



## **United Way of Greenwich, Inc.**

Financial Statements

June 30, 2018 and 2017



## Independent Auditors' Report

### The Board of Directors United Way of Greenwich, Inc.

We have audited the accompanying financial statements of United Way of Greenwich, Inc. (the "Agency") which comprise the statements of financial position as of June 30, 2018 and 2017 and the related statements of activities, functional expenses 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.

#### ***Auditors' 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 auditors' 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 Greenwich, Inc. as of June 30, 2018 and 2017, 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***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information presented on page 17 is presented for purposes of additional analysis and is 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.

*PKF O'Connor Davies, LLP*

Stamford, Connecticut  
November 14, 2018

**United Way of Greenwich, Inc.**

Statements of Financial Position

	June 30,	
	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,380,413	\$ 2,856,574
Investments	2,957,042	593,978
Promises receivable, net	331,527	323,661
Other receivables and prepaid expenses	3,850	9,289
Property and equipment, net	<u>8,052</u>	<u>-</u>
	<u>\$ 4,680,884</u>	<u>\$ 3,783,502</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Donor designations payable	\$ 3,720	\$ 1,990
Accounts payable and accrued expenses	56,115	55,455
Deferred revenue	-	5,900
Custodial funds	<u>-</u>	<u>525</u>
Total Liabilities	<u>59,835</u>	<u>63,870</u>
Net Assets		
Unrestricted		
Undesignated	518,687	142,093
Board Designated	<u>2,930,154</u>	<u>2,841,677</u>
Total Unrestricted	3,448,841	2,983,770
Temporarily restricted	<u>1,172,208</u>	<u>735,862</u>
Total Net Assets	<u>4,621,049</u>	<u>3,719,632</u>
	<u>\$ 4,680,884</u>	<u>\$ 3,783,502</u>

**United Way of Greenwich, Inc.**

Statements of Activities

	Year Ended June 30, 2018			Year Ended June 30, 2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>PUBLIC SUPPORT AND REVENUE</b>						
Campaign results	\$ 1,328,320	\$ -	\$ 1,328,320	\$ 1,399,224	\$ -	\$ 1,399,224
Direct impact contributions	-	608,210	608,210	-	614,635	614,635
Less donor designations	(75)	-	(75)	(11,994)	-	(11,994)
Less provision for uncollectible promises	-	-	-	(66,586)	-	(66,586)
Net Campaign Results	1,328,245	608,210	1,936,455	1,320,644	614,635	1,935,279
Other income and contributions	288,843	-	288,843	179,610	-	179,610
In-kind contributions	60,000	-	60,000	-	-	-
Investment income appropriated for operations	82,250	-	82,250	-	-	-
Special events revenue, net of direct donor benefit of \$116,869 and \$125,806	361,807	-	361,807	387,861	-	387,861
	2,121,145	608,210	2,729,355	1,888,115	614,635	2,502,750
Net assets released from restrictions	175,690	(175,690)	-	45,368	(45,368)	-
Total Public Support and Revenue	2,296,835	432,520	2,729,355	1,933,483	569,267	2,502,750
<b>EXPENSES</b>						
Program						
Board allocations and grants	978,000	-	978,000	1,042,500	-	1,042,500
Community impact	285,780	-	285,780	286,575	-	286,575
Early Childhood Achievement Gaps Solutions	65,206	-	65,206	-	-	-
Youth Impact Programming	130,573	-	130,573	88,662	-	88,662
Human Services Technology Solutions	34,719	-	34,719	-	-	-
Total Program Expenses	1,494,278	-	1,494,278	1,417,737	-	1,417,737
Support Services						
Management and general	242,639	-	242,639	259,728	-	259,728
Fundraising	182,421	-	182,421	218,483	-	218,483
Total Support Services Expenses	425,060	-	425,060	478,211	-	478,211
Total Expenses	1,919,338	-	1,919,338	1,895,948	-	1,895,948
Excess (Deficiency) of Public Support and Revenue Over Expenses from Operations	377,497	432,520	810,017	37,535	569,267	606,802
<b>OTHER CHANGES IN NET ASSETS</b>						
Gain on sale of building	-	-	-	2,197,122	-	2,197,122
Loss on disposal of office furniture and equipment	-	-	-	(3,722)	-	(3,722)
Investment income, net of appropriations for operations	87,574	3,826	91,400	11,736	19,507	31,243
Change in Net Assets	465,071	436,346	901,417	2,242,671	588,774	2,831,445
<b>NET ASSETS</b>						
Beginning of year	2,983,770	735,862	3,719,632	741,099	147,088	888,187
End of year	\$ 3,448,841	\$ 1,172,208	\$ 4,621,049	\$ 2,983,770	\$ 735,862	\$ 3,719,632

