United Way of East Central Iowa, Inc. and Related Entities

Consolidated Financial Report
June 30, 2016

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM

Contents

RSM

Independent Auditor's Report

RSM US LLP

Board of Directors
United Way of East Central Iowa, Inc.
Cedar Rapids, Iowa

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of the United Way of East Central Iowa, Inc. and its related entities (Organization) which comprise the consolidated statements of financial position as of June 30, 2016 and 2015, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended and the related notes to the consolidated financial statements (collectively, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 the Organization as of June 30, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating information is presented for purposes of additional analysis rather than to present the financial position, results of operations and cash flows of the individual entities 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 consolidating 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.

RSM US LLP

Cedar Rapids, Iowa
October 3, 2016

United Way of East Central Iowa, Inc.
and Related Entities

Consolidated Statements of Financial Position
June 30, 2016 and 2015

	2016	2015
Assets		
Cash and cash equivalents	$ 2,714,082	$ 3,539,052
Certificates of deposit	3,325,000	2,552,358
Receivables:		
Pledges	3,635,182	4,026,174
Accrued interest	9,815	8,544
Kirkwood note	424,292	557,565
Miscellaneous	156,710	148,300
Prepaid expenses	59,758	56,750
Investments	1,745,403	1,770,530
Property and equipment, net	12,407,107	12,745,448
Total assets	$ 24,477,349	$ 25,404,721
Liabilities and Net Assets		
Liabilities:		
Allocations and grants payable:		
Agency allocations	$ 6,436,682	$ 6,444,682
Initiative fund grants	761,475	689,454
Donor designations	337,928	378,959
Accounts payable	160,275	112,700
Accrued expenses	485,863	484,838
Amounts held on behalf for others	-	125,796
Total liabilities	8,182,223	8,236,429
Net assets:		
Unrestricted:		
Undesignated	6,798,788	7,233,073
Designated	614,736	623,987
Total unrestricted	7,413,524	7,857,060
Temporarily restricted	8,447,952	8,887,581
Permanently restricted	433,650	423,651
Total net assets	16,295,126	17,168,292
Total liabilities and net assets	$ 24,477,349	$ 25,404,721

See notes to consolidated financial statements.

United Way of East Central Iowa, Inc.
and Related Entities

Consolidated Statements of Activities
Years Ended June 30, 2016 and 2015

	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenue:				
Campaign results in prior period, released from restriction	$ 456,364	$ (456,364)	$ -	$ -
Gross campaign results in current period	9,195,892	481,206	-	9,677,098
Less donor designations	1,174,309	-	-	1,174,309
Campaign revenue	8,021,583	481,206	-	8,502,789
Less provision for uncollectible pledges	48,333	-	-	48,333
Net campaign revenue in current period	7,973,250	481,206	-	8,454,456
Total net campaign revenue	8,429,614	24,842	-	8,454,456
Other contributions	550,451	49,801	9,999	610,251
Donor designation fees	73,268	-	-	73,268
Investment income	76,423	11,243	-	87,666
Rental income	358,547	-	-	358,547
Special events	20,051	-	-	20,051
Sponsorships	92,943	183,100	-	276,043
Gain on sale of beneficial interest in property	-	-	-	-
Miscellaneous income	53,090	-	-	53,090
Net assets released from restrictions	708,615	(708,615)	-	-
Total support and revenue	10,363,002	(439,629)	9,999	9,933,372
Expenses:				
Program services:				
Allocation Services	6,650,050	-	-	6,650,050
Labor Community Services	25,848	-	-	25,848
Community Building	507,832	-	-	507,832
Volunteer Management	215,488	-	-	215,488
55+ Program	70,244	-	-	70,244
Kids on Course	-	-	-	-
Youth Achievement Corps	268,892	-	-	268,892
Volunteer Income Tax Assistance	41,343	-	-	41,343
FCFH	462,341	-	-	462,341
Total program services	8,242,038	-	-	8,242,038
Supporting activities:				
Organizational administration	694,124	-	-	694,124
Fundraising	926,138	-	-	926,138
Marketing and communications	190,482	-	-	190,482
HSC	753,756	-	-	753,756
Total supporting activities	2,564,500	-	-	2,564,500
Total expenses	10,806,538	-	-	10,806,538
Change in net assets	(443,536)	(439,629)	9,999	(873,166)
Net assets:				
Beginning	7,857,060	8,887,581	423,651	17,168,292
Ending	$ 7,413,524	$ 8,447,952	$ 433,650	$ 16,295,126

See notes to consolidated financial statements.

2015			
Unrestricted	Temporarily Restricted	Permanently Restricted	Total
$ 551,878	$ (551,878)	$ -	$ -
10,076,678	465,229	-	10,541,907
1,460,414	-	-	1,460,414
8,616,264	465,229	-	9,081,493
196,572	-	-	196,572
8,419,692	465,229	-	8,884,921
8,971,570	(86,649)	-	8,884,921
1,025,723	119,108	55,000	1,199,831
55,951	-	-	55,951
36,221	9,595	-	45,816
341,186	-	-	341,186
30,660	-	-	30,660
133,118	80,350	-	213,468
360,000	-	-	360,000
26,794	-	-	26,794
1,075,632	(1,075,632)	-	-
12,056,855	(953,228)	55,000	11,158,627
6,807,940	-	-	6,807,940
22,938	-	-	22,938
435,471	-	-	435,471
239,261	-	-	239,261
144,290	-	-	144,290
303,771	-	-	303,771
290,613	-	-	290,613
-	-	-	-
482,137	-	-	482,137
8,726,421	-	-	8,726,421
629,115	-	-	629,115
878,958	-	-	878,958
217,532	-	-	217,532
728,287	-	-	728,287
2,453,892	-	-	2,453,892
11,180,313	-	-	11,180,313
876,542	(953,228)	55,000	(21,686)
6,980,518	9,840,809	368,651	17,189,978
$ 7,857,060	$ 8,887,581	$ 423,651	$ 17,168,292

