

United Way of Adams County, Inc.

Financial Statements

Years Ended June 30, 2016 and 2015

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Financial Section



Independent Auditor's Report

To the Board of Trustees of
United Way of Adams County, Inc.

We have audited the accompanying financial statements of United Way of Adams County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Adams County, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of United Way of Adams County, Inc. as of June 30, 2015, were audited by other auditors whose report dated September 30, 2015, expressed an unmodified opinion on those statements.

Independent Auditor's Report (Concluded)

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Partner Funding on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Wade Stables P.C.
Certified Public Accountants

November 8, 2016
Quincy, Illinois

United Way of Adams County, Inc.
Statements of Financial Position
June 30, 2016 and 2015

	2016	2015
Assets		
Current Assets:		
Cash	\$ 373,377	\$ 455,242
Cash - fiscal agent	15,533	34,600
Certificates of deposit	335,255	334,329
Investments	493,016	506,932
Pledges receivable, net	269,521	258,359
Miscellaneous receivables	748	1,819
Prepaid expenses	9,100	10,965
Total Current Assets	\$ 1,496,550	\$ 1,602,246
Capital assets, net	20,580	29,985
Beneficial interest in assets held by the Community Foundation	17,333	15,619
Total Assets	\$ 1,534,463	\$ 1,647,850
 Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 11,007	\$ 3,344
Payroll liabilities	1,261	-
Accrued vacation payable	4,650	1,504
Contribution payable	3,001	-
Deferred grant revenue	50,000	-
Fiscal agent monies payable	15,533	34,600
Total Current Liabilities	\$ 85,452	\$ 39,448
 Net Assets		
Unrestricted:		
Designated for allocations and initiatives	\$ 678,787	\$ 752,190
Undesignated	666,385	759,257
Temporarily restricted	86,506	79,336
Permanently restricted	17,333	17,619
Total Net Assets	\$ 1,449,011	\$ 1,608,402
Total Liabilities and Net Assets	\$ 1,534,463	\$ 1,647,850

United Way of Adams County, Inc.

Statements of Activities

Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Changes In Unrestricted Net Assets:		
Support		
Campaign contributions, net	\$ 1,083,865	\$ 1,121,876
Contributions - other	57,883	27,139
Grant income	15,000	-
Golf event income (net of \$10,891 and \$13,430 in direct costs)	1,969	7,246
Pancake event income (net of \$189 and \$189 in direct costs)	655	678
Miscellaneous income	1,075	1,007
Interest and dividends	9,883	4,154
Realized gain (loss)	(62)	-
Unrealized gain (loss)	(18,504)	7,967
Total Unrestricted Support	<u>\$ 1,151,764</u>	<u>\$ 1,170,067</u>
Net Assets Released from Restrictions	<u>51,812</u>	<u>259,489</u>
Total Unrestricted Support and Reclassifications	<u>\$ 1,203,576</u>	<u>\$ 1,429,556</u>
Expenses		
Program Services		
Resource investment	\$ 727,475	\$ 773,115
Community impact	200,527	150,370
Direct services	59,523	49,721
Unmet needs	34,003	39,323
Alliance for building community	-	7,286
Financial stability	100,614	234,917
Other programs	6,461	14,706
Total Program Services	<u>\$ 1,128,603</u>	<u>\$ 1,269,438</u>
Supporting Activities:		
Resource development	\$ 55,522	\$ 63,649
Communications	22,050	23,941
Management and general	163,676	138,074
Total Supporting Activities	<u>\$ 241,248</u>	<u>\$ 225,664</u>
Total Expenses	<u>\$ 1,369,851</u>	<u>\$ 1,495,102</u>
Change In Unrestricted Net Assets	<u>\$ (166,275)</u>	<u>\$ (65,546)</u>
Changes In Temporarily Restricted Net Assets:		
Grants	\$ -	\$ 90,000
Contributions - other	58,982	115,106
Restrictions Expired and Expended	(51,812)	(259,489)
Change In Temporarily Restricted Net Assets	<u>\$ 7,170</u>	<u>\$ (54,383)</u>
Changes In Permanently Restricted Net Assets:		
Change in beneficial interest	\$ (286)	\$ 539
Change In Permanently Restricted Net Assets	<u>\$ (286)</u>	<u>\$ 539</u>
Total Change In Net Assets	<u>\$ (159,391)</u>	<u>\$ (119,390)</u>
Net Assets at Beginning of Year	<u>1,608,402</u>	<u>1,727,792</u>
Net Assets at End of Year	<u>\$ 1,449,011</u>	<u>\$ 1,608,402</u>

See accompanying notes to financial statements.

