

**UNITED WAY OF**  
**COLLIER COUNTY, INC.**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED MARCH 31, 2015 AND 2014**

**UNITED WAY OF COLLIER COUNTY, INC.**

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# ROGERS WOOD HILL STARMAN & GUSTASON

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### INDEPENDENT AUDITOR'S REPORT

Board of Directors  
United Way of Collier County, Inc.  
Naples, Florida

We have audited the accompanying financial statements of United Way of Collier County, Inc. (a nonprofit organization), which comprise the statements of financial position as of March 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years 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 Collier County, Inc., as of March 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

United Way of Collier County, Inc.  
Naples, Florida

INDEPENDENT AUDITOR'S REPORT (continued)

**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 Grants Paid and United Way Programs for the years ended March 31, 2015 and 2014, contained on page 17, is presented for purposes of additional analysis and is not a required part of 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.

*Rogers Wood Hill Starman & Gustason, P.C.*

ROGERS WOOD HILL STARMAN & GUSTASON, P.A.  
Certified Public Accountants  
November 9, 2015

**UNITED WAY OF COLLIER COUNTY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**MARCH 31, 2015 AND 2014**

|   | <u>2015</u>         | <u>2014</u>         |
|---|---------------------|---------------------|
| <u>ASSETS</u>                                   |                     |                     |
| Cash and cash equivalents - undesignated        | \$ 532,180          | \$ 965,876          |
| Cash and cash equivalents - designated - Note 7 | 404,490             | 405,889             |
| Cash and cash equivalents - restricted - Note 8 | 15,553              | 123,000             |
| Total cash and cash equivalents                 | <u>952,223</u>      | <u>1,494,765</u>    |
| Pledges receivable, net - Note 3 and Note 8     | 1,247,379           | 1,153,921           |
| Prepaid expenses and other assets               | 33,335              | 17,371              |
| Investments - designated - Note 2 and Note 7    | 2,388,378           | 2,301,295           |
| Investments - restricted - Note 9               | 28,925              | -                   |
| Property and equipment, net - Note 4            | <u>924,658</u>      | <u>623,337</u>      |
| Total   | <u>\$ 5,574,898</u> | <u>\$ 5,590,689</u> |
| <u>LIABILITIES AND NET ASSETS</u>               |                     |                     |
| Accounts payable and accrued expenses - Note 5  | \$ 1,215,872        | \$ 93,802           |
| Notes payable - Note 6                          | <u>431,725</u>      | <u>386,187</u>      |
| Total liabilities                               | <u>1,647,597</u>    | <u>479,989</u>      |
| Net assets:                                     |                     |                     |
| Unrestricted:                                   |                     |                     |
| Board Designated - Note 7                       | 2,792,868           | 2,707,184           |
| Undesignated - Note 7                           | 1,064,855           | 2,280,516           |
| Total unrestricted                              | <u>3,857,723</u>    | <u>4,987,700</u>    |
| Temporarily Restricted - Note 8                 | 40,553              | 123,000             |
| Permanently Restricted - Note 9                 | <u>29,025</u>       | <u>-</u>            |
| Total net assets                                | <u>3,927,301</u>    | <u>5,110,700</u>    |
| Total   | <u>\$ 5,574,898</u> | <u>\$ 5,590,689</u> |

