

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**

**AUDITED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION**

**DECEMBER 31, 2017 AND 2016**

## **CONTENTS**

	<b>Page</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	3
<b>FINANCIAL STATEMENTS</b>	
Statements of Financial Position	5
Statements of Activities	7
Statements of Cash Flows	9
Statements of Fiduciary Net Assets – Combined Federal Campaign	10
Statements of Changes in Fiduciary Net Assets – Combined Federal Campaign	11
Notes to Financial Statements	12
<b>SUPPLEMENTAL INFORMATION</b>	
Schedules of Functional Expenses – General Program Services	22
Schedules of Functional Expenses – General Supporting Services	26
Schedules of Functional Expenses – ASECCC	28
Schedules of Agency Allocations – General Program Services	30
<b>ADDITIONAL INFORMATION</b>	
Board of Directors Executive Committee	33

# *Curvin*

## **ACCOUNTING, LLC**

Post Office Box 1055  
706 Mountain Street, NW  
Jacksonville, AL 36265  
www.curvincpa.com

*Adrienne Curvin, CPA*

Phone: 256.782.1188  
Fax: 256.782.1148  
Cell: 256.282.8606  
acurvin@curvincpa.com

### **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
United Way of East Central Alabama, Inc.  
Anniston, Alabama

I have audited the accompanying financial statements of United Way of East Central Alabama, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2017 and 2016, 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 presentation 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**

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 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, I 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 financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 East Central Alabama, Inc. as of December 31, 2017 and 2016, 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 Information**

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses and agency allocations on pages 22-31 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 my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Curvin Accounting, LLC.*

Jacksonville, Alabama

July 31, 2018

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2017**

<b>ASSETS</b>	<u>General</u>	<u>ASECCC</u>	<u>Total</u>
<b>Current Assets</b>			
Cash	\$ 679,490	\$ 2,485	\$ 681,975
Investments	550,124	-	550,124
Prepaid assets	2,750	-	2,750
Due from Combined Federal Campaign	-	-	-
Pledges receivable (net of reserve for uncollectibles)	410,883	2,116	413,000
<b>Total Current Assets</b>	1,643,248	4,601	1,647,848
<b>Property and Equipment (net)</b>	281,436	-	281,436
<b>Other Assets</b>			
Investments	72,326	-	72,326
<b>Total Other Assets</b>	72,326	-	72,326
<b>Total Assets</b>	<u>\$ 1,997,010</u>	<u>\$ 4,601</u>	<u>\$ 2,001,610</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 6,299	\$ -	\$ 6,299
Payroll liabilities	1,853	-	1,853
Accrued compensation	10,112	-	10,112
Deferred revenue	-	-	-
<b>Total Current Liabilities</b>	18,263	-	18,263
<b>Net Assets</b>			
Unrestricted	1,892,174	4,601	1,896,774
Temporarily restricted	86,572	-	86,572
<b>Total Net Assets</b>	1,978,746	4,601	1,983,346
<b>Total Liabilities and Net Assets</b>	<u>\$ 1,997,009</u>	<u>\$ 4,601</u>	<u>\$ 2,001,610</u>

See notes to financial statements.

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2016**

<b>ASSETS</b>	<u>General</u>	<u>ASECCC</u>	<u>Total</u>
<b>Current Assets</b>			
Cash	\$ 776,929	\$ 1,245	\$ 778,174
Investments	417,539	-	417,539
Prepaid assets	2,962	-	2,962
Due from Combined Federal Campaign	40,753	-	40,753
Pledges receivable (net of reserve for uncollectibles)	<u>489,527</u>	<u>2,213</u>	<u>491,740</u>
<b>Total Current Assets</b>	1,727,709	3,458	1,731,167
<b>Property and Equipment (net)</b>	290,992	-	290,992
<b>Other Assets</b>			
Investments	<u>70,174</u>	<u>-</u>	<u>70,174</u>
<b>Total Other Assets</b>	<u>70,174</u>	<u>-</u>	<u>70,174</u>
<b>Total Assets</b>	<u>\$ 2,088,875</u>	<u>\$ 3,458</u>	<u>\$ 2,092,333</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 4,854	\$ -	\$ 4,854
Payroll liabilities	1,646	-	1,646
Accrued compensation	8,420	-	8,420
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Current Liabilities</b>	14,919	-	14,919
<b>Net Assets</b>			
Unrestricted	1,987,874	3,458	1,991,331
Temporarily restricted	<u>86,082</u>	<u>-</u>	<u>86,082</u>
<b>Total Net Assets</b>	<u>2,073,956</u>	<u>3,458</u>	<u>2,077,413</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 2,088,875</u>	<u>\$ 3,458</u>	<u>\$ 2,092,332</u>

See notes to financial statements.

