

**UNITED WAY OF WILL COUNTY**

**2017 FINANCIAL REPORT**

**UNITED WAY OF WILL COUNTY**  
**TABLE OF CONTENTS**  
**JUNE 30, 2017**

	<u>Page</u>
<u>REPORT OF INDEPENDENT AUDITOR</u>	1 - 2
 <u>FINANCIAL STATEMENTS</u>	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Functional Expenses	5 - 6
Statements of Cash Flows	7
Notes to Financial Statements	8 - 12
 <u>SUPPLEMENTARY INFORMATION</u>	
Schedule of Agency Allocations	13

## **REPORT OF INDEPENDENT AUDITOR**

The Board of Directors  
United Way of Will County

I have audited the accompanying financial statements of United Way of Will County (the Organization) which is comprised of the statements of financial position as of June 30, 2017 and 2016 and the related statements of activities, changes in net assets, functional expenses and cash flows for the years then ended, and the accompanying notes to financial statements.

### Management 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 error or fraud.

### Auditor Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes 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 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 Organization'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 Organization's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a reasonable basis for an audit opinion.

### Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Will County at June 30, 2017 and 2016, and the results of its activities and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

My audits have been made for the purpose of expressing an opinion of the basic financial statements taken as a whole. The accompanying supplemental information, as described in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as whole.

*Donald J. Blasing, CPA*

January 17, 2018



# UNITED WAY OF WILL COUNTY

## Statements of Financial Position

June 30, 2017 and 2016

<u>ASSETS</u>	<u>2017</u>	<u>2016</u>
Current assets		
Cash and cash equivalents	\$ 766,183	746,140
Short-term investments	1,059,083	1,055,916
Pledges receivable, net	1,297,597	1,357,393
Prepaid expenses and other	6,470	10,510
Restricted deposits	38,037	19,452
Total current assets	3,167,370	3,189,411
Property and equipment, net of accumulated depreciation of \$72,686 (\$70,445 in 2016)	544	2,785
	<u>\$ 3,167,914</u>	<u>3,192,196</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current liabilities		
Accounts payable	\$ 23,435	555
Accrued compensation	26,956	31,270
Pass-through contributions payable to:		
United Way agencies	24,090	34,765
Non-affiliated charitable organizations	8,024	3,723
Deferred support	19,100	2,180
Total current liabilities	101,605	72,493
Net Assets		
Unrestricted	2,994,470	3,046,591
Temporarily restricted	71,839	73,112
Total net assets	3,066,309	3,119,703
	<u>\$ 3,167,914</u>	<u>3,192,196</u>

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

**UNITED WAY OF WILL COUNTY**  
Statements of Activities and Changes in Net Assets  
Years Ended June 30, 2017 and 2016

	2017			2016		
	Total	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted
<b>Public Support and Revenue</b>						
Campaign support	\$ 2,784,279	2,784,279		3,114,075	3,114,075	
Allocations from other campaigns	281,253	281,253		230,901	230,901	
In-kind donations	98,200	98,200		98,190	98,190	
Less: Designations to other agencies	( 51,961)	( 51,961)		( 61,791)	( 61,791)	
Estimated uncollectible pledges	( 102,000)	( 102,000)		( 90,000)	( 90,000)	
Prior year pledge adjustments	( 23,156)	( 23,156)		( 13,686)	( 13,686)	
Fundraising events	150,624	150,624		117,826	117,826	
Southwest Suburban Philanthropic Network	3,255		3,255	5,150		5,150
MAPP Project	48,000		48,000	48,000		48,000
Sharefest	41,431		41,431	11,860	11,860	
Joliet Alliance for Youth	1,730		1,730	1,675		1,675
Realized investment income	4,088	4,088		2,850	2,850	
Net assets released from restriction		( 16,956)	16,956		(343)	343
Total public support and revenue	3,235,743	3,124,371	111,372	3,465,050	3,409,882	55,168
<b>Expenses</b>						
Agency allocations	2,425,010	2,425,010		2,465,111	2,465,111	
Program services	446,652	446,652		397,821	397,821	
Management and general	107,005	107,005		123,923	123,923	
United Way Worldwide dues	32,268	32,268		33,647	33,647	
Fundraising	165,557	165,557		178,773	178,773	
Southwest Suburban Philanthropic Network	1,462		1,462	1,838		1,838
MAPP Project	66,333		66,333	64,281		64,281
Sharefest	42,682		42,682	372		372
Joliet Alliance for Youth	2,168		2,168	984		984
Total Expenses	3,289,137	3,176,492	112,645	3,266,750	3,199,275	67,475
Change in net assets	( 53,394)	( 52,121)	( 1,273)	198,300	210,607	( 12,307)
Net assets, beginning of year	3,119,703	3,046,591	73,112	2,921,403	2,835,984	85,419
Net assets, end of year	\$ 3,066,309	2,994,470	71,839	3,119,703	3,046,591	73,112

