25/2012	99,000	0.70%	11/25/2013
Mutual of Omaha Bank	2/12/2013	99,000	0.55%	2/12/2015
First State Bank	3/5/2012	99,136	0.85%	3/5/2014
Pinnacle Bank	5/3/2012	99,176	1.10%	6/3/2014
Great Western Bank	2/28/2011	97,149	0.90%	8/28/2012
US Bank	12/16/2011	100,871	1.00%	7/16/2013
Cornhusker Bank	3/28/2012	99,000	1.10%	3/28/2014
Nebraska Bank of Commerce	10/30/2011	100,031	1.09%	11/30/2013
Nebraska Bank of Commerce	12/4/2012	100,000	0.75%	12/3/2014
		<u>\$ 1,090,183</u>		

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE B - CERTIFICATES OF DEPOSIT - CONTINUED**

	2012			
	Date of Purchase	Amount	Interest Rate	Maturity Date
Union Bank & Trust Company	5/8/2011	\$ 98,000	2.55%	5/8/2016
West Gate Bank	6/12/2012	98,132	0.70%	6/12/2014
Cattle National Bank	2/25/2012	99,000	0.70%	11/25/2013
Mutual of Omaha Bank	2/12/2011	99,000	1.04%	2/12/2013
First State Bank	3/5/2012	99,136	0.85%	3/5/2014
Pinnacle Bank	5/3/2012	99,176	1.10%	6/3/2014
Great Western Bank	2/28/2011	97,149	0.90%	8/28/2012
US Bank	12/16/2011	100,871	1.00%	7/16/2013
Cornhusker Bank	3/28/2012	99,000	1.10%	3/28/2014
Nebraska Bank of Commerce	10/30/2011	<u>100,031</u>	1.09%	11/30/2013
		<u>\$ 989,495</u>		

**NOTE C - INVESTMENTS**

Investments consist of:

	2013		2012	
	Cost	Market	Cost	Market
Mutual funds	\$ 326,113	\$ 413,453	\$ 326,113	\$ 356,196
Bonds	<u>193,166</u>	<u>195,998</u>	<u>187,166</u>	<u>194,871</u>
	<u>\$ 519,279</u>	<u>\$ 609,451</u>	<u>\$ 513,279</u>	<u>\$ 551,067</u>
Unrealized gain		<u>\$ 90,172</u>		<u>\$ 37,788</u>

**NOTE D - PROPERTY AND EQUIPMENT**

The consolidated financial statements include depreciation expense of \$27,669 and \$23,498 for the years ended June 30, 2013 and 2012, respectively.

Property and equipment consists of:

	2013	2012
Furniture and equipment	\$ 172,874	\$ 173,706
Less accumulated depreciation	<u>(118,949)</u>	<u>(103,818)</u>
	<u>\$ 53,925</u>	<u>\$ 69,888</u>



United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE E - PROGRAM APPROPRIATIONS**

Program appropriations are distributions of support which were approved by the Board of Directors but not drawn at the end of the year. Agency appropriations consist of:

	<u>2013</u>	<u>2012</u>
Background checks	\$ 6,338	\$ 9,476
Planning/Needs Assessment	5,000	10,000
Outcome Measurements	500	500
One-Time Dollars	5,826	5,826
2-1-1	59,013	81,413
Gift-in-kind	417	417
Food and Hunger Initiatives	37,788	33,667
Community Impact	161,681	49,579
UW Foundation	6,324	5,156
Women's Leadership Council	118,387	89,655
Women in Philanthropy	<u>20,545</u>	<u>18,554</u>
	<u>\$ 421,819</u>	<u>\$ 304,243</u>

**NOTE F - OPERATING LEASE**

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 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 \$72,307 and \$71,665 for the years ended June 30, 2013 and 2012, respectively.

Future minimum lease payments are as follows:

<u>Fiscal Year</u>	
2014	\$ 76,449
2015	78,665
2016	78,969
2017	80,659
2018	83,077
Thereafter	<u>85,562</u>
	<u>\$ 483,381</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 3%. An employee must have one year of service with the Organization before they can participate in the plan. Total expense incurred was \$38,105 and \$39,709 for the years ended June 30, 2013 and 2012, 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, 2013 and 2012.

*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, 2013 and 2012.

