

UNITED WAY OF BROOME
COUNTY, INC.

FINANCIAL STATEMENTS
DECEMBER 31, 2015
With Comparative Totals For
December 31, 2014

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UNITED WAY OF BROOME COUNTY, INC.

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UNITED WAY OF BROOME COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
Cash and Cash Equivalents	\$2,411,734	\$2,099,938
Restricted Cash	\$478,230	\$450,197
Pledges, Grants and Bequests Receivable, Net of Allowance for Uncollectible Pledges of \$149,920 and \$240,586 for 2015 and 2014, respectively	1,121,953	1,120,712
Investment Income Receivable	30,674	33,297
Other Receivables and Prepayments	125,775	174,244
Investments, At Market	26,422,238	28,914,904
Beneficial Interest in Trusts	805,484	892,242
Property and Equipment, At Cost, Net of Accumulated Depreciation	235,362	232,053
TOTAL ASSETS	<u>\$31,631,450</u>	<u>\$33,917,587</u>
LIABILITIES AND NET ASSETS		
Allocations Payable to Member Agencies, Other Grants Payable	\$123,506	\$177,142
Other Liabilities	375,070	319,899
Lease Liability	28,114	-
Accrued Pension Cost	1,039,039	1,196,049
Total Liabilities	1,565,729	1,693,090
Net Assets		
Unrestricted:		
Board Designated	9,981,222	10,758,849
Undesignated	1,197,098	966,490
Total Unrestricted	11,178,320	11,725,339
Temporarily Restricted	7,567,062	9,112,061
Permanently Restricted	11,320,339	11,387,097
Total Net Assets	<u>30,065,721</u>	<u>32,224,497</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$31,631,450</u>	<u>\$33,917,587</u>

See the accompanying notes to financial statements.

UNITED WAY OF BROOME COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015
WITH COMPARATIVE TOTALS FOR 2014

	<u>Unrestricted</u> <u>Net Assets</u>	<u>Temporarily</u> <u>Restricted</u> <u>Net Assets</u>	<u>Permanently</u> <u>Restricted</u> <u>Net Assets</u>	<u>Total</u> <u>2015</u>	<u>Total</u> <u>2014</u>
PUBLIC SUPPORT AND REVENUE					
Gross Campaign Results (2014/2015)	\$ 321,367	\$ -	\$ -	\$ 321,367	\$ 433,816
Add: Collection Surplus	102,047	-	-	102,047	69,984
Less : Collection Losses	-	-	-	-	-
Less: Donor Designations	73,424	-	-	73,424	497
Net Campaign Revenue (2014/2015)	<u>496,838</u>	<u>-</u>	<u>-</u>	<u>496,838</u>	<u>504,297</u>
Gross Campaign Results (2015/2016)	-	1,534,472	-	1,534,472	1,713,025
Less: Provision for Net Collection Losses	-	(86,806)	-	(86,806)	(104,000)
Less: Donor Designations	-	(268,589)	-	(268,589)	(189,019)
Net Campaign Revenue (2015/2016)	<u>-</u>	<u>1,179,077</u>	<u>-</u>	<u>1,179,077</u>	<u>1,420,006</u>
Bequests and Other Contributions	18,191	49,143	20,000	87,334	67,176
Interest and Dividend Income, Net of Investment Fees of \$54,466 and \$49,703 for 2015 and 2014 respectively	315,646	325,077	-	640,723	678,053
Realized Gains on Investments	694,008	928,328	-	1,622,336	1,465,122
Unrealized Gains (Losses) on Investments	(1,249,781)	(1,618,054)	(86,758)	(2,954,593)	(417,249)
Donated Equipment and Merchandise	12,334	-	-	12,334	4,706
Grants and Program Income	259,820	-	-	259,820	340,132
Service Fees	28,281	-	-	28,281	30,773
Other Income	2,145	-	-	2,145	5,967
Net assets released from restrictions	<u>2,408,570</u>	<u>(2,408,570)</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>\$ 2,986,052</u>	<u>\$ (1,544,999)</u>	<u>\$ (66,758)</u>	<u>\$ 1,374,295</u>	<u>\$ 4,098,983</u>

See the accompanying notes to financial statements.