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

**UNITED WAY OF WILL COUNTY**

Statement of Functional Expenses

Year Ended June 30, 2017

	Total	Program Services	Management and General	Fundraising
Agency allocations	\$ 2,425,010	2,425,010		
Compensation	341,775	225,381	64,016	52,378
Employee benefits	129,481	85,386	24,252	19,843
Donated labor	91,000	60,670		30,330
Professional fees and consultants	32,413	21,435	5,790	5,188
Occupancy	29,405	19,391	5,508	4,506
Consumable supplies	18,588	10,432	918	7,238
Insurance	8,704	5,740	1,630	1,334
Travel and meetings	9,336	6,564	1,581	1,191
National United Way dues	32,268	32,268		
Dues	2,350	1,550	440	360
Depreciation	2,241	1,478	420	343
Southwest Suburban Philanthropic Network	1,462	1,462		
MAPP Project	66,333	66,333		
Sharefest	42,682	42,682		
Joliet Alliance for Youth	2,168	2,168		
Fundraising Events - Golf Outing	22,503			22,503
80th Anniversary Dinner	18,339			18,339
Other	13,079	8,625	2,450	2,004
Total expenses	<u>\$ 3,289,137</u>	<u>3,016,575</u>	<u>107,005</u>	<u>165,557</u>

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



**UNITED WAY OF WILL COUNTY**

Statement of Functional Expenses

Year Ended June 30, 2016

	Total	Program Services	Management and General	Fundraising
Agency allocations	\$ 2,465,111	2,465,111		
Compensation	316,569	176,239	80,530	59,800
Employee benefits	82,823	46,109	21,069	15,645
Donated labor	91,000	60,670		30,330
Professional fees and consultants	40,204	26,377	3,135	10,692
Occupancy	28,268	15,737	7,191	5,340
Consumable supplies	18,994	10,252	1,399	7,343
Insurance	7,469	4,158	1,900	1,411
Travel and meetings	13,392	8,550	2,712	2,130
National United Way dues	33,647	33,647		
Dues	2,420	1,347	616	457
Depreciation	3,389	1,887	862	640
Southwest Suburban Philanthropic Network	1,838	1,838		
MAPP Project	64,281	64,281		
Sharefest	372	372		
Joliet Alliance for Youth	984	984		
Fundraising Events - Golf Outing	26,841			26,841
Witches Night Out	51,796	37,000		14,796
Other	17,352	9,495	4,509	3,348
Total expenses	<u>\$ 3,266,750</u>	<u>2,964,054</u>	<u>123,923</u>	<u>178,773</u>

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



# UNITED WAY OF WILL COUNTY

## Statements of Cash Flows

Years Ended June 30, 2017 and 2016

(increase (decrease) in cash and cash equivalents)

<u>Cash Flows From Operating Activities</u>	<u>2017</u>	<u>2016</u>
Change in net assets	\$ ( 53,394)	198,300
Adjustments to reconcile change in net assets to net cash provided by operating activities -		
Depreciation	2,241	3,389
Reserve for uncollectible pledges	102,000	90,000
Changes in assets and liabilities		
Pledges receivables	( 42,204)	( 18,459)
Prepaid expenses	4,040	( 5,473)
Restricted cash deposits	( 18,585)	( 2,449)
Accounts payable	22,880	( 32,230)
Accrued compensation	( 4,314)	5,869
Pass-through contributions payable to other entities	( 6,374)	5,828
Deferred support	16,920	( 2,550)
Net cash provided by operating activities	<u>23,210</u>	<u>242,225</u>
<u>Cash Flows From Investing Activities</u>		
Sales of investments	1,055,916	1,053,935
Purchases of investments	( 1,059,083)	( 1,055,916)
Net cash used for investing activities	<u>( 3,167)</u>	<u>( 1,981)</u>
Net increase in cash and cash equivalents	20,043	240,244
Cash and cash equivalents, beginning of year	<u>746,140</u>	<u>505,896</u>
Cash and cash equivalents, end of year	<u>\$ 766,183</u>	<u>746,140</u>

