

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

ANNUAL FINANCIAL REPORT

June 30, 2018 and 2017



United Way of Linn County

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

BOARD OF DIRECTORS

June 30, 2018

EXECUTIVE BOARD

Deb Jones, President

Donna Rounsavell, President Elect

Carl Ohlhausen, Past President

Audra Baca, CI Chair

Will Summers, CI Chair Elect

Pat Eastman, Past CI Chair

Alex Patterson, RD Chair

Melissa Anderson, Secretary

Justin Roberts, Treasurer

BOARD MEMBERS

Aimee Addison

Dr. Colin Grice

Bonnie Stokes

Marco Benavides

Lavonne Jones

Tami Volz

Cody Clark

Avril Koehler

Nancy Whitley

Dave Furtwangler

Jennifer Stanaway

Leslie Wood

Janet Steele

ADMINISTRATION

Blake Pang, Chief Executive Officer

Chantell Schaumburg, Director of Operations

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

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FINANCIAL SECTION

KOONTZ, BLASQUEZ
ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
United Way of Linn County
Albany, Oregon 97322

We have audited the accompanying basic financial statements of United Way of Linn County (a not-for-profit corporation), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the basic financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

United Way of Linn County was unable to provide adequate bank reconciliations of sufficient evidential matter due to inadequate records and insufficient monitoring of third party accounting services. Accordingly, we were unable to satisfy ourselves as to the propriety of the balances of the cash accounts at June 30, 2018 or to determine the effects, if any, of such scope limitation on other accounts.

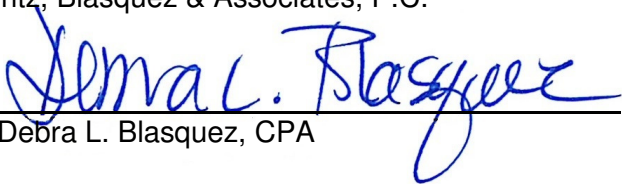
Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of United Way of Linn County as of June 30, 2018 and 2017, and the respective 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 Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of operating expenses – budget and actual and schedule of allocations and designations on pages 15 and 16, respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Koontz, Blasquez & Associates, P.C.

By: 
Debra L. Blasquez, CPA

Albany, Oregon
August 13, 2019

BASIC FINANCIAL STATEMENTS

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

STATEMENTS OF FINANCIAL POSITION

June 30, 2018

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 102,992	\$ 262,225
Pledges receivable, net of allowance for doubtful accounts	210,025	302,587
TOTAL CURRENT ASSETS	313,017	564,812
Restricted cash	174,728	178,120
Restricted pledges receivable	56,463	-
Investments held by others	64,910	59,501
Property and equipment, net of accumulated depreciation	1,932	2,064
Other assets	5,806	-
TOTAL ASSETS	\$ 616,856	\$ 804,497
LIABILITIES		
Accounts payable and accrued liabilities	\$ 23,739	\$ 8,107
Allocations payable	232,056	330,475
Designations payable	95,293	103,011
Unearned pledge revenue	4,965	6,427
TOTAL LIABILITIES	356,053	448,020
NET ASSETS		
Without donor restrictions	29,612	178,357
With donor restrictions	231,191	178,120
TOTAL NET ASSETS	260,803	356,477
TOTAL LIABILITIES AND NET ASSETS	\$ 616,856	\$ 804,497

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

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2018 and 2017

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND OTHER SUPPORT			
Contributions	\$ 471,363	95,293	\$ 566,656
Administrative fees for designated contributions	7,441	-	7,441
Investment earnings	1,328	-	1,328
Child Abuse Network program	-	178	178
Imagination Library program	-	46,989	46,989
Special events	71,360	-	71,360
Grants	-	-	-
Realized gain on investments	1,158	-	1,158
Unrealized gain on investments	4,310	-	4,310
Miscellaneous income	5,112	-	5,112
Net assets released from restrictions	<u>89,389</u>	<u>(89,389)</u>	<u>-</u>
TOTAL REVENUE, GAINS, AND OTHER SUPPORT	<u>651,461</u>	<u>53,071</u>	<u>704,532</u>
EXPENSES			
Program services	761,810	-	761,810
Management and general	19,198	-	19,198
Fundraising	<u>19,198</u>	<u>-</u>	<u>19,198</u>
TOTAL EXPENSES	<u>800,206</u>	<u>-</u>	<u>800,206</u>
TOTAL CHANGE IN NET ASSETS	(148,745)	53,071	(95,674)
NET ASSETS AT BEGINNING OF YEAR	<u>178,357</u>	<u>178,120</u>	<u>356,477</u>
NET ASSETS AT END OF YEAR	<u>\$ 29,612</u>	<u>\$ 231,191</u>	<u>\$ 260,803</u>