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Unrestricted</u>		<u>Temporarily Restricted</u>	<u>Total</u>
	<u>General</u>	<u>ASECCC</u>		
<b>REVENUES</b>				
Public support	\$ 791,000	\$ 12,057	\$ -	\$ 803,057
Combined Federal Campaign income	-	-	-	-
Disaster relief income	-	-	500	500
Interest income	1,457	-	-	1,457
Investment income	50,346	-	-	50,346
Rental and copier income	1,131	-	-	1,131
Sponsorship income	46,751	-	-	46,751
Miscellaneous income	17,219	-	-	17,219
Net assets released from restrictions	10	-	(10)	-
<b>Total Revenue</b>	<b>907,913</b>	<b>12,057</b>	<b>490</b>	<b>920,460</b>
<b>EXPENSES</b>				
Program services	862,087	10,914	-	873,002
Supporting services	141,526	-	-	141,526
<b>Total Expenses</b>	<b>1,003,614</b>	<b>10,914</b>	<b>-</b>	<b>1,014,528</b>
<b>Increase (Decrease) in Net Assets</b>	<b>(95,700)</b>	<b>1,143</b>	<b>490</b>	<b>(94,068)</b>
<b>Net Assets, Beginning</b>	<b>1,987,874</b>	<b>3,458</b>	<b>86,082</b>	<b>2,077,414</b>
<b>Net Assets, Ending</b>	<b>\$ 1,892,174</b>	<b>\$ 4,601</b>	<b>\$86,572</b>	<b>\$ 1,983,346</b>

See notes to financial statements.

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Unrestricted</u>		<u>Temporarily Restricted</u>	<u>Total</u>
	<u>General</u>	<u>ASECCC</u>		
<b>REVENUES</b>				
Public support	\$ 854,094	\$ 7,114	\$ -	\$ 861,207
Combined Federal Campaign income	40,753	-	-	40,753
Disaster relief income	-	-	-	-
Interest income	1,665	-	-	1,665
Investment income	12,452	-	-	12,452
Rental and copier income	1,524	-	-	1,524
Sponsorship income	48,581	-	-	48,581
Miscellaneous income	12,145	-	-	12,145
Net assets released from restrictions	-	-	-	-
<b>Total Revenue</b>	<b>971,214</b>	<b>7,114</b>	<b>-</b>	<b>978,327</b>
<b>EXPENSES</b>				
Program services	780,602	9,757	-	790,359
Supporting services	142,156	-	-	142,156
<b>Total Expenses</b>	<b>922,758</b>	<b>9,757</b>	<b>-</b>	<b>932,515</b>
<b>Increase (Decrease) in Net Assets</b>	<b>48,456</b>	<b>(2,643)</b>	<b>-</b>	<b>45,812</b>
<b>Net Assets, Beginning</b>	<b>1,939,418</b>	<b>6,101</b>	<b>86,082</b>	<b>2,031,602</b>
<b>Net Assets, Ending</b>	<b>\$1,987,874</b>	<b>\$ 3,458</b>	<b>\$ 86,082</b>	<b>\$2,077,414</b>

See notes to financial statements.



**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>Cash Flows From Operating Activities</b>		
Increase (decrease) in net assets	\$ (94,068)	\$ 45,812
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	17,235	15,421
(Increase) decrease in due froms	40,753	4,415
(Increase) decrease in receivables	78,740	(15,080)
(Increase) decrease in prepaid assets	213	87
Increase (decrease) in payroll liabilities	208	(117)
Increase (decrease) in accounts payable	1,446	3,587
Increase (decrease) in accrued compensation	1,692	3,032
	<hr/>	<hr/>
<b>Net Cash Provided By Operating Activities</b>	46,219	57,158
 <b>Cash Flows From Investing Activities</b>		
Purchases of property and equipment	(7,680)	(14,404)
	<hr/>	<hr/>
<b>Net Cash Used By Investing Activities</b>	(7,680)	(14,404)
 <b>Net Increase in Cash</b>	38,539	42,754
 <b>Cash and Investments, Beginning of Year</b>	<hr/> 1,265,887	<hr/> 1,223,133
 <b>Cash and Investments, End of Year</b>	<hr/> <u>\$ 1,304,426</u>	<hr/> <u>\$ 1,265,887</u>
 Cash	\$ 681,975	\$ 778,174
Investments - current	550,124	417,539
Investments - non-current	72,326	70,174
<b>Cash and Investments, End of Year</b>	<hr/> <u>\$ 1,304,426</u>	<hr/> <u>\$ 1,265,887</u>

See notes to financial statements.

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.  
 STATEMENTS OF FIDUCIARY NET ASSETS  
 COMBINED FEDERAL CAMPAIGN  
 DECEMBER 31, 2017 AND 2016**

<b>ASSETS</b>	<u>2017</u>	<u>2016</u>
<b>Current Assets</b>		
Cash	\$ 50,112	\$ 52,715
Pledges receivable (net of reserve for uncollectibles)	<u>-</u>	<u>26,835</u>
<b>Total Current Assets</b>	<u>50,112</u>	<u>79,550</u>
 <b>Total Assets</b>	 <u><u>\$ 50,112</u></u>	 <u><u>\$ 79,550</u></u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Due to United Way	\$ -	\$ 40,753
Deferred revenue	<u>-</u>	<u>-</u>
<b>Total Current Liabilities</b>	<u>-</u>	<u>40,753</u>
 <b>Net Assets Held in Trust</b>	 <u><u>\$ 50,112</u></u>	 <u><u>\$ 38,797</u></u>

See notes to financial statements.