**UNITED WAY OF COLLIER COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED MARCH 31, 2015**

|  | <u>Unrestricted<br/>Undesignated</u> | <u>Unrestricted<br/>Designated</u> | <u>Temporarily<br/>Restricted</u> | <u>Permanently<br/>Restricted</u> | <u>Total</u>        |
|--|--------------------------------------|------------------------------------|-----------------------------------|-----------------------------------|---------------------|
| <b>Revenues:</b>   |                                      |                                    |                                   |                                   |                     |
| Campaign revenue   | \$ 2,557,263                         | \$ -                               | \$ -                              | \$ -                              | \$ 2,557,263        |
| Less: provision for uncollectible pledges                | (153,500)                            | -                                  | -                                 | -                                 | (153,500)           |
| Less: donor directed contributions                       | (200,891)                            | -                                  | -                                 | -                                 | (200,891)           |
| Net campaign revenue                                     | 2,202,872                            | -                                  | -                                 | -                                 | 2,202,872           |
| Collier 211  | 43,501                               | -                                  | 25,000                            | -                                 | 68,501              |
| Volunteer Collier  | -                                    | -                                  | 15,000                            | -                                 | 15,000              |
| Special events - net                                     | 32,703                               | -                                  | -                                 | -                                 | 32,703              |
| Investment income  | 4,000                                | 86,983                             | 553                               | (163)                             | 91,373              |
| Endowment contribution                                   | -                                    | -                                  | -                                 | 29,188                            | 29,188              |
| Bequest received   | -                                    | 10,478                             | -                                 | -                                 | 10,478              |
| Rental income  | 2,636                                | -                                  | -                                 | -                                 | 2,636               |
| Total revenues   | <u>2,285,712</u>                     | <u>97,461</u>                      | <u>40,553</u>                     | <u>29,025</u>                     | <u>2,452,751</u>    |
| Net assets released from restrictions                    | <u>123,000</u>                       | <u>-</u>                           | <u>(123,000)</u>                  | <u>-</u>                          | <u>-</u>            |
| Total revenues and net assets released from restrictions | <u>2,408,712</u>                     | <u>97,461</u>                      | <u>(82,447)</u>                   | <u>29,025</u>                     | <u>2,452,751</u>    |
| <b>Expenses:</b>   |                                      |                                    |                                   |                                   |                     |
| Program services   | 3,176,775                            | -                                  | -                                 | -                                 | 3,176,775           |
| Administrative and general                               | 151,187                              | 11,777                             | -                                 | -                                 | 162,964             |
| Fundraising  | 296,411                              | -                                  | -                                 | -                                 | 296,411             |
| Total expenses   | <u>3,624,373</u>                     | <u>11,777</u>                      | <u>-</u>                          | <u>-</u>                          | <u>3,636,150</u>    |
| Increase (decrease) in net assets                        | (1,215,661)                          | 85,684                             | (82,447)                          | 29,025                            | (1,183,399)         |
| NET ASSETS - Beginning of year                           | 2,280,516                            | 2,707,184                          | 123,000                           | -                                 | 5,110,700           |
| Transfers  | <u>-</u>                             | <u>-</u>                           | <u>-</u>                          | <u>-</u>                          | <u>-</u>            |
| NET ASSETS - End of year                                 | <u>\$ 1,064,855</u>                  | <u>\$ 2,792,868</u>                | <u>\$ 40,553</u>                  | <u>\$ 29,025</u>                  | <u>\$ 3,927,301</u> |

**UNITED WAY OF COLLIER COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED MARCH 31, 2014**

|   | <u>Unrestricted<br/>Undesignated</u> | <u>Unrestricted<br/>Designated</u> | <u>Temporarily<br/>Restricted</u> | <u>Total</u>        |
|---|--------------------------------------|------------------------------------|-----------------------------------|---------------------|
| Revenues:   |                                      |                                    |                                   |                     |
| Campaign revenue  | \$ 2,533,461                         | \$ -                               | \$ -                              | \$ 2,533,461        |
| Less: provision for uncollectible pledges                   | (223,000)                            | -                                  | -                                 | (223,000)           |
| Less: donor directed contributions                          | (196,558)                            | -                                  | -                                 | (196,558)           |
| Net campaign revenue  | 2,113,903                            | -                                  | -                                 | 2,113,903           |
| Collier 211 grant   | 83,000                               | -                                  | 123,000                           | 206,000             |
| Special events - net  | 28,550                               | -                                  | -                                 | 28,550              |
| Investment income   | 1,046                                | 261,776                            | -                                 | 262,822             |
| Bequest received  | -                                    | 580                                | -                                 | 580                 |
| Total revenues  | 2,226,499                            | 262,356                            | 123,000                           | 2,611,855           |
| Net assets released from restrictions                       | -                                    | -                                  | -                                 | -                   |
| Total revenues and net<br>assets released from restrictions | 2,226,499                            | 262,356                            | 123,000                           | 2,611,855           |
| Expenses:   |                                      |                                    |                                   |                     |
| Program services  | 1,934,718                            | -                                  | -                                 | 1,934,718           |
| Administrative and general                                  | 148,258                              | 10,856                             | -                                 | 159,114             |
| Fundraising   | 267,070                              | -                                  | -                                 | 267,070             |
| Total expenses  | 2,350,046                            | 10,856                             | -                                 | 2,360,902           |
| Increase (decrease) in net assets                           | (123,547)                            | 251,500                            | 123,000                           | 250,953             |
| NET ASSETS - Beginning of year                              | 1,998,563                            | 2,861,184                          | -                                 | 4,859,747           |
| Transfers   | 405,500                              | (405,500)                          | -                                 | -                   |
| NET ASSETS - End of year                                    | <u>\$ 2,280,516</u>                  | <u>\$ 2,707,184</u>                | <u>\$ 123,000</u>                 | <u>\$ 5,110,700</u> |