United Way of Adams County, Inc.
Statements of Cash Flow
Years Ended June 30, 2016 and 2015

	2016	2015
Cash Flows From Operating Activities:		
Increase (Decrease) in net assets	\$ (159,391)	\$ (119,390)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	10,619	10,989
Unrealized gains on investments	18,504	(7,967)
(Increase) Decrease in:		
Pledges receivable	(11,162)	(51,096)
Miscellaneous receivable	1,071	(1,033)
Prepaid expenses	1,865	3,431
Beneficial interest in assets held by the Community Foundatic	(1,714)	(538)
Increase (Decrease) in:		
Accounts payable	7,663	(1,841)
Payroll liabilities	1,261	-
Accrued vacation payable	3,146	(3,585)
Contribution payable	3,001	-
Deferred revenue	50,000	-
Designations payable	-	(30,170)
Fiscal agent monies payable	(19,067)	4,286
	\$ (94,204)	\$ (196,914)
Cash Flows from Investing Activities:		
Purchase of investments	\$ (4,588)	\$ (1,921)
Purchase of capital assets	(1,214)	(8,749)
	\$ (5,802)	\$ (10,670)
Net Increase (Decrease) in Cash	\$ (100,006)	\$ (207,584)
Cash, Beginning of Year	824,171	1,031,755
Cash, End of Year	\$ 724,165	\$ 824,171

See accompanying notes to financial statements.

United Way of Adams County, Inc.
Statement of Functional Expenses
Year Ended June 30, 2016

	Program Services						
	Resource Investment	Community Impact	Direct Services	Unmet Needs	Financial Stability	Other Programs	Total Program Services
Salaries	\$ 7,886	\$ 60,697	\$ 31,546	\$ 2,831	\$ 8,695	\$ 3,438	\$ 115,093
Payroll taxes	618	4,837	2,473	222	681	269	9,100
Employee benefits	1,375	4,655	5,501	494	1,516	599	14,140
Total Personnel Costs	\$ 9,879	\$ 70,189	\$ 39,520	\$ 3,547	\$ 10,892	\$ 4,306	\$ 138,333
Allocations - partner funding	693,388	-	-	-	-	-	693,388
Direct designations	18,864	-	-	-	-	-	18,864
Conferences and meetings	353	1,655	1,412	127	389	154	4,090
Depreciation	414	1,402	1,656	149	457	180	4,258
Direct client assistance	-	4,390	-	28,551	-	-	32,941
Dues and subscriptions	61	365	244	22	67	27	786
Equipment rental and maintenance	671	2,272	2,685	241	740	293	6,902
Special event expenses	226	9,154	902	81	249	98	10,710
Insurance	182	612	723	66	200	79	1,862
Investment fees	142	707	569	51	157	62	1,688
Miscellaneous	17	57	68	31	19	7	199
Occupancy	1,609	5,969	6,434	578	1,773	701	17,064
Printing and publications	127	1,473	508	109	140	55	2,412
Postage and shipping	81	198	281	59	94	25	738
Professional fees	164	554	655	59	181	71	1,684
Program and initiative expenses	-	98,380	-	-	84,230	-	182,610
Supplies	510	483	546	49	157	60	1,805
Technology	80	272	322	29	89	35	827
Telephone	126	427	505	45	139	55	1,297
Travel	94	319	544	34	104	41	1,136
United Way Worldwide dues	487	1,649	1,949	175	537	212	5,009
Total Functional Expenses	\$ 727,475	\$ 200,527	\$ 59,523	\$ 34,003	\$ 100,614	\$ 6,461	\$ 1,128,603

See accompanying notes to financial statements.