United Way of East Central Iowa, Inc.
and Related Entities

Consolidated Statements of Functional Expenses
Year Ended June 30, 2016

	Program Services									
	Allocation Services	Labor Community Services	Community Building	Volunteer Engagement	55+ Program	Kids on Course	Youth Achievement AmeriCorps	Volunteer Income Tax Assistance	FCFH	Total Program Services
Allocations and awards	$ 7,269,309	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,269,309
Less donor designations	1,174,309	-	-	-	-	-	-	-	-	1,174,309
	6,095,000	-	-	-	-	-	-	-	-	6,095,000
Time-limited grants/agency enhancement	-	-	-	-	-	-	-	-	-	-
Initiative fund grants	555,050	-	-	-	-	-	-	-	333,682	888,732
Subtotal	6,650,050	-	-	-	-	-	-	-	333,682	6,983,732
Salaries	-	15,142	316,223	106,650	42,802	-	191,933	4,677	47,389	724,816
Payroll taxes	-	776	21,753	8,028	3,247	-	13,800	358	3,441	51,403
Employee benefits	-	2,126	33,421	6,293	1,187	-	12,968	489	8,723	65,207
Retirement	-	1,324	25,246	8,362	3,487	-	2,936	395	-	41,750
Subtotal	-	19,368	396,643	129,333	50,723	-	221,637	5,919	59,553	883,176
Contract services	-	341	11,663	902	414	-	3,684	17,400	1,410	35,814
Supplies	-	228	1,944	2,224	318	-	876	1,172	-	6,762
Telephone	-	344	2,918	912	418	-	451	166	1,367	6,576
Postage and shipping	-	53	318	210	744	-	57	501	107	1,990
Donated services and materials	-	-	-	7,240	809	-	31,835	-	39,591	79,475
Occupancy	-	158	1,988	1,021	971	-	220	443	-	4,801
Repairs and maintenance	-	59	3,033	736	72	-	77	8	15,926	19,911
Transportation	-	14	2,296	32,590	396	-	474	53	436	36,259
Conferences	-	1,445	8,844	850	2,604	-	1,502	58	6,378	21,681
Organizational dues	-	706	451	453	295	-	226	8	550	2,689
Publications, printing, subscriptions	-	203	6,454	2,656	1,923	-	987	3,786	1,942	17,951
Awards	-	82	193	604	4,925	-	229	1,216	-	7,249
Interest	-	-	-	-	-	-	-	-	-	-
Special projects	-	569	1,225	15,208	(595)	-	97	1,413	-	17,917
Advertising	-	10	1,685	3,437	486	-	2,442	1,226	-	9,286
Miscellaneous	-	70	3,415	1,579	112	-	1,101	1,661	151	8,089
Computer expenses	-	1,435	23,057	6,486	4,152	-	1,880	2,371	1,248	40,629
Depreciation	-	763	12,951	2,562	1,477	-	1,117	3,942	-	22,812
Payments to affiliates (UWW)	-	-	28,754	6,485	-	-	-	-	-	35,239
Subtotal	-	6,480	111,189	86,155	19,521	-	47,255	35,424	69,106	375,130
Total expenses	$ 6,650,050	$ 25,848	$ 507,832	$ 215,488	$ 70,244	$ -	$ 268,892	$ 41,343	$ 462,341	$ 8,242,038

See notes to consolidated financial statements.

Supporting Activities					
Organizational Administration	Fund-raising	Marketing and Communications	HSC	Total Supporting Activities	Total
$ -	$ -	$ -	$ -	$ -	$ 7,269,309
-	-	-	-	-	1,174,309
-	-	-	-	-	6,095,000
-	-	-	-	-	-
-	-	-	-	-	888,732
-	-	-	-	-	6,983,732
381,026	515,045	73,780	-	969,851	1,694,667
24,563	36,628	4,619	-	65,810	117,213
52,783	63,311	3,651	-	119,745	184,952
31,736	39,620	6,114	-	77,470	119,220
490,108	654,604	88,164	-	1,232,876	2,116,052
40,065	3,392	14,831	87,016	145,304	181,118
2,880	3,044	1,483	6,510	13,917	20,679
3,092	4,464	584	-	8,140	14,716
2,612	8,040	70	-	10,722	12,712
-	51,032	50,143	-	101,175	180,650
2,021	2,244	296	230,429	234,990	239,791
6,110	3,845	657	101,913	112,525	132,436
460	562	24	-	1,046	37,305
9,617	3,242	2,496	-	15,355	37,036
25,554	1,751	479	-	27,784	30,473
5,913	45,144	5,515	-	56,572	74,523
125	3,557	29	-	3,711	10,960
13,702	-	-	-	13,702	13,702
30,653	56,700	412	-	87,765	105,682
1,050	15,284	10,843	-	27,177	36,463
4,258	1,594	949	-	6,801	14,890
12,086	15,199	5,713	-	32,998	73,627
12,838	15,981	1,560	327,888	358,267	381,079
30,980	36,459	6,234	-	73,673	108,912
204,016	271,534	102,318	753,756	1,331,624	1,706,754
$ 694,124	$ 926,138	$ 190,482	$ 753,756	$ 2,564,500	$ 10,806,538