See notes to financial statements

**United Way of Greenwich, Inc.**

Statements of Functional Expenses

Year Ended June 30, 2018

	Program Expenses					Support Services			Total Expenses	
	Grants	Community Impact	Early Childhood Achievement Gaps Solution	Youth Impact Programming	Human Services Technology Solutions	Total	Management and General	Fund-raising		Total
<b>GRANTS</b>										
Board approved grants	\$975,000	\$ -	\$ -	\$ -	\$ -	\$ 975,000	\$ -	\$ -	\$ -	\$ 975,000
Core services grants	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Total Grants	<u>978,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>978,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>978,000</u>
<b>OTHER EXPENSES</b>										
Salaries and related expenses	-	217,312	44,548	63,197	25,121	350,178	71,391	105,477	176,868	527,046
Program supplies and expenses	-	244	6,329	37,786	-	44,359	-	-	-	44,359
Professional and consulting fees	-	-	-	9,618	-	9,618	106,517	31,695	138,212	147,830
Office supplies and expenses	-	4,668	957	1,357	540	7,522	1,534	2,266	3,800	11,322
Telephone	-	2,972	609	864	1,532	5,977	976	1,443	2,419	8,396
Postage and shipping	-	1,404	288	408	162	2,262	461	681	1,142	3,404
Occupancy costs and maintenance	-	25,245	4,886	7,329	3,257	40,717	28,503	12,215	40,718	81,435
Insurance	-	5,192	1,064	1,510	600	8,366	1,706	2,520	4,226	12,592
Supplies and printing	-	13,535	3,269	4,233	1,745	22,782	4,447	18,727	23,174	45,956
Conferences and meetings	-	788	162	229	91	1,270	259	383	642	1,912
State and national organization dues	-	-	-	-	-	-	22,033	-	22,033	22,033
Bank, credit card and brokerage fees	-	5,653	1,165	1,625	657	9,100	1,931	2,758	4,689	13,789
Other	-	<u>7,231</u>	<u>1,482</u>	<u>2,103</u>	<u>836</u>	<u>11,652</u>	<u>2,376</u>	<u>3,510</u>	<u>5,886</u>	<u>17,538</u>
Total Other Expenses	<u>-</u>	<u>284,244</u>	<u>64,759</u>	<u>130,259</u>	<u>34,541</u>	<u>513,803</u>	<u>242,134</u>	<u>181,675</u>	<u>423,809</u>	<u>937,612</u>
Total Expenses Before Depreciation	978,000	284,244	64,759	130,259	34,541	1,491,803	242,134	181,675	423,809	1,915,612
Depreciation	<u>-</u>	<u>1,536</u>	<u>447</u>	<u>314</u>	<u>178</u>	<u>2,475</u>	<u>505</u>	<u>746</u>	<u>1,251</u>	<u>3,726</u>
Total Expenses	<u>\$978,000</u>	<u>\$285,780</u>	<u>\$ 65,206</u>	<u>\$130,573</u>	<u>\$ 34,719</u>	<u>\$ 1,494,278</u>	<u>\$ 242,639</u>	<u>\$ 182,421</u>	<u>\$425,060</u>	<u>\$ 1,919,338</u>