UNITED WAY OF BROOME COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015
AND WITH COMPARATIVE TOTALS FOR 2014

EXPENSES	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total 2015	Total 2014
Gross Funds Awarded/Distributed	\$ 1,865,195	\$ -	\$ -	\$ 1,865,195	\$ 2,023,649
Net Allocations and Grants	1,865,195	-	-	1,865,195	2,023,649
Community Investments	30,738	-	-	30,738	15,957
2-1-1	282,357	-	-	282,357	234,500
Volunteer Engagement	81,629	-	-	81,629	168,594
Community Impact & Initiatives Programs	600,898	-	-	600,898	417,135
Community Planning & Relations	203,310	-	-	203,310	126,565
Total Program Services	3,064,127	-	-	3,064,127	2,986,400
Supporting Services					
Management and General	473,724	-	-	473,724	420,443
Fund Raising	309,827	-	-	309,827	267,751
Total Support Services	783,551	-	-	783,551	688,194
Total Functional Expense	3,847,678	-	-	3,847,678	3,674,594
Pension - Related Changes Other Than Net - Periodic Pension Expense	(314,607)	-	-	(314,607)	870,867
TOTAL ALLOCATIONS AND OTHER EXPENSE	3,533,071	-	-	3,533,071	4,545,461
Change in Net Assets	(547,019)	(1,544,999)	(66,758)	(2,158,776)	(446,478)
Net Assets at the Beginning of the Year	11,725,339	9,112,061	11,387,097	32,224,497	32,670,975
Net Assets - End of Year	\$ 11,178,320	\$ 7,567,062	\$ 11,320,339	\$ 30,065,721	\$ 32,224,497

See the accompanying notes to financial statements.

**UNITED WAY OF BROOME COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015
WITH COMPARATIVE TOTALS FOR 2014**

	Community Investments	2-1-1/ First Call For Help	Volunteer Engagement	Community Impact Initiatives Programs	Community Planning & Relations	Total Program Services	Management & General	Fund Raising	Total 2015	Total 2014
Allocations	\$ 1,840,167	\$ -	\$ -	\$ -	\$ -	\$ 1,840,167	\$ -	\$ -	\$ 1,840,167	\$ 1,923,884
Venture and other miscellaneous grants	8,328	-	-	376,165	-	384,493	-	-	384,493	227,808
Capacity Grants	16,700	-	-	-	-	16,700	-	-	16,700	25,000
Sub-Total	1,865,195	-	-	376,165	-	2,241,360	-	-	2,241,360	2,176,692
Staff Salaries	17,462	137,127	41,033	73,481	100,048	369,151	251,428	159,997	780,576	747,665
Personnel Benefits & Taxes	8,698	66,413	14,273	31,889	43,216	164,489	91,985	49,103	305,577	253,356
Sub-Total	26,160	203,540	55,306	105,370	143,264	533,640	343,413	209,100	1,086,153	1,001,021
Professional Services	129	8,338	257	55,631	4,340	68,695	30,591	1,001	100,287	128,148
Supplies and Program Costs	167	2,100	7,348	37,398	9,230	56,243	6,554	12,011	74,808	65,930
Telephone	146	7,657	293	568	739	9,403	2,570	1,137	13,110	14,953
Postage	84	2,074	1,089	768	434	4,449	781	1,665	6,895	8,374
Occupancy Costs	942	6,656	1,708	4,012	3,569	16,887	9,457	6,771	33,115	33,435
Printing, Publication, Publicity	44	26,372	6,878	2,612	654	36,560	6,812	48,393	91,765	63,988
Travel	382	3,700	1,630	4,434	5,521	15,667	4,884	4,475	25,026	16,231
Dues and Subscriptions	713	770	41	119	314	1,957	2,824	4,895	9,676	3,080
Equipment Maintenance, Rental	396	10,297	1,382	4,411	2,281	18,767	3,783	7,318	29,868	15,165
Business Insurance	157	1,141	311	482	554	2,645	1,447	1,168	5,260	12,935
Depreciation	1,163	9,134	2,733	4,895	6,664	24,589	16,749	10,658	51,996	41,632
Dues to Affiliates	-	-	-	-	-	-	27,973	-	27,973	28,665
Inkind Expenditures	-	-	-	-	350	350	11,984	-	12,334	4,706
Other Expenses	255	578	2,653	4,033	25,396	32,915	3,902	1,235	38,052	59,639
Sub-Total	4,578	78,817	26,323	119,363	60,046	289,127	130,311	100,727	520,165	496,881
Total Functional Expense	\$ 1,895,933	\$ 282,357	\$ 81,629	\$ 600,898	\$ 203,310	\$ 3,064,127	\$ 473,724	\$ 309,827	\$ 3,847,678	\$ 3,674,594

See the accompanying notes to financial statements.