United Way of East Central Iowa, Inc.
and Related Entities

Consolidated Statements of Functional Expenses
Year Ended June 30, 2015

	Program Services								
	Allocation Services	Labor Community Services	Community Building	Volunteer Engagement	55+ Program	Kids on Course	Youth Achievement AmeriCorps	FCFH	Total Program Services
Allocations and awards	$ 7,601,972	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,601,972
Less donor designations	1,460,413	-	-	-	-	-	-	-	1,460,413
	6,141,559	-	-	-	-	-	-	-	6,141,559
Time-limited grants/agency enhancement	-	-	-	-	-	-	-	-	-
Initiative fund grants	666,381	-	-	-	-	-	-	378,658	1,045,039
Subtotal	6,807,940	-	-	-	-	-	-	378,658	7,186,598
Salaries	-	14,777	255,191	135,826	72,816	225,736	210,293	50,546	965,185
Payroll taxes	-	923	17,755	10,262	5,079	17,611	15,230	3,448	70,308
Employee benefits	-	2,663	20,808	9,099	11,253	23,399	22,710	7,516	97,448
Retirement	-	1,292	20,759	10,829	5,219	15,380	3,781	-	57,260
Subtotal	-	19,655	314,513	166,016	94,367	282,126	252,014	61,510	1,190,201
Contract services	-	40	24,837	1,229	659	1,088	1,783	1,350	30,986
Supplies	-	105	2,447	1,043	1,948	1,539	359	5	7,446
Telephone	-	110	1,764	1,144	313	2,015	370	2,393	8,109
Postage and shipping	-	28	152	12	1,563	145	20	44	1,964
Donated services and materials	-	-	-	-	1,935	-	27,897	17,233	47,065
Occupancy	-	38	1,705	587	462	508	151	-	3,451
Repairs and maintenance	-	20	2,244	1,623	58	325	68	4,001	8,339
Transportation	-	198	3,269	782	33,207	111	649	1,557	39,773
Conferences	-	954	11,554	1,073	1,261	1,651	1,309	6,428	24,230
Organizational dues	-	236	379	377	256	311	315	3,425	5,299
Publications, printing, subscriptions	-	257	9,730	4,950	1,391	4,098	1,577	2,523	24,526
Awards	-	3	43	51	978	47	340	-	1,462
Interest	-	-	-	-	-	-	-	-	-
Special projects	-	644	1,552	32,166	1,670	103	12	-	36,147
Advertising	-	5	2,807	246	168	86	1,071	-	4,383
Miscellaneous	-	28	4,758	683	109	446	470	398	6,892
Computer expenses	-	377	20,959	7,873	2,579	5,990	1,246	2,612	41,636
Depreciation	-	240	11,143	3,773	1,366	3,182	962	-	20,666
Payments to affiliates (UWW)	-	-	21,615	15,633	-	-	-	-	37,248
Subtotal	-	3,283	120,958	73,245	49,923	21,645	38,599	41,969	349,622
Total expenses	$ 6,807,940	$ 22,938	$ 435,471	$ 239,261	$ 144,290	$ 303,771	$ 290,613	$ 482,137	$ 8,726,421

See notes to consolidated financial statements.

Supporting Activities					
Organizational Administration	Fund-raising	Marketing and Communications	HSC	Total Supporting Activities	Total
$ -	$ -	$ -	$ -	$ -	$ 7,601,972
-	-	-	-	-	1,460,413
-	-	-	-	-	6,141,559
-	-	-	-	-	-
-	-	-	-	-	1,045,039
-	-	-	-	-	7,186,598
341,033	466,355	101,200	-	908,588	1,873,773
20,861	32,263	6,904	-	60,028	130,336
39,845	57,660	9,872	-	107,377	204,825
27,734	34,374	3,950	-	66,058	123,318
429,473	590,652	121,926	-	1,142,051	2,332,252
86,271	3,164	1,557	58,781	149,773	180,759
3,052	2,600	1,606	10,472	17,730	25,176
2,907	3,962	490	-	7,359	15,468
2,246	4,766	18	3	7,033	8,997
3,500	75,279	42,482	13,676	134,937	182,002
1,693	1,645	363	217,164	220,865	224,316
5,144	3,705	666	99,292	108,807	117,146
560	4,163	30	-	4,753	44,526
8,214	14,012	6,155	-	28,381	52,611
826	1,260	733	-	2,819	8,118
6,611	34,869	4,005	-	45,485	70,011
134	8,431	13	-	8,578	10,040
11,520	-	-	-	11,520	11,520
5,039	61,768	129	661	67,597	103,744
11,548	10,252	24,897	-	46,697	51,080
4,743	9,200	553	349	14,845	21,737
6,431	7,689	3,137	-	17,257	58,893
13,384	10,667	2,358	327,889	354,298	374,964
25,819	30,874	6,414	-	63,107	100,355
199,642	288,306	95,606	728,287	1,311,841	1,661,463
$ 629,115	$ 878,958	$ 217,532	$ 728,287	$ 2,453,892	$ 11,180,313

United Way of East Central Iowa, Inc.
and Related Entities

Consolidated Statements of Cash Flows
Years Ended June 30, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	$ (873,166)	$ (21,686)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	381,079	374,964
Gain from sale of beneficial interest in property	-	(360,000)
Noncash reinvested investment income	(40,339)	(65,627)
Net change in fair value of investments	20,895	49,455
Change in beneficial interest in assets held by community foundation	11,802	13,858
Permanently restricted contributions received	(9,999)	(55,000)
Changes in assets and liabilities:		
Decrease in receivables	514,584	28,892
(Increase) in prepaid expenses	(3,008)	(17,238)
Increase (decrease) in allocations and grants payable	22,990	(235,296)
Increase (decrease) in accounts payable	47,575	(42,230)
(Decrease) increase in accrued expenses	(124,771)	241,827
Net cash used in operating activities	(52,358)	(88,081)
Cash flows from investing activities:		
Proceeds from sales of investments	520,869	261,521
Purchases of investments	(498,411)	(257,500)
Redemptions of certificates of deposit	1,452,358	2,300,020
Purchase of certificates of deposit	(2,225,000)	(2,302,358)
Distributions from beneficial interest in assets held by community foundation	10,311	10,612
Proceeds from the sale of beneficial interest in property	-	200,000
Purchase of property and equipment	(42,738)	(75,288)
Net cash provided by (used in) investing activities	(782,611)	137,007
Cash flows provided by financing activities, permanently restricted contributions received	9,999	55,000
Net (decrease) increase in cash and cash equivalents	(824,970)	103,926
Cash and cash equivalents:		
Beginning	3,539,052	3,435,126
Ending	$ 2,714,082	$ 3,539,052

See notes to consolidated financial statements.

Note 1. Nature of Business and Significant Accounting Policies

Reporting entity: The accompanying financial statements include the accounts of United Way of East Central Iowa, Inc. (UWECI) and its affiliated organizations, Human Services Campus, L.L.C (HSC) and FCFH-Iowa, Inc. (FCFH). UWECI, HSC and FCFH are separate legal entities.

UWECI is a perpetual, nonprofit corporation created under the provisions of the Iowa Nonprofit Corporation Act. The objective of UWECI is to provide a means by which contributions can be made annually in gifts and pledges to charitable health and welfare organizations, to provide for the budgeting and allocation of funds derived from said gifts and pledges to tax-exempt agencies and to provide for the planning of health, welfare and other services in order to most efficiently meet the needs of the community and the area.

