

Financial Statements

UNITED WAY OF NORTHERN UTAH

December 31, 2014 and 2013

(With Independent Auditors' Report)

UNITED WAY OF NORTHERN UTAH
Financial Statements
December 31, 2014 and 2013

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INDEPENDENT AUDITORS' REPORT

**The Executive Committee
United Way of Northern Utah
Ogden, Utah**

We have audited the accompanying financial statements of United Way of Northern Utah (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT

Continued

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Northern Utah 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.



Ogden, Utah
September 29, 2015

UNITED WAY OF NORTHERN UTAH
Statements of Financial Position
December 31, 2014 and 2013

<u>ASSETS</u>	<u>2014</u>	<u>2013</u>
Current assets		
Cash and cash equivalents	\$ 367,911	\$ 574,029
Marketable securities	2,454,343	2,373,287
Pledges receivable, net	1,364,173	1,411,788
Managing Utah CFC receivable	242,094	245,766
Promised Neighborhood receivable	76,050	18,974
Grants receivable	230,592	-
Prepays	2,147	-
Total current assets	<u>4,737,310</u>	<u>4,623,844</u>
Property and equipment, at cost		
Building	1,430,984	1,430,984
Land	162,539	162,539
Office furniture and equipment	228,231	225,528
Accumulated depreciation	(244,388)	(182,734)
Total property and equipment	<u>1,577,366</u>	<u>1,636,317</u>
Total assets	<u>\$ 6,314,676</u>	<u>\$ 6,260,161</u>

See accompanying notes and Independent Auditors' Report.

UNITED WAY OF NORTHERN UTAH
Statements of Financial Position, Continued
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities		
Due to designated organizations	\$ 635,875	\$ 732,790
Accounts payable	109,338	79,959
Compensated absences payable	19,915	16,063
Other accrued liabilities	3,826	4,140
Current portion of long-term debt	<u>25,265</u>	<u>25,927</u>
Total current liabilities	794,219	858,879
 Long-term debt, net of current portion	 <u>592,567</u>	 <u>613,832</u>
Total liabilities	<u>1,386,786</u>	<u>1,472,711</u>
 Net assets		
Unrestricted	3,993,351	3,971,150
Temporarily restricted	<u>934,539</u>	<u>816,300</u>
Total net assets	<u>4,927,890</u>	<u>4,787,450</u>
 Total liabilities and net assets	 <u>\$ 6,314,676</u>	 <u>\$ 6,260,161</u>

See accompanying notes and Independent Auditors' Report.

UNITED WAY OF NORTHERN UTAH
Statements of Activities and Changes in Net Assets
For the Year Ended December 31, 2014
With Summarized Totals for 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals 2014</u>	<u>Summarized Totals 2013</u>
Public support and revenue				
Gross campaign results	\$ 848,736	\$2,016,357	\$2,865,093	\$ 3,123,385
Donor designations	<u>-</u>	<u>(1,540,702)</u>	<u>(1,540,702)</u>	<u>(1,773,164)</u>
Net campaign revenue	848,736	475,655	1,324,391	1,350,221
Grants	102,958	519,894	622,852	656,383
CFC service fee	242,094	-	242,094	245,766
Donated services and materials	13,662	-	13,662	18,766
Investment income	62,028	-	62,028	256,398
Rent revenue	161,220	-	161,220	161,220
Special events	28,293	-	28,293	10,031
Net assets released from restrictions	<u>877,310</u>	<u>(877,310)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>2,336,301</u>	<u>118,239</u>	<u>2,454,540</u>	<u>2,698,785</u>
Expenses				
Program services				
Allocations to agencies	2,465,840	-	2,465,840	2,951,644
Allocations funded through designations	<u>(1,540,702)</u>	<u>-</u>	<u>(1,540,702)</u>	<u>(1,773,164)</u>
Net allocations	925,138	-	925,138	1,178,480
Other program services	<u>1,061,643</u>	<u>-</u>	<u>1,061,643</u>	<u>902,574</u>
Total program services	<u>1,986,781</u>	<u>-</u>	<u>1,986,781</u>	<u>2,081,054</u>
United Way of America dues	16,774	-	16,774	14,940
Other supporting services	<u>298,277</u>	<u>-</u>	<u>298,277</u>	<u>285,443</u>
Total supporting services	<u>315,051</u>	<u>-</u>	<u>315,051</u>	<u>300,383</u>
Total functional expenses	2,301,832	-	2,301,832	2,381,437
Donated rent	<u>12,268</u>	<u>-</u>	<u>12,268</u>	<u>22,231</u>
Total expenses	<u>2,314,100</u>	<u>-</u>	<u>2,314,100</u>	<u>2,403,668</u>
Change in net assets	22,201	118,239	140,440	295,117
Net assets at beginning of year	<u>3,971,150</u>	<u>816,300</u>	<u>4,787,450</u>	<u>4,492,333</u>
Net assets at end of year	<u>\$3,993,351</u>	<u>\$ 934,539</u>	<u>\$4,927,890</u>	<u>\$ 4,787,450</u>