UNITED WAY OF BROOME COUNTY, INC.
STATEMENTS OF CASH FLOW
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash Flows From Operating Activities:		
Increase (Decrease) in Net Assets	<u>\$ (2,158,776)</u>	<u>\$ (446,478)</u>
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation	51,996	\$ 41,632
Unrealized (Gain) Loss on Investments	2,954,593	417,249
Realized (Gain) Loss on Investments	(1,622,337)	(1,465,122)
Minimum Pension Liability Adjustment	(157,010)	832,384
Increase (Decrease) in Allowance for Uncollectible Pledges	(90,666)	(8,831)
(Increase) Decrease in Operating Assets		
Pledges, Grants and Bequests Receivable	89,425	85,938
Investment Income Receivable	2,623	(16,392)
Other Receivables and Prepayments	48,469	(70,907)
Increase (Decrease) in Operating Liabilities		
Allocations Payable	(53,636)	18,756
Other Liabilities	55,171	27,082
Net Adjustments	<u>1,278,628</u>	<u>(138,211)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(880,148)</u>	<u>(584,689)</u>
Cash Flows From Investing Activities:		
Purchase of Investments	(27,000,472)	(13,436,258)
Proceeds from the Sale of Investments	28,247,640	14,591,584
Payments for Property and Equipment	(25,285)	(37,720)
Net Cash Provided by (Used in) Investing Activities	<u>1,221,883</u>	<u>1,117,606</u>
Cash Flows From Financing Activities:		
Payments on capital lease	(1,906)	-
Net Cash Provided by (Used in) Financing Activities	<u>(1,906)</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>339,829</u>	<u>532,917</u>
Beginning Cash and Cash Equivalents	<u>2,550,135</u>	<u>2,017,218</u>
Ending Cash and Cash Equivalents	<u>\$ 2,889,964</u>	<u>\$ 2,550,135</u>

See the accompanying notes to financial statements.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 1 – NATURE OF OPERATIONS

The United Way of Broome County, Inc. (the Organization) is a non-profit corporation established February 1, 1954 as the United Fund of Broome County. The United Fund subsequently merged with the Broome County Social Planning Council in January of 1973 forming the current Organization. The Organization is governed by a volunteer board of directors with a mission to drive change that will have a positive impact on the critical needs of our community by strategically leveraging the collective resources of community partners. The Organization assesses community needs, solicits public contributions, and allocates those funds to programs of partner agencies that meet identified needs. The Organization also provides the following services: 2-1-1 (Information & Referral), Voluntary Engagement, Community Impact, Community Planning, and Community Investments.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

- A. Basis of Accounting-** The accompanying financial statements have been prepared using the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other assets and liabilities.
- B. Basis of Presentation-** Contributions received are recognized at fair value, including unconditional promises to give when the promise is made. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods (time restriction) or are restricted by the donor for specific purposes (purpose restriction) are reported as temporarily restricted support. All amounts accounted for in the current campaign year revenue are considered to be temporarily restricted, as those funds are designated for use in the succeeding year.

The Organization is a beneficiary under various Wills and trust agreements. Related amounts are recorded when either a Will is declared valid by a probate court or the Organization is notified as an irrevocable beneficiary of a trust and the proceeds are measurable. The Organization receives various grants from state, local, and private agencies for program and supporting services. These grants are generally on a cost reimbursement basis. Revenues from grants are recognized in the statement of activities when expenses are made for the purpose specified. Grant funds that have been received but have not yet been expended for the purposes specified are reported as temporarily restricted net assets.

Income and gains on investments are reported as increases in permanently restricted net assets, if the terms of the gift that gave rise to the investment require such amounts be added to permanent endowment principal. Income and gains are reported as increases in temporarily restricted net assets if the terms of the gift impose restrictions on the use of the income and/or the income is related to a donor-restricted endowment fund; they are reported as increases in unrestricted net assets in all other cases.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)

- C. **Net Asset Classification** - In August 2008, The Financial Accounting Standards Board issued Staff Position No. 117-1: *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds* (“FAS 117-1”) now located in Accounting Standards Codification (ASC) Topic 958-205, Financial Statement Presentation. ASC Topic 958-205 provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (“UPMIFA”). ASC Topic 958-205 also improves disclosures about an organization’s endowment funds (both donor-restricted and board-designated endowment funds) whether or not the organization is subject to UPMIFA. See Note 7 regarding the ASC Topic 958-205.

Net Asset Classification - Net assets and revenues, and gains and losses, are classified based on the existence or absence of donor-imposed restrictions:

Unrestricted net assets - Net assets for which no donor has imposed any restrictions that the assets be used for a specific purpose or held for a certain period of time. Contributions received with time and/or purpose restrictions which are fully expended in the same period are classified as unrestricted.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may, or will, be met either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

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

- D. **Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Actual results could differ from those estimates.
- E. **Income Taxes** - The Organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code. Accordingly, it is not liable for income taxes or federal unemployment insurance.