**UNITED WAY OF COLLIER COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED MARCH 31, 2015**

|   | PROGRAM<br>SERVICES | SUPPORTING SERVICES         |                   | TOTAL               |
|---|---------------------|-----------------------------|-------------------|---------------------|
|   |                     | ADMINISTRATIVE<br>& GENERAL | FUND<br>RAISING   |                     |
| Total grants and awards                                   | \$ 2,898,247        | \$ -                        | \$ -              | \$ 2,898,247        |
| Less: donor directed contributions                        | (200,891)           | -                           | -                 | (200,891)           |
| Grants and awards,<br>net of donor directed contributions | 2,697,356           | -                           | -                 | 2,697,356           |
| Wages and benefits  | 259,878             | 95,782                      | 143,437           | 499,097             |
| Audit and professional fees                               | 20,776              | 6,238                       | 11,783            | 38,797              |
| Bank fees   | 1,341               | 12,180                      | 761               | 14,282              |
| Interest expense  | 6,957               | 2,089                       | 3,945             | 12,991              |
| Campaign, promotion and volunteerism                      | -                   | -                           | 71,583            | 71,583              |
| Collier 211   | 98,997              | -                           | -                 | 98,997              |
| Information technology and<br>communications              | 12,143              | 3,647                       | 6,887             | 22,677              |
| Contract services   | -                   | 19,209                      | -                 | 19,209              |
| Convention and meeting expense                            | 6,733               | 2,022                       | 3,819             | 12,574              |
| Depreciation  | 13,589              | 4,080                       | 7,707             | 25,376              |
| Loss on disposal of equipment                             | 1,096               | 329                         | 621               | 2,046               |
| Dues - national and state                                 | 15,112              | 4,538                       | 8,571             | 28,221              |
| Dues and subscriptions                                    | 1,563               | 469                         | 886               | 2,918               |
| Insurance   | 2,240               | 672                         | 1,270             | 4,182               |
| Office supplies and expense                               | 7,064               | 2,121                       | 4,006             | 13,191              |
| Printing and postage                                      | 1,837               | 552                         | 14,068            | 16,457              |
| Rent and other occupancy costs                            | 28,904              | 8,679                       | 16,393            | 53,976              |
| Miscellaneous expenses                                    | 1,189               | 357                         | 674               | 2,220               |
| Total   | <u>\$ 3,176,775</u> | <u>\$ 162,964</u>           | <u>\$ 296,411</u> | <u>\$ 3,636,150</u> |

**UNITED WAY OF COLLIER COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED MARCH 31, 2014**

|   | PROGRAM<br>SERVICES | SUPPORTING SERVICES         |                   | TOTAL               |
|---|---------------------|-----------------------------|-------------------|---------------------|
|   |                     | ADMINISTRATIVE<br>& GENERAL | FUND<br>RAISING   |                     |
| Total grants and awards                                   | \$ 1,744,058        | \$ -                        | \$ -              | \$ 1,744,058        |
| Less: donor directed contributions                        | (196,558)           | -                           | -                 | (196,558)           |
| Grants and awards,<br>net of donor directed contributions | 1,547,500           | -                           | -                 | 1,547,500           |
| Wages and benefits  | 251,229             | 88,921                      | 150,804           | 490,954             |
| Audit and professional fees                               | 15,351              | 5,337                       | 9,412             | 30,100              |
| Bank fees   | 1,459               | 11,363                      | 895               | 13,717              |
| Interest expense  | -                   | -                           | -                 | -                   |
| Campaign, promotion and volunteerism<br>Collier 211       | -<br>50,223         | -                           | 51,834            | 51,834              |
| Information technology and<br>communications              | 10,530              | 3,660                       | 6,455             | 20,645              |
| Contract services   | -                   | 29,522                      | -                 | 29,522              |
| Convention and meeting expense                            | 4,283               | 1,489                       | 3,048             | 8,820               |
| Depreciation  | 3,113               | 1,082                       | 1,909             | 6,104               |
| Loss on disposal of equipment                             | -                   | -                           | -                 | -                   |
| Dues - national and state                                 | 13,799              | 4,797                       | 8,460             | 27,056              |
| Dues and subscriptions                                    | 648                 | 226                         | 397               | 1,271               |
| Insurance   | 1,548               | 538                         | 950               | 3,036               |
| Office supplies and expense                               | 2,505               | 871                         | 1,536             | 4,912               |
| Printing and postage                                      | 1,180               | 410                         | 12,149            | 13,739              |
| Rent and other occupancy costs                            | 31,128              | 10,821                      | 19,085            | 61,034              |
| Miscellaneous expenses                                    | 222                 | 77                          | 136               | 435                 |
| Total   | <u>\$ 1,934,718</u> | <u>\$ 159,114</u>           | <u>\$ 267,070</u> | <u>\$ 2,360,902</u> |

