

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

CONSOLIDATED FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

DECEMBER 31, 2014 AND 2013

CPAs / ADVISORS



UNITED WAY OF BARTHOLOMEW COUNTY, INC.

TABLE OF CONTENTS DECEMBER 31, 2014 AND 2013

	Page
Report of Independent Auditors	1
Consolidated Financial Statements	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Functional Expenses	6
Consolidated Statements of Cash Flows.....	7
Notes to Consolidated Financial Statements.....	8
Supplementary Information	
Consolidated Schedule of Allocations to Agencies.....	17
Consolidating Statement of Financial Position (2014 only)	18
Consolidating Statement of Activities (2014 only)	19



Blue & Co., LLC / 106 Community Drive / Seymour, IN 47274
main 812.522.8416 fax 812.523.8615 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS

Board of Directors
United Way of Bartholomew County, Inc.
Columbus, Indiana

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the United Way of Bartholomew County, Inc. (the "Organization") which comprise the consolidated statements of financial position as of December 31, 2014 and 2013, 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.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 the consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2014 and 2013, 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.

Report on Supplementary and Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information on page 17 is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. The consolidating information on pages 18 and 19 is presented for purposes of additional analysis rather than to present the financial position and results of operations of the individual organizations, and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Blue & Co., LLC

Seymour, Indiana

July 28, 2015

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2014 AND 2013

ASSETS

	2014	2013
Cash	\$ 974,309	\$ 2,245,659
Accounts receivable	9,218	13,588
Pledges receivable, net	3,455,468	2,137,105
Other receivables	30,016	37,089
Other assets	24,224	17,627
Assets held by Heritage Fund of Bartholomew County, Inc.	44,511	42,022
Property and equipment, net	5,020,186	5,083,106
Property held for sale	-0-	35,159
	<u>\$ 9,557,932</u>	<u>\$ 9,611,355</u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable and accrued expenses	\$ 82,548	\$ 73,244
Allocations payable	800	922
Designations payable	1,708,147	1,605,835
Deferred revenue	140,360	302,983
Debt	527,959	548,157
Total liabilities	<u>2,459,814</u>	<u>2,531,141</u>
Net assets		
Unrestricted	4,574,840	4,596,217
Temporarily restricted	2,516,278	2,476,997
Permanently restricted	7,000	7,000
Total net assets	<u>7,098,118</u>	<u>7,080,214</u>
	<u>\$ 9,557,932</u>	<u>\$ 9,611,355</u>

See accompanying notes to consolidated financial statements.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

	2014			2013	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Totals
Support and revenues					
Gross campaign results	\$ 565,353	\$ 3,790,497	\$ -0-	\$ 4,355,850	\$ 4,122,921
Less donor designations	(80,981)	(1,259,219)	-0-	(1,340,200)	(1,158,343)
Less provision for uncollectible accounts	(184,798)	(15,000)	-0-	(199,798)	(97,352)
Net campaign results	299,574	2,516,278	-0-	2,815,852	2,867,226
Grant and contribution revenue	537,585	-0-	-0-	537,585	289,114
Interest income	1,275	-0-	-0-	1,275	2,951
Rent income	496,112	-0-	-0-	496,112	485,376
Miscellaneous	4,070	-0-	-0-	4,070	2,694
Net assets released from restrictions	2,476,997	(2,476,997)	-0-	-0-	-0-
Total support and revenues	3,815,613	39,281	-0-	3,854,894	3,647,361
Expenses					
Program services	3,484,646	-0-	-0-	3,484,646	3,385,573
Management and general	175,469	-0-	-0-	175,469	67,895
Fundraising	176,875	-0-	-0-	176,875	123,578
Total expenses	3,836,990	-0-	-0-	3,836,990	3,577,046
Change in net assets	(21,377)	39,281	-0-	17,904	70,315
Net assets, beginning of year	4,596,217	2,476,997	7,000	7,080,214	7,009,899
Net assets, end of year	\$ 4,574,840	\$ 2,516,278	\$ 7,000	\$ 7,098,118	\$ 7,080,214