See notes to financial statements

**United Way of Greenwich, Inc.**

Statements of Functional Expenses

Year Ended June 30, 2017

	Program Expenses			Support Services			Total Expenses	
	Grants	Community Impact	Youth Impact Programming	Total	Management and General	Fund-raising		Total
<b>GRANTS</b>								
Board approved grants	\$ 1,041,500	\$ -	\$ -	\$1,041,500	\$ -	\$ -	\$ -	\$1,041,500
Core services grants	<u>1,000</u>	-	-	<u>1,000</u>	-	-	-	<u>1,000</u>
Total Grants	<u>1,042,500</u>	-	-	<u>1,042,500</u>	-	-	-	<u>1,042,500</u>
<b>OTHER EXPENSES</b>								
Salaries and related expenses	-	204,389	62,787	267,176	95,674	140,518	236,192	503,368
Program supplies and expenses	-	-	1,020	1,020	-	-	-	1,020
Contracted services	-	2,282	701	2,983	55,470	1,193	56,663	59,646
Professional and consulting fees	-	16,788	5,156	21,944	57,449	36,329	93,778	115,722
Office supplies and expenses	-	5,992	1,841	7,833	2,805	4,120	6,925	14,758
Telephone	-	3,935	844	4,779	1,286	1,888	3,174	7,953
Postage and shipping	-	2,253	692	2,945	1,055	1,549	2,604	5,549
Occupancy costs and maintenance	-	10,688	3,283	13,971	5,003	7,348	12,351	26,322
Insurance	-	4,479	1,376	5,855	2,096	3,079	5,175	11,030
Supplies and printing	-	15,982	5,836	21,818	7,481	10,988	18,469	40,287
Conferences and meetings	-	3,791	284	4,075	432	635	1,067	5,142
State and national organization dues	-	-	-	-	23,598	-	23,598	23,598
Bank, credit card and brokerage fees	-	6,649	2,043	8,692	3,113	4,571	7,684	16,376
Other	-	<u>2,960</u>	<u>837</u>	<u>3,797</u>	<u>1,276</u>	<u>1,874</u>	<u>3,150</u>	<u>6,947</u>
Total Other Expenses	-	<u>280,188</u>	<u>86,700</u>	<u>366,888</u>	<u>256,738</u>	<u>214,092</u>	<u>470,830</u>	<u>837,718</u>
Total Expenses Before Depreciation	1,042,500	280,188	86,700	1,409,388	256,738	214,092	470,830	1,880,218
Depreciation	-	<u>6,387</u>	<u>1,962</u>	<u>8,349</u>	<u>2,990</u>	<u>4,391</u>	<u>7,381</u>	<u>15,730</u>
Total Expenses	<u>\$ 1,042,500</u>	<u>\$ 286,575</u>	<u>\$ 88,662</u>	<u>\$ 1,417,737</u>	<u>\$ 259,728</u>	<u>\$ 218,483</u>	<u>\$ 478,211</u>	<u>\$ 1,895,948</u>

See notes to financial statements

**United Way of Greenwich, Inc.**

Statements of Cash Flows

	Year Ended June 30,	
	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 901,417	\$ 2,831,445
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	3,726	15,730
Net gain on investments	(135,384)	(16,923)
Net gain on property and equipment	-	(2,193,400)
Change in operating net assets and liabilities		
Promises receivable	(7,866)	(210,500)
Other receivables and prepaid expenses	5,439	(2,395)
Donor designations payable	1,730	(370)
Board allocations payable	-	(140,010)
Other payables and custodial funds	(5,765)	(85,432)
Net Cash from Operating Activities	763,297	198,145
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	644,127	-
Purchase of investments	(2,871,807)	(14,401)
Acquisitions of property and equipment	(11,778)	
Proceeds from sale of building	-	2,352,770
Net Cash from Investing Activities	(2,239,458)	2,338,369
Net Change in Cash and Cash Equivalents	(1,476,161)	2,536,514
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	2,856,574	320,060
End of year	\$ 1,380,413	\$ 2,856,574