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

# UNITED WAY OF WILL COUNTY

## Notes to Financial Statements

Years Ended June 30, 2017 and 2016

### 1. Description of Organization

The activities of the United Way of Will County consist of collecting charitable donations under its name and distributing these donations to member agencies. In order to qualify as a member agency of the United Way of Will County, an organization must qualify as a tax-exempt organization under Section 501 (c) (3) of the Internal Revenue Code. The member agencies must also meet certain criteria established by the United Way Board of Directors as to purpose, program, trusteeship and accountability.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting

The Organization prepares financial statements in accordance with the Financial Accounting Standards Board (FASB) standards for not-for-profit organizations (ASC 958-205 and subsections). Under these standards, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

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

Temporarily restricted net assets -- Net assets subject to donor-imposed stipulations that may or will be met, whether by actions of the Organization and/or the passage of time.

Permanently restricted net assets -- Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specified purposes.

Unconditional promises to give cash or other assets are reported as either temporarily or permanently restricted net assets if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (i.e. when a stipulated time restriction ends or the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. Donor-restricted gifts are reported as temporarily restricted even if the restrictions expire during the fiscal year in which the gift was received, and then reclassified to unrestricted net assets. In the absence of donor-imposed restrictions on the use of the assets, gifts of long-lived assets are reported as unrestricted support.

#### Financial Instruments

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments:

Cash, cash equivalents, pledges receivable, and current liabilities - The carrying amounts reported in the Statement of Financial Position approximate fair values because of the short maturities of those instruments.

Short-term investments - The fair values of investments, which consist primarily of certificates of deposit, are valued at the face value of the instruments.



## UNITED WAY OF WILL COUNTY

### Notes to Financial Statements

Years Ended June 30, 2017 and 2016

#### 2. Summary of Significant Accounting Policies (continued)

##### Cash and Cash Equivalents

Cash and cash equivalents consist of checking, savings and money market accounts and short-term investments that have an original maturity of three months or less.

##### Property and Equipment

Property and equipment are recorded at cost. Donated items of office equipment and furnishings are recorded at fair market value at the time of the donation. Depreciation is determined using the straight-line method over the estimated useful lives of the assets (generally 5 to 7 years). Leasehold improvements are amortized over the terms of the leases or the useful lives of the assets, whichever is shorter.

##### Contributions

Contributions receivable are recognized upon notification of a donor's unconditional promise to give to the Organization. Unconditional promises to give that are expected to be collected in less than one year are measured at net realizable value because that amount results in a reasonable estimate of fair value in accordance with the *Contributions Received* section of the FASB ASC. The Organization receives pledges designated to specific partner agencies. It is the policy of the Organization to honor these designations.

##### Donated Materials and Services

The Organization receives donated services from a variety of unpaid volunteers. During the fiscal years ended June 30, 2017 and 2016, the Organization reported \$91,000 of donated services each year as in-kind donations income in the Statement of Activities and as donated labor in the Statement of Functional Expenses. During the fiscal years ended June 30, 2017 and 2016, the Organization also reported donated advertising valued at \$7,200 and \$7,190, respectively, as in-kind donations in the Statement of Activities and as Consumable Supplies in the Statement of Functional Expenses.

During the fiscal year ended June 30, 2017 and 2016, the Organization received raffle prizes and golf outing supplies valued at \$6,326 and \$8,515. This amount was reported as fundraising event income in the Statement of Activities and as Golf Outing Expenses expense in the Statement of Functional Expenses.

##### Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

## UNITED WAY OF WILL COUNTY

Notes to Financial Statements  
Years Ended June 30, 2017 and 2016

### 2. Summary of Significant Accounting Policies (continued)

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions, primarily the reserve for uncollectible pledges and the useful lives of machinery and equipment, that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Income taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law as a charitable organization, whereby only unrelated business income, as defined by Section 509(a)(1) of the Code is subject to federal income tax. The Organization currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded. The Organization has adopted the provisions of the FASB standard on *Accounting for Uncertainty in Income Taxes* (ASC 740-10-25). The Organization does not believe there are any material uncertain tax positions and accordingly, it will not recognize a liability for unrecognized tax benefits. For the year ended June 30, 2017 and 2016, there were no interest or penalties recorded or included in its financial statements.

### 3. Cash and Cash Equivalents

Cash and cash equivalents consisted of the following at June 30, 2017:

	Amounts <u>Reported</u>	Bank <u>Balance</u>
Checking	\$ 410,855	425,765
Money Market	355,328	355,328
	<u>\$ 766,183</u>	<u>781,093</u>

Cash and cash equivalents consisted of the following at June 30, 2016:

	Amounts <u>Reported</u>	Bank <u>Balance</u>
Checking	\$ 381,075	403,811
Money Market	365,065	365,065
	<u>\$ 746,140</u>	<u>768,876</u>

The reconciled balance may be different from the bank balance due to the existence of deposits in transit and/or outstanding checks. At various times during the fiscal years ended June 30, 2017 and 2016, the Organization had deposits at a financial institution that exceeded the insurance protection provided by the Federal Deposit Insurance Corporation.



## UNITED WAY OF WILL COUNTY

Notes to Financial Statements  
Years Ended June 30, 2017 and 2016

### 4. Short-Term Investments

At June 30, 2017, short-term investments consisted of nineteen certificates of deposit totaling \$1,059,083. At June 30, 2016, short-term investments consisted of nineteen certificates of deposit totaling \$1,055,916. The investments have been made with local banks and bear interest at rates ranging from 0.10% to 0.635% in 2017 and 0.05% to 0.64% in 2016. It is the Organization's policy to make investments in a manner that provides the security of the \$250,000 of insurance protection provided by the Federal Deposit Insurance Corporation.

### 5. Pledges Receivable and Deferred Support

Pledges receivable consists of corporate, employee, and individual contribution commitments that are estimated to be realized primarily within the next fiscal period. The reserve for uncollectible pledges was \$102,000 and \$90,000 at June 30, 2017 and 2016, respectively. The reserves have been established based upon historical collection experiences with the donors during the past three campaigns, adjusted for specific changes in the donor's payment patterns in the current fiscal year. These estimates may change as pledges are collected or additional information is received by management.

Deferred support at June 30, 2017 consists of payments from corporations and individuals totaling \$19,100 (\$2,180 at June 30, 2016) which will satisfy subsequent year pledge commitments or will represent sponsorships or entry fees for the golf outing to be held in the subsequent fiscal year.

### 6. Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Joliet Alliance for Youth	\$ 1,151	1,564
MAPP Project	33,802	52,135
Sharefest	15,915	
Southwest Suburban Philanthropic Network	<u>20,971</u>	<u>19,413</u>
	<u>\$ 71,839</u>	<u>73,112</u>

### 7. MAPP Project

In 2017 and prior years, the Organization received contributions from the Will County Community Foundation (\$50,000), various local hospitals and the Will County Health Department to fund the MAPP Project (Mobilizing for Action through Planning and Partnerships) which is a community-driven strategic planning process for improving community health. MAPP is not an agency-based assessment process; rather, it is an interactive process that can improve the efficiency, effectiveness, and ultimately the performance of local public health systems. Through June 30, 2017, the Organization has recognized MAPP related contributions and expenses of \$403,621 and \$369,819, respectively.



**UNITED WAY OF WILL COUNTY**  
Notes to Financial Statements  
Years Ended June 30, 2017 and 2016

8. Transactions with Other Nonprofit Organizations

The Organization maintains a bank account for the Joliet Alliance for Youth (JAY). During the 2017 fiscal year, the Organization received revenue and processed disbursements on behalf of JAY of \$1,730 and \$2,168, respectively. During the 2016 fiscal year, the Organization received revenue and processed disbursements on behalf of JAY of \$1,675 and \$984, respectively. These receipts and disbursements have been reported as temporarily restricted amounts in the accompanying Statements of Activities. Restricted assets included checking account balances of \$1,151 and \$1,564, respectively at June 30, 2017 and 2016, related to the JAY activities.