HSC is a perpetual, nonprofit corporation created as a nonprofit membership corporation in the state of Iowa, effective July 8, 2009. The objective of HSC is to develop, build and operate a building and facilities for the use of the tax-exempt not-for-profit corporations organized and operated primarily to meet the human services needs in East Central Iowa. HSC has been consolidated into the financial statements as UWECI has an economic interest in HSC and upon dissolution, the remaining assets of HSC would be transferred to UWECI or its successor. On April 22, 2016, HSC became a wholly owned subsidiary of UWECI.

FCFH is a perpetual, nonprofit corporation created under the provisions of the Iowa Nonprofit Corporation Act. The organization was established April 29, 2004 and the Board of Directors was made up of several members, which included one member from UWECI. Effective July 16, 2009, UWECI is the sole member of FCFH, and therefore, has been consolidated. The objective of FCFH is to organize, develop, operate and promote a centralized information, referral and help line serving multiple health and human services needs on a regional basis through a tax-exempt, nonprofit entity.

Collectively, UWECI, HSC and FCFH are referred to as the Organization.

The Organization’s fiscal year ends on June 30. Significant accounting policies followed by the Organization are presented below.

Significant accounting policies:

Consolidation: The financial statements include the accounts of UWECI and its related parties discussed above. All significant intercompany balances and transactions have been eliminated.

Accounting 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, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Basis of presentation: The Organization presents its financial statements based on guidance established for external reporting by not-for-profit organizations which requires that resources be classified for accounting and reporting purposes into net asset categories according to externally (donor) imposed restrictions.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Net assets: Net assets are classified based on the existence or absence of donor-imposed restrictions. The following is a description of each class:

Unrestricted net assets includes all net assets which are neither temporarily or permanently restricted. If the Board of Directors specifies a purpose where none have been stated by the original donor, such funds are classified as designated unrestricted funds.

Temporarily restricted net assets includes contributed net assets for which donor-imposed time and purpose restrictions have not been met and the ultimate purpose of the contribution is not permanently restricted. For donor-restricted endowment funds, the Organization classifies the portion of the fund in excess of the permanently restricted amounts as temporarily restricted until appropriated for expenditure by the Organization.

Permanently restricted net assets includes contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Description of programs:

Allocation Services. To actively establish and monitor policies and procedures for the operations of the following allocation services: partner agency funding, initiative funding and, when applicable, specific project funding. Needs assessments, along with the knowledge of the Organization volunteers and staff, aid in the allocation of resources to assist our community.

Labor Community Services. The purpose of this program is to educate union workers about available local services and to refer and assist them in accessing those services. The program coordinates dislocated worker programs and supports and participates in resource development within the labor community.

Community Building. This service focuses on studying the communities' needs. Significant staff time and other resources are committed to learning more about our region's demographics, economic condition and perceptions of our communities' quality of life. The reports and studies that are produced are used to help identify funding priorities, emerging needs and growing trends in our community. The Community Building staff work with over 300 community partners and participate in numerous collaborations and community projects.

Volunteer Engagement. The Volunteer Engagement team connects individuals to meaningful volunteer opportunities to help meet United Way goals and the needs of the community.

55+ Program. The 55+ program engages adults, age 55 and better, in volunteer services which meet the critical community needs that impact citizens of all ages, while providing a high quality experience that will enrich the lives of volunteers.

Kids on Course. The purpose of this program is to promote and provide rich cultural experiences and enrichment opportunities to students and families in the Cedar Rapids Community School District. The program will advocate for students by nurturing their interests and providing opportunities to foster confidence and realize academic and individual potential. The program receives reimbursement for program expenses from the Zach Johnson Foundation. During the year ended June 30, 2016, there was no activity related to Kids on Course.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Youth Achievement AmeriCorps. United Way of East Central Iowa originally secured federal funding for the Youth Achievement AmeriCorps program (formerly known as Youth Achievement Corps) in 2011. The program is currently composed of 15 full-time AmeriCorps members, focused on building a collaborative network of quality in and out-of-school time education and social support programs for low-income families and students, birth through middle school, to help address the achievement gap in the Cedar Rapids community.

Volunteer Income Tax Assistance (VITA). The purpose of this program is to offer free assistance in preparing individual tax returns to those individuals who meet income restrictions, individuals with disabilities, limited English speaking taxpayers, or others.

FCFH. The purpose of this program is a centralized help line to service over 1.1 million residents in its 39-county service area. The Organization's 2-1-1 partners with County Emergency Management agencies. This partnership allows 2-1-1 to be a resource to communities in the event of a disaster. Individuals can call 2-1-1 to receive accurate and timely information during a disaster, such as a flood, tornado or an emergency at the Duane Arnold Energy Center.

Cash and cash equivalents: The Organization considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The Organization has concentrated its credit risk for cash by maintaining deposits in two banks. Deposits in excess of the federally insured amount totaled $180,116 as of June 30, 2016. The Organization also maintains a sweep account with two banks. The Organization entered into a repurchase agreement with the banks, in which the banks have pledged specific collateral covering all funds invested. The Organization has a balance of $2,426,538 on deposit in sweep accounts as of June 30, 2016.

Certificates of deposit: Certificates of deposit are carried at cost, with interest earned included in total investment income. All certificates of deposit mature at various periods through January 2018.

Receivables: Pledges receivable (unconditional promises to give) are recorded as receivables and as support when received. Pledges receivable due in the next year are recorded at net realizable value. Multi-year pledges receivable are recorded at the present value of their net realizable value, using discount interest rates applicable to the years in which the promises are received.

The carrying amount of receivables is net of an allowance for doubtful accounts. The allowance for uncollectible pledges is computed based upon a historical average, adjusted by management estimates of current economic factors and their analysis of specific pledges receivable. A shrinkage amount is determined for each annual gross campaign, including donor designations. The shrinkage percentage applied to the gross campaign for the campaign years 2016 and 2015 was 2.50 percent. The actual shrinkage amount could differ from these estimates. The provision for uncollectible pledges totaled $48,333 and $196,572 for the years ended June 30, 2016 and 2015, respectively.

Investments: Investments are carried at fair value. Investment income (loss), including realized and unrealized gains and losses, is reported in the statements of activities as an increase or decrease in unrestricted or temporarily restricted net assets based on the intention stipulated by the donor.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

The organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect investment balances and the amounts reported in the statements of financial position.

