

United Way of South Central Idaho
(an Idaho nonprofit organization)

Financial Statements
and
Independent Auditor's Report

December 31, 2016 and 2015

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(an Idaho nonprofit organization)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
United Way of South Central Idaho

We have audited the accompanying financial statements of United Way of South Central Idaho (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016 and 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of South Central Idaho as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses, Statements of Agency Disbursements – Budget to Actual, and The Statements of Activities – Budget to Actual are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Garald Price & Associates, P.A.

Burley, ID 83318

June 7, 2017

United Way of South Central Idaho
(an Idaho nonprofit organization)

STATEMENTS OF FINANCIAL POSITION
As of December 31,

	2016			2015		
	Operating Fund	Agency Funds	Totals	Operating Fund	Agency Funds	Totals
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 76,332	\$ -	\$ 76,332	\$160,623	\$ -	\$ 160,623
Pledges Receivable and other assets	180	-	180	14	-	14
Certificates of Deposits and Investments	35,494	-	35,494	35,444	-	35,444
Total Current Assets	<u>112,006</u>	<u>-</u>	<u>112,006</u>	<u>196,081</u>	<u>-</u>	<u>196,081</u>
NON-CURRENT ASSETS						
Property & equipment - net of depreciation	5,758	-	5,758	7,768	-	7,768
Total Assets	<u>\$ 117,764</u>	<u>\$ -</u>	<u>\$ 117,764</u>	<u>\$203,849</u>	<u>\$ -</u>	<u>\$203,849</u>
LIABILITIES & NET ASSETS						
CURRENT LIABILITIES						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allocations Payable	20,000	-	20,000	15,425	-	15,425
Payroll & Other Liabilities	2,252	-	2,252	1,701	-	1,701
Total Current Liabilities	<u>22,252</u>	<u>-</u>	<u>22,252</u>	<u>17,126</u>	<u>-</u>	<u>17,126</u>
Total Liabilities	<u>22,252</u>	<u>-</u>	<u>22,252</u>	<u>17,126</u>	<u>-</u>	<u>17,126</u>
NET ASSETS						
Unrestricted:						
Undesignated	95,512	-	95,512	186,723	-	186,723
Total unrestricted net assets	<u>95,512</u>	<u>-</u>	<u>95,512</u>	<u>186,723</u>	<u>-</u>	<u>186,723</u>
Temporarily restricted	-	-	-	-	-	-
Permanently restricted	-	-	-	-	-	-
Total restricted net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 117,764</u>	<u>\$ -</u>	<u>\$ 117,764</u>	<u>\$203,849</u>	<u>\$ -</u>	<u>\$203,849</u>

The accompanying notes and independent auditors' report are an integral part of these financial statements.

United Way of South Central Idaho
(an Idaho nonprofit organization)