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**STATEMENTS OF CHANGES IN FIDUCIARY NET ASSETS**  
**COMBINED FEDERAL CAMPAIGN**  
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

<b>ADDITIONS TO NET ASSETS</b>	<u>2017</u>	<u>2016</u>
Public support	\$ 188,449	\$ 193,735
Interest income	-	-
<b>Total Additions</b>	<u>188,449</u>	<u>193,735</u>
 <b>DEDUCTIONS FROM NET ASSETS</b>		
Agency allocations	169,335	168,265
Administrative fees	5,800	40,753
Professional fees	2,000	1,500
Bank charges	-	-
<b>Total Deductions</b>	<u>177,135</u>	<u>210,517</u>
<b>Change in Net Assets</b>	11,314	(16,782)
<b>Net Assets, Beginning</b>	<u>38,797</u>	<u>55,580</u>
<b>Net Assets, Ending</b>	<u>\$ 50,112</u>	<u>\$ 38,797</u>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

United Way East Central Alabama, Inc. is a non-profit agency organized for the purpose of conducting a campaign to raise money for and support non-profit agencies in Calhoun, Cleburne, and Randolph Counties.

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles, and reflect significant receivables, payables and other liabilities. Allowances are provided for amounts that are expected to be uncollectible. Annual campaigns are conducted prior to the calendar year that funds are allocated to participating agencies.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Functional Expenses**

The costs of providing Organization programs and the administration of the organization have been summarized on a functional basis in the Schedule of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Net Assets Classifications**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Support is recorded depending on the existence or nature of any donor restrictions. As the restrictions expire or conditions of restrictions are satisfied in the year of donation, the assets are recorded as unrestricted.

- Unrestricted net assets of the Organization represent revenues and expenses related to the operation and management of the Organization's primary programs and supporting services.

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Net Assets Classifications (Continued)**

- Temporarily restricted net assets represent resources available for use, but expendable only for the purposes specified by the donor.
- Permanently restricted net assets are permanently restricted by the donor. There are no permanently restricted net assets.

**Cash and Cash Equivalents**

The Organization considers all cash on hand, demand deposit accounts and short-term investments purchased with a maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts that may periodically exceed federally insured limits.

**Prepaid Expenses**

Prepaid expenses consist of insurance policies and maintenance agreements paid in advance.

**Property and Equipment**

Property and equipment are stated at historical cost less accumulated depreciation or, if donated, at the approximate fair value at the date of donation less accumulated depreciation. All expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs, and minor expenditures are charged to activities as incurred. When property and equipment is retired or otherwise disposed of, the related costs and accumulated depreciation are removed from their respective accounts, and any gain or loss on the disposition is credited or charged to operations.

The Organization provides for depreciation of property and equipment using the straight-line method to amortize costs over estimated useful lives as follows:

Item	Estimated Useful Life
Buildings	40 years
Building Improvements	10-15 years
Equipment	5-7 years

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income Taxes**

The United Way of East Central Alabama, Inc. is incorporated under the laws of the State of Alabama as a nonprofit corporation and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code that is exempt from taxation. Therefore, no provision or liability for income taxes has been included in these financial statements.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years 2015, 2016, and 2017 are subject to examination by the IRS, generally for three years after they were filed.

**Revenues and Support**

Revenues of the Organization consist mostly of funds received from private donations and have been recognized on an accrual basis when pledges are received. All public support is considered available for unrestricted use unless specifically restricted to certain use by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Date of Management's Review**

Subsequent events were evaluated through July 31, 2018, the date the financial statements were available to be issued.

**NOTE B – CASH**

The Organization maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The following is a summary of the insured and uninsured portion of the balances at December 31, 2017:

	<b>General</b>	<b>ASECCC</b>
Cash held in bank	\$ 779,111	\$ 2,485
Insured by FDIC	779,111	2,485
Uninsured cash	\$ 0	\$ 0

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE C – INVESTMENTS**

Investments are all level one inputs reported at fair market value. Investments represent money market accounts, stocks, bonds and universal life insurance policies as follow:

<b>December 31, 2017</b>	<b>Market Value</b>	<b>Cost</b>
CSV Life Insurance	\$ 72,324	\$ N/A
*Regions Trust Deposit Accounts	31,181	31,181
*1,636 Shares-Diamond Hill Large Cap Fund	43,542	42,099
*2,881 Shares-Natixis Loomis Sayles Growth Fund	44,736	41,693
*371 Shares-Vanguard 500 Index Fund	91,481	84,267
*414 Shares-Artisan Mid Cap Fund	17,187	18,921
*484 Shares-JPMorgan Mid Cap Value Fund	19,507	18,924
*921 Shares-Prudential QMA Small-Cap Value Fund	18,606	19,669
*237 Shares-Victory Rs Small Cap Grow	19,844	18,959
*2,167 Shares-Advisors Invt Tr Johcm Intl SI I	48,834	45,952
*2,647 Shares-Baron Emerging Markets Fund	40,688	36,202
*1,301 Shares-Invesco International Growth Fund	47,900	46,420
*2,667 Shares-Fidelity Investment Grade Bond Fund	21,126	21,109
*462 Shares-MFS Corporate Bond Fund	6,534	6,512
*1,174 Shares-Prudential High Yield Fund	6,494	6,561
*591 Shares-TCW Core Fixed Income Fund	6,490	6,500
*1,958 Shares-Vanguard Total Bond Market Index Fd	21,049	21,098
*271 Shares-Templeton Global Bond Fund/US	3,205	3,464
*1,426 Shares-AQR Managed Futures Strategy Fund	13,163	12,580
*375 Shares-Calamos Market Neutral Income Fund	4,907	4,949
*504 Shares-Driehaus Active Income Fund	4,965	5,013
*2,013 Shares-Swan Defined Risk Fund	26,213	24,929
*1,049 Shares-William Blair Macro Allocation Fund	12,472	12,406
	<u>\$ 622,448</u>	<u>\$ 529,408</u>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE C – INVESTMENTS – continued**

<b>December 31, 2016</b>	<b>Market Value</b>	<b>Cost</b>
CSV Life Insurance	\$ 70,174	\$ N/A
*Regions Trust Money Market Deposit Account	40,105	40,105
*Bond Fund (3.25%- 5.125%)	237,279	237,005
*506 Shares- American Century Intl Growth	5,370	4,841
*123 Shares - Goldman Sacs Mid Cap	4,457	3,669
*955 Shares- American Growth Fd of Amer -F2	40,058	25,229
*763 Shares- MFS Resh Intl Fd CL 1	17,817	18,200
*1257 Shares - MFS Value Fund CL 1	45,555	27,667
*575 Shares - Oppenheimer Main St Small Cap Fd	16,357	10,500
*300 Shares - Pioneer Select Mid Cap Growth	10,541	6,721
	<u>\$ 487,713</u>	<u>\$ 373,937</u>

Net unrealized gains and losses are recorded annually in the unrestricted fund balance. Net unrealized loss for 2017 was \$22,885, and net unrealized gain for 2016 was \$8,685.

<b>Regions Morgan Keegan Forever Fund Account Activity</b>	<b>2017</b>	<b>2016</b>
Beginning Balance	\$ 417,539	\$ 398,415
Additions/Withdrawals	(68,738)	(9,439)
Realized Gain/Loss	73,269	3,767
Unrecognized Gain/(Loss)	120,854	19,124
Income Earned	10,784	8,870
Fees	<u>(3,584)</u>	<u>(3,198)</u>
Ending Balance	<u>\$ 550,124</u>	<u>\$ 417,539</u>

\*Indicates investments held and managed by Regions Morgan Keegan. Fees charged in 2017 and 2016 were \$3,584 and \$3,198, respectively.

**NOTE D– DONATED MATERIALS AND SERVICES**

Donated materials and services are recorded in the financial statements at their estimated fair values at the date of receipt. No amounts have been reflected in these financial statements for the donated services of a substantial number of volunteers that have donated significant amounts of time to assist in the operations of the United Way of East Central Alabama, Inc. because no objective basis is available to measure the value of such services.



**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE E- DUE FROM COMBINED FEDERAL CAMPAIGN**

Combined Federal Campaign receivables represent money paid to the United Way of East Central Alabama, Inc. as reimbursement for campaign expenses. Income is recognized when the expenses are incurred. A receivable has been recorded for the money owed to the United Way of East Central Alabama, Inc. for 2015 expenses, and money received is recorded against the receivables. The amount due from CFC at December 31, 2017 and 2016 was \$0 and \$40,753, respectively.

**NOTE F – PLEDGES RECEIVABLE**

Pledges receivable are expected to be collected within one year. Pledges receivable consist of following:

<b>December 31, 2017</b>	
Pledges Receivable- 2017 Campaign	\$ 950,362
Less collections	(792,959)
Less shrinkage	(86,026)
Net Pledges Receivable - 2017	<u>71,377</u>
Pledges- 2018 Campaign	457,223
Less collections	(89,151)
Less shrinkage	(26,449)
Net Pledges Receivable-2018	<u>341,623</u>
Total Net Pledges Receivable	<u>\$ 413,000</u>
 <b>December 31, 2016</b>	
Pledges Receivable- 2016 Campaign	\$ 925,665
Less collections	(777,894)
Less shrinkage	(69,289)
Net Pledges Receivable - 2016	<u>78,482</u>
Pledges- 2017 Campaign	518,091
Less collections	(85,704)
Less shrinkage	(19,130)
Net Pledges Receivable-2017	<u>413,258</u>
Total Net Pledges Receivable	<u>\$ 491,740</u>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE G – PROPERTY AND EQUIPMENT**

The summary of changes in property and equipment are as follows:

	<b>Beginning Balance 12-31-16</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance 12-31-17</b>
<b>Non-depreciable Assets</b>				
Land	\$ 100,000	\$ -	\$ -	\$ 100,000
<b>Depreciable Assets</b>				
Building & Improvements	279,463	-	-	279,463
Equipment	140,180	7,680	-	147,860
<b>Total Depreciable Assets</b>	<u>419,643</u>	<u>7,680</u>	<u>-</u>	<u>427,323</u>
<b>Total Fixed Assets</b>	519,643	7,680	-	527,323
Less Accum Depreciation	<u>(228,652)</u>	<u>(17,235)</u>	<u>-</u>	<u>(245,887)</u>
Property & Equipment, Net	<u>\$ 290,992</u>	<u>\$ (9,555)</u>	<u>\$ -</u>	<u>\$ 281,436</u>
	<b>Beginning Balance 12-31-15</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance 12-31-16</b>
<b>Non-depreciable Assets</b>				
Land	\$ 100,000	\$ -	\$ -	\$ 100,000
<b>Depreciable Assets</b>				
Building & Improvements	279,463	-	-	279,463
Equipment	125,776	14,404	-	140,180
<b>Total Depreciable Assets</b>	<u>405,239</u>	<u>14,404</u>	<u>-</u>	<u>419,643</u>
<b>Total Fixed Assets</b>	505,239	14,404	-	519,643
Less Accum Depreciation	<u>(213,231)</u>	<u>(15,421)</u>	<u>-</u>	<u>(228,652)</u>
Property & Equipment, Net	<u>\$ 292,007</u>	<u>\$ (1,015)</u>	<u>\$ -</u>	<u>\$ 290,992</u>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017 AND 2016**

**NOTE G – PROPERTY AND EQUIPMENT – (Continued)**

Depreciation expense for the years ended December 31, 2017 and 2016 was \$17,235 and \$15,421, respectively.

**NOTE H – ACCOUNTS PAYABLE**

Accounts payable consisted of amounts due to vendors. The balance at December 31, 2017 and 2016 was \$6,299 and \$4,854, respectively

**NOTE I – COMPENSATION AND RELATED EXPENSES**

Accrued compensation at December 31 consisted of following:

	<b>2017</b>	<b>2016</b>
Accrued vacation	\$ 10,112	\$ 8,420
Total	<u>\$ 10,112</u>	<u>\$ 8,420</u>

**NOTE J- DEFINED CONTRIBUTION PENSION PLAN**

United Way of East Central Alabama, Inc. is the plan administrator of a retirement plan covering employees 21 years of age or older having one year of full-time service. The basis for determining contributions is seven percent of the participant’s regular annual salary. The Organization is currently funding 7% of gross salaries of participating employees. The expense recognized during 2017 and 2016 was \$16,273 and \$16,590, respectively.

**NOTE K – ADVERTISING COSTS**

The Organization expenses advertising costs as they are incurred. The Organization has no-response advertising costs. Advertising costs were \$6,461 and \$5,186 at December 31, 2017 and 2016, respectively.

**NOTE L- CONTRIBUTED PROFESSIONAL SERVICES**

During the years ended December 31, 2017 and 2016 the Organization received professional computer services in the amount of \$3,120 and \$2,120, respectively. These services consisted of weekly server maintenance, data backups and server updates. This amount has been reflected in the financial statements.

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE M- INSURANCE**

Liability insurance coverage of \$1,000,000 for the officers, staff, Board of Directors and volunteers is carried from June 1, 2017 through June 1, 2018 with a deductible of \$500.

**NOTE N – OPERATING LEASES**

The Organization leases a digital postage meter system from Pitney Bowes Global Financial Services. The lease is for 60 months at \$190 per month. The lease commenced November 2013. The total amount paid on the lease for 2017 was \$2,280.

The Organization leases two Savin copiers through Wells Fargo Financial Leasing, Inc. The lease is for 63 months at \$217 per month. The lease commenced October 2015. The total amount paid on the lease for 2017 was \$2,604.

The following amounts are due for the remaining terms of the leases:

<b>2018</b>	<b>\$4,504</b>
<b>2019</b>	<b>\$2,604</b>
<b>2020</b>	<b>\$2,604</b>

**SUPPLEMENTAL INFORMATION**

UNITED WAY OF EAST CENTRAL ALABAMA, INC.  
 SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL PROGRAM SERVICES  
 FOR THE YEAR ENDED DECEMBER 31, 2017