United Way of Adams County, Inc.
Statement of Functional Expenses (Concluded)
Year Ended June 30, 2016

	Supporting Activities				Total Functional Expenses
	Resource Development	Communications	Management & General	Total Supporting Activities	
Salaries	\$ 26,895	\$ 11,729	\$ 87,718	\$ 126,342	\$ 241,435
Payroll taxes	2,108	920	6,468	9,496	18,596
Employee benefits	4,690	2,046	14,387	21,123	35,263
Total Personnel Costs	\$ 33,693	\$ 14,695	\$ 108,573	\$ 156,961	\$ 295,294
Allocations - partner funding	-	-	-	-	693,388
Direct designations	-	-	-	-	18,864
Conferences and meetings	1,483	525	3,693	5,701	9,791
Depreciation	1,412	616	4,333	6,361	10,619
Direct client assistance	-	-	-	-	32,941
Dues and subscriptions	828	91	637	1,556	2,342
Equipment rental and maintenance	2,469	998	7,202	10,669	17,571
Special event expenses	978	336	2,360	3,674	14,384
Insurance	617	269	1,894	2,780	4,642
Investment fees	485	212	1,488	2,185	3,873
Miscellaneous	118	25	1,450	1,593	1,792
Occupancy	5,485	2,392	18,109	25,986	43,050
Printing and publications	2,275	189	1,329	3,793	6,205
Postage and shipping	303	83	919	1,305	2,043
Professional fees	559	244	1,713	2,516	4,200
Program and initiative expenses	-	-	-	-	182,610
Supplies	1,753	203	1,510	3,466	5,271
Technology	274	120	1,061	1,455	2,282
Telephone	430	188	1,321	1,939	3,236
Travel	699	140	987	1,826	2,962
United Way Worldwide dues	1,661	724	5,097	7,482	12,491
Total Functional Expenses	\$ 55,522	\$ 22,050	\$ 163,676	\$ 241,248	\$ 1,369,851

See accompanying notes to financial statements.

United Way of Adams County, Inc.

Statement of Functional Expenses

Year Ended June 30, 2015

	Program Services							Total Program Services
	Resource Investment	Community Impact	Direct Services	Unmet Needs	Alliance for Building Community	Financial Stability	Other Programs	
Salaries	\$ 9,325	\$ 23,455	\$ 26,736	\$ 3,373	\$ -	\$ 54,547	\$ 3,571	\$ 121,007
Payroll taxes	741	1,855	2,132	268	-	4,332	284	9,612
Employee benefits	1,882	3,990	4,885	681	-	3,050	721	15,209
	<u>\$ 11,948</u>	<u>\$ 29,300</u>	<u>\$ 33,753</u>	<u>\$ 4,322</u>	<u>\$ -</u>	<u>\$ 61,929</u>	<u>\$ 4,576</u>	<u>\$ 145,828</u>
Allocations - partner funding	727,662	-	-	-	-	-	-	727,662
Conferences and meetings	307	884	996	186	-	601	118	3,092
Depreciation	523	1,124	1,357	189	-	1,023	200	4,416
Direct client assistance	-	-	-	32,905	-	-	7,250	40,155
Dues and subscriptions	83	178	370	30	-	162	32	855
Equipment rental and maintenance	718	1,543	1,864	260	-	1,405	275	6,065
Special event expenses	19,353	36	1,592	6	-	33	815	21,835
Insurance	173	370	448	62	-	338	66	1,457
Investment fees	127	274	331	46	-	249	49	1,076
Miscellaneous	-	-	-	-	-	-	-	-
Occupancy	1,858	3,994	4,824	672	263	3,637	712	15,960
Printing and publications	5,618	161	178	45	-	149	23	6,174
Postage and shipping	62	118	168	77	-	332	35	792
Professional fees	349	750	906	126	-	684	134	2,949
Program and initiative expenses	-	107,569	-	-	7,023	162,103	-	276,695
Supplies	2,566	2,206	681	83	-	452	88	6,076
Technology	915	31	38	5	-	29	6	1,024
Telephone	141	302	365	51	-	275	54	1,188
Travel	149	320	388	54	-	414	57	1,382
United Way Worldwide dues	563	1,210	1,462	204	-	1,102	216	4,757
Total Functional Expenses	<u>\$ 773,115</u>	<u>\$ 150,370</u>	<u>\$ 49,721</u>	<u>\$ 39,323</u>	<u>\$ 7,286</u>	<u>\$ 234,917</u>	<u>\$ 14,706</u>	<u>\$ 1,269,438</u>