See accompanying notes to consolidated financial statements.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenues				
Gross campaign results	\$ 526,918	\$ 3,596,003	\$ -0-	\$ 4,122,921
Less donor designations	(39,337)	(1,119,006)	-0-	(1,158,343)
Less provision for uncollectible accounts	(97,352)	-0-	-0-	(97,352)
Net campaign results	390,229	2,476,997	-0-	2,867,226
Grant and contribution revenue	226,515	62,599	-0-	289,114
Interest income	2,951	-0-	-0-	2,951
Rent income	485,376	-0-	-0-	485,376
Miscellaneous	2,694	-0-	-0-	2,694
Net assets released from restrictions	2,554,131	(2,554,131)	-0-	-0-
Total support and revenues	3,661,896	(14,535)	-0-	3,647,361
Expenses				
Program services	3,385,573	-0-	-0-	3,385,573
Management and general	67,895	-0-	-0-	67,895
Fundraising	123,578	-0-	-0-	123,578
Total expenses	3,577,046	-0-	-0-	3,577,046
Change in net assets	84,850	(14,535)	-0-	70,315
Net assets, beginning of year	4,511,367	2,491,532	7,000	7,009,899
Net assets, end of year	\$ 4,596,217	\$ 2,476,997	\$ 7,000	\$ 7,080,214

See accompanying notes to consolidated financial statements.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2014 AND 2013**

	2014			2013				
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Agency allocations	\$ 1,836,125	\$ -0-	\$ -0-	\$ 1,836,125	\$ 1,790,324	\$ -0-	\$ -0-	\$ 1,790,324
Salaries	240,388	62,573	109,503	412,464	306,654	-	72,824	397,684
Payroll taxes, payroll administrative fees and employee benefits	67,402	15,943	27,900	111,245	76,485	3,902	15,608	95,995
Agency development	32,736	-0-	-0-	32,736	30,345	-0-	-0-	30,345
Professional fees	26,071	15,212	1,654	42,937	36,557	9,716	9,230	55,503
Advertising	190	5,666	-0-	5,856	-0-	4,437	1,325	5,762
Supplies	25,937	10,414	14,944	51,295	20,462	15,967	11,562	47,991
Dues and subscriptions	7,673	35,211	7,545	50,429	39,204	-0-	-0-	39,204
Printing and postage	3,101	1,530	3,060	7,691	2,233	1,116	2,233	5,582
Telephone	2,949	1,475	2,950	7,374	2,751	1,376	2,751	6,878
Equipment rent	-0-	4,551	-0-	4,551	-0-	4,726	-0-	4,726
Utilities	138,705	-0-	-0-	138,705	120,613	-0-	-0-	120,613
Insurance	23,761	-0-	-0-	23,761	23,240	-0-	-0-	23,240
Conferences and meetings	9,409	4,100	7,175	20,684	8,360	3,576	6,258	18,194
Miscellaneous	1,620	6,346	-0-	7,966	280	3,852	-0-	4,132
Repairs and maintenance	71,367	-0-	-0-	71,367	74,898	-0-	-0-	74,898
Technology	14,120	-0-	-0-	14,120	13,656	-0-	-0-	13,656
Travel	4,307	1,225	2,144	7,676	3,936	1,021	1,787	6,744
Interest	21,853	-0-	-0-	21,853	22,656	-0-	-0-	22,656
Depreciation	216,600	11,223	-0-	227,823	221,736	-0-	-0-	221,736
Special projects	32,053	-0-	-0-	32,053	29,350	-0-	-0-	29,350
Volunteer Action Center	117,778	-0-	-0-	117,778	104,485	-0-	-0-	104,485
Americorps expenses	220,798	-0-	-0-	220,798	198,427	-0-	-0-	198,427
211 South Central Indiana expenses	161,840	-0-	-0-	161,840	143,188	-0-	-0-	143,188
INvest1213 expenses	162,623	-0-	-0-	162,623	28,989	-0-	-0-	28,989
Other program expenses	45,240	-0-	-0-	45,240	86,744	-0-	-0-	86,744
	<u>\$ 3,484,646</u>	<u>\$ 175,469</u>	<u>\$ 176,875</u>	<u>\$ 3,836,990</u>	<u>\$ 3,385,573</u>	<u>\$ 67,895</u>	<u>\$ 123,578</u>	<u>\$ 3,577,046</u>