**UNITED WAY OF COLLIER COUNTY, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED MARCH 31, 2015 AND 2014**

|   | <u>2015</u>         | <u>2014</u>         |
|---|---------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>  |                     |                     |
| Cash received from contributions  | \$ 2,192,915        | \$ 2,266,078        |
| Rental payments received  | 15,125              | -                   |
| Special events  | 32,703              | 28,550              |
| Grants paid   | (1,542,844)         | (1,547,500)         |
| Cash paid to suppliers and employees  | (929,019)           | (764,337)           |
| Investment income reinvested  | 4,100               | 1,046               |
| Net cash provided (used) by operating activities  | <u>(227,020)</u>    | <u>(16,163)</u>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>  |                     |                     |
| Proceeds from sale of investments   | 1,429,943           | 1,192,695           |
| Purchase of investments   | (1,472,397)         | (748,670)           |
| Purchase of property and equipment  | (371,992)           | (558,677)           |
| Net cash used by investing activities   | <u>(414,446)</u>    | <u>(114,652)</u>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>  |                     |                     |
| Financing of Galleria office  | 90,000              | 360,680             |
| Assumption of Community Development District debt   | -                   | 30,102              |
| Principal payments on note payable  | (18,955)            | -                   |
| Payment on Community Development District debt  | (25,507)            | (4,595)             |
| Cash received from bequests and trusts  | 10,478              | 580                 |
| Cash received from endowment  | 553                 | -                   |
| Interest and dividends reinvested as designated   | 42,355              | 37,110              |
| Net cash provided by financing activities   | <u>98,924</u>       | <u>423,877</u>      |
| NET INCREASE/(DECREASE) IN CASH   | (542,542)           | 293,062             |
| CASH - Beginning of year  | <u>1,494,765</u>    | <u>1,201,703</u>    |
| CASH - End of year  | <u>\$ 952,223</u>   | <u>\$ 1,494,765</u> |
| <b>RECONCILIATION OF INCREASE/(DECREASE) IN NET ASSETS<br/>TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:</b> |                     |                     |
| Increase/(Decrease) in net assets   | \$ (1,183,399)      | \$ 250,953          |
| Contributions designated by Board of Directors  | (10,478)            | (580)               |
| Contributions to endowment  | (29,188)            | -                   |
| Interest and dividends designated by Board of Directors   | (42,808)            | (37,110)            |
| Income on restricted funds  | (453)               | -                   |
| Depreciation  | 25,376              | 6,104               |
| Loss on disposal of property and equipment  | 2,047               | -                   |
| Realized gains on sale of investments   | (60,132)            | (94,887)            |
| Unrealized (gains)/losses on investments  | 16,119              | (129,779)           |
| Changes in assets and liabilities:  |                     |                     |
| Pledges receivable, net   | (93,458)            | (10,557)            |
| Prepaid expenses and other assets   | (15,964)            | 144                 |
| Accounts payable and accrued expenses   | 1,165,318           | (451)               |
| Net cash provided/(used) by operating activities  | <u>\$ (227,020)</u> | <u>\$ (16,163)</u>  |

## UNITED WAY OF COLLIER COUNTY, INC.

### NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2015 AND 2014

#### NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

##### Nature of Activities

The United Way of Collier County, Inc. ("UWCC"), a not-for-profit organization, is committed to improving lives in Collier County by mobilizing the caring power of the community. UWCC works to advance the common good by focusing on the building blocks for a good quality of life – education, income, health, and safety net services. UWCC envisions the Collier County community as a place where all individuals and families achieve their full potential.

UWCC solicits and receives contributions during its annual campaign. Funds raised during the campaign are used to fund approved Collier County not-for-profit agencies that must meet requirements established by UWCC. Grants to these agencies are based on evaluations and recommendations made by independent panels comprised of area business professionals and other community leaders.

UWCC partners with agencies to distribute resources and support to children, families, and the elderly of Collier County, including in times of crisis. UWCC also supports safe housing environments along with developmental and nutritional programs that help youth and all individuals build life skills and character to advance our community's future.

In October 2013, UWCC assumed operational responsibility for Collier 211, a 24 hours a day, 7 days a week, human services help line providing information and referrals to Collier County residents in need.

The assets of Volunteer Collier, Inc. were purchased in fiscal year 2015, however, United Way of Collier County's operation of Volunteer Collier did not commence until fiscal year 2016. The Volunteer Collier program matches groups and individual volunteers with local not-for-profit agencies to create exceptional volunteer experiences throughout Collier County.

##### Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

##### Financial Statements

The financial statements and notes are a representation of UWCC's management who is responsible for their integrity and objectivity. The accounting policies conform to the basis of accounting defined above and have been consistently applied in the preparation of the financial statements.

##### Contributions and Promises to Give

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year. 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.

##### Allowance for Doubtful Accounts

UWCC uses the allowance method to determine uncollectible unconditional promises or pledges receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

## UNITED WAY OF COLLIER COUNTY, INC.

### NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2015 AND 2014

#### NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - continued

##### Donated Services

A substantial number of volunteers have donated time to UWCC's annual fundraising campaign; however, these donated services are not recognized in the financial statements because the criteria for recognition of such volunteer efforts under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, have not been satisfied.

##### Cash and Cash Equivalents

UWCC considers as cash and cash equivalents all highly liquid investments with an initial maturity of three months or less.

##### Investments

Investments are carried at fair value based on quoted market prices.

##### Property and Equipment

UWCC capitalizes all expenditures for property, equipment and leasehold improvements in excess of \$1,000 and uses the straight-line method of depreciation calculated over the estimated useful lives of the assets, ranging from 5-39 years. Purchased property and equipment are stated at historical cost.

##### Income Taxes

UWCC is a qualified tax exempt organization under Code Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes, except on net income derived from unrelated business activities. The organization has no revenues derived from unrelated business activities; accordingly, no provision for income taxes has been made. The Organization follows the income tax standard for uncertain tax positions and, as a result, has evaluated its tax positions and determined it has no uncertain tax positions as of March 31, 2015.

##### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

##### Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its FASB Accounting Standards Codification ("ASC") 958-205, Financial Statements of Not-for-Profit Organizations. Under FASB ASC 958-205, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets are defined as assets that are free of donor-imposed restrictions, and include all investment income and appreciation not subject to donor-imposed restrictions.

**UNITED WAY OF COLLIER COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2015 AND 2014**

**NOTE 2 - INVESTMENTS**

Investments, at fair value, consist of the following:

|                                     | 2015                |                     | 2014                |                     |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                     | Cost                | Fair Market Value   | Cost                | Fair Market Value   |
| Board-designated Investment Account |                     |                     |                     |                     |
| Common stocks                       | \$ 164,210          | \$ 201,943          | \$ 221,561          | \$ 241,743          |
| Mutual funds                        | 2,054,449           | 2,186,435           | 1,894,511           | 2,059,552           |
| Total                               | <u>\$ 2,218,659</u> | <u>\$ 2,388,378</u> | <u>\$ 2,116,072</u> | <u>\$ 2,301,295</u> |

All investments listed above have been designated by the Board for future operations (See Note 7). Investment fees associated with managing the account for the years ended March 31, 2015 and 2014 were \$11,777 and \$10,856, respectively. The fees have been included in the statement of activities as an administrative expense.

**NOTE 3 - PLEDGES RECEIVABLE**

Unconditional promises to give consist of the following at March 31, 2015 and 2014, respectively:

|   | 2015                | 2014                |
|---|---------------------|---------------------|
| Campaign pledges                          | \$ 1,700,825        | \$ 1,678,023        |
| Less: allowance for uncollectible pledges | (376,500)           | (467,405)           |
| Less: allowance for designations and fees | (76,946)            | (56,697)            |
| Pledges receivable, net                   | <u>\$ 1,247,379</u> | <u>\$ 1,153,921</u> |

**NOTE 4 - PROPERTY AND EQUIPMENT, NET**

Property and equipment at March 31, 2015 and 2014, consist of the following:

|                                  | 2015              | 2014              |
|----------------------------------|-------------------|-------------------|
| Building                         | \$ 884,005        | \$ -              |
| Furniture and fixtures           | 78,930            | 39,419            |
| Leasehold improvements           | -                 | 14,811            |
| Work in progress-Galleria office | -                 | 600,058           |
|                                  | <u>962,935</u>    | <u>654,288</u>    |
| Less accumulated depreciation    | <u>(38,277)</u>   | <u>(30,951)</u>   |
| Total                            | <u>\$ 924,658</u> | <u>\$ 623,337</u> |

Depreciation expense for 2015 and 2014 was \$25,376 and \$6,104, respectively.