<u>June 30, 2013</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	\$ 83,261	\$ 83,261	\$ -	\$ -
Large cap	296,570	296,570	-	-
Mid cap	22,481	22,481	-	-
Small cap	11,141	11,141	-	-
Bond funds				
Fixed income	<u>195,998</u>	<u>-</u>	<u>195,998</u>	<u>-</u>
	<u>\$ 609,451</u>	<u>\$ 413,453</u>	<u>\$ 195,998</u>	<u>\$ -</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE H - FAIR VALUE MEASUREMENTS - CONTINUED**

June 30, 2012	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds				
International	\$ 76,791	\$ 76,791	\$ -	\$ -
Large cap	252,455	252,455	-	-
Mid cap	17,925	17,925	-	-
Small cap	9,025	9,025	-	-
Bond funds				
Fixed income	194,871	-	194,871	-
	<u>\$ 551,067</u>	<u>\$ 356,196</u>	<u>\$ 194,871</u>	<u>\$ -</u>

**NOTE I - ENDOWMENT**

Endowment net asset composition by type of fund as of June 30, 2013 is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Board-designated endowment funds	<u>\$ 415,286</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 415,286</u>
Donor-restricted endowment funds	<u>\$ -</u>	<u>\$ 262,007</u>	<u>\$ -</u>	<u>\$ 262,007</u>

Changes in endowment net assets for the year ended June 30, 2013 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance July 1, 2012	\$ 363,616	\$ 246,054	\$ -	\$ 609,670
Contributions	19,392	-	-	19,392
Investment performance	39,508	29,334	-	68,842
Investment fees	(3,397)	(2,381)	-	(5,778)
Amounts appropriated for expenditure	<u>(3,833)</u>	<u>(11,000)</u>	<u>-</u>	<u>(14,833)</u>
Balance June 30, 2013	<u>\$ 415,286</u>	<u>\$ 262,007</u>	<u>\$ -</u>	<u>\$ 677,293</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, 2012 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Board-designated endowment funds	\$ 363,616	\$ -	\$ -	\$ 363,616
Donor-restricted endowment funds	\$ -	\$ 246,054	\$ -	\$ 246,054

Changes in endowment net assets for the year ended June 30, 2012 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Balance July 1, 2011	\$ 366,389	\$ 260,722	\$ -	\$ 627,111
Contributions	6,514	-	-	6,514
Investment performance	219	(1,225)	-	(1,006)
Investment fees	(2,982)	(2,243)	-	(5,225)
Amounts appropriated for expenditure	(6,524)	(11,200)	-	(17,724)
Balance June 30, 2012	\$ 363,616	\$ 246,054	\$ -	\$ 609,670

**NOTE J - CFC COMPLIANCE**

During the years ended June 30, 2013 and 2012, 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, 2013 and 2012, United Way and the Foundation had no tax liability on 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, 2013, 2012, and 2011 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>2013</u>	<u>2012</u>
Total public support	\$ 6,784,828	\$ 6,212,919
Less payments received prior to June 30	<u>(3,974,711)</u>	<u>(3,672,817)</u>
	2,810,117	2,540,102
Less provision for uncollectibles	<u>(221,380)</u>	<u>(229,829)</u>
Unconditional promises to give at June 30	<u>\$ 2,588,737</u>	<u>\$ 2,310,273</u>

Unconditional promises to give are due in the following periods:

<u>Fiscal year</u>	
2014	\$ 2,583,237
2015	<u>5,500</u>
	<u>\$ 2,588,737</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.



