

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

ANNUAL FINANCIAL REPORT

June 30, 2019 and 2018



**United Way of Linn County**

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

BOARD OF DIRECTORS

June 30, 2019

**EXECUTIVE BOARD**

Donna Rounsavell, President

Deb Beaudoin, Past President

Justin Roberts, Vice President

Audra Baca, CI Chair

Will Summers, CI Vice Chair

Avril Koehler, Treasurer

**BOARD MEMBERS**

Sandy Chase

Mike Grigsby

Lavonne Jones

Scott Lane

Milt Moran

Alex Patterson

Janet Steele

Joe Vincent

Tami Volz

Leslie Wood

**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, 2019 and 2018, 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, unable to reconcile payroll with quarterly tax forms, and unable to substantiate restricted net asset balances, 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, payroll, and restricted net asset accounts at June 30, 2019 or to determine the effects, if any, of such scope limitation on other accounts.

### **Qualified Opinion**

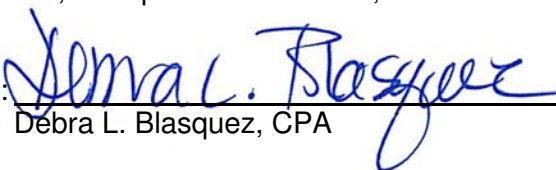
In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of United Way of Linn County as of June 30, 2019 and 2018, and the 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  
March 11, 2020

## **BASIC FINANCIAL STATEMENTS**

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

STATEMENTS OF FINANCIAL POSITION

June 30, 2019

	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$ 36,400	\$ 102,992
Pledges receivable, net of allowance for doubtful accounts	227,899	210,025
<b>TOTAL CURRENT ASSETS</b>	264,299	313,017
Restricted cash	84,096	174,728
Restricted pledges receivable	36,640	56,463
Investments held by others	68,982	64,910
Property and equipment, net of accumulated depreciation	1,172	1,932
Other assets	6,880	5,806
<b>TOTAL ASSETS</b>	\$ 462,069	\$ 616,856
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 36,416	\$ 23,739
Allocations payable	236,628	232,056
Designations payable	80,132	95,293
Unearned pledge revenue	4,161	4,965
<b>TOTAL LIABILITIES</b>	357,337	356,053
<b>NET ASSETS</b>		
Without donor restrictions	(16,004)	29,612
With donor restrictions	120,736	231,191
<b>TOTAL NET ASSETS</b>	104,732	260,803
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 462,069	\$ 616,856

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, 2019 and 2018

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE, GAINS, AND OTHER SUPPORT</b>			
Contributions	\$ 501,579	\$ 75,924	\$ 577,503
Administrative fees for designated contributions	6,411	-	6,411
Investment earnings	484	32	516
Child Abuse Network program	-	239	239
Imagination Library program	-	33,151	33,151
Special events	101,620	-	101,620
Realized gain on investments	352	-	352
Unrealized gain on investments	3,799	-	3,799
Miscellaneous income	3,560	-	3,560
Net assets released from restrictions	<u>219,801</u>	<u>(219,801)</u>	<u>-</u>
<b>TOTAL REVENUE, GAINS, AND OTHER SUPPORT</b>	<u>837,606</u>	<u>(110,455)</u>	<u>727,151</u>
<b>EXPENSES</b>			
Program services	837,570	-	837,570
Management and general	22,826	-	22,826
Fundraising	<u>22,826</u>	<u>-</u>	<u>22,826</u>
<b>TOTAL EXPENSES</b>	<u>883,222</u>	<u>-</u>	<u>883,222</u>
<b>TOTAL CHANGE IN NET ASSETS</b>	(45,616)	(110,455)	(156,071)
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>29,612</u>	<u>231,191</u>	<u>260,803</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ (16,004)</u>	<u>\$ 120,736</u>	<u>\$ 104,732</u>

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

2018

<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
\$ 471,363	\$ 95,293	\$ 566,656
7,441	-	7,441
1,328	-	1,328
-	178	178
-	46,989	46,989
71,360	-	71,360
1,158	-	1,158
4,368	-	4,368
5,054	-	5,054
<u>89,389</u>	<u>(89,389)</u>	<u>-</u>
<u>651,461</u>	<u>53,071</u>	<u>704,532</u>
761,810	-	761,810
19,198	-	19,198
<u>19,198</u>	<u>-</u>	<u>19,198</u>
<u>800,206</u>	<u>-</u>	<u>800,206</u>
(148,745)	53,071	(95,674)
<u>178,357</u>	<u>178,120</u>	<u>356,477</u>
<u>\$ 29,612</u>	<u>\$ 231,191</u>	<u>\$ 260,803</u>