**UNITED WAY OF COLLIER COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2015 AND 2014**

**NOTE 5 - ACCOUNTS PAYABLE**

Accounts payable at March 31, 2015 and 2014, consist of the following:

|                                       | <u>2015</u>         | <u>2014</u>      |
|---------------------------------------|---------------------|------------------|
| Agency allocations                    | \$ 1,154,513        | \$ -             |
| Accounts payable and accrued expenses | 61,359              | 93,802           |
|                                       | <u>\$ 1,215,872</u> | <u>\$ 93,802</u> |

Agency funding agreements that went into effect January 1, 2015, contain language which constitute a legally binding commitment to fund partner agencies, whereas past funding agreements were not legally binding. Consequently, accounts payable and grants and awards expense, for calendar year 2015 funding, were recorded for quarterly agency allocations that had not yet been paid as of March 31, 2015, and consist of the following:

|  | <u>2015</u>         | <u>2014</u> |
|--|---------------------|-------------|
| American Red Cross                             | \$ 30,000           | \$ -        |
| Boy Scouts of America                          | 48,750              | -           |
| Cancer Alliance of Naples                      | 26,250              | -           |
| Care Club of Collier County                    | 11,250              | -           |
| Catholic Charities                             | 97,500              | -           |
| Children's Advocacy Center                     | 74,813              | -           |
| Children's Home Society                        | 15,000              | -           |
| Collier Child Care Resources                   | 22,500              | -           |
| Collier County Hunger and Homeless Coalition   | 33,750              | -           |
| Foundation for the Developmentally Disabled    | 7,500               | -           |
| Friendship Health Center                       | 20,625              | -           |
| Fun Time Early Childhood Academy               | 67,500              | -           |
| Girl Scouts of Gulfcoast Florida               | 31,875              | -           |
| Goodwill                                       | 7,500               | -           |
| Grace Place                                    | 37,500              | -           |
| Greater Marco Family YMCA                      | 56,250              | -           |
| Guadalupe Center                               | 22,500              | -           |
| Harry Chapin Food Bank                         | 40,950              | -           |
| Immokalee Child Care Center                    | 71,250              | -           |
| Legal Aid Services of Collier County           | 75,000              | -           |
| Lighthouse of Collier, Inc.                    | 7,500               | -           |
| National Alliance on Mental Illness            | 60,000              | -           |
| Naples Equestrian Challenge                    | 15,000              | -           |
| Neighborhood Health Clinic                     | 30,000              | -           |
| Parkinson's Association                        | 15,000              | -           |
| Physician Led Access Network of Collier County | 7,500               | -           |
| Redlands Christian Migrant Association         | 37,500              | -           |
| Shelter for Abused Women & Children            | 75,000              | -           |
| United Cerebral Palsy of SW Florida            | 48,750              | -           |
| Voices for Kids                                | 22,500              | -           |
| Youth Haven                                    | 37,500              | -           |
|  | <u>\$ 1,154,513</u> | <u>\$ -</u> |

**UNITED WAY OF COLLIER COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2015 AND 2014**

**NOTE 6- NOTES PAYABLE**

Notes payable at March 31, 2015 and 2014, consist of the following:

|  | 2015       | 2014       |
|--|------------|------------|
| Note payable to a financial institution, interest at 4%, matures June 15, 2024. Principal and interest payments due monthly. Secured by mortgage interest against real property. | \$ 431,725 | \$ 360,680 |
| Community Development District debt, interest at 3.5%, payable in annual installments, final payment due in 2019.  | -          | 25,507     |
|  | \$ 431,725 | \$ 386,187 |

Future maturities of notes payable are as follows:

| Year ending<br>March 31, |  |            |
|--------------------------|--|------------|
| 2016                     |  | \$ 39,014  |
| 2017                     |  | 40,670     |
| 2018                     |  | 42,350     |
| 2019                     |  | 44,100     |
| 2020                     |  | 45,898     |
| Thereafter               |  | 219,693    |
|                          |  | \$ 431,725 |

**NOTE 7 - DESIGNATED NET ASSETS**

The Board of Directors has designated funds to be used as they deem necessary, which could include emergency allocations, supplemental allocations or venture grants. Additionally, the Board of Directors has designated that all contributions received from bequests be invested separately for the long-term plans of the organization. Investment earnings in these funds are re-invested as designated funds. In 2013, the Board authorized \$405,500 to be transferred to undesignated assets; \$400,000 to acquire space for a new UWCC office and \$5,500 for other operational initiatives.