Property and equipment: Purchased property and equipment are recorded at cost while donated property and equipment are recorded at estimated fair value at the date of gift. Depreciation is computed utilizing the straight-line method over the estimated useful lives of the assets which range from 4 to 10 years for furniture, fixtures and equipment and 39 years for the building. Land is considered to have an indefinite useful life and is not depreciated or amortized.

Impairment of long-lived assets: The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell. At June 30, 2016 and 2015, there were no indications of impairment.

Allocations to agencies: Allocations payable are recorded as a liability at the point they are approved by the Board of Directors. As of June 30, 2016, allocations of a 12-month period, payable subsequent to June 30, 2016, have been approved and were recorded as an expense and as a liability.

Revenue recognition: Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in temporarily restricted net assets until appropriated by the Board of Directors. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Contributions: Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions with donor-imposed restrictions that are met within the same reporting period are reported as temporarily restricted revenue, and a reclassification to unrestricted net assets is made to reflect the expiration of such restrictions.

Contributions to be received after one year are discounted at an appropriate discount rate which incorporates the current risk-free discount rate and the credit risk of the donor. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior collection history.

Contributions of land and equipment without donor restrictions concerning the use of such long-lived assets are reported as revenue of the unrestricted net asset class. Contributions of cash or other assets to be used to acquire land and equipment are reported as revenue of the temporarily restricted net asset class; the restrictions are considered to be released at the time the asset is placed into service.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Agency transactions: Certain funds can be designated by donors to United Way partner agencies, nonaffiliated organizations, churches, other governmental agencies or not-for-profit entities. United Way has adopted a policy of reflecting these contributions in the campaign results in the statements of activities. These contributions are then deducted to reflect the amount of revenue recognized under accounting principles generally accepted in the United States of America. The total amounts raised on behalf of others for the years ended June 30, 2016 and 2015 were $1,174,309 and $1,460,414, respectively.

Income taxes: The Organization is exempt from income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code (IRC). As such, the Organization is taxed only on its unrelated business income. Management has determined the Organization did not receive any unrelated business income for the years ended June 30, 2016 and 2015. The Organization is not a private foundation under provisions of Section 509(a) of the IRC.

When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would ultimately be sustained. The benefit of a tax position is recognized in the financial statements in the period during which, based upon all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. The Organization had no unrecognized tax benefits as of and for the years ended June 30, 2016 and 2015. The Organization is no longer subject to examinations by federal authorities for years ended before June 30, 2013 and has not been notified of any impending examinations and no examinations are currently in process.

Amounts held on behalf for others: The Organization acts as a financial agent for other organizations, and since the Organization is not considered to be financially interrelated with these organizations, the total amount of funds held on behalf of these organizations is reflected as a liability on the statements of financial position. The Organization does not have variance power to redirect the assets held for others, and the funds are generally payable on demand.

Fundraising: Fundraising costs are charged to expense as incurred.

Functional expenses: The Organization allocates its expenses on a functional basis among its various programs and supporting activities. Expenses that can be identified with a specific program or supporting activity are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

Current accounting developments: In May 2015, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 850): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value (NAV) per share practical expedient. ASU 2015-07 also limits certain disclosures to investments for which the entity has elected to measure the fair value using the practical expedient. This ASU will be effective for the Organization for fiscal years beginning after December 15, 2016. Early adoption is permitted and the amendments in ASU 2015-07 should be applied retrospectively to all periods presented. As ASU 2015-07 only amends and eliminates certain disclosures, the Organization does not anticipate its adoption will have a material impact on its financial statements.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842),* which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e. lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. The standard is effective on January 1, 2020, with early adoption permitted. The Organization is in the process of evaluating the impact of this new guidance.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606),* requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14, which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. The Organization has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on the financial statements.

On August 18, 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. While the guidance is effective for fiscal years beginning after December 15, 2017, early adoption is allowed. Some of the key elements of the ASU are as follows. Net asset classifications are being reduced to donor restrictions and without donor restrictions and expanded disclosures on any board designations of net assets without donor restrictions will also be required. Underwater donor-restricted endowments will be included in with donor restrictions. The placed-in-service approach will be required for determining when restrictions are met for all capital gifts, eliminating the over-time option for expirations of capital restrictions. Additional disclosures, both qualitative and quantitative, will be required to communicate information useful in assessing liquidity within one year of the balance sheet date. Enhanced disclosures will be required for organizations that present an operating measure. When an organization derives net investment return from several different sources, such as donor endowments and unrestricted operating endowments, it may present the net investment return in multiple line items in the statement of activities. The components of net investment expense no longer will be required to be disclosed; however, organizations may continue to include this information when their financial statement users have an interest in that information. In addition some of the new reporting requirements related to expenses are included, as follows: disclosure of expenses by both nature and function (excluding investment expenses that have been netted with investment return), disclosure of expenses netted with investment return and enhanced disclosures regarding cost allocations. The Organization is currently evaluating the effect this updated standard will have on the financial statements.

Note 2. Beneficial Interests

In 1997, the owner of the office facilities previously leased by the Organization sold the property to another nonprofit organization. The new owner received a grant as part of the financing of the purchase. One of the conditions of the grant was that the Organization would be granted a 20 percent equity interest in the building, with the Organization receiving the greater of 20 percent of the sale price or $375,000, upon the sale of the building by the new owner. A temporarily restricted contribution of $440,000 (20 percent of the building value at the time of the donation), was recorded in 1997 as a result of this agreement.

In July 2014, the building was sold to another nonprofit organization; therefore, the Organization will receive proceeds of $800,000 (20 percent of the sale price) due annually over the next four years. A receivable of $450,000 less a present value discount of $25,708 remains on the statement of financial position as of June 30, 2016 related to the sale of the building.