See accompanying notes to consolidated financial statements.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
Operating activities		
Change in net assets	\$ 17,904	\$ 70,315
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	227,823	221,736
Provision for uncollectible accounts	199,798	97,352
Unrealized gain on assets held by Heritage Fund of Bartholomew County, Inc.	(2,489)	(87)
Changes in assets and liabilities:		
Accounts receivable	4,370	17,823
Pledges receivable	(1,518,161)	(233,183)
Other receivables	7,073	7,007
Other assets	(6,597)	(3,092)
Accounts payable and accrued expenses	(52,537)	29,073
Allocations payable	(122)	(514)
Designations payable	102,312	49,293
Deferred revenue	(162,623)	302,983
Net cash flows from operating activities	(1,183,249)	558,706
Investing activities		
Purchase of property and equipment	(103,062)	(99,822)
Purchase of property held for sale	-0-	(35,159)
Proceeds from property held for sale	35,159	-0-
Collections on refundable advance	-0-	53,812
Contributions to assets held by Heritage Fund of Bartholomew County, Inc.	-0-	(11,599)
Net cash flows from investing activities	(67,903)	(92,768)
Financing activities		
Principal payments of debt	(20,198)	(19,395)
Net change in cash	(1,271,350)	446,543
Cash, beginning of year	2,245,659	1,799,116
Cash, end of year	\$ 974,309	\$ 2,245,659
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	\$ 21,853	\$ 22,656
Supplemental disclosure of non-cash investing activity		
Property and equipment purchased in accounts payable	\$ 61,841	\$ -0-

See accompanying notes to consolidated financial statements.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

United Way of Bartholomew County, Inc. (the "United Way") was formed in 1967 to continually assess the needs of the people of Bartholomew County and improve their quality of life by raising and allocating funds for human care and developmental programs. Substantially all support is received from various individuals and businesses in Bartholomew County and surrounding areas.

During 2002, a building was donated to the United Way. In 2010, United Way Center of Bartholomew County, Inc. (the "Center") was formed as a supporting organization. The purpose of the Center is to own, manage, and maintain these facilities for the benefit of the United Way and its member agencies. The Center leases office space to several United Way member agencies, as well as the United Way for its headquarters.

Consolidated Financial Statements

The United Way appoints the majority of the board of directors and provides administrative services for the Center. The United Way and the Center also are co-makers of the mortgage held on the Center. The Center's net assets, if the Center is ever dissolved, will also revert to the United Way. Based on these factors, these entities (collectively referred to as the "Organization") present consolidated financial statements with any inter-entity transactions and balances eliminated as part of the consolidated financial statements for the years ended December 31, 2014 and 2013.

Management's Estimates

Management uses estimates and assumptions in preparing consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported support, revenues and expenses. Actual results could vary from the estimates that were used.

Basis of Presentation

Net assets, support, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed restrictions.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

Temporarily restricted net assets – Net assets that have donor-imposed restrictions relating to a stipulated purpose or a specified time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Consolidated Statements of Activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed restrictions that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Accounts Receivable

Accounts receivable are carried at their estimated collectible amounts. These receivables relate to rent payments to be received from the tenants of the Center. No allowance for doubtful accounts was determined to be required by management at December 31, 2014 and 2013.

Pledges Receivable

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Pledges and contributions received and committed for subsequent years from the annual fund drive held late in the calendar year are recorded as temporarily restricted net assets. These amounts are reflected as net assets released from restrictions during the program year for which the funds were designated.

The Organization uses the allowance method to determine the uncollectible, unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Receivables are considered uncollectible if (1) over two years outstanding or (2) management has reasons to believe specified amounts will not be collected, usually based on confirmation from donors.

Assets Held by Heritage Fund of Bartholomew County, Inc.

The Organization has placed certain amounts in custodial funds with the Heritage Fund of Bartholomew County, Inc. ("Heritage Fund") and retains a beneficial interest in those assets. The Organization has granted variance power to the Heritage Fund to carry out the purpose of the funds. The investment with the Heritage Fund is measured at fair value in the consolidated statements of financial position.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

Investment income or loss, including realized and unrealized gains and losses on investments, interest, and dividends is included in miscellaneous revenue in the consolidated statements of activities. The funds are invested in fixed income and equity mutual funds. At December 31, 2014 and 2013, these assets were \$44,511 and \$42,022, respectively.