See accompanying notes to financial statements.

United Way of Adams County, Inc.
Statement of Functional Expenses (Concluded)
Year Ended June 30, 2015

	Supporting Activities				Total Expenses
	Resource Development	Communications	Management & General	Total Supporting Activities	
Salaries	\$ 33,727	\$ 12,896	\$ 73,010	\$ 119,633	\$ 240,640
Payroll taxes	2,682	1,025	5,805	9,512	19,124
Employee benefits	6,806	2,602	15,354	24,762	39,971
	<u>\$ 43,215</u>	<u>\$ 16,523</u>	<u>\$ 94,169</u>	<u>\$ 153,907</u>	<u>\$ 299,735</u>
Allocations - partner funding	-	-	-	-	727,662
Conferences and meetings	1,465	424	2,339	4,228	7,320
Depreciation	1,891	723	3,959	6,573	10,989
Direct client assistance	-	-	-	-	40,155
Dues and subscriptions	300	115	650	1,065	1,920
Equipment rental and maintenance	2,597	993	5,622	9,212	15,277
Fundraising expenses	60	23	190	273	22,108
Insurance	812	239	1,351	2,402	3,859
Investment fees	461	176	998	1,635	2,711
Miscellaneous	-	-	1,036	1,036	1,036
Occupancy	6,722	2,570	14,571	23,863	39,823
Printing and publications	219	84	474	777	6,951
Postage and shipping	530	72	1,040	1,642	2,434
Professional fees	1,263	483	2,734	4,480	7,429
Program and initiative expenses	-	-	-	-	276,695
Supplies	976	317	1,790	3,083	9,159
Technology	53	20	608	681	1,705
Telephone	508	194	1,101	1,803	2,991
Travel	540	206	1,032	1,778	3,160
United Way Worldwide dues	2,037	779	4,410	7,226	11,983
Total Functional Expenses	<u><u>\$ 63,649</u></u>	<u><u>\$ 23,941</u></u>	<u><u>\$ 138,074</u></u>	<u><u>\$ 225,664</u></u>	<u><u>\$ 1,495,102</u></u>

See accompanying notes to financial statements.

1. Summary of Significant Accounting Policies

A. Nature of Business

The United Way of Adams County, Inc. (UWAC) (the Organization) is a non-profit organization which receives support from the public and allocates the support received to various nonprofit organizations in Adams County. The mission of the United Way of Adams County, Inc. is to be an effective catalyst for bringing together the citizens of Adams County, Illinois in a productive, community-wide effort to plan, support, deliver and monitor human service programs that are sensitive to the changing social needs of all people in the community.

B. Financial Statement Presentation

Under requirements of the Financial Accounting Standards Board, the Organization is required to report 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. In addition, the Organization is required to present a statement of cash flows.

Temporarily restricted net assets include gifts for which a donor-imposed restriction has not been met and promises to give for which the ultimate purposes of the proceeds are not permanently restricted. The entire gift, the principal amount given, can be spent in accordance with the donor's restriction.

Permanently restricted net assets include gifts, trusts and pledges which require, by donor restriction, that the corpus or the principal be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

C. Campaign Pledges Receivable

Unconditional pledges receivable are recognized as support in the period the pledges are received. Conditional promises to give are recognized as support when the conditions on which they depend have been substantially met.