**SUPPLEMENTAL INFORMATION**

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

June 30, 2013

ASSETS

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Eliminations	Consolidated
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 2,797,292	\$ 55,018	\$ -	\$ 2,852,310
Certificates of deposit	1,090,183	-	-	1,090,183
Investments	-	609,451	-	609,451
Unconditional promises to give from campaigns	2,798,617	6,000	-	2,804,617
Less allowance for uncollectible promises to give	(221,380)	-	-	(221,380)
Accounts receivable	43,698	6,324	(6,324)	43,698
Prepaid expenses	42,778	-	-	42,778
	<u>6,551,188</u>	<u>676,793</u>	<u>(6,324)</u>	<u>7,221,657</u>
<b>PROPERTY AND EQUIPMENT</b>	53,925	-	-	53,925
<b>PROMISES TO GIVE - LONG-TERM</b>	-	5,500	-	5,500
	<u>-</u>	<u>5,500</u>	<u>-</u>	<u>5,500</u>
<b>Total assets</b>	<u>\$ 6,605,113</u>	<u>\$ 682,293</u>	<u>\$ (6,324)</u>	<u>\$ 7,281,082</u>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 58,499	\$ -	\$ (6,324)	\$ 52,175
Accrued vacation	29,036	-	-	29,036
Accrued expenses	4,290	-	-	4,290
Operations payable	1,192,060	-	-	1,192,060
Agency appropriations	421,819	-	-	421,819
Custodial funds	47,249	-	-	47,249
Deferred revenue	48,573	5,000	-	53,573
Allocations payable	2,085,375	-	-	2,085,375
Designations payable	1,808,627	-	-	1,808,627
	<u>5,695,528</u>	<u>5,000</u>	<u>(6,324)</u>	<u>5,694,204</u>
<b>NET ASSETS</b>				
Unrestricted				
Designated				
Reserve for operations	909,585	-	-	909,585
Board designated endowment	-	415,286	-	415,286
Temporarily restricted	-	262,007	-	262,007
	<u>909,585</u>	<u>677,293</u>	<u>-</u>	<u>1,586,878</u>
<b>Total net assets</b>	<u>909,585</u>	<u>677,293</u>	<u>-</u>	<u>1,586,878</u>
<b>Total liabilities and net assets</b>	<u>\$ 6,605,113</u>	<u>\$ 682,293</u>	<u>\$ (6,324)</u>	<u>\$ 7,281,082</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

June 30, 2012

ASSETS

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Eliminations	Consolidated
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 2,594,654	\$ 63,701	\$ -	\$ 2,658,355
Certificates of deposit	989,495	-	-	989,495
Investments	-	551,067	-	551,067
Unconditional promises to give from campaigns	2,522,102	6,000	-	2,528,102
Less allowance for uncollectible promises to give	(229,829)	-	-	(229,829)
Accounts receivable	42,122	5,156	(5,156)	42,122
Prepaid expenses	28,484	-	-	28,484
	<u>5,947,028</u>	<u>625,924</u>	<u>(5,156)</u>	<u>6,567,796</u>
<b>PROPERTY AND EQUIPMENT</b>	69,888	-	-	69,888
<b>PROMISES TO GIVE - LONG-TERM</b>	-	12,000	-	12,000
	<u>6,016,916</u>	<u>637,924</u>	<u>(5,156)</u>	<u>6,649,684</u>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 66,050	\$ -	\$ (5,156)	\$ 60,894
Accrued vacation	30,012	-	-	30,012
Accrued expenses	4,402	-	-	4,402
Operations payable	1,087,762	-	-	1,087,762
Agency appropriations	304,243	-	-	304,243
Custodial funds	45,778	-	-	45,778
Deferred revenue	68,175	5,000	-	73,175
Allocations payable	2,082,375	-	-	2,082,375
Designations payable	1,653,066	-	-	1,653,066
	<u>5,341,863</u>	<u>5,000</u>	<u>(5,156)</u>	<u>5,341,707</u>
<b>NET ASSETS</b>				
Unrestricted				
Undesignated	-	23,254	-	23,254
Designated				
Reserve for operations	675,053	-	-	675,053
Board designated endowment	-	363,616	-	363,616
Temporarily restricted	-	246,054	-	246,054
	<u>675,053</u>	<u>632,924</u>	<u>-</u>	<u>1,307,977</u>
<b>Total net assets</b>	<u>675,053</u>	<u>632,924</u>	<u>-</u>	<u>1,307,977</u>
<b>Total liabilities and net assets</b>	<u>\$ 6,016,916</u>	<u>\$ 637,924</u>	<u>\$ (5,156)</u>	<u>\$ 6,649,684</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended June 30, 2013