## United Way of Greenwich, Inc.

Notes to Financial Statements  
June 30, 2018 and 2017

### 1. Organization

The United Way of Greenwich, Inc. (the “Agency”) was formed in June of 1975 as a continuation of the Community Chest and Council, Inc. which was established in 1933. The Agency’s mission is to mobilize the community in strategic efforts to identify and address critical human service needs. The Agency achieves measurable and sustainable results through comprehensive planning, efficient fundraising and effective investment in the community.

The Agency has responsibility for soliciting, billing, and collecting all local donors’ accounts. Amounts collected on behalf of other not-for-profit agencies that have been designated by the Internal Revenue Service as exempt under Section 501(c)(3) are distributed as prescribed by the donor. In addition to soliciting and distributing contributions to direct service agencies, the Agency assesses and documents local needs for the benefit of the community, identifies service gaps, brings government and private agencies together to develop solutions and provides seed money for new initiatives that address critical local needs.

Specific initiatives of the Agency include:

*Early Childhood Achievement Gap Solutions* – introducing “Parents as Teachers” into the homes and the lives of high risk children aged 0 to 3 in Greenwich, and providing those children with access to intensified preschool experiences. This is a data driven, two-pronged approach with over 30 years of proven success in other communities. This program launched in fiscal 2018.

*Youth Impact Programming* – expands on the Agency’s successful Reading Champions and Junior United Way programs and meets the emerging needs of youth such as financial literacy and philanthropic education. This program launched in fiscal 2017.

*Human Services Technology Solutions* – brings “VisionLink” to Greenwich. This is a proven referral and common information technology platform for local case managers and social workers to more efficiently process and meet clients’ needs. This program is still in the development phase.

Pursuant to a determination letter received from the Internal Revenue Service, the Agency is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

### 2. Summary of Significant Accounting Policies

#### ***Basis of Accounting***

The accompanying financial statements of the Agency have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (“U.S. GAAP”). Accordingly, the accounts of the Agency are reported in the following net asset categories:

## **United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2018 and 2017

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

#### ***Basis of Accounting (continued)***

##### *Unrestricted:*

Unrestricted net assets represent available resources other than donor-restricted contributions.

##### *Temporarily restricted:*

Temporarily restricted net assets include a) contributions that are restricted by the donor either as to purpose or time of expenditure and b) accumulated gains and investment income on donor-restricted endowment assets.

##### *Permanently restricted:*

Permanently restricted net assets represent contributions received with the donor restriction that the principal be invested in perpetuity and that only the income earned thereon be available for use.

#### ***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP 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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant estimates and assumptions relate to the determination of the allowance for uncollectible pledges and the functional allocation of expenses. Actual results could differ from those estimates.

#### ***Measure of Operations***

The Agency's measure of operations includes all changes in net assets except for gains and losses from the disposition of property and equipment and investment income in excess of the amounts appropriated by the Board of Directors for use in the current period.

#### ***Cash and Cash Equivalents***

The Agency considers all highly liquid debt instruments with a maturity of three months or less at the time of purchase, except for money market funds maintained in investment accounts, to be cash equivalents.

#### ***Allowance for Doubtful Promises Receivable***

The Agency determines non-collectible unconditional promises receivable based on historical experience and management's analysis of specific promises made.

## **United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2018 and 2017

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

#### ***Fair Value Measurements***

The Agency follows U.S. GAAP on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

#### ***Investments and Investment Income***

Investments, consisting of mutual funds, are reported at fair value. Money market funds and other highly liquid investments with maturities of 90 days or less are reported at cost, which approximates market value. Securities are reported on a trade date basis. Realized and unrealized gains and losses are included in net investment return in the statement of activities.