See accompanying notes and Independent Auditors' Report.

UNITED WAY OF NORTHERN UTAH
Statement of Functional Expenses
For the Year Ended December 31, 2014

	Program Services		Support Services				Totals 2014
	Allocation Services	All Other Programs	Fundraising	Organizational Administration	UWA Dues	Total	
Allocations to agencies	\$ 2,465,840	\$ -	\$ -	\$ -	\$ -	\$ -	2,465,840
Donor designations	(1,540,702)	-	-	-	-	-	(1,540,702)
Subtotal	<u>925,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>925,138</u>
Salaries	-	352,175	37,927	151,706	-	189,633	541,808
Health and retirement benefits	-	68,197	7,344	29,377	-	36,721	104,918
Payroll taxes	-	26,495	2,853	11,413	-	14,266	40,761
Subtotal	<u>-</u>	<u>446,867</u>	<u>48,124</u>	<u>192,496</u>	<u>-</u>	<u>240,620</u>	<u>687,487</u>
Managing CFC expense	-	240,723	1,702	729	-	2,431	243,154
Office supplies	-	12,598	1,075	1,690	-	2,765	15,363
Telephone	-	9,526	813	1,278	-	2,091	11,617
Postage	-	3,848	329	516	-	845	4,693
Occupancy	-	35,012	2,989	4,697	-	7,686	42,698
Advertising and promotion	-	34,471	2,943	4,624	-	7,567	42,038
Professional fees	-	54,127	4,621	7,261	-	11,882	66,009
Conferences and training	-	6,304	-	-	-	-	6,304
Service club dues	-	10,867	-	-	-	-	10,867
Equipment repairs and maintenance	-	8,831	754	1,185	-	1,939	10,770
Depreciation	-	50,556	4,316	6,782	-	11,098	61,654
Travel and meals	-	13,648	758	758	-	1,516	15,164
Building	-	107,073	-	5,635	-	5,635	112,708
Interest	-	20,969	-	1,104	-	1,104	22,073
Bank fees	-	6,223	366	732	-	1,098	7,321
Subtotal	<u>-</u>	<u>614,776</u>	<u>20,666</u>	<u>36,991</u>	<u>-</u>	<u>57,657</u>	<u>672,433</u>
United Way of America dues	-	-	-	-	16,774	16,774	16,774
Total functional expenses	<u>\$ 925,138</u>	<u>\$ 1,061,643</u>	<u>\$ 68,790</u>	<u>\$ 229,487</u>	<u>\$ 16,774</u>	<u>\$ 315,051</u>	<u>2,301,832</u>

See accompanying notes and Independent Auditors' Report.

UNITED WAY OF NORTHERN UTAH
Statement of Functional Expenses
For the Year Ended December 31, 2013