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Eliminations	Consolidated
<b>REVENUE AND OTHER SUPPORT</b>				
Total amounts raised	\$ 6,796,192	\$ 19,392	\$ (30,756)	\$ 6,784,828
Less: provision for uncollectible	(147,235)	-	-	(147,235)
Less: amounts designated by donors for specific organizations	<u>(2,514,083)</u>	<u>-</u>	<u>-</u>	<u>(2,514,083)</u>
Total contributions	<u>4,134,874</u>	<u>19,392</u>	<u>(30,756)</u>	<u>4,123,510</u>
<b>Other revenue</b>				
Investment income	12,791	68,845	-	81,636
Service fees	139,953	-	-	139,953
Sponsorship and special events	89,538	-	-	89,538
In-kind contributions	150,114	-	-	150,114
Grant income	<u>33,302</u>	<u>-</u>	<u>-</u>	<u>33,302</u>
Total other revenue	<u>425,698</u>	<u>68,845</u>	<u>-</u>	<u>494,543</u>
Total revenue and support	<u>4,560,572</u>	<u>88,237</u>	<u>(30,756)</u>	<u>4,618,053</u>
<b>Program distributions</b>				
Allocations distributed to affiliated agencies	2,047,375	-	-	2,047,375
Community initiatives and other funds distributed to affiliated agencies	1,486,555	-	-	1,486,555
Funds distributed to nonaffiliated agencies	<u>1,673,052</u>	<u>34,256</u>	<u>(30,756)</u>	<u>1,676,552</u>
	5,206,982	34,256	(30,756)	5,210,482
Less: distributions funded through donor designations	<u>(2,514,083)</u>	<u>-</u>	<u>-</u>	<u>(2,514,083)</u>
Net program distributions	<u>2,692,899</u>	<u>34,256</u>	<u>(30,756)</u>	<u>2,696,399</u>
<b>Expenses</b>				
Management and general	187,833	-	-	187,833
Campaign	625,513	-	-	625,513
Fund distribution and planning	542,197	-	-	542,197
Marketing and communications	173,300	-	-	173,300
Foundation operating expenses	-	9,612	-	9,612
Other program expenses	<u>104,298</u>	<u>-</u>	<u>-</u>	<u>104,298</u>
Total functional expenses	<u>1,633,141</u>	<u>9,612</u>	<u>-</u>	<u>1,642,753</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>234,532</b>	<b>44,369</b>	<b>-</b>	<b>278,901</b>
Net assets at beginning of year	<u>675,053</u>	<u>632,924</u>	<u>-</u>	<u>1,307,977</u>
Net assets, end of year	<u>\$ 909,585</u>	<u>\$ 677,293</u>	<u>\$ -</u>	<u>\$ 1,586,878</u>



United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended June 30, 2012

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Eliminations	Consolidated
<b>REVENUE AND OTHER SUPPORT</b>				
Revenue and support				
Total amounts raised	\$ 6,255,486	\$ 6,514	\$ (49,081)	\$ 6,212,919
Less: provision for uncollectible	(118,913)	-	-	(118,913)
Less: amounts designated by donors for specific organizations	<u>(2,330,657)</u>	<u>-</u>	<u>-</u>	<u>(2,330,657)</u>
Total contributions	<u>3,805,916</u>	<u>6,514</u>	<u>(49,081)</u>	<u>3,763,349</u>
Other revenue				
Investment income	17,103	(945)	-	16,158
Service fees	124,579	-	-	124,579
Sponsorship and special events	102,887	-	-	102,887
In-kind contributions	184,102	-	-	184,102
Grant income	<u>55,091</u>	<u>-</u>	<u>-</u>	<u>55,091</u>
Total other revenue	<u>483,762</u>	<u>(945)</u>	<u>-</u>	<u>482,817</u>
Total revenue and support	<u>4,289,678</u>	<u>5,569</u>	<u>(49,081)</u>	<u>4,246,166</u>
Program distributions				
Allocations distributed to affiliated agencies	2,047,375	-	-	2,047,375
Community initiatives and other funds distributed to affiliated agencies	1,221,916	-	-	1,221,916
Funds distributed to nonaffiliated agencies	<u>1,441,396</u>	<u>52,781</u>	<u>(49,081)</u>	<u>1,445,096</u>
	4,710,687	52,781	(49,081)	4,714,387
Less: distributions funded through donor designations	<u>(2,330,657)</u>	<u>-</u>	<u>-</u>	<u>(2,330,657)</u>
Net program distributions	<u>2,380,030</u>	<u>52,781</u>	<u>(49,081)</u>	<u>2,383,730</u>
Expenses				
Management and general	172,176	-	-	172,176
Campaign	654,904	-	-	654,904
Fund distribution and planning	502,426	-	-	502,426
Marketing and communications	167,011	-	-	167,011
Foundation operating expenses	-	11,750	-	11,750
Other program expenses	<u>95,051</u>	<u>-</u>	<u>-</u>	<u>95,051</u>
Total functional expenses	<u>1,591,568</u>	<u>11,750</u>	<u>-</u>	<u>1,603,318</u>
INCREASE (DECREASE) IN NET ASSETS	318,080	(58,962)	-	259,118
Net assets at beginning of year	<u>356,973</u>	<u>691,886</u>	<u>-</u>	<u>1,048,859</u>
Net assets, end of year	<u>\$ 675,053</u>	<u>\$ 632,924</u>	<u>\$ -</u>	<u>\$ 1,307,977</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF EXPENSES