Property and Equipment

Property and equipment, including expenditures that substantially increase the useful lives of existing assets, are recorded at cost except for donations, which are recorded at fair value at the date of the donation. Costs of ordinary maintenance and repairs are expensed as incurred.

Property and equipment of the Organization are being depreciated over their estimated useful lives ranging from three to thirty-nine years using the straight-line method.

Deferred Revenue

Deferred revenue represents grant funds received in advance of the period in which the related services will be provided.

Support, Revenues and Expense Recognition

Contributions are recognized as support in the period the promise is made.

Support and 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 unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

The Organization recognizes grant revenue in the period the related expenses are incurred.

All other revenues are recorded when earned.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Consolidated Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. While the methods of allocation are considered appropriate, other methods could produce different results.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

Income Taxes

The United Way and the Center are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal taxes on related income pursuant to Section 501(a) of the Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2014 and 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying consolidated financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

As such, the Organization is generally exempt from income taxes. However, the Organization is required to file Federal Form 990 – Return of Organization Exempt from Income Tax which is an informational return only.

Reclassifications

Certain prior year amounts have been reclassified herein to conform to the current method of presentation.

Subsequent Events

The Organization has evaluated events or transactions occurring subsequent to the Consolidated Statement of Financial Position date for recognition and disclosure in the accompanying consolidated financial statements through the date the consolidated financial statements are available to be issued, which is July 28, 2015.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

2. PLEDGES RECEIVABLE, NET

An analysis of pledges receivable at December 31, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
2012 Campaign due during the year ended December 31, 2013	\$ -0-	\$ 340,462
2013 Campaign due during the year ended December 31, 2014	248,736	2,016,643
2014 Campaign due during the year ended December 31, 2015	<u>3,471,732</u>	<u>-0-</u>
Totals	3,720,468	2,357,105
Less allowance for uncollectible pledges	<u>265,000</u>	<u>220,000</u>
	<u>\$ 3,455,468</u>	<u>\$ 2,137,105</u>

The campaign conducted during the fall of 2013 with pledges due in 2014 is referred to as the 2013 campaign, and the campaign conducted during the fall of 2014 with pledges due in 2015 is referred to as the 2014 campaign.

3. ASSETS HELD BY HERITAGE FUND OF BARTHOLOMEW COUNTY, INC.

The Organization has assets held at the Heritage Fund as discussed in Note 1.

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The Organization's policy is to recognize transfers, if any, between levels as of the actual date of the event or change in circumstances. There were no transfers during 2014 or 2013.

The three levels of the fair value hierarchy are described as follows:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

- Level 2 – Inputs to the valuation methodology include quoted market prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

- *Assets held by Heritage Fund of Bartholomew County, Inc.:* Valued at fair value as reported by Heritage Fund, which represents the Organization's pro-rata interest in the Heritage Fund's investment pool, substantially all of which are valued on a mark-to-market basis.

The fair value of these assets are measured on a recurring basis using significant unobservable inputs (Level 3) and included in the Consolidated Statements of Financial Position at \$44,511 and \$42,022 at December 31, 2014 and 2013, respectively.

The following is a reconciliation of activity for 2014 and 2013 for assets measured at fair value based upon significant unobservable inputs (Level 3):

	<u>2014</u>	<u>2013</u>
Beginning balance	\$ 42,022	\$ 30,336
Contributions	-0-	11,599
Investment return, net	2,918	374
Administrative fees	<u>(429)</u>	<u>(287)</u>
	<u>\$ 44,511</u>	<u>\$ 42,022</u>

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

4. PROPERTY AND EQUIPMENT

A summary of property and equipment at December 31, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Land	\$ 60,931	\$ 60,931
Building and building improvements	4,438,742	4,438,742
Leasehold improvements	1,198,268	1,039,958
Office furniture and equipment	<u>376,229</u>	<u>369,636</u>
	6,074,170	5,909,267
Less accumulated depreciation	<u>(1,053,984)</u>	<u>(826,161)</u>
	<u>\$ 5,020,186</u>	<u>\$ 5,083,106</u>

5. DESIGNATIONS PAYABLE

Designations payable as of December 31, 2014 and 2013 were \$1,708,147 and \$1,605,835, respectively. These amounts consist of donor designations payable to multiple not-for-profit agencies both within and outside of Bartholomew County to assist them in their operations and cause. The total amount recorded as payable as of December 31, 2014 is expected to be paid in 2015 or 2016.