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

2017

Without Donor Restrictions	With Donor Restrictions	Total
\$ 712,113	\$ -	\$ 712,113
9,277	-	9,277
485	125	610
-	114,525	114,525
-	61,855	61,855
39,034	-	39,034
1,289	-	1,289
550	-	550
6,049	-	6,049
254	-	254
<u>57,836</u>	<u>(57,836)</u>	<u>-</u>
<u>826,887</u>	<u>118,669</u>	<u>945,556</u>
753,550	-	753,550
16,237	-	16,237
<u>53,810</u>	<u>-</u>	<u>53,810</u>
<u>823,597</u>	<u>-</u>	<u>823,597</u>
3,290	118,669	121,959
<u>175,067</u>	<u>59,451</u>	<u>234,518</u>
<u>\$ 178,357</u>	<u>\$ 178,120</u>	<u>\$ 356,477</u>

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

STATEMENTS OF FUNCTIONAL EXPENSES

For the Years Ended June 30, 2018 and 2017

	2018			
	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Compensation and related expenses				
Salaries	\$ 190,987	\$ 8,304	\$ 8,304	\$ 207,595
Payroll taxes	14,100	613	613	15,326
Employee benefits	23,921	1,040	1,040	26,001
Advertising	182	8	8	198
Allocations	230,871	-	-	230,871
Bank charges	2,026	88	88	2,202
Campaign events	5,852	254	254	6,360
CAN project expenses	479	21	21	521
Community involvement	3,565	155	155	3,875
Database administration	1,314	57	57	1,428
Depreciation	1,272	55	55	1,382
Designations	89,380	-	-	89,380
DPIL expenses	54,379	2,364	2,364	59,107
Dues and subscriptions	4,455	194	194	4,843
Insurance	2,614	114	114	2,842
Interest	516	22	22	560
Maintenance	2,165	94	94	2,353
Miscellaneous	685	30	30	745
Office expense	1,318	57	57	1,432
Pledge loss	73,145	3,180	3,180	79,505
Postage and shipping	666	29	29	724
Professional fees	15,026	653	653	16,332
Rent	15,457	672	672	16,801
Special events	11,762	512	512	12,786
Staff development	-	-	-	-
Telephone	-	-	-	-
Travel	5,836	254	254	6,344
United Way of America	3,742	163	163	4,068
Utilities	6,095	265	265	6,625
Total	\$ 761,810	\$ 19,198	\$ 19,198	\$ 800,206

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

2017

Program Services	Supporting Services		Total
	Management and General	Fundraising	
\$ 98,971	\$ 6,186	\$ 18,559	\$ 123,716
7,549	471	1,417	9,437
16,397	1,024	3,076	20,497
2,290	-	2,291	4,581
330,475	-	-	330,475
1,244	77	235	1,556
3,972	247	746	4,965
847	-	-	847
-	-	-	-
-	-	1,400	1,400
1,149	71	216	1,436
103,011	-	-	103,011
56,989	-	-	56,989
1,614	-	1,615	3,229
2,496	155	469	3,120
383	24	71	478
193	12	37	242
272	17	51	340
2,207	137	415	2,759
60,926	3,804	11,432	76,162
1,221	76	230	1,527
11,970	750	2,287	15,007
13,440	840	2,520	16,800
15,829	989	2,968	19,786
-	101	-	101
2,787	174	523	3,484
3,726	233	699	4,658
11,401	712	2,140	14,253
2,191	137	413	2,741
<u>\$ 753,550</u>	<u>\$ 16,237</u>	<u>\$ 53,810</u>	<u>\$ 823,597</u>