	Program Services			Support Services			Totals 2013
	Allocation Services	All Other Programs	Total	Fundraising	Organizational Administration	UWA Dues	
Allocations to agencies	\$ 2,951,644	\$ -	\$ 2,951,644	\$ -	\$ -	\$ -	\$ 2,951,644
Donor designations	(1,773,164)	-	(1,773,164)	-	-	-	(1,773,164)
Subtotal	1,178,480	-	1,178,480	-	-	-	1,178,480
Salaries	-	212,031	212,031	17,788	125,938	-	355,757
Health and retirement benefits	-	65,227	65,227	5,472	38,742	-	109,442
Payroll taxes	-	18,447	18,447	1,548	10,957	-	30,951
Subtotal	-	295,705	295,705	24,808	175,637	-	496,150
Managing CFC expense	-	245,766	245,766	-	-	-	245,766
Office supplies	-	10,968	10,968	783	3,917	-	15,668
Telephone	-	11,146	11,146	796	3,981	-	15,923
Postage	-	3,513	3,513	225	761	-	4,499
Occupancy	-	27,663	27,663	1,994	10,220	-	39,877
Advertising and promotion	-	42,163	42,163	2,718	9,474	-	54,355
Professional fees	-	49,966	49,966	3,331	13,324	-	66,621
Conferences and training	-	10,507	10,507	-	-	-	10,507
Service club dues	-	4,947	4,947	-	-	-	4,947
Equipment repairs and maintenance	-	16,105	16,105	1,150	5,752	-	23,007
Depreciation	-	43,541	43,541	3,110	15,550	-	62,201
Travel and meals	-	16,430	16,430	-	-	-	16,430
Building	-	100,131	100,131	5,270	-	-	105,401
Interest	-	20,359	20,359	1,072	-	-	21,431
Bank fees	-	3,664	3,664	-	1,570	-	5,234
Subtotal	-	606,869	606,869	20,449	64,549	-	691,867
United Way of America dues	-	-	-	-	-	14,940	14,940
Total functional expenses	\$ 1,178,480	\$ 902,574	\$ 2,081,054	\$ 45,257	\$ 240,186	\$ 14,940	\$ 2,381,437

See accompanying notes and Independent Auditors' Report.

UNITED WAY OF NORTHERN UTAH
Statements of Cash Flows
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Change in net assets	\$ 140,440	\$ 295,117
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	61,654	62,201
Amortization	22,073	21,430
Investment income in marketable securities	(70,037)	(52,522)
(Gain) loss on investments in marketable securities	8,009	(202,874)
Changes in operating assets and liabilities:		
Pledges receivable	47,615	77,655
Managing Utah CFC receivable	3,672	20,806
Promised neighborhoods receivables	(57,076)	(18,974)
Grant receivables	(230,592)	-
Prepays	(2,147)	-
Due to designated organizations and agencies	(96,915)	(130,414)
Accounts payable	29,379	(38,598)
Compensated absences payable	3,852	(6,749)
Other accrued liabilities	(314)	385
	<u>(140,387)</u>	<u>27,463</u>
Cash and cash equivalents provided by (used in) operating activities		
Cash flows from investing activities:		
Purchases of investments	(19,028)	(2,622,474)
Proceeds from sale of investments	-	2,670,729
Purchase of property, plant and equipment	(2,703)	-
	<u>(21,731)</u>	<u>48,255</u>
Net cash and cash equivalents provided by (used in) investing activities		

See accompanying notes and Independent Auditors' Report.

UNITED WAY OF NORTHERN UTAH
Statements of Cash Flows, Continued
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from financing activities:		
Principal payments on long-term debt	\$ <u>(44,000)</u>	\$ <u>(48,000)</u>
Net cash and cash equivalents used in financing activities	<u>(44,000)</u>	<u>(48,000)</u>
Net increase (decrease) in cash and cash equivalents	(206,118)	27,718
Cash and cash equivalents at beginning of year	<u>574,029</u>	<u>546,311</u>
Cash and cash equivalents at end of year	<u>\$ 367,911</u>	<u>\$ 574,029</u>

See accompanying notes and Independent Auditors' Report.

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements
December 31, 2014 and 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of United Way of Northern Utah (Organization) is presented to assist in understanding these financial statements. The financial statements and notes are representations of the Organization's management, which is responsible for their integrity and objectivity.

Organization and Operation

The Organization is a nonprofit entity incorporated in the state of Utah and governed by a volunteer Board of Directors that is comprised of business and community leaders. The Organization utilizes salaried employees and volunteers who work to support a broad range of charitable agencies and human service organizations in the northern Utah area. The stated mission of the Organization is "to improve lives and build stronger communities in Northern Utah by uniting individuals and organizations with the will, passion, expertise, and resources needed to solve problems." The Organization conducts fundraising activities, provides a systematic review process of charitable agencies requesting funding from the Organization, plans for future community needs and allocates money raised to eligible agencies.

Annual campaigns are conducted year round to support allocations made in the subsequent year. Campaign contributions are used to support local health and human service programs of member and nonmember agencies and to pay the Organization's operating expenses. Donors may designate their pledges to specific agencies or donate undesignated funds.