6. DEBT

Debt consists of the following at December 31, 2014 and 2013.

	<u>2014</u>	<u>2013</u>
Mortgage payable with First Financial Bank; monthly payments of \$3,504 including interest at 4% through June 30, 2019; balloon payment of \$427,713 due July 30, 2019; secured by real estate with a net book value of \$3,948,139 at December 31, 2014	\$ 527,959	\$ 548,157

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

Maturities of debt subsequent to December 31, 2014, are as follows:

<u>Year Ending December 31,</u>	
2015	\$ 21,512
2016	22,388
2017	23,300
2018	24,250
2019	<u>436,509</u>
	<u>\$ 527,959</u>

The mortgage is subject to various restrictive covenants relating to the maintenance of specified levels of debt service coverage, limitations related to loans, and other items.

7. TEMPORARILY RESTRICTED NET ASSETS AND NET ASSETS RELEASED FROM RESTRICTIONS

Temporarily restricted net assets at December 31, 2014 and 2013 were \$2,516,278 and \$2,476,997, respectively. These restrictions were related to the annual fund drive.

Net assets released from restrictions consist of the following during the years ended December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Time restrictions related to:		
Annual fund drive	\$ 2,476,997	\$ 2,438,427
Designated purpose restriction related to:		
211 South Central Indiana program	<u>-0-</u>	<u>115,704</u>
	<u>\$ 2,476,997</u>	<u>\$ 2,554,131</u>

8. RENT INCOME

The Organization leases office space to agencies that occupy the building. These lease terms vary depending on the size and nature of the leases. During the years ended December 31, 2014 and 2013, the Organization had rental income of \$496,112 and \$485,376, respectively.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2014 AND 2013

The future lease payments to be received at December 31, 2014 are as follows:

<u>Year</u>	<u>Amount</u>
2015	\$ 410,117
2016	179,137
2017	<u>81,199</u>
	<u>\$ 670,453</u>

9. CONCENTRATIONS

The Organization is exposed to concentrations of credit risk for pledge amounts due to the vast majority of donors residing in Bartholomew County, Indiana. Although the Organization is directly affected by the well-being of the economy of Bartholomew County, management does not believe significant credit risk exists at December 31, 2014.

The Organization maintains its cash in bank deposit accounts insured by the Federal Deposit Insurance Corporation at its current coverage levels. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash.

The Organization has one employer that accounted for approximately 51% and 74% of pledges receivable as of December 31, 2014 and 2013, respectively. Two contributors accounted for approximately 78% and 80% of total revenue during the years ended December 31, 2014 and 2013, respectively.

SUPPLEMENTARY INFORMATION

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

CONSOLIDATED SCHEDULE OF ALLOCATIONS TO AGENCIES YEARS ENDED DECEMBER 31, 2014 AND 2013

Agency	2014 Allocations	2013 Allocations
Aging and Community Services	\$ 20,000	\$ 20,000
American Red Cross	50,000	60,000
Bartholomew Area Legal Aid	40,000	30,000
Children, Inc.	180,000	195,000
Columbus Regional Shelter for Victims of Domestic Violence (Turning Point)	208,000	176,100
Court Appointed Special Advocates (CASA)	90,000	85,000
Developmental Services, Inc.	103,000	95,000
Eastside Community Center	-0-	36,500
Family Services	140,200	144,300
Family School Partners	40,000	35,000
Foundation for Youth	375,000	405,000
Girl Scouts - United States of America (Tulip Trace Council)	8,500	13,000
Hope Community Center	77,000	84,000
Human Services, Inc.	216,425	117,924
Lincoln Central Neighborhood Center	75,000	40,000
Mill Race Center, Inc. (Formerly Retirement Foundation)	88,000	93,000
Sans Souci	80,000	59,000
LifeDesigns	10,000	9,500
Childhood Connections	-0-	80,000
Su Casa	10,000	12,000
Just Friends	25,000	-0-
	<u>\$ 1,836,125</u>	<u>\$ 1,790,324</u>