#### ***Property and Equipment***

Property and equipment are stated at cost of acquisition or appraised value at date of gift. Expenditures for property and equipment over \$5,000 are capitalized. Depreciation is calculated using the straight-line method over the estimated useful lives of buildings (40 years), capital improvements (10 to 25 years) and furniture and equipment (3 to 10 years).

#### ***Public Support***

Public support, including unconditional promises to give, are recognized as revenues in the period received. Contributions received are recorded as unrestricted or temporarily restricted depending on the existence and/or nature of any donor restrictions. Conditional promises to give are not recognized until they become unconditional; that is, at the time when the conditions on which they depend are substantially met. Unconditional promises to give which are due in future periods are treated as temporarily restricted or permanently restricted net assets unless the donor's intent is for the future amounts to be used in the current period. Unconditional promises to give which are due in future periods are reported at the present value of their net realizable value, using risk-adjusted interest rates applicable to the years in which the promises are first received. When a donor restriction expires or an unconditional promise to give becomes due, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

## **United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2018 and 2017

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

#### ***Donated Materials, Services and Facilities***

Donated materials, services and facilities that meet the requirements for recognition under U.S. GAAP are reflected as contributions in the accompanying statements at their estimated values at date of receipt. In addition, many individuals, corporations and organizations underwrite the cost of events, awards and special publicity by making donations. These amounts have been recorded in the financial statements at estimated fair value.

A substantial number of volunteers have donated considerable amounts of their time to the Agency's program and supporting services. No contributed services met the requirements for recognition in the financial statements for the years ended June 30, 2018 and 2017.

#### ***Functional Expenses***

The Agency allocates its expenses on a functional basis among its program and support services. Expenses that can be specifically identified with a program or support service are allocated directly according to their natural classifications. Other expenses that are common to several functions are allocated based primarily on estimates of time spent by Agency employees on specific program and support services.

#### ***Accounting for Uncertainty in Income Taxes***

The Agency recognizes the effect of tax positions only if those positions are more likely than not to be sustained. Management has determined that the Agency had no uncertain tax positions that would require financial statement recognition or disclosure.

#### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition through the date that the financial statements were available to be issued, which date is November 14, 2018.

### **3. Concentrations of Credit Risk**

Financial instruments that potentially subject the Agency to significant concentrations of credit risk consist principally of promises receivable, cash and cash equivalent accounts in financial institutions, which may exceed the federal depository insurance coverage limit, and investments accounts held at brokerage firms. One bank held substantially all and approximately 88% of cash and cash equivalents at June 30, 2018 and 2017. Management believes it mitigates the Agency's risk by investing with reputable commercial institutions with satisfactory credit ratings. In addition, the Agency's donors and supported organizations are located in and around the Greenwich area, and therefore, the Agency may be subject to economic fluctuations in the area.

**United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2018 and 2017

**4. Promises Receivable**

Donors to the Agency have made unconditional promises to give. The promises are collectible over a period of one to three years and the donors may make payments at any time during such period. Promises receivable at June 30 are summarized as follows:

	<u>2018</u>	<u>2017</u>
Local campaign receivables (currently due)	\$ 99,802	\$ 108,264
Other promises receivable		
Due in less than one year	241,039	115,850
Due in one to five years	41,550	174,717
Less unamortized discount on promises receivable	<u>(6,643)</u>	<u>(11,170)</u>
	375,748	387,661
Less reserve on doubtful campaign receivables	<u>(44,221)</u>	<u>(64,000)</u>
	<u>\$ 331,527</u>	<u>\$ 323,661</u>

**5. Investments and Net Investment Return**

The Agency utilizes a total return investment approach with its asset allocation diversified over multiple asset classes. Investments are managed by an independent fund manager under investment guidelines established by the Board and overseen by the Finance Committee.