Changes in unrestricted net assets are as follows:

|  | Designated   | Undesignated |
|--|--------------|--------------|
| Balance March 31, 2013                         | \$ 2,861,184 | \$ 1,998,563 |
| Increase (decrease) in unrestricted net assets | 251,500      | (123,547)    |
| Transfer of funds                              | (405,500)    | 405,500      |
| Balance March 31, 2014                         | 2,707,184    | 2,280,516    |
| Increase (decrease) in unrestricted net assets | 85,684       | (1,215,661)  |
| Transfer of funds                              | -            | -            |
| Balance March 31, 2015                         | \$ 2,792,868 | \$ 1,064,855 |

**UNITED WAY OF COLLIER COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2015 AND 2014**

**NOTE 7 - DESIGNATED NET ASSETS, continued**

Unrestricted funds consist of the following at March 31, 2015 and 2014:

|  | 2015         |              | 2014         |              |
|--|--------------|--------------|--------------|--------------|
|  | Designated   | Undesignated | Designated   | Undesignated |
| Cash and cash equivalents              | \$ 404,490   | \$ 532,180   | \$ 405,889   | \$ 965,876   |
| Pledges receivable                     | -            | 1,222,379    | -            | 1,153,921    |
| Prepaid expenses and<br>other assets   | -            | 33,335       | -            | 17,371       |
| Investments                            | 2,388,378    | -            | 2,301,295    | -            |
| Property and equipment                 | -            | 924,658      | -            | 623,337      |
| Accounts payable                       | -            | (1,215,872)  | -            | (93,802)     |
| Community Development<br>District Debt | -            | (431,725)    | -            | (386,187)    |
| Balance                                | \$ 2,792,868 | \$ 1,064,955 | \$ 2,707,184 | \$ 2,280,516 |

**NOTE 8 - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consist of the following:

|   | 2015      | 2014       |
|---|-----------|------------|
| Cash and cash equivalents - Volunteer Collier | \$ 15,000 | \$ -       |
| Cash and cash equivalents - Collier 211       | -         | 123,000    |
| Pledge receivable - Collier 211               | 25,000    | -          |
| Other restricted cash                         | 553       | -          |
| Total temporarily restricted assets           | \$ 40,553 | \$ 123,000 |

**NOTE 9 - PERMANENTLY RESTRICTED NET ASSETS**

On November 4, 2014, UWCC received a permanent gift of twenty-five (25) shares of Bank of America Corp 7.25% preferred stock SER L. The value of this donation at the time of the gift was \$29,188. Under the terms of the gift, UWCC is required to retain this security until such time, if any, that it is called by the issuer. The preferred dividend income is restricted for use to support teaching children english as a second language and mathematics.

**NOTE 10 - INVESTMENT RETURN**

Investment return for the year ended March 31, 2015 and 2014, consists of the following:

|                               | 2015      | 2014       |
|-------------------------------|-----------|------------|
| Interest income               | \$ 27,295 | \$ 26,040  |
| Dividend income               | 16,318    | 11,753     |
| Net realized gains (losses)   | 63,427    | 95,249     |
| Net unrealized gains (losses) | (15,667)  | 129,780    |
| Total                         | \$ 91,373 | \$ 262,822 |

**UNITED WAY OF COLLIER COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2015 AND 2014**

**NOTE 11 - FAIR VALUE MEASUREMENTS**

The Organization measures fair value as set forth in the Statement of Financial Accounting Standard FASB ASC 820, "Fair Value Measurements." FASB ASC 820 applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. FASB ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The following are the major categories of assets measured at fair value on a recurring basis during the year ended March 31, 2015:

|               | Fair Value   | Level 1      | Level 2 |
|---------------|--------------|--------------|---------|
| Common stocks | \$ 201,943   | \$ 201,943   | \$ -    |
| Mutual funds  | 2,186,435    | 2,186,435    | -       |
|               | \$ 2,388,378 | \$ 2,388,378 | \$ -    |

**NOTE 12 - SPECIAL EVENTS, NET**

UWCC conducts several special events each year. Special event revenues and expenses consisted of the following during March 31, 2015 and 2014:

|                   | 2015      | 2014      |
|-------------------|-----------|-----------|
| Revenue           | \$ 46,965 | \$ 29,134 |
| Revenue- in kind  | 59,238    | 55,447    |
| Total Revenues    | 106,203   | 84,581    |
| Expenses          | (14,262)  | (1,473)   |
| Expenses- in kind | (59,238)  | (54,558)  |
| Total Expenses    | (73,500)  | (56,031)  |
| Net total         | \$ 32,703 | \$ 28,550 |

**NOTE 13 - EMPLOYEE BENEFIT PLANS**

UWCC provides a salary reduction simplified employee pension (SARSEP) for all employees that have met certain age requirements. The organization contributes 5.3% of compensation to each participant's individual account which vests immediately. Participants can also make tax deferred contributions of their own, up to 25% of compensation, less amounts contributed by the employer. Employer contributions totaled \$20,284 in 2015 and \$19,770 in 2014.