During the 2006 fiscal year, the Organization began processing receipts and disbursements for the Southwest Suburban Philanthropic Network (SWSPN). This group is in the formative stage of development. Restricted deposits included SWSPN related checking account balances of \$20,971 and \$17,888, respectively at June 30, 2017 and 2016.

Restricted deposits at June 30, 2017 includes \$15,915 of net contributions received for the benefit of Sharefest, which is a local fund development group.

9. Leases

The Organization leases office space under a month-to-month lease. Rental payments are currently \$2,017 a month. Rent expense for the years ended June 30, 2017 and 2016 was \$24,204 in each year.

10. Retirement Plan

The Organization has established a defined contribution retirement plan for the benefit of the employees. All employees who are more than 21 years of age and have been employed by the Organization for more than one year with more than 1,000 hours of service are eligible to participate. Plan contributions are equal to 7% of covered payroll. Retirement plan contributions were \$23,593 and \$17,778 for the years ended June 30, 2017 and 2016, respectively.

11. Economic Dependence

The Organization receives a substantial number of pledges from employees of local business entities that sometimes provide for a corporate match of amounts contributed by employees. Activity with 26 of these local businesses and governmental entities accounted for approximately 67% of the pledge revenue for the 2017 fiscal year.

12. Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to June 30, 2017 to determine the need for any adjustments to and/or disclosures within the audited statement of financial position and the related statements of activities, functional expenses and cash flows for the year ended June 30, 2017. Management has performed their analysis through January 17, 2018, which is the date the financial statements were available to be issued.

## **SUPPLEMENTARY INFORMATION**



**UNITED WAY OF WILL COUNTY**

Schedule of Agency Allocations

Years Ended June 30, 2017 and 2016

	2017	2016
Agape Missions	\$ 36,450	38,040
American Red Cross	86,000	91,000
Aunt Martha's Youth Services / St. Francis Health	23,300	29,256
Big Brothers/Big Sisters	71,000	68,900
Bounce Back Social Services	3,500	2,939
Boy Scouts of America	80,000	80,000
Boys' and Girls' Club	160,000	170,000
Campfire III Prairie Council	11,000	13,750
Cancer Support Center	6,900	7,476
CASA of Will County	24,000	6,760
Catholic Charities/RSVP/Daybreak	273,400	271,588
Center for Correctional Concerns	43,500	48,000
Center for Disability Services	83,000	83,450
Child Care Resource and Referral	10,700	10,000
Childhood Trauma & Treatment		29,600
Community Service Council of Northern Will County	28,200	31,800
Cooperative Extension Service (Will County 4H)	13,000	13,600
Cornerstone Services	60,000	66,390
Crisis Line of Will County	78,500	79,000
Easter Seals	75,850	79,500
Forest Park Community Center	10,500	11,800
Girl Scouts of Chicago & Northwest Indiana	48,000	43,000
Good Shepherd Manor		8,500
Guardian Angel Community Services	91,000	92,024
Harvey Brooks Foundation	2,000	3,000
Hill Memorial Center	58,700	60,000
Joliet Area Community Hospice	44,700	47,500
Kankakee County Community Services	23,000	23,000
Lambs Fold Women's Center	14,000	16,800
National Alliance for Mental Illness	9,350	9,550
Northern Illinois Food Bank	30,000	
Prairie State Legal Assistance	20,700	22,380
Salvation Army	33,000	35,000
Senior Service Center of Will County	89,000	90,188
Seratomia Speech & Hearing Center	7,800	8,850
Service of Will Grundy & Kankakee	21,000	
South Suburban Council on Alcoholism & Substance Abuse	25,500	27,750
Spanish Community Center	86,900	88,710
Stepping Stones	79,500	82,000
Trinity Services & Family Services	133,400	142,000
Vilaseca Day Care	40,000	44,620
Warren Sharpe Community Center	103,000	108,000
Will County Children's Advocacy Center	39,000	5,100
Will County Community Health Center	12,200	13,190
Will County Habitat for Humanity	25,500	28,100
Will/Grundy Center for Independent Living	33,000	31,500
Will/Grundy Medical Clinic	37,960	39,500
YMCA	138,000	162,000
	<u>\$ 2,425,010</u>	<u>2,465,111</u>

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