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

STATEMENTS OF FUNCTIONAL EXPENSES

For the Years Ended June 30, 2019 and 2018

	2019			Total
	Program Services	Supporting Services		
		Management and General	Fundraising	
Compensation and related expenses				
Salaries	\$ 233,282	\$ 10,143	\$ 10,143	\$ 253,568
Payroll taxes	18,141	789	789	19,719
Employee benefits	36,281	1,577	1,577	39,435
Advertising	4,163	181	181	4,525
Allocations	236,628	-	-	236,628
Bank charges	1,803	78	78	1,959
Campaign events	9,419	409	409	10,237
CAN project expenses	10	-	-	10
Community involvement	5,601	244	244	6,089
Database administration	1,341	58	58	1,457
Depreciation	700	30	30	760
Designations	75,924	-	-	75,924
DPIL expenses	47,694	2,074	2,074	51,842
Dues and subscriptions	6,103	265	265	6,633
Insurance	2,054	89	89	2,232
Interest	-	-	-	-
Maintenance	450	20	20	490
Miscellaneous	7,710	335	335	8,380
Office expense	2,911	127	127	3,165
Pledge loss	83,341	3,624	3,624	90,589
Postage and shipping	225	10	10	245
Professional fees	15,823	688	688	17,199
Rent	18,262	794	794	19,850
Special events	12,325	536	536	13,397
Travel	4,609	200	200	5,009
United Way of America	7,381	321	321	8,023
Utilities	5,389	234	234	5,857
<b>Total</b>	<b>\$ 837,570</b>	<b>\$ 22,826</b>	<b>\$ 22,826</b>	<b>\$ 883,222</b>

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

2018

Program Services	Supporting Services		Total
	Management and General	Fundraising	
\$ 190,987	\$ 8,304	\$ 8,304	\$ 207,595
14,100	613	613	15,326
23,921	1,040	1,040	26,001
182	8	8	198
230,871	-	-	230,871
2,026	88	88	2,202
5,852	254	254	6,360
479	21	21	521
3,565	155	155	3,875
1,314	57	57	1,428
1,272	55	55	1,382
89,380	-	-	89,380
54,379	2,364	2,364	59,107
4,455	194	194	4,843
2,614	114	114	2,842
516	22	22	560
2,165	94	94	2,353
685	30	30	745
1,318	57	57	1,432
73,145	3,180	3,180	79,505
666	29	29	724
15,026	653	653	16,332
15,457	672	672	16,801
11,762	512	512	12,786
5,836	254	254	6,344
3,742	163	163	4,068
6,095	265	265	6,625
<u>\$ 761,810</u>	<u>\$ 19,198</u>	<u>\$ 19,198</u>	<u>\$ 800,206</u>

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

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2019 and 2018

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (156,071)	\$ (95,674)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	760	1,382
Interest and dividends received	(516)	(501)
Realized (gain) on sale of investments	(351)	(1,158)
Unrealized (gain) loss on investments	(3,799)	(4,310)
(Increase) decrease in:		
Pledges receivable	(623)	47,902
Pledges receivable allowance	2,572	(11,803)
Other assets	(1,074)	(5,806)
Increase (decrease) in:		
Accounts payable and accrued liabilities	12,677	15,632
Allocations payable	4,572	(98,419)
Designations payable	(15,161)	(7,718)
Unearned pledge revenue	(804)	(1,462)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(157,818)</u>	<u>(161,935)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investments sold	562	559
Capital assets purchased	-	(1,250)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>562</u>	<u>(691)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments for programs restricted for long-term purposes	219,800	89,421
Collections of contributions and grants restricted for long-term purposes	(129,136)	(86,028)
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<u>90,664</u>	<u>3,393</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(66,592)</u>	<u>(159,233)</u>
<b>BEGINNING CASH AND CASH EQUIVALENTS</b>	<u>102,992</u>	<u>262,225</u>
<b>ENDING CASH AND CASH EQUIVALENTS</b>	<u>\$ 36,400</u>	<u>\$ 102,992</u>

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, 2019 and 2018

**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, 2019 and 2018

**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, 2019 and 2018

**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.

**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.

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

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2019 and 2018

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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, 2019 and 2018 amounted to \$4,525 and \$198, 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.

**NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are comprised of the following at June 30, 2019 and 2018:

	2019	2018
Checking accounts	\$ 16,332	\$ 32,825
Savings accounts	14,445	158,834
Money market accounts	89,719	86,061
Total cash	120,496	277,720
Less restricted cash		
Child Abuse Network program	26,311	92,018
Imagination Library program	14,293	43,880
Designations	43,492	38,830
Total restricted cash	84,096	174,728
Total cash and cash equivalents	\$ 36,400	\$ 102,992

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

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2019 and 2018

**NOTE 3 – INVESTMENTS HELD BY OTHERS**

The following schedule summarizes the investment return on the statement of activities for the years ended June 30, 2019 and 2018:

	2019	2018
Investment earnings	\$ 516	\$ 1,328

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:

	2019	2018
Investments held by others	\$ 68,982	\$ 64,910

**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, 2019 and 2018 are as follows:

	2019	2018
Pledges receivable	\$ 276,399	\$ 255,953
Allowance for uncollectibles	(48,500)	(45,928)
	227,899	210,025
Restricted pledges receivable	36,640	56,463
Net pledges receivable	\$ 264,539	\$ 266,488

Pledges written off for the years ended June 30, 2019 and 2018 amounted to \$90,589 and \$79,505, respectively.