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (95,674)	\$ 121,959
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	1,382	1,436
Interest and dividends received	(501)	-
Realized (gain) on sale of investments	(1,158)	-
Unrealized (gain) loss on investments	(4,310)	(6,049)
(Increase) decrease in:		
Pledges receivable	47,902	(20,227)
Pledges receivable allowance	(11,803)	2,363
Other assets	(5,806)	-
Increase (decrease) in:		
Accounts payable and accrued liabilities	15,632	(478)
Allocations payable	(98,419)	(2,016)
Designations payable	(7,718)	9,683
Unearned pledge revenue	(1,462)	5,443
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(161,935)	112,114
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments purchased	-	(1,034)
Investments sold	559	478
Capital assets purchased	(1,250)	(1,370)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(691)	(1,926)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments for programs restricted for long-term purposes	89,421	57,836
Collections of contributions and grants restricted for long-term purposes	(86,028)	(176,505)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	3,393	(118,669)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(159,233)	(8,481)
BEGINNING CASH AND CASH EQUIVALENTS	262,225	270,706
ENDING CASH AND CASH EQUIVALENTS	\$ 102,992	\$ 262,225

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

NOTES TO BASIC FINANCIAL STATEMENTS

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Nature of Activities

United Way of Linn County is a not-for-profit corporation, which was incorporated in the state of Oregon on June 14, 1957. The Organization's primary purposes are to assess the needs for community human service programs in Linn County, Oregon and to develop the financial resources necessary to meet those needs. United Way of Linn County's main activity is to solicit contributions from individuals and businesses located in Linn County through direct contributions and payroll deductions. These funds are then allocated to area not-for-profit organizations that are United Way agencies, based upon need and requests from agencies.

B. Income Taxes

United Way of Linn County is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

The tax-exempt status can be revoked by the Internal Revenue Service as a result of direct violations of laws and regulations governing 501(c)(3) organizations. The Organization's operating policy requires strict adherence to these laws and regulations in order to maintain its tax-exempt status. Management's policy is to engage in activities related to their exempt purpose.

Management evaluates tax positions annually based on the guidance in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740. FASB ASC 740 prescribes a comprehensive model for recognizing, measuring, presenting, and disclosing, in the financial statements, tax positions taken or expected to be taken on a tax return, including positions that the Organization is exempt from income taxes or not subject to income taxes on unrelated business income. The Organization presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable, respectively, that a liability has been incurred for unrecognized income tax benefits.

C. Basis of Presentation

The financial statements are presented in accordance with FASB ASC 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Not-for-Profit Organizations (the Guide). FASB ASC 958-205 was effective January 1, 2018.

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation (Continued)

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

The financial statements of United Way of Linn County have been prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when liabilities are incurred.

D. Public Support and Revenue

During the annual campaign, gifts of materials and services are made to the Organization. When available, the estimated fair market values of these items are recorded as public support and added to the appropriate expense category. A substantial number of volunteers have donated significant amounts of their time to the Organization's fundraising, planning, and allocation functions. Since there is no objective basis available to measure the value of these services, no amounts have been reflected in the financial statements.

Annual campaign contributions are generally available for unrestricted use in the related campaign year unless specifically restricted by the donor.

Donated services are recognized as contributions in accordance with FASB ASC 958 if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

E. Estimates

The preparation of financial statements in accordance 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.

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

For purposes of the statement of cash flows, United Way of Linn County considers all highly liquid investments available for current use with an initial maturity of six months or less to be cash equivalents. Cash and cash equivalents, for purposes of the statement of cash flows, exclude cash and cash equivalents with donor restrictions.

G. Investments

United Way of Linn County has adopted FASB ASC 958, under which 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 change in net assets. Investment income and gains restricted by a donor, if any, are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Investment returns are reported net of investment fees.

H. Pledges Receivable

Pledges receivable represent payroll deductions from employees of various businesses and direct contributions from the community at large. Pledges that are designated by donors are included in net assets with donor restrictions. Pledges are obtained during the Organization's annual campaign beginning in August of each year. The allowance for uncollectible pledges is determined by management based on historical information.

I. Property and Equipment

Purchased property and equipment are recorded at cost. Donations of property and equipment are recorded as support at their estimated fair values and are capitalized. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Property and equipment are depreciated using the straight-line method over the estimated lives of the assets. The Organization capitalizes property and equipment that exceed \$500, including purchases, and the fair market values of donated assets.

J. Financial Instruments

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist primarily of cash and cash equivalents, short-term investments, pledges receivable, and notes receivable. The Organization places its cash and cash equivalents with high-quality financial institutions and limits the amount of credit exposure with any one institution.

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Fair Values of Financial Instruments

The carrying amounts of cash, cash equivalents, and short-term investments, if any, in the statements of financial position approximate fair value due to the short maturities of those instruments.