Year ended June 30, 2013

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Consolidated
Salaries	\$ 745,678	\$ -	\$ 745,678
Employee benefits	102,292	-	102,292
Payroll taxes	<u>54,690</u>	<u>-</u>	<u>54,690</u>
 Total salaries and related expenses	 902,660	 -	 902,660
Professional fees	36,958	2,719	39,677
Supplies	7,145	-	7,145
Telephone	12,207	-	12,207
Postage	7,141	235	7,376
Occupancy	84,363	-	84,363
Rental, purchase and maintenance of equipment	25,028	-	25,028
Printing and advertising	203,419	446	203,865
Campaign supplies	6,133	-	6,133
Awards and recognition	4,710	-	4,710
Duplicating	4,884	-	4,884
Travel and meetings	8,458	369	8,827
Conferences, conventions, and other training	14,990	-	14,990
Membership dues	70,692	-	70,692
Subscriptions and publications	1,000	-	1,000
Insurance	6,067	-	6,067
Investment fees	-	2,382	2,382
Miscellaneous	15,649	3,461	19,110
Interviewing and relocation	147	-	147
Program initiatives	19,902	-	19,902
Special events	<u>69,621</u>	<u>-</u>	<u>69,621</u>
 Total before depreciation	 1,501,174	 9,612	 1,510,786
Depreciation of property and equipment	<u>27,669</u>	<u>-</u>	<u>27,669</u>
 TOTAL EXPENSES	 <u>\$ 1,528,843</u>	 <u>\$ 9,612</u>	 <u>\$ 1,538,455</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

CONSOLIDATING STATEMENT OF EXPENSES

Year ended June 30, 2012

	United Way of Lincoln and Lancaster County	United Way of Lincoln and Lancaster County Foundation, Inc.	Consolidated
Salaries	\$ 718,008	\$ -	\$ 718,008
Employee benefits	98,839	-	98,839
Payroll taxes	<u>52,141</u>	<u>-</u>	<u>52,141</u>
Total salaries and related expenses	868,988	-	868,988
Professional fees	28,374	2,710	31,084
Supplies	9,398	-	9,398
Telephone	12,668	-	12,668
Postage	3,543	1,526	5,069
Occupancy	83,217	-	83,217
Rental, purchase and maintenance of equipment	12,435	-	12,435
Printing and advertising	229,574	1,473	231,047
Campaign supplies	24,877	-	24,877
Awards and recognition	3,866	-	3,866
Duplicating	4,585	-	4,585
Travel and meetings	9,731	697	10,428
Conferences, conventions, and other training	8,514	-	8,514
Membership dues	61,010	-	61,010
Subscriptions and publications	1,059	-	1,059
Insurance	5,998	-	5,998
Investment fees	-	2,243	2,243
Miscellaneous	14,062	3,101	17,163
Interviewing and relocation	138	-	138
Program initiatives	483	-	483
Special events	<u>90,499</u>	<u>-</u>	<u>90,499</u>
Total before depreciation	1,473,019	11,750	1,484,769
Depreciation of property and equipment	<u>23,498</u>	<u>-</u>	<u>23,498</u>
TOTAL EXPENSES	<u>\$ 1,496,517</u>	<u>\$ 11,750</u>	<u>\$ 1,508,267</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

SCHEDULE OF AGENCY ALLOCATIONS,  
GRANTS, CONTRACTS AND DESIGNATIONS

Year ended June 30, 2013

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>1,486,555</u>
	3,533,930
Designations and other funds distributed to nonaffiliated agencies	<u>1,676,552</u>
	<u>\$ 5,210,482</u>

United Way of Lincoln and Lancaster County and Controlled Foundation

SCHEDULE OF AGENCY ALLOCATIONS,  
GRANTS, CONTRACTS AND DESIGNATIONS

Year ended June 30, 2012

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>1,221,916</u>
	3,269,291
Designations and other funds distributed to nonaffiliated agencies	<u>1,445,096</u>
	<u>\$ 4,714,387</u>