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

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2019 and 2018

**NOTE 5 – PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2019 and 2018 consisted of the following:

	2019	2018
Office furniture and equipment	\$ 25,459	\$ 25,459
Less accumulated depreciation	(24,287)	(23,527)
Property and equipment, net	\$ 1,172	\$ 1,932

Depreciation expense for the years ended June 30, 2019 and 2018 amounted to \$760 and \$1,382, respectively.

**NOTE 6 – OPERATING LEASE**

On September 11, 2018, the Organization entered into an operating lease for office space through August 31, 2020. The lease terms call for rent of \$1,550 per month. Rent expense for the year ended June 30, 2019 amounted to \$19,850.

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

Year Ending June 30	
2020	\$ 18,600
2021	3,100
	\$ 21,700

**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, 2019 and 2018, United Way of Linn County committed allocations of \$236,628 and \$232,056, 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, 2019 and 2018, the Organization's contributions to the plan totaled \$9,191 and \$4,461, respectively.

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

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2019 and 2018

**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, 2019 and 2018 are available for the following purposes:

	2019	2018
Child Abuse Network program	\$ 26,311	\$ 92,018
Imagination Library program	14,293	43,880
Restricted designations	80,132	95,293
	\$ 120,736	\$ 231,191

During the years ended June 30, 2019 and 2018, \$219,800 and \$89,389, 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:

	2019	2018
Cash and cash equivalents	\$ 36,400	\$ 102,992
Accounts receivable, net	227,899	210,025
	\$ 264,299	\$ 313,017

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 \$66,862. 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, 2019 and 2018, United Way of Linn County received approximately 54.20% and 50.45%, respectively, of its contributions from five large corporations.

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

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2019 and 2018

**NOTE 12 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 11, 2020, 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, 2019

	Budget	Actual	Variance (Over) Under
<b>OPERATING EXPENSES</b>			
Advertising	\$ 3,500	\$ 4,525	\$ (1,025)
Bank charges	1,000	1,959	(959)
Campaign events	4,856	10,237	(5,381)
Community involvement	1,500	6,089	(4,589)
Database administration	1,400	1,457	(57)
Dues and subscriptions	2,520	6,633	(4,113)
Employee benefits	20,500	39,435	(18,935)
Insurance	-	2,232	(2,232)
Maintenance	1,000	490	510
Miscellaneous	1,184	8,380	(7,196)
Office expense	1,000	3,165	(2,165)
Payroll taxes	18,630	19,719	(1,089)
Pledge loss	-	90,589	(90,589)
Postage and shipping	200	245	(45)
Professional fees	14,700	17,199	(2,499)
Rent	16,800	19,850	(3,050)
Salaries	207,000	253,568	(46,568)
Special events	18,900	13,397	5,503
Travel	4,000	5,009	(1,009)
Utilities	4,000	5,857	(1,857)
UWA affiliation fees	-	8,023	(8,023)
	<u>\$ 322,690</u>	<u>518,058</u>	<u>\$ (195,368)</u>
<b>OTHER EXPENSES</b>			
Depreciation		760	
		<u>\$ 518,818</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, 2019

	<u>Allocations</u>	<u>Designations</u>	<u>Total</u>
ABC House	\$ 12,300	\$ 6,720	\$ 19,020
Boy Scouts - Cascade Pacific Council	3,150	205	3,355
Boys & Girls Club of Albany	34,757	2,587	37,344
Boys & Girls Club of the Greater Santiam	21,000	6,807	27,807
Boys & Girls Club of Sweet Home	-	2,341	2,341
CARDV	8,200	4,258	12,458
Central Linn Recreation Center	5,000	-	5,000
Community After-School Program (CAP)	10,300	4,846	15,146
Community Outreach	15,000	123	15,123
Court Appointed Special Advocates	8,500	4,206	12,706
Family Tree Relief Nursery	6,500	587	7,087
Fish of Albany	8,198	9,351	17,549
Furniture Share	3,000	-	3,000
Girl Scouts of Oregon & SW Washington	1,750	236	1,986
InReach Services	10,500	-	10,500
It Aint Chemo Inc.	-	1,416	1,416
Jackson Street Youth Shelter	7,500	1,892	9,392
Mighty Oaks Children's Therapy Center	4,000	2,129	6,129
Obria	2,000	102	2,102
Old Mill Center	2,500	-	2,500
Oregon Cascades West Council of Governments	5,650	205	5,855
Pre-Primary Speech and Language	3,000	751	3,751
Safehaven Humane Society	-	2,027	2,027
Scio Youth Club	8,100	669	8,769
Sharing Hands	15,800	990	16,790
Sweet Home Emergency Ministry	12,200	1,465	13,665
United Way of Benton & Lincoln Counties	-	2,761	2,761
United Way of Linn County 211	-	1,905	1,905
United Way of Linn County Dolly Parton Imagination Library	-	3,448	3,448
Volunteer Caregivers	9,723	141	9,864
YMCA	18,000	-	18,000
Non-United Way agencies	-	16,986	16,986
Other United Way agencies	-	978	978
	<u>\$ 236,628</u>	<u>\$ 80,132</u>	<u>\$ 316,760</u>

See independent auditor's report.