STATEMENTS OF ACTIVITIES
For the Years Ended December 31,

	2016				2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support, Revenue and reclassifications:								
Campaign Pledges (net of writeoffs)	\$ 154,004	\$ -	\$ -	\$ 154,004	\$ 158,257	\$ -	\$ -	\$ 158,257
Donor Designated Contributions:								
Non-member Organizations	9,919	-	-	9,919	3,909	-	-	3,909
Fundraising	23,240	-	-	23,240	7,148	-	-	7,148
Foundation Income	24,348	-	-	24,348	36,337	-	-	36,337
Interest & Dividend Income	190	-	-	190	159	-	-	159
Total income	<u>211,701</u>	<u>-</u>	<u>-</u>	<u>211,701</u>	<u>205,810</u>	<u>-</u>	<u>-</u>	<u>205,810</u>
Non-Administrative Expenses:								
Agency Disbursements	131,971	-	-	131,971	119,295	-	-	119,295
Donor Designated Disbursements:								
Non-member Organizations	9,919	-	-	9,919	3,909	-	-	3,909
Campaign Expense	20,518	-	-	20,518	14,958	-	-	14,958
Dues & Memberships	5,395	-	-	5,395	3,216	-	-	3,216
Total Non-Administrative Expenses	<u>167,803</u>	<u>-</u>	<u>-</u>	<u>167,803</u>	<u>141,378</u>	<u>-</u>	<u>-</u>	<u>141,378</u>
Administrative Expenses:								
Salaries - Director	51,488	-	-	51,488	49,147	-	-	49,147
Salaries - Other	33,957	-	-	33,957	13,749	-	-	13,749
Accounting & Legal	3,602	-	-	3,602	3,601	-	-	3,601
Audit Fee	3,618	-	-	3,618	2,895	-	-	2,895
Depreciation Expense	2,010	-	-	2,010	1,091	-	-	1,091
Directors Expense	2,146	-	-	2,146	139	-	-	139
Insurance	1,406	-	-	1,406	1,543	-	-	1,543
Miscellaneous	1,564	-	-	1,564	149	-	-	149
Office Supplies	2,845	-	-	2,845	989	-	-	989
Office Equipment Rental	3,215	-	-	3,215	5,595	-	-	5,595
Payroll Taxes & employee benefits	6,295	-	-	6,295	4,552	-	-	4,552
Postage	710	-	-	710	327	-	-	327
Rent	7,115	-	-	7,115	7,327	-	-	7,327
Telephone	5,120	-	-	5,120	4,538	-	-	4,538
Travel & Training	10,016	-	-	10,016	9,616	-	-	9,616
Total Administrative Expenses	<u>135,107</u>	<u>-</u>	<u>-</u>	<u>135,107</u>	<u>105,258</u>	<u>-</u>	<u>-</u>	<u>105,258</u>
Total Expenses	302,910			302,910	246,636			246,636
Changes in Net Assets	(91,210)	-	-	(91,210)	(40,827)	-	-	(40,827)
Net Assets, Beginning of Year	<u>186,723</u>	<u>-</u>	<u>-</u>	<u>186,723</u>	<u>227,551</u>	<u>-</u>	<u>-</u>	<u>227,551</u>
Net Assets, End of Year	<u>\$ 95,512</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,512</u>	<u>\$ 186,723</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,723</u>

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United Way of South Central Idaho
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STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended December 31,

	2016				2015			
	Program Services	Management & General	Fund Raising	Total	Program Services	Management & General	Fund Raising	Total
Distribution to Approved Programs	\$ 131,971	\$ -	\$ -	\$ 131,971	\$ 119,295	\$ -	\$ -	\$ 119,295
Distribution to Non-Member Org.	9,919	-	-	9,919	3,909	-	-	3,909
Compensation/Related Expenses:								
Compensation	76,901	6,836	1,709	85,445	56,606	5,032	1,258	62,896
Payroll Taxes & Employee Benefits	5,666	504	126	6,295	4,097	364	91	4,552
Rent	6,404	569	142	7,115	6,594	586	147	7,327
Campaign Expense	14,363	-	6,155	20,518	10,471	-	4,487	14,958
Postage	639	57	14	710	294	26	7	327
Dues & Memberships	-	-	5,395	5,395	-	-	3,216	3,216
Insurance	1,265	141	-	1,406	1,389	154	-	1,543
Miscellaneous	-	1,564	-	1,564	-	149	-	149
Accounting & Legal Fees	-	3,602	-	3,602	-	3,601	-	3,601
Accountant Audit Fee	-	3,618	-	3,618	-	2,895	-	2,895
Office Supplies	2,561	228	57	2,845	890	79	20	989
Office Equipment	2,894	257	64	3,215	5,036	448	112	5,596
Telephone	4,608	410	102	5,120	4,084	363	91	4,538
Travel & Training	9,014	-	1,002	10,016	8,654	-	962	9,616
Directors Expense	1,931	-	215	2,146	125	-	14	139
Depreciation Expense	-	2,010	-	2,010	-	1,091	-	1,091
Total Expenses	<u>\$ 268,134</u>	<u>\$ 19,794</u>	<u>\$ 14,982</u>	<u>\$ 302,910</u>	<u>\$ 221,444</u>	<u>\$ 14,788</u>	<u>\$ 10,403</u>	<u>\$ 246,636</u>