See report of independent auditors on pages 1 and 2.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2014

	United Way of Bartholomew County, Inc.	United Way Center of Bartholomew County, Inc.	Total	Eliminating Entries	Consolidated
Assets					
Cash	\$ 846,883	\$ 127,426	\$ 974,309	\$ -0-	\$ 974,309
Accounts receivable	-0-	9,218	9,218	-0-	9,218
Pledges receivable, net	3,455,468	-0-	3,455,468	-0-	3,455,468
Due from related party	39,224	-0-	39,224	(39,224)	-0-
Other receivables	30,016	-0-	30,016	-0-	30,016
Other assets	14,400	9,824	24,224	-0-	24,224
Assets held by Heritage Fund of Bartholomew County, Inc.	44,511	-0-	44,511	-0-	44,511
Property and equipment, net	23,581	4,996,605	5,020,186	-0-	5,020,186
Total assets	\$ 4,454,083	\$ 5,143,073	\$ 9,597,156	\$ (39,224)	\$ 9,557,932
Liabilities					
Accounts payable and accrued expenses	\$ 8,585	\$ 73,963	\$ 82,548	\$ -0-	\$ 82,548
Due to related party	-0-	39,224	39,224	(39,224)	-0-
Allocations payable	800	-0-	800	-0-	800
Designations payable	1,708,147	-0-	1,708,147	-0-	1,708,147
Deferred revenue	140,360	-0-	140,360	-0-	140,360
Debt	-0-	527,959	527,959	-0-	527,959
Total liabilities	1,857,892	641,146	2,499,038	(39,224)	2,459,814
Net assets					
Unrestricted	72,913	4,501,927	4,574,840	-0-	4,574,840
Temporarily restricted	2,516,278	-0-	2,516,278	-0-	2,516,278
Permanently restricted	7,000	-0-	7,000	-0-	7,000
Total net assets	2,596,191	4,501,927	7,098,118	-0-	7,098,118
	\$ 4,454,083	\$ 5,143,073	\$ 9,597,156	\$ (39,224)	\$ 9,557,932

See report of independent auditors on pages 1 and 2.

UNITED WAY OF BARTHOLOMEW COUNTY, INC.

CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2014

	Unrestricted			Temporarily Restricted	Permanently Restricted
	United Way of Bartholomew County, Inc.	United Way Center of Bartholomew County, Inc.	Eliminating Entries		
	United Way of Bartholomew County, Inc.	United Way Center of Bartholomew County, Inc.	Total	United Way of Bartholomew County, Inc.	United Way of Bartholomew County, Inc.
Support and revenues					
Gross campaign results	\$ 565,353	\$ -0-	\$ -0-	\$ 3,790,497	\$ -0-
Less donor designations	(80,981)	-0-	(80,981)	(1,259,219)	-0-
Less provision for uncollectible accounts	(184,798)	-0-	(184,798)	(15,000)	-0-
Net campaign revenue	299,574	-0-	299,574	2,516,278	-0-
Grant and contribution revenue	454,088	83,497	537,585	-0-	-0-
Interest income	1,239	36	1,275	-0-	-0-
Rent income	-0-	524,792	(28,680)	-0-	-0-
Miscellaneous	3,034	1,036	4,070	-0-	-0-
Net assets released from restrictions	2,476,997	-0-	2,476,997	(2,476,997)	-0-
Total support and revenues	3,234,932	609,361	3,815,613	39,281	-0-
Expenses					
Programs services	2,841,240	653,486	3,484,646	-0-	-0-
Management and general	194,069	-0-	175,469	-0-	-0-
Fundraising	176,875	-0-	176,875	-0-	-0-
Total expenses	3,212,184	653,486	3,836,990	-0-	-0-
Change in net assets	22,748	(44,125)	(21,377)	39,281	-0-
Net assets, beginning of year	50,165	4,546,052	4,596,217	2,476,997	7,000
Net assets, end of year	\$ 72,913	\$ 4,501,927	\$ 4,574,840	\$ 2,516,278	\$ 7,000

See report of independent auditors on pages 1 and 2.