Investments, classified according to the fair value hierarchy, consist of the following at June 30:

	<u>2018</u>	<u>2017</u>
Level 1		
Mutual funds		
Equity	\$ 703,614	\$ -
Bonds	717,890	-
Diversified	41,940	241,809
Stocks	608,145	-
Exchange traded funds	324,015	-
U.S. Treasury obligations	345,837	-
Money market funds	<u>58,104</u>	<u>352,169</u>
Level 1 Total	2,799,545	593,978
Level 2		
Corporate bonds	<u>157,497</u>	<u>-</u>
Total Investments at Fair Value	<u>\$ 2,957,042</u>	<u>\$ 593,978</u>

There were no transfers between level 1 and 2 of the fair value hierarchy during the years ended June 30, 2018 and 2017.

**United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2018 and 2017

**5. Investments and Net Investment Return (continued)**

Net investment return, including interest on cash and cash equivalents, consists of the following for the years ended June 30:

	<u>2018</u>	<u>2017</u>
Interest and dividend income	\$ 48,409	\$ 13,603
Realized gain	35,750	968
Unrealized appreciation	99,634	15,955
Investment expenses	<u>(10,729)</u>	<u>(708)</u>
	173,064	29,818
Interest on cash and cash equivalents	<u>586</u>	<u>1,425</u>
	<u>\$ 173,650</u>	<u>\$ 31,243</u>

**6. Property and Equipment**

Property and equipment consists of the following at June 30:

	<u>2018</u>
Building and improvements	\$ 6,480
Office furniture and equipment	<u>5,298</u>
	11,778
Less accumulated depreciation	<u>3,726</u>
	<u>\$ 8,052</u>

On April 25, 2017, the Agency closed on the sale of its headquarters building (selling price approximately \$2.5 million) at 1 Lafayette Court, Greenwich CT and entered into a lease for office space. As part of the relocation, the Agency disposed of the office furniture and equipment that was primarily fully depreciated.

***Donated Facilities***

On May 24, 2017, the Agency entered into a non-cancelable operating lease agreement for approximately 2,200 square feet of office space. The lease, which does not require the payment of rent for the first two years, started in July 2017 and expires in July 2019 with an option to extend for one additional year at the then fair rental value. The Agency is responsible for the cost of electricity at the rate of \$3 per square foot or \$6,831 per year. Management of the Agency is currently in discussions with the landlord to extend the lease for one additional year.

The value of the donated rent, estimated to be \$60,000, is included in the accompanying financial statements as an in-kind contribution and rent expense for the year ended June 30, 2018.

## United Way of Greenwich, Inc.

Notes to Financial Statements  
June 30, 2018 and 2017

### 7. Unrestricted Net Assets – Board Designated Funds

In November 2016, the Board adopted the Reserve Fund. The purposes of the Reserve Fund are (i) to permanently set aside the net sale proceeds of real property of its headquarters building, (ii) to minimize the possibility that the principal of such Fund will be diminished over time, (iii) to allow the total return of such fund to cover a portion of the operating expenses of the Agency and (iv) to provide resources to enhance the Agency's capacity to further its purposes. The Board adopted a total return spending rate policy which allows for an appropriation of up to 5% per year of the fair value of the Fund subject to a majority vote of the Members and a principal spending policy which allowed for any amount in excess of 5% per year subject to a 90% majority of the Members.

A Cash Flow Reserve Fund of unrestricted net assets not to exceed \$400,000 is maintained to meet contingencies and expenses when revenues are not sufficient. If funds are drawn down, they are to be replenished as soon as practical.

The Investment Fund contains certain unrestricted net assets, including planned gifts and assets received from sources other than the annual campaign. The purpose of the Fund is to ensure the future financial stability of the Agency and to earn income that can be used to fund certain of the Agency's functions.