Annual campaign results are reduced by pledges that are designated to specific organizations and by a provision for uncollectible pledges. The net campaign results are reflected as temporarily restricted in the accompanying statement of activities and the amounts are to be expended in the following year. Prior year campaign results are reflected in the net assets released from restrictions in the current year statement of activities.

Basis of Presentation

The financial statements are presented in accordance with Topic 958 of the FASB Accounting Standards Codification (FASB ASC 958), *Not-For-Profit Entities*. Under FASB ASC 958, 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.

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements, Continued
December 31, 2014 and 2013

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Basis of Presentation, continued

Also in accordance with FASB ASC 958, support that is restricted by a donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction.

All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction (Note 11). When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Management 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 the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid short-term investments with a maturity of 90 days or less when purchased to be cash equivalents. Investments are stated at market value and realized and unrealized gains and losses are reported in the statement of activities. Fair value of investments is determined by using quoted prices for the investments at December 31, 2014 and 2013.

Fair Value of Financial Instruments

The reported amounts of certain financial instruments of the Organization, including cash and cash equivalents, accounts receivable, prepaid expenses, due to designated organizations, due to agencies, accounts payable and accrued liabilities, approximate fair value due to their short maturities. See Note 12 for further discussion of fair value.

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements, Continued
December 31, 2014 and 2013

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Campaign Promises to Give

Campaign promises to give, including unconditional promises to give (pledges), are recognized as support in the period received, at their fair values.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as temporarily or permanently restricted.

When a donor restriction expires (i.e. when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restriction.

The permanently restricted fund includes the principal amount of contributions accepted with the stipulation from the donor that the principal be maintained in perpetuity and only the income from investments thereof be expended for purposes specified by the donor, if any. As of December 31, 2014 and 2013, there were no permanently restricted net assets.

Grants Received

The Organization received grant monies from various agencies in 2014 and 2013. The grant proceeds were classified as temporarily restricted until the funds have been spent for that purpose and are included in the cash and cash equivalents on the statement of financial position. As of December 31, 2014 and 2013, approximately \$458,900 and \$220,100, respectively, of the grants remain in temporarily restricted net assets. The other grants received in 2014 and 2013 were given unconditionally and are classified as unrestricted.

Pledges Receivable

Campaign pledge contributions are generally fully collected by the end of each campaign cycle of approximately 18 months. The Organization provides an allowance for the uncollectable pledges at the time campaign results are recorded.

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements, Continued
December 31, 2014 and 2013

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Contributed Materials and Services

Donated services are recognized as contributions in accordance with FASB ASC 958 if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization.

Donated auditing services for the years ended December 31, 2014 and 2013, are approximately \$13,700 and \$18,800, respectively.

The Organization records the value of donated materials and services when there is an objective basis available to measure the value of the material and services. For the years ended December 31, 2014 and 2013, donated materials and services included donated rent to lessees of approximately \$12,300 and \$22,200, respectively.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization in its program services and fundraising campaign. These services are not recorded as contributions because they do not meet the requirements under FASB ASC 958-605.

Functional Allocation of Expenses

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

Office Furniture, Equipment and Buildings

Office furniture, equipment and buildings purchased for more than \$5,000 are capitalized and recorded at cost, or in the case of donated items, at fair value. These assets are depreciated over their estimated useful lives, from 5 to 39 years, using the straight-line method of depreciation. Depreciation expense of \$61,654 and \$62,201 was recorded in the years ended December 31, 2014 and 2013, respectively.

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements, Continued
December 31, 2014 and 2013

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Office Furniture, Equipment and Buildings, continued

Donated property and equipment are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Income Tax

United Way is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is included in the accompanying statements.

The Organization has adopted FASB ASC 740, *Accounting for Uncertainty in Income Taxes*. Management has determined FASB ASC 740 does not have a material impact on the financial statements.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2011.

2. **MARKETABLE SECURITIES**

At December 31, 2014, marketable securities consisted of fixed income bonds, real assets and equities totaling approximately \$2,454,400. At December 31, 2013, marketable securities consisted of fixed income bonds and equities totaling approximately \$2,373,300.

The fair value of marketable securities is the net asset values as reported by the broker. These securities are subject to fluctuations in value due to changes in interest rates and other factors affecting the financial markets.