Pledges receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance. The valuation allowance is computed based upon a percentage agreed upon by the Board of Directors based on historical experience. Those 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 pledges receivable.

D. Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

E. Investments

Investments are reported at fair value, which is based on quoted market prices, with the exception of certificates of deposit which are carried at cost, which approximates fair value. Gains and losses on sales of investments are generally determined on a specific cost identification basis. Unrealized gains and losses are determined based on year-end market valuations.

F. Capital Assets

Acquisitions of capital assets greater than \$250 purchased by the Organization are recorded at cost. Capital assets donated to the Organization are recorded at the fair market value when received. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Office equipment is depreciated over a period of 5 to 10 years.

1. Summary of Significant Accounting Policies (Continued)**G. Description of Program Services and Supporting Activities**

The following program services and supporting activities are included in the accompanying financial statements, in accordance with the Organization's Missions Statement:

Program Services

Resource Investment – Includes all activities related to allocation of United Way grants to funded partner programs. This includes maintenance and updates to the Andar community building system, volunteer recruiting and training, scheduling and coordinating site visits, resource investment team meetings, reviewing partner applications and grant requests, preparing reports, and providing technical assistance to grantees.

Community Impact – Includes the development of programs, partnerships and collaborations led by many community partners that seek to improve the quality of life in Adams County. Specifically, this involves administrative support and coordination of the Community Building Council, Education/Financial Stability/Health Leadership Delegations, specific impact initiatives and community solution teams. UWAC coordinates the production, development and promotion of the county-wide assessment that guides overall community impact efforts.

Direct Services – Includes projects that provide direct client support, referral services or ongoing leadership of a community/county based collaborative team. This includes the HelpLine, Emergency Food & Shelter, FamilyWize medication discount program, case coordination for the Herald Whig Good News of Christmas, client advocacy for the Tri-State Warrior Outreach, leadership of Adams County Voluntary Organizations Active in Disaster (VOAD) and Interagency Council. Community presentations and education on UWAC services are also included.

Unmet Needs – Includes administrative support and fiscal services for the Quincy Area Partnership for Unmet Needs, which is a collaborative effort involving the faith community and social service agencies. While the Partnership directs the use of funds, UWAC hosts and coordinates bi-monthly meetings, maintains casework records, processes income and expenses, maintains financial records, and coordinates client assistance as needed.

Financial Stability – Includes the oversight and implementation of the Volunteer Income Tax Assistance (VITA) program. This includes site certification with the Internal Revenue Service, recruitment and training of VITA volunteers, volunteer and client scheduling, tax preparation and tax filing and promotion/communication about program.

Other Program Services – Includes staff support of fiscal sponsor projects including Give Kids a Smile and Tri-State Warrior Outreach, as well as staff involvement in service clubs, community networking and organizational affiliations.

Supporting Activities

Resource Development – Includes activities related to fundraising and volunteer management that support UWAC resource investment efforts as well as internal programs and services. This includes all aspects of the Annual Campaign (presentations, meetings, auditing packets, entering data, updating database, meetings with donors), grant writing, planning/involvement with non-campaign special events, planned giving, volunteer recruitment and training.

Communications – Includes creating newsletters/printed materials, donor recognition, website/social media, annual meeting, press conferences, media interviews, promotion of non-campaign special events, and coordination of the Promotions Committee.

1. Summary of Significant Accounting Policies (Concluded)

G. Description of Program Services and Supporting Activities (Concluded)

Management and General – Includes the administrative activities that support the overall operation of the office and governance of the organization. This includes staff meetings, cleaning, mail processing, clipping newspapers, board meetings and board committees, general errands, professional training/learning activities, strategic planning and accounting functions.

H. Public Support

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

I. Donated Services

The Organization receives donated services from a variety of unpaid volunteers assisting with the campaign and with other activities throughout the year. The Organization has not recognized any amounts in the accompanying Statement of Activities because the criteria for recognition of such volunteer effort under accounting standards has not been satisfied.

J. Use of Estimates

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

K. Functional Expenses

The organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and/or support service are allocated directly according to their natural expenditure classification. Other expenses are allocated based as a function of staff time, which is tracked by functional areas on each staff member's timesheets.