Program Services	Allocations and Agency Relations	Imagination Library	Combined Federal Campaign	Communication	Forever Fund	ASECCC	General
Advertising	\$ -	\$ -	\$ -	\$ 6,444	\$ -	\$ -	\$ -
Agency allocations	-	-	-	-	-	-	479,548
Awards and grants	-	-	-	-	-	-	-
Conferences and education	1,072	-	-	445	-	-	-
Copies and printing	324	335	-	3,308	-	48	-
Depreciation	-	-	-	-	-	-	8,214
Disaster relief	-	-	-	-	-	-	10
Dues and subscriptions	8,375	-	-	-	-	-	9,861
Equipment rental/service	6,942	-	-	-	-	-	-
Imagination library	-	74,090	-	-	-	-	-
Insurance	365	-	-	352	186	-	-
Insurance-employees	2,017	-	-	2,017	672	11	-
Miscellaneous/sponsorships	-	-	-	-	-	-	49,313
Office supplies	50	-	-	20	-	-	-
Payroll tax expense	1,831	-	-	1,884	461	209	-
Postage and shipping	70	273	-	-	-	38	-
Professional fees	1,970	591	-	1,379	591	-	-
Public relations	-	-	-	404	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-
Retirement	1,953	-	-	1,953	651	-	-
Salaries	24,209	-	-	27,599	6,223	2,626	-
Supplies	-	-	-	-	-	-	-
Travel	199	38	-	36	-	75	-
Utilities and telephone	202	-	-	400	-	180	-
<b>Total</b>	<b>\$ 49,579</b>	<b>\$ 75,326</b>	<b>\$ -</b>	<b>\$ 46,241</b>	<b>\$ 8,783</b>	<b>\$ 3,187</b>	<b>\$ 546,946</b>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL PROGRAM SERVICES (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

Program Services	Success by Six	Net				Voluntary Action Center	2017 Totals
		Facility Operations	Planning	Randolph County			
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,444	
Agency allocations	-	-	-	-	-	479,548	
Awards and grants	-	-	10	1,051	-	1,061	
Conferences and education	106	-	76	102	-	1,801	
Copies and printing	2,709	-	55	1,196	112	8,087	
Depreciation	-	9,021	-	-	-	17,235	
Disaster relief	-	-	-	-	-	10	
Dues and subscriptions	75	-	-	46	-	18,357	
Equipment rental/service	-	45	-	-	516	7,503	
Imagination library	-	-	-	-	-	74,090	
Insurance	-	3,233	234	70	607	5,058	
Insurance-employees	-	1,344	840	2,017	2,017	10,923	
Miscellaneous/sponsorships	-	-	1,425	3,767	1,600	56,106	
Office supplies	2,314	-	-	39	-	2,423	
Payroll tax expense	-	1,512	1,218	895	1,398	9,407	
Postage and shipping	2	-	-	326	179	888	
Professional fees	-	-	1,379	1,970	1,970	9,850	
Public relations	-	-	-	-	-	404	
Repairs and maintenance	-	3,998	-	-	-	3,998	
Retirement	-	1,302	814	1,953	1,953	10,577	
Salaries	-	16,584	15,576	11,599	17,964	122,380	
Supplies	-	-	-	-	1,456	1,456	
Travel	57	-	-	415	46	866	
Utilities and telephone	50	11,211	202	875	494	13,614	
<b>Total</b>	<b>\$ 5,314</b>	<b>\$ 48,251</b>	<b>\$ 21,817</b>	<b>\$ 25,281</b>	<b>\$ 31,362</b>	<b>\$ 862,087</b>	

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL PROGRAM SERVICES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

Program Services	Allocations and Agency Relations		Imagination Library		Combined Federal Campaign		Communication		Forever Fund		ASECCC		General	
		\$		\$		\$		\$		\$		\$		\$
Advertising	-	-	-	-	53	-	4,979	-	-	-	-	-	-	-
Agency allocations	-	-	-	-	-	-	-	-	-	-	-	-	-	422,160
Awards and grants	-	-	-	-	445	-	-	-	-	-	-	-	-	-
Conferences and education	937	-	-	-	2,631	-	-	-	-	-	-	-	-	-
Copies and printing	277	-	654	-	2,124	-	-	-	-	-	43	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	6,574
Disaster relief	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-	-	11,510
Equipment rental/service	5,606	-	-	-	-	-	1,400	-	-	-	-	-	-	-
Imagination library	-	-	70,544	-	-	-	-	-	-	-	-	-	-	-
Insurance	357	-	-	-	774	-	303	-	109	-	17	-	-	-
Insurance-employees	2,001	-	-	-	2,200	-	2,001	-	801	-	-	-	-	-
Miscellaneous/sponsorships	-	-	-	-	-	-	-	-	-	-	-	-	-	19,796
Office supplies	-	-	-	-	-	-	18	-	-	-	-	-	-	-
Payroll tax expense	1,537	-	-	-	1,657	-	1,946	-	455	-	192	-	-	-
Postage and shipping	71	-	357	-	174	-	-	-	-	-	40	-	-	-
Professional fees	1,710	-	570	-	3,150	-	1,330	-	570	-	-	-	-	-
Public relations	-	-	-	-	-	-	560	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retirement	1,659	-	-	-	1,825	-	1,659	-	664	-	-	-	-	-
Salaries	20,367	-	-	-	21,203	-	25,565	-	6,085	-	2,431	-	-	-
Supplies	-	-	-	-	4,331	-	-	-	-	-	-	-	-	-
Travel	199	-	40	-	26	-	25	-	-	-	88	-	-	-
Utilities and telephone	-	-	-	-	50	-	360	-	-	-	190	-	-	-
<b>Total</b>	<b>\$ 34,722</b>	<b>\$ 72,165</b>	<b>\$ 40,643</b>	<b>\$ 40,145</b>	<b>\$ 8,683</b>	<b>\$ 3,002</b>	<b>\$ 460,040</b>							