Note 3. Pledges Receivable

Pledges receivable as of June 30, 2016 and 2015 were due as follows:

	UWECI	FCFH	Total
		2016	
Year ending June 30:			
2017	$ 3,817,701	$ 52,850	$ 3,870,551
2018	15,000	-	15,000
2019	15,000	-	15,000
2020	5,000	-	5,000
	$ 3,852,701	$ 52,850	3,905,551
Allowance for pledge loss			(253,693)
Discount on future pledges			(16,676)
Net pledges and grants receivable			$ 3,635,182

	UWECI	FCFH	Total
		2015	
Year ending June 30:			
2016	$ 4,235,709	$ 57,397	$ 4,293,106
2017	85,000	-	85,000
2018	15,000	-	15,000
2019	15,000	-	15,000
	$ 4,350,709	$ 57,397	4,408,106
Allowance for pledge loss			(365,257)
Discount on future pledges			(16,675)
Net pledges and grants receivable			$ 4,026,174

Note 4. Property and Equipment

Net property and equipment as of June 30, 2016 and 2015 consisted of the following:

	UWECI	HSC	Total
		2016	
Cost:			
Land	$ -	$ 1,555,609	$ 1,555,609
Building	-	12,318,796	12,318,796
Furnishings and equipment	471,818	120,799	592,617
Total cost	471,818	13,995,204	14,467,022
Less accumulated depreciation	268,184	1,791,731	2,059,915
	$ 203,634	$ 12,203,473	$ 12,407,107
		2015	
Cost:			
Land	$ -	$ 1,555,609	$ 1,555,609
Building	-	12,318,796	12,318,796
Furnishings and equipment	474,640	120,799	595,439
Total cost	474,640	13,995,204	14,469,844
Less accumulated depreciation	260,553	1,463,843	1,724,396
	$ 214,087	$ 12,531,361	$ 12,745,448

Total depreciation expense was $381,079 and $374,964 for the years ended June 30, 2016 and 2015, respectively.

Note 5. Investments

The Organization has contributed funds to The Greater Cedar Rapids Community Foundation (Foundation) in order to establish a permanent designated agency endowment fund. This fund is administered by the Foundation for the benefit of United Way of East Central Iowa, Inc. Control over the investment or reinvestment of these funds is exercised exclusively by the Foundation. A portion of the fund’s earnings is made available for distribution to the Organization periodically. During the years ended June 30, 2016 and 2015, the Organization received distributions from the fund totaling $15,145 and $10,612, respectively.

The Organization has not granted variance power to the Foundation. Therefore, it recognizes its interest in the net assets held by the Foundation and adjusts that interest for the Organization’s share of the change of the underlying assets measured at fair value less any distributions made.

Investment income consists of the following:

	2016	2015
Interest and dividends	$ 120,363	$ 109,129
Net change in fair value of investments	(20,895)	(49,455)
Change in beneficial interest in assets held by community foundation	(11,802)	(13,858)
	$ 87,666	$ 45,816

Note 6. Fair Value of Financial Instruments

The FASB ASC No. 820, Fair Value Measurements and Disclosures, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. ASC 820 requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In that regard, ASC 820 establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1: Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets.

Level 3: Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

Following is a description of the valuation methodologies used for instruments measured at fair value and their classification in the valuation hierarchy:

Mutual funds and preferred stock: Valued at last sales price, if listed on a national market or exchange, or if there is no sale and the market is still considered active, at the last transaction price before year-end.

Taxable corporate bonds: Valued at the most recent price of the equivalent quoted yield for such securities, or those of comparable maturity, quality and type.

Money market funds: Valued at the NAV of shares held at year-end.

Beneficial interest in assets held by community foundation: Valued at the estimated pro-rata share of the community foundation’s investment pool.

Note 6. Fair Value of Financial Instruments (Continued)

The following table presents assets measured at fair value by classification within the fair value hierarchy as of June 30, 2016 and 2015:

	Fair Value Measurements			
	Fair Value	Level 1	Level 2	Level 3
	2016			
Assets:				
Domestic equity mutual funds	$ 1,002,854	$ 1,002,854	$ -	$ -
Taxable bond mutual funds	180,445	180,445	-	-
Taxable corporate bonds	231,569	-	231,569	-
Money market funds	6,636	6,636	-	-
	1,421,504	1,189,935	231,569	-
Beneficial interest in assets held by community foundation	323,899	-	-	323,899
	$ 1,745,403	$ 1,189,935	$ 231,569	$ 323,899
	2015			
Assets:				
Domestic equity mutual funds	$ 811,425	$ 811,425	$ -	$ -
Taxable bond mutual funds	272,856	272,856	-	-
Taxable corporate bonds	315,828	-	315,828	-
Money market funds	3,200	3,200	-	-
Preferred stocks	23,248	23,248	-	-
	1,426,557	1,110,729	315,828	-
Beneficial interest in assets held by community foundation	343,973	-	-	343,973
	$ 1,770,530	$ 1,110,729	$ 315,828	$ 343,973

The following is a reconciliation of the beginning and ending balances of assets measured at fair value on a recurring basis using significant unobservable (Level 3) inputs during the years ended June 30, 2016 and 2015:

	2016	2015
Beneficial interest in assets held by community foundation:		
Balance, beginning	$ 343,973	$ 367,431
Investment income	(4,929)	(12,846)
Distributions	(15,145)	(10,612)
Balance, ending	$ 323,899	$ 343,973

Note 7. Board-Designated Net Assets

Net assets have been designated by the Board of Directors to the quasi-endowment for long-term investment purposes in the amounts of $614,736 and $623,987 as of June 30, 2016 and 2015, respectively.

Note 8. Nature and Amounts of Temporary and Permanent Restrictions

Temporarily restricted net assets are available for the following purposes as of June 30, 2016 and 2015:

	2016	2015
Purpose restricted:		
Children's needs	$ 449,511	$ 460,973
Sponsorship	183,100	80,350
Youth Achievement AmeriCorps	46,103	86,965
Linn County VITA	31,661	32,143
HSC - Building released over 20 years	7,000,000	7,500,000
Total purpose restricted	7,710,375	8,160,431
Time restricted:		
Term endowments	150,000	150,000
Unappropriated endowment earnings	97,506	111,921
Contributions for future campaigns	490,071	465,229
Total time restricted	737,577	727,150
	$ 8,447,952	$ 8,887,581

Permanently restricted net assets as of June 30, 2016 and 2015 consist of $433,650 and $423,651, respectively, of endowments which must be invested in perpetuity, the income from which is expendable to support the operations of the Organization.