**UNITED WAY OF COLLIER COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2015 AND 2014**

**NOTE 14 - CONCENTRATIONS OF CREDIT RISK**

The Organization maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At March 31, 2015 and 2014, the Organization's uninsured cash balances totaled \$28,025 and \$373,535, respectively.

Approximately 39% and 37% of UWCC's annual support was provided by contributions from one corporation and its employees, for the years ended March 31, 2015 and 2014, respectively.

**NOTE 15 - RELATED PARTY TRANSACTIONS**

UWCC maintains a number of bank accounts at various local financial institutions, six of which employ UWCC board members. Although fees charged by these institutions for normal banking services are considered nominal, one of these institutions was paid \$11,777 and \$10,856 in fees for the years ended March 31, 2015 and 2014, respectively, for managing the UWCC investment account. When voting to open or close accounts at financial institutions, UWCC board members who have a conflict of interest recuse themselves.

**NOTE 16 - SUBSEQUENT EVENTS**

Subsequent events were evaluated through November 9, 2015, which is the date the financial statements were available to be issued.

The Organization received approximately \$132,000 in July 2015 as a settlement from the Deepwater Horizon Fund.

**UNITED WAY OF COLLIER COUNTY, INC.**  
**SCHEDULES OF GRANTS PAID AND UNITED WAY PROGRAMS**  
**FOR THE YEARS ENDED MARCH 31, 2015 AND 2014**

|   | <u>2015</u>         | <u>2014</u>         |
|---|---------------------|---------------------|
| A.L.I.C.E. - Community Impact Assessment - United Way Program | \$ 2,190            | \$ 500              |
| American Red Cross  | 47,500              | 50,000              |
| Boy Scouts of America   | 63,125              | 62,500              |
| Cancer Alliance of Naples                                     | 31,250              | 30,000              |
| Care Club of Collier County                                   | 15,000              | 15,000              |
| Catholic Charities  | 130,000             | 130,000             |
| Children's Advocacy Center                                    | 94,313              | 94,375              |
| Children's Home Society                                       | 17,750              | 17,000              |
| Collier 211 - United Way Program                              | 98,997              | 50,233              |
| Collier Child Care Resources                                  | 37,500              | 40,000              |
| Community Foundation of Collier County                        | -                   | 25,000              |
| Foundation for the Developmentally Disabled                   | 2,500               | -                   |
| Friendship Health Center                                      | 21,875              | 21,875              |
| Fun Time Early Childhood Academy                              | 90,000              | 90,000              |
| Girl Scouts of Gulfcoast Florida                              | 42,500              | -                   |
| Goodwill  | 2,500               | -                   |
| Grace Place   | 50,000              | 50,000              |
| Guadalupe Center  | 24,750              | 21,500              |
| Gulf Coast Girl Scout Council                                 | -                   | 42,500              |
| Harry Chapin Food Bank  | 52,275              | 50,375              |
| Healthcare Network of Southwest Florida                       | 23,566              | 24,563              |
| Hunger and Homeless Coalition                                 | 45,000              | 44,250              |
| Immokalee Child Care Center                                   | 95,000              | 95,000              |
| Legal Aid Services of Collier County                          | 88,750              | 77,500              |
| Lighthouse of Collier, Inc.                                   | 10,000              | 10,000              |
| Naples Alliance for Children                                  | 11,250              | 15,000              |
| Naples Equestrian Challenge                                   | 12,500              | 2,500               |
| National Alliance on Mental Illness                           | 76,250              | 73,125              |
| Neighborhood Health Clinic                                    | 40,000              | 42,062              |
| Opportunity Naples  | 10,000              | -                   |
| Parkinson's Association                                       | 17,000              | 17,125              |
| Physician Led Access Network of Collier County                | 10,000              | 10,000              |
| Redlands Christian Migrant Association                        | 50,000              | 57,500              |
| Shelter for Abused Women & Children                           | 100,000             | 107,500             |
| Southwest Florida Economic Development Alliance               | 5,000               | 5,000               |
| United Cerebral Palsy of SW Florida                           | 72,500              | 80,625              |
| Volunteer Income Tax Assistance Program - United Way Program  | 2,500               | 2,000               |
| Voices for Kids   | 30,000              | 30,000              |
| Y.M.C.A. of Marco Island                                      | 67,500              | 63,125              |
| Youth Haven   | 50,000              | 50,000              |
| Other   | 1,000               | -                   |
| Directed by Donors  | 200,891             | 196,558             |
| Total   | <u>\$ 1,842,732</u> | <u>\$ 1,794,291</u> |