**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL PROGRAM SERVICES (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

Program Services	Success by		Net Facility Operations	Planning	Randolph County	Voluntary Action Center	2016 Totals
	Six	\$					
Advertising	\$ -	\$ -	-	-	-	\$ -	\$ 5,033
Agency allocations	-	-	-	-	-	-	422,160
Awards and grants	-	-	-	30	639	-	1,114
Conferences and education	591	-	-	57	-	-	4,216
Copies and printing	2,580	-	-	1,047	106	-	6,832
Depreciation	-	8,847	-	-	-	-	15,421
Disaster relief	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	39	-	-	11,549
Equipment rental/service	-	-	-	-	300	-	7,306
Imagination library	-	-	-	-	-	-	70,544
Insurance	-	3,227	174	85	471	-	5,518
Insurance-employees	-	1,600	1,000	2,002	1,800	-	13,405
Miscellaneous/sponsorships	-	-	-	3,395	1,600	-	24,790
Office supplies	4,577	-	-	109	-	-	4,704
Payroll tax expense	-	1,229	682	761	1,223	-	9,682
Postage and shipping	-	-	-	201	256	-	1,100
Professional fees	-	-	1,140	1,140	1,330	-	10,940
Public relations	-	-	-	-	-	-	560
Repairs and maintenance	-	5,311	-	-	-	-	5,311
Retirement	-	1,327	830	1,658	1,493	-	11,115
Salaries	-	15,765	8,906	9,863	15,833	-	126,018
Supplies	-	-	-	-	4,622	-	8,953
Travel	99	-	-	461	10	-	948
Utilities and telephone	-	11,625	-	800	360	-	13,385
<b>Total</b>	<b>\$ 7,846</b>	<b>\$ 48,932</b>	<b>\$ 12,732</b>	<b>\$ 21,649</b>	<b>\$ 30,044</b>	<b>\$ 780,602</b>	

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL SUPPORTING SERVICES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Management and General</u>	<u>Fundraising</u>	<u>2017 Totals</u>
<b>SUPPORTING SERVICES</b>			
Account coordinator expense	\$ -	\$ 1,835	\$ 1,835
Advertising	-	17	17
Awards and grants	-	343	343
Bank charges	5,996	-	5,996
Conferences and education	2,124	178	2,301
Copies and printing	3,497	2,583	6,080
Dues and subscriptions	2,737	-	2,737
Equipment rental/service	6,813	-	6,813
Insurance	1,072	856	1,929
Insurance-employees	3,193	2,689	5,882
Office supplies	4,573	1,792	6,365
Payroll tax expense	2,842	2,288	5,130
Postage and shipping	1,418	858	2,276
Professional fees	8,045	4,925	12,970
Retirement	3,092	2,604	5,696
Salaries	40,003	29,498	69,501
Travel	825	1,728	2,553
Utilities and telephone	2,650	452	3,101
<b>Total</b>	<u>\$ 88,881</u>	<u>\$ 52,645</u>	<u>\$ 141,526</u>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES - GENERAL SUPPORTING SERVICES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Management and General</u>	<u>Fundraising</u>	<u>2016 Totals</u>
<b>SUPPORTING SERVICES</b>			
Account coordinator expense	\$ -	\$ 2,429	\$ 2,429
Advertising	-	153	153
Awards and grants	-	231	231
Bank charges	5,331	-	5,331
Conferences and education	1,677	2,250	3,927
Copies and printing	2,273	4,776	7,049
Dues and subscriptions	2,147	-	2,147
Equipment rental/service	6,995	-	6,995
Insurance	950	930	1,880
Insurance-employees	3,801	2,801	6,602
Office supplies	5,046	1,447	6,493
Payroll tax expense	2,768	2,165	4,933
Postage and shipping	1,090	1,184	2,274
Professional fees	6,680	4,750	11,430
Retirement	2,986	2,489	5,475
Salaries	39,990	27,912	67,902
Travel	814	1,817	2,630
Utilities and telephone	3,794	482	4,276
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<u>\$ 86,341</u>	<u>\$ 55,815</u>	<u>\$ 142,156</u>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.  
 SCHEDULE OF FUNCTIONAL EXPENSES - ASECCC  
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Supporting Services</u>	<u>Program Services</u>	<u>2017 Totals</u>
<b>SUPPORTING SERVICES</b>			
Agency allocations	\$ -	\$ 7,913	\$ 7,913
Miscellaneous/sponsorships	-	3,002	3,002
<b>Total</b>	<u>\$ -</u>	<u>\$ 10,914</u>	<u>\$ 10,914</u>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.  
 SCHEDULE OF FUNCTIONAL EXPENSES - ASECCC  
 FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Supporting Service</u>	<u>Program Services</u>	<u>2016 Totals</u>
<b>SUPPORTING SERVICES</b>			
Agency allocations	\$ -	\$ 6,341	\$ 6,341
Miscellaneous/sponsorships	-	3,416	3,416
<b>Total</b>	<u>\$ -</u>	<u>\$ 9,757</u>	<u>\$ 9,757</u>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**SCHEDULE OF AGENCY ALLOCATIONS - GENERAL PROGRAM SERVICES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Cleburne County</u>	<u>General</u>	<u>Randolph County</u>	<u>2017 Total</u>
2nd Chance	\$ -	\$ 16,313	\$ -	\$ 16,313
American Red Cross	-	16,204	5,000	21,204
Anniston Soup Bowl	-	7,048	-	7,048
Big Brothers/Big Sisters	-	15,000	-	15,000
Boy Scouts	-	766	1,500	2,266
Boys & Girls Clubs	-	25,893	7,500	33,393
Calhoun/Cleburne Children's Center	-	23,228	-	23,228
Children's Services	-	26,999	-	26,999
Community Enabler Developer	-	20,121	-	20,121
Family Links	-	59,171	-	59,171
Family Service Center	-	4,376	-	4,376
Girl Scouts	-	1,372	1,500	2,872
H.E.A.R.T.S.	-	771	-	771
Interfaith Ministries	-	39,261	-	39,261
Jacksonville Meals on Wheels	-	15,493	-	15,493
Other United Ways	-	5,442	-	5,442
Piedmont Benevolence Center	-	19,994	-	19,994
Randolph Co. 4-H Clubs	-	-	4,000	4,000
Randolph Co. Learning Center	-	-	5,000	5,000
Randolph Co. Rescue Squad	-	-	2,500	2,500
Reaching Out International	-	1,449	5,000	6,449
Salvation Army	-	15,300	-	15,300
Salvation Army-Women's Shelter	-	8,193	-	8,193
St. Michael's Medical Clinic	-	10,700	-	10,700
The ARC of Calhoun County	-	36,179	-	36,179
The Learning Tree	-	22,387	-	22,387
Tri-County Children's Advocacy Center	-	-	8,500	8,500
United Way of Etowah County (211)	-	30,000	-	30,000
Wedowee Senior Center	-	-	3,000	3,000
Woodland Community Center	-	-	3,000	3,000
YMCA	-	11,388	-	11,388
<b>Total Agency Allocations</b>	<b>\$ -</b>	<b>\$ 433,048</b>	<b>\$ 46,500</b>	<b>\$ 479,548</b>