L. Compensated Absences

Vested or accrued vacation pay is recorded as an expense and liability as the benefits accrue to the employees. In accordance with FASB ASC 710, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

M. Functional Allocation of Expenses

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

N. Advertising Costs

United Way of Linn County uses advertising to promote its programs to the audience it serves. Costs associated with advertising and marketing are expensed in the year incurred. Advertising costs for the years ended June 30, 2018 and 2017 amounted to \$198 and \$4,581, respectively.

O. Budget

The Organization's annual budget is a management tool that assists the board of directors and management in analyzing their financial activities for the fiscal year.

P. New Accounting Pronouncement

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expense and investment return. United Way of Linn County has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of the following at June 30, 2018 and 2017:

	2018	2017
Checking accounts	\$ 32,825	\$ 2,010
Savings accounts	158,834	307,235
Money market accounts	86,061	131,100
Total cash	277,720	440,345
Less restricted cash		
Child Abuse Network program	92,018	117,597
Imagination Library program	43,880	60,523
Designations	38,830	-
Total restricted cash	174,728	178,120
Total cash and cash equivalents	\$ 102,992	\$ 262,225

NOTE 3 – INVESTMENTS HELD BY OTHERS

The following schedule summarizes the investment return on the statement of activities for the years ended June 30, 2018 and 2017:

	2018	2017
Investment earnings	\$ 1,328	\$ 610

United Way of Linn County has transferred assets to an endowment fund held and legally owned by The Oregon Community Foundation. According to U.S. Treasury Regulations, all Foundation agreements must grant variance power to the Foundation's board of directors. Variance power is defined as the authority to modify restrictions and conditions of the fund agreement under certain circumstances. United Way of Linn County retains the authority to transfer assets out of the fund at the Organization's discretion.

The fund is recognized as an asset to United Way of Linn County and conversely as a liability to The Oregon Community Foundation. The Organization's investment in this fund was reported on the statement of financial position as follows:

	2018	2017
Investments held by others	\$ 64,910	\$ 59,501

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 4 – PLEDGES RECEIVABLE

Pledges receivable consist of public pledges of contributions to United Way of Linn County for the coming year. Pledges receivable at June 30, 2018 and 2017 are as follows:

	2018	2017
Pledges receivable	\$ 255,953	\$ 360,318
Allowance for uncollectibles	(45,928)	(57,731)
	210,025	302,587
Restricted pledges receivable	56,463	-
Net pledges receivable	\$ 266,488	\$ 302,587

Pledges written off for the years ended June 30, 2018 and 2017 amounted to \$79,505 and \$76,162, respectively.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2018 and 2017 consisted of the following:

	2018	2017
Office furniture and equipment	\$ 25,459	\$ 27,201
Less accumulated depreciation	(23,527)	(25,137)
Property and equipment, net	\$ 1,932	\$ 2,064

Depreciation expense for the years ended June 30, 2018 and 2017 amounted to \$1,382 and \$1,436, respectively.

NOTE 6 – OPERATING LEASE

On February 1, 2017, the Organization entered into an operating lease for office space through September 1, 2019. The lease terms call for rent of \$1,400 per month. Rent expense for the year ended June 30, 2018 amounted to \$16,800.

Future minimum lease payments under the operating lease are as follows:

Year Ending June 30	
2019	\$ 4,200

UNITED WAY OF LINN COUNTY
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NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 7 – ALLOCATIONS

United Way of Linn County allocates portions of the annual campaign to its member agencies, which go through an acceptance process in order to be an agency of United Way. They are then considered in the allocation process. The Organization pays monthly, to these agencies, portions of the contributions received from donors during the year. During the years ended June 30, 2018 and 2017, United Way of Linn County committed allocations of \$232,056 and \$330,475, respectively.

NOTE 8 – EMPLOYEE BENEFIT PLAN

The Organization has established a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. Employees are considered eligible to participate upon reaching age 21 and completing one year of service (with a minimum of 1,000 hours during the first 12 months of employment). Benefits under this plan are fully and immediately vested upon entry to the plan. The Organization contributes 6.5% of the annual salaries of participating employees. During the years ended June 30, 2018 and 2017, the Organization's contributions to the plan totaled \$4,461 and \$4,777, respectively.

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

The restrictions on net assets are related to funds received for the Child Abuse Network program, Imagination Library program, and designations.

Assets with donor restrictions at June 30, 2018 and 2017 are available for the following purposes:

	2018	2017
Child Abuse Network program	\$ 92,018	\$ 117,597
Imagination Library program	43,880	60,523
Restricted designations	95,293	-
	\$ 231,191	\$ 178,120

During the years ended June 30, 2018 and 2017, \$89,421 and \$57,836, respectively, were released from temporary restrictions.