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United Way of South Central Idaho
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STATEMENTS OF CASH FLOWS
For the Years Ended December 31,

	2016	2015
Cash Flows from (to) Operating Activities		
Cash received from public support	\$ 211,511	\$ 215,770
Interest income	190	159
Cash paid to employees	(85,445)	(62,896)
Cash paid to agency distributions	(134,971)	(112,991)
Cash paid to vendors	(75,576)	(60,333)
	(84,291)	(20,291)
Net Cash Provided (Used) by Operating Activities		
Cash Flows from Investing Activities		
Purchase of fixed assets	-	(5,707)
Net Cash used by Investing Activities	-	(5,707)
Net Increase (Decrease) in Cash	(84,291)	(25,998)
Cash at Beginning of Year	160,623	186,621
Cash at End of Year	\$ 76,332	\$ 160,623
Reconciliation of Changes in Net Assets to Net Cash Provided by Operating Activities		
Change in Net Assets	\$ (91,210)	\$ (40,827)
Adjustments to reconcile change in net cash provided from operating activities:		
Depreciation	2,010	1,091
Decrease (Increase) in pledges receivable	14	8,458
Increase (Decrease) in accrued liabilities	4,895	11,087
Increase (Decrease) in deferred revenue	-	-
Net Cash Provided by Operating Activities	\$ (84,291)	\$ (20,191)

The accompanying notes and independent auditors' report are an integral part of these financial statements.

United Way of South Central Idaho
Notes to Financial Statements
December 31, 2016 and 2015

Note A – Summary of Significant Accounting Policies

The accounting policies of the United Way of South Central Idaho conform to generally accepted accounting principles as applicable to voluntary health and welfare organizations. A summary of the agency's significant accounting policies consistently applied in the preparation of these financial statements follows:

1. Reporting entity

The financial statements included herein present the financial position, results of support, revenue, expense and changes in net assets, and cash flows of the United Way of South Central Idaho. The scope of the reporting entity is intended to cover those resources under the direct jurisdiction of the United Way of South Central Idaho.

The United Way of South Central Idaho is a non-profit voluntary welfare agency exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The agency has been classified as an organization that is not a private foundation under Section 509(a)(2) of the Internal Revenue Code and qualifies for the 50 percent charitable contributions deduction for individual donors.

2. Fund accounting

The accounts of the agency are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenues and expenditures, or expenses as appropriate. Agency resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report as follows:

Operating Fund

Since the observance of donor restrictions and the current financial position of the agency's resources can be adequately reported and maintained in one fund, one fund is used to account for the agency's resources.

Trust and Agency

The agency acted as trustee for the state and federal donation campaigns. These assets were held in trust by the agency. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

United Way of South Central Idaho
Notes to Financial Statements
December 31, 2016 and 2015

Note A – Summary of Significant Accounting Policies – continued

3. Revenue Recognition

Resources received from pledges are recognized as income in the period in which they are campaigned. Pledges not received by the campaign year end are considered not to be collectible and are not recognized as income. Any monies received after being deemed not collectible from a prior campaign year are reported as income the period in which they are received. Funds received in the current period for the following year's campaign are reported as deferred revenue.

Grants and contributions received from private sources not directly associated with a campaign period are recognized as income in the year constructively received.

4. Pledges Receivable

Receivables stated on the statement of financial position are considered collectible, accordingly, an allowance for shrinkage is not deemed necessary.

6. Depreciation

Depreciation is provided for in amounts to relate the cost or recorded fair market value (on donated tangible assets) of depreciable assets to operations over their estimated service lives using the straight-line method.