Note 9. Endowments

The Organization's endowments consist of various funds established to support the general operating needs of the Organization. Its endowments consist of both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law: The Board of the Organization has interpreted the Iowa Uniform Act – Institutional Funds Management Act (IUA-IFMA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. Consequently, the Organization classifies permanently restricted net assets as:

- The original value of gifts donated to the permanent endowment, and
- The original value of subsequent gifts to the permanent endowment.

Note 9. Endowments (Continued)

The remaining portion of the donor-restricted endowment fund not classified as permanently restricted is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization's Board. In accordance with IUA-IFMA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

Return objectives and risk parameters: The Organization has adopted investment and spending policies for endowment assets that attempt to seek capital preservation, as well as long-term appreciation of the endowment fund assets. The endowment assets are invested in a manner that is intended to produce results that exceed the performance of the Consumer Price Index while assuming a moderate level of investment risk.

Spending policy: As of June 30, 3016, the Organization has a policy of appropriating for distribution 5 percent of its endowment fund assets.

In establishing this policy, the Organization considered the long-term expected returns on its endowment investments. Accordingly, over the long-term, the Organization expects the current spending policy will allow its endowment to retain the original fair value of the gift.

Strategies employed for achieving objectives: The Organization relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). This strategy targets a diversified asset allocation that emphasizes fixed income securities to achieve its long-term objectives within prudent risk constraints.

Endowment net asset composition by type of fund as of June 30, 2016 and 2015 is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
		2016		
Donor-restricted endowment funds	$ -	$ 697,017	$ 433,650	$ 1,130,667
Board-designated (quasi) endowment funds	614,736	-	-	614,736
Total endowment funds	$ 614,736	$ 697,017	$ 433,650	$ 1,745,403
		2015		
Donor-restricted endowment funds	$ -	$ 722,892	$ 423,651	$ 1,146,543
Board-designated (quasi) endowment funds	623,987	-	-	623,987
Total endowment funds	$ 623,987	$ 722,892	$ 423,651	$ 1,770,530

Note 9. Endowments (Continued)

Changes in endowment net assets for the years ended June 30, 2016 and 2015:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	Year Ended June 30, 2016			
Endowment net assets, beginning of year	$ 623,987	$ 722,892	$ 423,651	$ 1,770,530
Investment income	23,610	41,754	-	65,364
Investment fees	(2,715)	(2,695)	-	(5,410)
Net appreciation	(5,994)	(14,901)	-	(20,895)
Contributions	19,875	-	9,999	29,874
Change in beneficial interest	(11,802)	-	-	(11,802)
Appropriation of endowment assets for expenditure	(32,225)	(50,033)	-	(82,258)
Endowment net assets, end of year	$ 614,736	$ 697,017	$ 433,650	$ 1,745,403
	Year Ended June 30, 2015			
Endowment net assets, beginning of year	$ 658,619	$ 755,579	$ 368,651	$ 1,782,849
Investment income	27,037	59,404	-	86,441
Investment fees	(6,487)	(2,690)	-	(9,177)
Net appreciation	(13,128)	(36,327)	-	(49,455)
Contributions	100	-	55,000	55,100
Change in beneficial interest	(13,858)	-	-	(13,858)
Appropriation of endowment assets for expenditure	(28,296)	(53,074)	-	(81,370)
Endowment net assets, end of year	$ 623,987	$ 722,892	$ 423,651	$ 1,770,530

Note 10. Retirement Plan

The Organization has a defined contribution pension plan covering substantially all employees. The plan is funded currently by the Organization based on a percentage match of eligible employees' total wages. Contributions to the plan for the years ended June 30, 2016 and 2015 totaled $125,100 and $128,548, respectively.

Note 11. Future Commitments

The Organization has a contract with a firm to provide various equipment and technology services expiring through February 2019. Future minimum payments are as follows:

Year ending June 30:	
2017	$ 78,372
2018	30,492
2019	20,328
	$ 129,192

Note 12. Rental Revenue

HSC is leasing space to tenants under rental agreements expiring at various dates through December 2020. Future minimum rent revenue on these agreements is as follows:

Year ending June 30:	
2017	$ 314,279
2018	275,474
2019	271,153
2020	249,633
2021	124,817
	$ 1,235,356

Rental revenues for the years ended June 30, 2016 and 2015 were $358,547 and $341,186, respectively.

Note 13. Subsequent Events

The Organization has evaluated all subsequent events through October 3, 2016, the date that the financial statements were available to be issued, and has determined that no events or transactions have occurred through that date that required recognition or disclosure in the financial statements.

United Way of East Central Iowa, Inc.
and Related Entities

Consolidating Statements of Financial Position
June 30, 2016 and 2015

	2016				
	UWECI	**HSC**	**FCFH**	**Eliminations**	**Total**
Assets					
Cash and cash equivalents	$ 2,342,071	$ 179,543	$ 192,468	$ -	$ 2,714,082
Certificates of deposit	2,550,000	775,000	-	-	3,325,000
Receivables:					
Pledges, net	3,582,332	-	52,850	-	3,635,182
Accrued interest	9,943	(128)	-	-	9,815
Kirkwood note	424,292	-	-	-	424,292
Miscellaneous	156,710	-	-	-	156,710
Related party receivable	-	-	305,000	(305,000)	-
Prepaid expenses	45,010	6,541	8,207	-	59,758
Investments	1,745,403	-	-	-	1,745,403
Property and equipment, net	203,634	12,203,473	-	-	12,407,107
Total assets	$ 11,059,395	$ 13,164,429	$ 558,525	$ (305,000)	$ 24,477,349
Liabilities and Net Assets					
Liabilities:					
Allocations and grants payable:					
Agency allocations	$ 6,103,000	$ -	$ 333,682	$ -	$ 6,436,682
Initiative fund grants	761,475	-	-	-	761,475
Donor designations	337,928	-	-	-	337,928
Accounts payable	111,621	42,183	6,471	-	160,275
Related party payable	305,000	-	-	(305,000)	-
Accrued expenses	409,854	70,563	5,446	-	485,863
Amounts held on behalf for others	-	-	-	-	-
Total liabilities	8,028,878	112,746	345,599	(305,000)	8,182,223
Net assets:					
Unrestricted:					
Undesignated	534,179	6,051,683	212,926	-	6,798,788
Designated	614,736	-	-	-	614,736
Total unrestricted	1,148,915	6,051,683	212,926	-	7,413,524
Temporarily restricted	1,447,952	7,000,000	-	-	8,447,952
Permanently restricted	433,650	-	-	-	433,650
Total net assets	3,030,517	13,051,683	212,926	-	16,295,126
Total liabilities and net assets	$ 11,059,395	$ 13,164,429	$ 558,525	$ (305,000)	$ 24,477,349