The purpose of the Joan Melber Warburg Fund is the enhancement of quality care in early childhood development and by providing staff development opportunities for early childhood professionals. Up to 5% of the value of the Warburg Fund may be withdrawn annually at the discretion of the President. As voted on by the Board of Directors in June of 2017, this Fund can be used to help support the Greenwich United Way Direct Impact programs at a future date

The purpose of the Diane Darst Fund is to encourage and enable non-profit organizations to engage in strategic planning that will improve the effectiveness of their operations.

The purpose of the Stuart Adelberg Fund is to sustain the Greenwich United Way's leadership role in the identification and documentation of community problems and participation in creative, collaborative and effective solutions. As voted on by the Board of Directors in June of 2017 this Fund can be used to help support the Greenwich United Way Direct Impact programs at a future date.

Changes in board designated funds for the year ended June 30, 2018 were as follows:

	June 30, 2017	Additions	Investment Income	Released	June 30, 2018
Reserve Fund	\$ 2,371,745	\$ -	\$ 161,285	\$ (82,250)	\$ 2,450,780
Cash Flow Reserve Fund	341,423	-	132	-	341,555
Investment Fund	33,855	-	3,258	-	37,113
Joan Melber Warburg Fund	55,404	-	5,400	-	60,804
Diane Darst Fund	6,700	-	652	-	7,352
Stuart Adelberg Fund	32,550	-	-	-	32,550
	<u>\$ 2,841,677</u>	<u>\$ -</u>	<u>\$ 170,727</u>	<u>\$ (82,250)</u>	<u>\$ 2,930,154</u>

**United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2018 and 2017

**8. Temporarily Restricted Net Assets**

Temporarily restricted net assets as of June 30 consists of the following:

	<u>2018</u>	<u>2017</u>
Direct Impact Programs		
Early Childhood Achievement Gaps Solutions	\$ 760,514	\$ 407,766
Youth Impact Programming	85,000	67,500
Human Services Technology Solutions	156,273	94,001
Mental health program	10,000	10,000
Held for long-term investment	<u>160,421</u>	<u>156,595</u>
	<u>\$ 1,172,208</u>	<u>\$ 735,862</u>

Net assets released from restrictions during the year ended June 30 were as follows:

	<u>2018</u>	<u>2017</u>
Early childhood achievement gap	\$ 106,358	\$ -
Human services technology solutions	37,394	-
Youth impact programming	<u>31,938</u>	<u>45,368</u>
Operational support	<u>\$ 175,690</u>	<u>\$ 45,368</u>

Funds held for long-term investment have a limited spending rate of up to 6% of the annual balance of the investments.

**9. Support and Revenue**

The results of the Agency's campaigns and special events for the years ended June 30 are as follows:

	<u>Fundraising Revenue</u>	<u>Donor Designations</u>	<u>Provisions for Uncollectible Promises</u>	<u>Total</u>
<b><u>2018</u></b>				
Local campaign	\$ 1,977,530	\$ (75)	\$ (41,000)	\$ 1,936,455
Other income and contributions	288,843	-	-	288,843
Special event revenue, net	<u>361,807</u>	<u>-</u>	<u>-</u>	<u>361,807</u>
	<u>\$ 2,628,180</u>	<u>\$ (75)</u>	<u>\$ (41,000)</u>	<u>\$ 2,587,105</u>
<b><u>2017</u></b>				
Local campaign	\$ 2,013,859	\$ (11,994)	\$ (66,586)	\$ 1,935,279
Other income and contributions	179,610	-	-	179,610
Special event revenue, net	<u>387,861</u>	<u>-</u>	<u>-</u>	<u>387,861</u>
	<u>\$ 2,581,330</u>	<u>\$ (11,994)</u>	<u>\$ (66,586)</u>	<u>\$ 2,502,750</u>



**United Way of Greenwich, Inc.**

Notes to Financial Statements  
June 30, 2018 and 2017

**9. Support and Revenue (continued)**

For the years ended June 30, 2018 and 2017, the Agency's ratio of Support Services Expenses to Fundraising Revenue was 16.2% and 18.5%, respectively.