7. Cash

For purposes of the statement of cash flows the agency considers all unrestricted highly liquid investment to be cash equivalent. The agency's cash and cash equivalents consist of checking and savings accounts and certificates of deposit.

United Way of South Central Idaho
Notes to Financial Statements
December 31, 2016 and 2015

Note B - Cash

Cash consisted of the following at year end:	2016	2015
ACH account	\$ 4,408	\$ 19,316
General checking	71,923	52,252
Cash – Hinton Account	0	89,056
Total Cash	<u>\$ 76,331</u>	<u>\$ 160,624</u>

Note C – Equipment

Purchased equipment is recorded at cost. Donated assets are recorded at their estimated fair market values at the time they are received. The following is a summary of changes in equipment for the current year and prior year.

	Balance 12/31/2015	Additions	Deletions	Balance 12/31/2016
Furniture & Equipment	\$ 21,113		\$ -	\$ 21,113
Less Accumulated Depreciation	(13,345)	(2,010)	-	(15,355)
Net Equipment	<u>\$ 7,768</u>	<u>\$ (2,010)</u>	<u>\$ -</u>	<u>\$ 5,758</u>

	Balance 12/31/2014	Additions	Deletions	Balance 12/31/2015
Furniture & Equipment	\$ 15,406	\$ 5,707	\$ -	21,113
Less Accumulated Depreciation	(12,254)	(1,091)	-	(13,345)
Net Equipment	<u>\$ 3,152</u>	<u>\$ 4,616</u>	<u>\$ -</u>	<u>\$ 7,768</u>

Note D – Subsequent Events

For these financial statements, the organization evaluated subsequent events through June 7, 2017, the date which the financial statements were issued.

Note E - Risks and Uncertainties

Use of Estimates

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

United Way of South Central Idaho
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STATEMENTS OF AGENCIES DISBURSEMENTS - BUDGET TO ACTUAL
For the Year Ended December 31,

	2016			2015		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Youth Programs						
CASA	\$ 9,000	\$ 9,000	\$ -	\$ 7,200	\$ 7,200	\$ -
Girl Scouts	4,000	4,000	-	2,600	2,600	-
Family Health Services ROAR	500	500	-	4,713	4,713	-
Junior Achievement of Idaho	5,000	5,000	-	5,000	5,000	-
Ready! For Kindergarten	34,161	34,161	-	15,000	15,000	-
St. Lukes MV YEAH	-	-	-	17,882	17,882	-
Rising Stars Therapeutic Riding Ctr	-	-	-	1,700	1,700	-
Total	<u>52,661</u>	<u>52,661</u>	<u>-</u>	<u>54,095</u>	<u>54,095</u>	<u>-</u>
General Services Agencies						
Crisis Center of Magic Valley	5,000	5,000	-	-	-	-
Magic Valley YMCA	3,000	3,250	(250)	-	-	-
Helping Hands and Hearts	2,000	2,000	-	1,500	1,500	-
Idaho Legal Aid	3,000	3,000	-	2,500	2,500	-
Mountain View Food Pantry	5,000	5,000	-	7,600	7,600	-
Wellness Tree Community Clinic	-	-	-	8,000	8,000	-
Rock Creek Food Pantry	2,000	2,000	-	-	-	-
Salvation Army	-	-	-	2,600	2,600	-
South Central Community Action	10,000	10,000	-	6,300	6,300	-
Idaho Council on Economic Ed.	5,000	5,000	-	-	-	-
Valley Housing Coalition	10,000	10,000	-	9,800	9,800	-
Total General Services	<u>45,000</u>	<u>45,250</u>	<u>(250)</u>	<u>38,300</u>	<u>38,300</u>	<u>-</u>
Senior Support Agencies						
Ageless Senior Citizens	-	-	-	3,600	3,600	-
Blaine County Senior Center	2,000	2,000	-	3,200	3,200	-
Hagerman Valley Senior	2,000	2,000	-	2,800	2,800	-
Interlink Volunteer Caregivers	7,000	7,000	-	2,000	2,000	-
CSI Senior Corps	5,000	5,000	-	1,900	1,900	-
Jerome Senior Center	2,000	2,000	-	-	-	-
Minidoka Senior Center	-	-	-	2,800	2,800	-
Twin Falls Senior Federation	5,000	5,000	-	3,800	3,800	-
Silver & Gold Seniors	2,000	2,000	-	3,600	3,600	-
West End Seniors	2,000	2,000	-	3,200	3,200	-
Total Senior Support	<u>27,000</u>	<u>27,000</u>	<u>-</u>	<u>26,900</u>	<u>26,900</u>	<u>-</u>
Other - Non-Partner Agency Designates	<u>9,919</u>	<u>9,919</u>	<u>-</u>	<u>3,909</u>	<u>3,909</u>	<u>-</u>
Totals	<u>\$ 134,580</u>	<u>\$ 134,830</u>	<u>\$ (250)</u>	<u>\$ 123,204</u>	<u>\$ 123,203</u>	<u>\$ -</u>