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements, Continued
December 31, 2014 and 2013

2. MARKETABLE SECURITIES, continued

Marketable securities gains and losses consisted of the following for the fiscal years ended December 31:

	<u>2014</u>	<u>2013</u>
Interest and dividends	\$ 89,201	\$ 74,095
Realized gains	17,396	256,885
Unrealized gains (losses)	(25,405)	(54,011)
Bank fees	<u>(19,164)</u>	<u>(20,571)</u>
Total investments	<u>\$ 62,028</u>	<u>\$ 256,398</u>

3. CONCENTRATION OF CREDIT RISK

The Organization maintains its cash with three financial institutions. At various times during the fiscal year, the Organization's cash in bank balances may exceed federally insured limits. As of December 31, 2014 and 2013, the Organization's uninsured cash balances totaled approximately \$5,500 and \$200,700, respectively.

The Organization also maintains investment accounts with two financial institutions. At various times during the fiscal year, the Organization's cash in investment accounts may exceed amounts insured by the Securities Investor Protection Corporation. As of December 31 2014 and 2013, the Organization's uninsured investment balance totaled approximately \$0 for each year.

Contributions from following donors accounted for more than 10 percent of annual campaign revenues for the years ending December 31:

	<u>2014</u>	<u>2013</u>
ATK Launch Systems	\$ 199,632	\$ 188,042
Kimberly Clark	<u>293,932</u>	<u>251,620</u>
Total	<u>\$ 493,564</u>	<u>\$ 439,662</u>

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements, Continued
December 31, 2014 and 2013

4. PLEDGES RECEIVABLE

Pledges receivable are generally to be received within one year and consisted of the following at December 31:

	<u>2014</u>	<u>2013</u>
2014-2015 Campaign pledges receivable	\$ 1,216,538	\$ -
2013-2014 Campaign pledges receivable	167,733	1,200,680
2012-2013 Campaign pledges receivable	-	240,110
Estimated uncollectable	<u>(20,098)</u>	<u>(29,002)</u>
Net pledges receivable	<u>\$ 1,364,173</u>	<u>\$ 1,411,788</u>

5. LONG-TERM DEBT

Long-term debt consisted of the following at December 31:

	<u>2014</u>	<u>2013</u>
Noninterest-bearing note payable to third party, secured by the building and land, discounted at imputed interest rate of 3% and due in monthly installments of \$4,000.	\$ 617,832	\$ 639,759
Less current portion	<u>25,265</u>	<u>25,927</u>
Long-term portion	<u>\$ 592,567</u>	<u>\$ 613,832</u>

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements, Continued
December 31, 2014 and 2013

5. LONG-TERM DEBT, continued

At December 31, 2014 and 2013, the balance of the note before discount was \$820,000 and \$864,000, respectively. At December 31, 2014 and 2013, the carrying value of the noninterest-bearing obligation is shown net of total unamortized discount of approximately \$202,200 and \$224,300, respectively. Amortization of the discount is reported in the income statement as interest expense.

Net loan maturities for each of the five years following December 31, 2014, are as follows:

2015	\$ 25,265
2016	24,583
2017	23,881
2018	23,157
2019	22,412
Thereafter	<u>498,534</u>
	<u>\$ 617,832</u>

6. INTERMOUNTAIN COMBINED FEDERAL CAMPAIGN

The Organization served as the Principal Combined Fund Organization (PCFO) for the Intermountain Combined Federal Campaign (CFC) in 2014 and 2013. The responsibility of the Organization to serve as PCFO is to manage the campaign and to serve as a fiscal agent. The Organization has also been appointed as PCFO for the 2014-2015 campaigns.

As the fiscal agent for the CFC, the Organization has included approximately \$1,783,000 and \$2,019,000 of pledges in current year campaign results for the years ended December 31, 2014 and 2013, respectively. The Organization has also included approximately \$1,541,000 and \$1,773,000 in allocations to agencies for the years ended December 31, 2014 and 2013, respectively. Both current year campaign results and allocations to agencies are also deducted as donor designations in the financial statement presentation.

Prior to the campaign, the Organization estimates the cost of running the campaign and submits this estimate to the local Federal Coordinating Committee. At the completion of the campaign drive, the Organization received a check for the actual expenses incurred.