**10. Other Income and Contributions**

Other income and contributions for the year ended June 30 consists of the following:

	<u>2018</u>	<u>2017</u>
Youth Impact	\$ 10,000	\$ 11,100
Community Answers	15,350	130
Bequests	<u>263,493</u>	<u>168,380</u>
	<u>\$ 288,843</u>	<u>\$ 179,610</u>

**11. Retirement Plan**

The Agency has a defined contribution plan (the "Plan") covering all of its eligible employees. Effective July 1, 2016, the Agency changed from a qualified plan under Section 403(b) of the Internal Revenue Code to a Section 401(k) plan. Contributions to the Plan are equal to 4% of each employee's basic compensation for all enrolled members who have completed their period of service. In addition, eligible employees may make voluntary contributions to the Plan. The Agency makes a fixed matching contribution on behalf of eligible participants who make Salary Deferrals under the Plan. The matching contribution is equal to 50% of salary deferrals up to 4% of employee's compensation. Employer contributions charged to expense amounted to \$16,787 and \$20,820 for the years ended June 30, 2018 and 2017.

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**United Way of Greenwich, Inc.**

Supplemental Information

June 30, 2018 and 2017

**United Way of Greenwich, Inc.**

Schedule of Expenditures for Grants and Program Services

Year Ended June 30, 2018

(With Summarized Totals for June 30, 2017)

	<u>Program</u>	<u>Donor Designations</u>	<u>2018 Total</u>	<u>2017 Total</u>
<b>FUNDED AGENCIES</b>				
Abilis	\$ 80,000	\$ -	\$ 80,000	\$ 75,000
American Red Cross of Greenwich, CT	-	-	-	704
Boys and Girls Club of Greenwich	45,000	-	45,000	40,050
The Center for Sexual Assault Crisis, Counseling & Education	25,000	-	25,000	-
Child Guidance Center of Southern CT	90,000	-	90,000	89,000
Community Centers	95,000	-	95,000	125,000
Family Centers, Inc.	168,000	-	168,000	195,000
Food Bank of Lower Fairfield County, Inc.	17,000	-	17,000	25,000
Greenwich Adult Day Care	-	-	-	58,000
Jewish Family Services of Greenwich, CT	7,000	-	7,000	15,000
Kids in Crisis, Inc.	65,000	50	65,050	56,040
Laurel House	10,000	-	10,000	-
Liberation Programs, Inc.	45,000	-	45,000	25,000
Neighbor to Neighbor	20,000	-	20,000	20,250
Pathways, Inc.	45,000	-	45,000	53,000
Pacific House Shelter	35,000	-	35,000	28,000
River House	43,000	-	43,000	-
Transportation Association of Greenwich	50,000	-	50,000	63,000
YMCA of Greenwich	80,000	-	80,000	95,050
YWCA of Greenwich	55,000	-	55,000	60,000
	<u>975,000</u>	<u>50</u>	<u>975,050</u>	<u>1,047,594</u>
<b>CORE SERVICE AGENCIES</b>				
Town of Greenwich Dept. of Social Services	-	-	-	1,000
Kids in Crisis, Inc.	3,000	-	3,000	-
	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>1,000</u>
<b>OTHER FUND RECIPIENTS</b>				
Other non-profit agencies	-	25	25	5,900
Community Planning, Agency Relations, Community Impact	285,780	-	285,780	286,575
Direct Impact programming	230,498	-	230,498	88,662
	<u>285,780</u>	<u>-</u>	<u>285,780</u>	<u>286,575</u>
	<u>230,498</u>	<u>-</u>	<u>230,498</u>	<u>88,662</u>
Total Funds Invested in the Community	<u>\$ 1,494,278</u>	<u>\$ 75</u>	<u>\$ 1,494,353</u>	<u>\$ 1,429,731</u>