2015				
UWECI	HSC	FCFH	Eliminations	Total
$ 2,462,048	$ 899,675	$ 177,329	$ -	$ 3,539,052
2,552,358	-	-	-	2,552,358
3,968,777	-	57,397	-	4,026,174
8,544	-	-	-	8,544
557,565	-	-	-	557,565
148,300	-	-	-	148,300
-	-	305,000	(305,000)	-
43,099	7,387	6,264	-	56,750
1,770,530	-	-	-	1,770,530
214,087	12,531,361	-	-	12,745,448
$ 11,725,308	$ 13,438,423	$ 545,990	$ (305,000)	$ 25,404,721
$ 6,111,000	$ -	$ 333,682	$ -	$ 6,444,682
689,454	-	-	-	689,454
378,959	-	-	-	378,959
86,170	27,540	(1,010)	-	112,700
305,000	-	-	(305,000)	-
408,373	70,505	5,960	-	484,838
125,796	-	-	-	125,796
8,104,752	98,045	338,632	(305,000)	8,236,429
1,185,337	5,840,378	207,358	-	7,233,073
623,987	-	-	-	623,987
1,809,324	5,840,378	207,358	-	7,857,060
1,387,581	7,500,000	-	-	8,887,581
423,651	-	-	-	423,651
3,620,556	13,340,378	207,358	-	17,168,292
$ 11,725,308	$ 13,438,423	$ 545,990	$ (305,000)	$ 25,404,721

United Way of East Central Iowa, Inc.
and Related Entities

Consolidating Statements of Activities
Years Ended June 30, 2016 and 2015

	2016				
	UWECI	**HSC**	**FCFH**	**Eliminations**	**Total**
Support and revenue:					
Gross campaign results in current period	$ 9,677,098	$ -	$ -	$ -	$ 9,677,098
Less donor designations	1,174,309	-	-	-	1,174,309
Campaign revenue	8,502,789	-	-	-	8,502,789
Less provision for uncollectible pledges	48,333	-	-	-	48,333
Total net campaign revenue	8,454,456	-	-	-	8,454,456
Other contributions	500,921	-	467,699	(358,369)	610,251
Donor designation fees	73,268	-	-	-	73,268
Investment income	84,612	2,854	200	-	87,666
Rental income	-	462,207	-	(103,660)	358,547
Special events	20,051	-	-	-	20,051
Sponsorships	276,043	-	-	-	276,043
Gain on sale of beneficial interest in property	-	-	-	-	-
Miscellaneous income	53,080	-	10	-	53,090
Total support and revenue	9,462,431	465,061	467,909	(462,029)	9,933,372
Expenses:					
Program services:					
Allocation Services	6,955,050	-	-	(305,000)	6,650,050
Labor Community Services	27,412	-	-	(1,564)	25,848
Community Building	534,378	-	-	(26,546)	507,832
Volunteer Management	221,989	-	-	(6,501)	215,488
55+ Program	73,271	-	-	(3,027)	70,244
Kids on Course	-	-	-	-	-
Youth Achievement Corps	271,181	-	-	(2,289)	268,892
Volunteer Income Tax Assistance	50,283	-	-	(8,940)	41,343
FCFH	-	-	462,341	-	462,341
Total program services	8,133,564	-	462,341	(353,867)	8,242,038
Supporting activities:					
Organizational administration	720,437	-	-	(26,313)	694,124
Fundraising	954,538	-	-	(28,400)	926,138
Marketing and communications	193,679	-	-	(3,197)	190,482
Other agency administrative support	50,252	-	-	(50,252)	-
HSC	-	753,756	-	-	753,756
Total supporting activities	1,918,906	753,756	-	(108,162)	2,564,500
Total expenses	10,052,470	753,756	462,341	(462,029)	10,806,538
Change in net assets	(590,039)	(288,695)	5,568	-	(873,166)
Net assets:					
Beginning	3,620,556	13,340,378	207,358	-	17,168,292
Ending	$ 3,030,517	$ 13,051,683	$ 212,926	$ -	$ 16,295,126

		2015		
UWECI	HSC	FCFH	Eliminations	Total
$ 10,541,907	$ -	$ -	$ -	$ 10,541,907
1,460,414	-	-	-	1,460,414
9,081,493	-	-	-	9,081,493
196,572	-	-	-	196,572
8,884,921	-	-	-	8,884,921
1,050,250	13,676	480,569	(344,664)	1,199,831
55,951	-	-		55,951
44,408	1,191	217	-	45,816
-	443,386	-	(102,200)	341,186
30,660	-	-	-	30,660
213,468	-	-	-	213,468
360,000	-	-	-	360,000
23,153	2,676	965	-	26,794
10,662,811	460,929	481,751	(446,864)	11,158,627
7,112,940	-	-	(305,000)	6,807,940
23,465	-	-	(527)	22,938
459,103	-	-	(23,632)	435,471
247,401	-	-	(8,140)	239,261
150,695	-	-	(6,405)	144,290
310,816	-	-	(7,045)	303,771
292,706	-	-	(2,093)	290,613
-	-	-	-	-
-	-	482,137	-	482,137
8,597,126	-	482,137	(352,842)	8,726,421
652,571	-	-	(23,456)	629,115
901,748	-	-	(22,790)	878,958
222,564	-	-	(5,032)	217,532
42,744	-	-	(42,744)	-
-	728,287	-	-	728,287
1,819,627	728,287	-	(94,022)	2,453,892
10,416,753	728,287	482,137	(446,864)	11,180,313
246,058	(267,358)	(386)	-	(21,686)
3,374,498	13,607,736	207,744	-	17,189,978
$ 3,620,556	$ 13,340,378	$ 207,358	$ -	$ 17,168,292

RSM