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements, Continued
December 31, 2014 and 2013

6. INTERMOUNTAIN COMBINED FEDERAL CAMPAIGN, continued

The reimbursements received in the years ended December 31, 2014 and 2013, were \$245,766 and \$266,572, respectively. At December 31, 2014 and 2013, the CFC owed the Organization \$242,094 and \$245,766 for reimbursement of the 2014-2015 and 2013-2014 campaigns expenses, respectively.

CFC makes contributions to various entities based on the designation of its donors. In the years ended December 31, 2014 and 2013, CFC contributed approximately \$115,385 and \$149,414 respectively, to the Organization based on the designation of donors. The Organization also acts as a federation for the CFC and honors designations made to each member organization by distributing a proportionate share of receipts based on donor designations to each member. As a federation, the Organization is permitted to deduct expenses from receipts prior to remitting funds to the charitable organization participating as members. In the years ended December 31, 2014 and 2013, the Organization deducted \$13,730 and \$17,470, respectively, from member organizations to cover expenses.

7. OPERATING OFFICE LEASES

The Organization leases office space to tenants under noncancelable operating leases with terms of one to five years. The following is a schedule by years of future minimum rentals under the leases at December 31, 2014:

2015	\$ 110,861
2016	81,179
2017	75,197
2018	<u>34,202</u>
	<u>\$ 301,439</u>

8. RETIREMENT PLAN

The Organization has a 403(b) retirement plan whereby employees who work more than 20 hours a week can contribute up to 100 percent of their salary within statutory limits. The employer has the option to make discretionary contributions. During the years ended December 31, 2014 and 2013, the Organization recognized retirement expenses of approximately \$49,100 and \$48,900, respectively.

UNITED WAY OF NORTHERN UTAH
Notes to Financial Statements, Continued
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9. CAMPAIGN REVENUE

The annual campaign of the Organization begins in the fall of each year and continues into the following calendar year. Each campaign is titled for the two years that comprise it.

During the years ended December 31, the Organization recognized contributions for campaign years as follows:

	<u>2014</u>	<u>2013</u>
2014-2015 Campaign	\$ 2,865,093	\$ -
2013-2014 Campaign	<u>-</u>	<u>3,123,385</u>
Total campaign revenue	<u>\$ 2,865,093</u>	<u>\$ 3,123,385</u>

Included in the 2014 and 2013 campaign revenue above is approximately \$1,541,000 and \$1,773,000, respectively, from CFC.

10. BOARD-DESIGNATED CASH AND INVESTMENTS

In 1999, the Executive Committee of the United Way of Northern Utah approved a resolution effective December 1999 to reserve all funds in the Trust Departments of Key Bank and Wells Fargo Bank.

In 2013, the Executive Committee approved a transfer of assets to Zions Bank to consolidate their assets into one account. On December 31, 2014 and 2013, the Board-designated cash and investments held at the Trust Departments totaled \$2,566,895 and \$2,505,558, respectively.

11. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of December 31, 2014, consisted of designated contributions and grant contributions received in 2014 to be expended thereafter. Temporarily restricted net assets as of December 31, 2013, consisted of designated contributions received in 2013 to be expended thereafter.

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Notes to Financial Statements, Continued
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12. **FAIR VALUE MEASUREMENTS**

The fair value of assets and liabilities were as follows at December 31, 2014:

	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring Fair Value Measurements</u>				
Money market funds	\$ 112,552	\$ -	\$ -	\$ 112,552
Fixed income bonds	1,177,330	-	-	1,177,330
Real assets	167,035	-	-	167,035
Equities	<u>1,109,978</u>	<u>-</u>	<u>-</u>	<u>1,109,978</u>
	<u>\$2,566,895</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,566,895</u>

The fair value of assets and liabilities were as follows at December 31, 2013:

	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Recurring Fair Value Measurements</u>				
Money market funds	\$ 132,271	\$ -	\$ -	\$ 132,271
Fixed income bonds	1,030,163	-	-	1,030,163
Real assets	182,561	-	-	182,561
Equities	<u>1,160,563</u>	<u>-</u>	<u>-</u>	<u>1,160,563</u>
	<u>\$2,505,558</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,505,558</u>

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Notes to Financial Statements, Continued
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13. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 29, 2015, the date on which the financial statements were available to be issued, and has determined that no events requiring additional disclosure have occurred.