NOTE 10 – LIQUIDITY

United Way of Linn County's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	2018	2017
Cash and cash equivalents	\$ 102,992	\$ 262,225
Accounts receivable, net	210,025	302,587
	\$ 313,017	\$ 564,812

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 10 – LIQUIDITY (Continued)

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. Additionally, United Way of Linn County has a quasi-endowment of \$64,910. Although the Organization does not intend to spend from its quasi-endowment other than amounts appropriated for general expenditures, amounts from its quasi-endowment could be made available if necessary.

United Way of Linn County has not formally adopted a liquidity management policy.

NOTE 11 – CONCENTRATION OF CONTRIBUTIONS

During the years ended June 30, 2018 and 2017, United Way of Linn County received approximately 50.45% and 51.54%, respectively, of its contributions from five large corporations.

NOTE 12 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 13, 2019, which was the date that the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL

For the Year Ended June 30, 2018

	Budget	Actual	Variance (Over) Under
OPERATING EXPENSES			
Advertising	\$ 3,000	\$ 198	\$ 2,802
Bank charges	1,400	2,202	(802)
Campaign events	6,500	6,360	140
Community involvement	3,500	3,875	(375)
Database administration	1,400	1,428	(28)
Dues and subscriptions	5,887	4,843	1,044
Employee benefits	26,832	26,001	831
Insurance	3,350	2,842	508
Interest	-	560	(560)
Maintenance	1,200	2,353	(1,153)
Miscellaneous	1,379	745	634
Office expense	3,640	1,432	2,208
Payroll taxes	10,880	15,326	(4,446)
Pledge loss	57,731	79,505	(21,774)
Postage and shipping	-	724	(724)
Professional fees	15,500	16,332	(832)
Rent	-	16,801	(16,801)
Salaries	136,000	207,595	(71,595)
Special events	14,750	12,816	1,934
Staff development and acknowledgement	200	(30)	230
Travel	6,300	6,344	(44)
Utilities	6,872	6,625	247
UWA affiliation fees	-	4,068	(4,068)
	<u>\$ 306,321</u>	<u>418,945</u>	<u>\$ (112,624)</u>
OTHER EXPENSES			
Depreciation		1,382	
		<u>\$ 420,327</u>	

See independent auditor's report.

UNITED WAY OF LINN COUNTY
(a not-for-profit corporation)

SCHEDULE OF ALLOCATIONS AND DESIGNATIONS

For the Year Ended June 30, 2018

	<u>Allocations</u>	<u>Designations</u>	<u>Total</u>
ABC House	\$ 10,000	\$ 5,184	\$ 15,184
Boy Scouts - Cascade Pacific Council	3,150	1,159	4,309
Boys & Girls Club of Albany	34,757	3,911	38,668
Boys & Girls Club of Corvallis	-	546	546
Boys & Girls Club of the Greater Santiam	21,000	6,873	27,873
Boys & Girls Club of Sweet Home	-	1,398	1,398
Brownsville Recreation Association	5,000	-	5,000
CARDV	8,500	3,515	12,015
Community After-School Program (CAP)	10,300	319	10,619
Community Outreach	15,284	286	15,570
Court Appointed Special Advocates	8,500	6,011	14,511
Family Tree Relief Nursery	6,500	486	6,986
Fish of Albany	8,198	8,403	16,601
Furniture Share	1,000	-	1,000
Girl Scouts of Oregon & SW Washington	1,750	479	2,229
InReach Services	9,000	184	9,184
Jackson Street Youth Shelter	7,500	1,310	8,810
Mighty Oaks Children's Therapy Center	4,000	1,327	5,327
Oregon Cascades West Council of Governments	5,650	-	5,650
Pre-Primary Speech and Language	4,500	1,024	5,524
Scio Youth Club	8,100	277	8,377
Sharing Hands	14,000	1,364	15,364
Sweet Home Emergency Ministry	12,200	521	12,721
United Way of Linn County 211	-	116	116
United Way of Linn County - CAN	-	239	239
United Way of Linn County Dolly Parton Imagination Library	-	4,848	4,848
Volunteer Caregivers	14,000	184	14,184
YMCA	18,000	2,984	20,984
Non-United Way agencies	-	20,066	20,066
Other United Way agencies	1,167	22,279	23,446
	<u>\$ 232,056</u>	<u>\$ 95,293</u>	<u>\$ 327,349</u>

See independent auditor's report.