The accompanying notes and independent auditors' report are an integral part of these financial statements.

United Way of South Central Idaho
(an Idaho nonprofit organization)

STATEMENTS OF ACTIVITIES-BUDGET TO ACTUAL
For the Years Ended December 31,

	2016			2015		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenue and Support:						
Campaign Pledges (net of uncollectibles)	\$ 192,580	\$ 154,004	\$ (38,576)	\$ 225,594	\$ 158,257	\$ (67,337)
Donor Designated Other	9,919	9,919	-	-	3,909	3,909
Foundation Income	25,000	24,348	(652)	-	36,337	36,337
Fundraiser Income	18,400	23,240	4,840	7,483	7,148	(335)
Interest & Dividend Income	144	190	46	24	159	135
Total income	246,043	211,701	(34,342)	233,101	205,810	(27,291)
Non-Administrative Expenses:						
Agency Disbursements	124,919	141,890	(16,971)	123,295	123,204	91
Campaign Expense	21,131	20,518	613	3,190	14,958	(11,768)
Dues & Memberships	3,600	5,395	(1,795)	2,749	3,216	(467)
Total Non-Administrative Expenses	149,650	167,803	(18,153)	129,234	141,378	(12,144)
Administrative Expenses:						
Salaries - Director	52,000	51,489	511	50,000	49,147	853
Other salaries	31,675	33,957	(2,282)	10,000	13,749	(3,749)
Accounting & Legal	3,600	3,601	(1)	3,600	3,601	(1)
Audit Fee	2,895	3,618	(723)	3,100	2,895	205
Depreciation Expense	1,100	2,010	(910)	-	1,091	(1,091)
Directors Expense	2,700	2,146	554	1,914	139	1,775
Insurance	1,600	1,406	194	1,484	1,543	(59)
Miscellaneous	-	1,564	(1,564)	-	149	(149)
Office Supplies	1,500	2,845	(1,345)	557	989	(432)
Office Equipment	3,600	3,215	385	4,262	5,595	(1,333)
Payroll Taxes & Employee Benefits	6,927	6,295	632	4,975	4,552	423
Postage	300	710	(410)	408	327	81
Rent	7,115	7,115	-	8,344	7,327	1,017
Telephone	4,680	5,120	(440)	4,386	4,538	(152)
Travel & Training	9,300	10,016	(716)	4,297	9,616	(5,319)
Total Administrative Expenses	128,992	135,107	(6,115)	97,327	105,258	(7,931)
Total Expenses	\$ 278,641	\$ 302,910	\$ (24,269)	\$ 226,560	\$ 246,636	\$ (20,076)

The accompanying notes and independent auditors' report are an integral part of these financial statements.

GARALD PRICE & ASSOCIATES, P.A.