L. Income Taxes

The United Way of Adams County, Inc. is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. IRS Form 990, *Return of Organization Exempt from Income Tax*, and Illinois Form AG990-IL, *Charitable Organization Supplement*, for the year ended June 30, 2016 and prior years have been filed. Income tax filings are subject to audit by various taxing authorities and are open for audit for 2013 to 2015.

M. Fair Value

The carrying amounts of accounts receivable, campaign pledges receivable, prepaid expenses, accounts payable, accrued expenses, and deferred revenue approximate fair value due to the short period of maturity.

N. Subsequent Events

Subsequent events have been evaluated through November 8, 2016, the date the financial statements were available to be issued.

2. Deposits

The Organization maintains several bank accounts at various financial institutions. As of June 30, 2016, the carrying amount of those deposits was \$388,910. At various times throughout the year, the Organization's cash deposits may exceed the federally insured limits.

3. Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Realized and unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities. Investments as of June 30, 2016 and 2015 consist of the following:

	2016		2015	
	Carrying Value	Market Value	Carrying Value	Market Value
Certificates of deposit	\$ 335,255	\$ 335,255	\$ 334,329	\$ 334,329
Mutual funds	493,016	493,016	506,932	506,932
Total	<u>\$ 828,271</u>	<u>\$ 828,271</u>	<u>\$ 841,261</u>	<u>\$ 841,261</u>

4. Fair Value Measurements

The Organization adopted accounting standards for fair value measurements. The standards define fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The following are the major categories of assets measured at fair value on a recurring basis during the years ended June 30, 2016 and 2015 using quoted market prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

	Assets at Fair Value as of June 30, 2016			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 493,016	\$ -	\$ -	\$ 493,016
Beneficial interest in assets held by Community Foundation	-	-	17,333	17,333
Total Investments	<u>\$ 493,016</u>	<u>\$ -</u>	<u>\$ 17,333</u>	<u>\$ 510,349</u>

	Assets at Fair Value as of June 30, 2015			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 506,932	\$ -	\$ -	\$ 506,932
Beneficial interest in assets held by Community Foundation	-	-	15,619	15,619
Total Investments	<u>\$ 506,932</u>	<u>\$ -</u>	<u>\$ 15,619</u>	<u>\$ 522,551</u>

5. Capital Assets

Following is a summary of capital assets at June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Office equipment	\$ 89,285	\$ 88,071
Improvements	7,502	7,502
	<u>\$ 96,787</u>	<u>\$ 95,573</u>
Accumulated depreciation	<u>(76,207)</u>	<u>(65,588)</u>
Net capital assets	<u>\$ 20,580</u>	<u>\$ 29,985</u>

Depreciation expense for the years ended June 30, 2016 and 2015 was \$10,619 and \$10,989, respectively.

6. Pledges Receivable

The Organization has set its allowance for uncollectible pledges at \$32,100 and \$36,300 related to pledges receivable made to the United Way of Adams County, Inc. at June 30, 2016 and 2015, respectively. All pledges receivable at June 30, 2016 were due in less than one year.

7. Fiscal Agent

The Organization is the fiscal agent for the Warrior Outreach, Give Kids a Smile, and 175th Quincy Anniversary Programs. As a fiscal agent, the Organization collects and disburses money on behalf of these programs. As a fiscal agent for these programs, the Organization recognizes no income or expense. A liability in the amount of \$15,553 and \$34,600 for the year ended June 30, 2016 and 2015, respectively, is reflected on the Statements of Financial Position.

8. Pension Plan

The Organization participates in a Simplified Employee Pension Plan (SEPP) which is a defined contribution pension plan. Regular full-time employees and part-time employees may become a participant in the pension plan on the first day of the month following on which the employee completes one year of eligible service and attains age 21. The organization contributes to the SEPP at a rate determined by the Board of Directors. The rate was 8% for the years ended June 30, 2016 and 2015. The amount of pension expense was \$15,672 for the year ended June 30, 2016 and \$12,244 for the year ended June 30, 2015.