**UNITED WAY OF EAST CENTRAL ALABAMA, INC.**  
**SCHEDULE OF AGENCY ALLOCATIONS - GENERAL PROGRAM SERVICES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Cleburne County</u>	<u>General</u>	<u>Randolph County</u>	<u>2016 Total</u>
2nd Chance	\$ -	\$ 15,799	\$ -	\$ 15,799
American Red Cross	-	11,543	6,000	17,543
Anniston Soup Bowl	-	4,588	-	4,588
Big Brothers/Big Sisters	-	5,968	-	5,968
Boy Scouts	-	3,842	1,500	5,342
Boys & Girls Clubs	-	15,877	7,500	23,377
Calhoun/Cleburne Children's Center	-	23,482	-	23,482
Children's Services	-	43,000	-	43,000
Community Enabler Developer	-	18,000	-	18,000
Family Links	-	5,458	-	5,458
Family Service Center	-	4,027	-	4,027
Girl Scouts	-	4,515	1,190	5,705
H.E.A.R.T.S.	-	1,913	-	1,913
Interfaith Ministries	-	55,000	-	55,000
Jacksonville Meals on Wheels	-	12,887	-	12,887
Other United Ways	-	7,192	-	7,192
Piedmont Benevolence Center	-	37,800	-	37,800
Randolph Co. 4-H Clubs	-	-	4,000	4,000
Randolph Co. Learning Center	-	-	5,000	5,000
Randolph Co. Rescue Squad	-	-	2,500	2,500
Reaching Out International	-	4,023	5,000	9,023
Salvation Army	-	11,918	-	11,918
Salvation Army-Women's Shelter	-	6,106	-	6,106
The ARC of Calhoun County	-	13,762	-	13,762
The Leaning Tree	-	12,670	-	12,670
Tri-County Children's Advocacy Center	-	-	8,500	8,500
United Way of Etowah County (211)	-	30,000	-	30,000
Wedowee Senior Center	-	-	3,300	3,300
Woodland Community Center	-	-	3,300	3,300
YMCA	-	25,000	-	25,000
<b>Total Agency Allocations</b>	<u>\$ -</u>	<u>\$ 374,370</u>	<u>\$ 47,790</u>	<u>\$ 422,160</u>

**ADDITIONAL INFORMATION**



**UNITED WAY OF EAST CENTRAL ALABAMA, INC.  
BOARD OF DIRECTORS  
EXECUTIVE COMMITTEE  
2017**

Tommie Goggans, III	Chair
Becky Cox	Vice Chair
Christianne Houston	Immediate Past Chairman
J.W. Swift	Community Investment Chair
Jonathan Mosley	Treasurer
Kelly Latta	Secretary
Shannon Jenkins	President/CEO