9. Operating Lease

The Organization has a lease agreement for office space with First Bankers Trust Company, dated February 29, 2016, extending the lease to April 30, 2019, for the sum of \$97,200 payable in thirty-six equal monthly installments of \$2,700. The lease is classified as an operating lease.

A summary of the future minimum rental payments are as follows:

<u>Year Ended June 30,</u>	
2017	\$ 32,400
2018	32,400
2019	<u>27,000</u>
	<u>\$ 91,800</u>

10. Board-Designated Net Assets

The Board of Directors has designated unrestricted net assets for the following purposes:

	<u>2016</u>	<u>2015</u>
Designated for reserve	\$ 607,504	\$ 692,190
Financial stability	41,915	20,000
Education initiative	5,178	20,000
Health initiative	<u>24,190</u>	<u>20,000</u>
Total Board-Designated Net Assets	<u><u>\$ 678,787</u></u>	<u><u>\$ 752,190</u></u>

11. Temporarily Restricted Net Assets

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

A summary of temporarily restricted net assets follows:

	<u>2016</u>	<u>2015</u>
Institute for Excellence	\$ 12,554	\$ 12,554
Unmet needs	16,436	14,036
Community building council	56,749	49,746
Health initiative	767	-
MGJT - volunteer center	<u>-</u>	<u>3,000</u>
Total Temporarily Restricted Net Assets	<u><u>\$ 86,506</u></u>	<u><u>\$ 79,336</u></u>

12. Permanently Restricted Net Assets

Permanently restricted net assets consist of an endowment with the Community Foundation in the amount of \$17,333 for the year ended June 30, 2016. The permanently restricted net assets at June 30, 2015, were \$17,619.

Supplementary Information

United Way of Adams County, Inc.

Schedule of Partner Funding

Year Ended June 30, 2016

Children Ready to Succeed

Cheerful Home - Sliding Fee Scale Child Care	\$ 49,700
Transitions - Parents as Teachers	42,400
Total Children Ready to Succeed	<u>\$ 92,100</u>

Youth on Track

Advocacy Network for Children - CASA	\$ 25,000
Big Brothers Big Sisters - One-to-One Mentoring Program	28,300
Boy Scouts - STEM Career Exploration	27,000
Cheerful Home - Outreach Family Support Program	15,000
Cornerstone - Comprehensive Youth Services	33,100
Girl Scouts - Girl Scout Leadership Experience	15,000
Madonna House - Everyday Life Skills (ELS)	2,000
Panther Pride - Adams County Academic Success Initiative	10,000
YMCA - School Age Child Care Program	22,000
Total Youth on Track	<u>\$ 177,400</u>

Families Living Well

Addicts Victorious - Victory Biblical Counseling Program	\$ 14,000
Cornerstone - Counseling Sliding Scale	32,000
Madonna House - Transitional Shelter Program	55,000
Quanada - Domestic Violence Program	29,500
Quincy Catholic Charities - MedAssist Program	18,500
Quincy Catholic Charities - Professional Counseling Solutions	20,000
RSVP - Medical Transportation Program	3,500
Transitions - Client & Family Support	14,262
YWCA - Supportive Housing Program	58,000
Total Families Living Well	<u>\$ 244,762</u>

Safety Net & Crisis Services

Community for Christ - Families in Need	\$ 12,000
Madonna House - Emergency Services and Prevention	10,000
Quanada - Sexual Assault Program	10,500
Red Cross - Blood Services	16,800
Red Cross - Disaster Services	26,800
Red Cross - Service to Armed Forces	5,000
RSVP - Shoe Fund	5,526
RSVP - Volunteer Recruitment and Placement Program	8,000
Salvation Army - Family Service Program	65,000
Transitions - Mental Health Crisis Stabilization	18,000
Tri-State Audio - Radio Information Service Program	1,500
Total Safety Net & Crisis Services	<u>\$ 179,126</u>

Total Partner Funding	<u>\$ 693,388</u>
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