The Organization’s tax returns are open to audit for years ending December 31, 2012 through 2015.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)

- F. Allowance for Uncollectible Pledges** - The Organization uses the allowance method to provide for uncollectible pledge receivables. The allowance is based on prior years' experience and management's analysis of specific promises made and applied to gross campaign. Pledges receivable that are not collected are subject to Board approval for write-off. At December 31, 2015 and 2014, respectively, management has deemed allowances of \$149,920 and \$240,586 to be adequate.
- G. Functional Expenses** - Expenses are charged to each program based upon direct expenditures incurred. Any program expenses not directly chargeable are allocated to programs based on time records and estimates made by management.
- H. Donated Fixed Assets/Services** - Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted, unless the donor has restricted the donated asset to a specific purpose.

The value of donated services is not reflected in the accompanying financial statements, since there is no objective basis available by which to measure the value of such services. However, the organization's management estimates that over 1,400 and 1,700 volunteers served during 2015 and 2014, respectively, as fund raisers, committee members, and/or participators in the annual Day of Caring, National Volunteer Week and activities organized in conjunction with Volunteer Administrators of the Southern Tier (VAST).

- I. Compensated Absences** - A liability is accrued where future vacation benefits are attributable to employee services already rendered. The obligation relates to rights that are accumulated or vested; payment of compensation is probable and can be reasonably estimated. At December 31, 2015 and 2014, this liability amounted to \$45,602 and \$32,912, respectively, and has been included in other liabilities in the accompanying financial statements.
- J. Cash and Cash Equivalents** - For purposes of the statements of cash flow, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.
- K. Property, Equipment, and Depreciation** - The Organization considers expenditures of \$250 or more made for items expected to have a useful life of three years or more to be capital in nature. The fair value of donated fixed assets is similarly capitalized. Depreciation is then recorded for these assets as an expense, using the straight-line method over estimated useful lives, as follows:

	<u>Years</u>
Equipment, furniture and fixtures	3 - 10
Building and improvements	10 - 40
Intangible assets	5 - 10

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Property, Equipment, and Depreciation (continued) - At December 31, the cost basis of such assets was as follows:

<u>Asset Class</u>	<u>2015</u>	<u>2014</u>
Land	\$ 12,881	\$ 12,881
Building and Improvements	586,752	585,642
Equipment, Furniture and Fixtures	294,943	245,520
Intangible Assets	<u>81,745</u>	<u>76,973</u>
Total Costs	976,321	921,016
Less: Accumulated Depreciation	<u>(740,959)</u>	<u>(688,963)</u>
Net	\$ <u>235,362</u>	\$ <u>232,053</u>

L. Comparative Data - The data for the year ended December 31, 2014 has been included for comparison purposes only. It is not intended to fully reflect the Organization's financial position or results of activities for that period.

M. Advertising - The Organization expenses advertising charges as incurred. Advertising and promotional expenses for the years ended December 31, 2015 and 2014 were \$91,765 and \$63,988, respectively.

N. Agency Transactions - The Organization, acting as an agent, receives cash contributions from individuals, small businesses, large corporations and others. These donations are transferred to the designated recipients based on the wishes of the donor.

O. Investments - The Organization records investments in securities at the fair value on the date of purchase or when the donation is made, and recognizes the unrealized gain or loss resulting from the difference between cost and market value in the statement of activities. Investments with readily determinable fair values are stated at fair market value in the Statement of Financial Position.

P. Subsequent Events - The Organization has evaluated events and transactions that have occurred between January 1, 2016 and October 28, 2016, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 3 – CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at three banking institutions which are all insured by the Federal Deposit Insurance Corporation (FDIC) up to the first \$250,000. At various times throughout the year, cash balances held have exceeded this limit.

All interest bearing and all noninterest bearing accounts were insured up to \$250,000 by FDIC in 2015.

The Organization also maintains accounts with stock brokerage firms and has beneficial interests in trusts which maintain accounts with brokerage firms. The accounts contain cash, securities, and other investments. The balances are insured by the Securities Investors Protection Corporation (“SIPC”) up to \$500,000, with a \$250,000 limit for cash.

Credit risk for pledges receivable and contribution revenue is concentrated, as substantially all receivable balances and contributions earned are from individuals located within the same geographic region.

NOTE 4 – RISKS AND UNCERTAINTIES

Investment securities are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities, and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the net assets of the Organization.

NOTE 5 – FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) Topic 820, Fair Value Measurements and Disclosures, established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs, because they generally provide the most reliable evidence of fair value. There were no investments valued using Level 3 inputs.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 5 – FAIR VALUE MEASUREMENTS (continued)

Level 1 - Fair Value Measurements

The fair values of common stock, equity mutual funds, and U.S. Government securities are based on quoted market prices. The unit price for these investments held by the Organization are revalued and published on an actively traded market at least daily.

Level 2 - Fair Value Measurements

The fair values of auction rate preferred securities, corporate bonds, money market funds, bond funds, and government agency obligations are determined using quoted market prices currently available for securities with similar terms and maturity dates. Beneficial interests in trust are valued at the quoted market price of the securities held in trust, adjusted for the Organization's beneficial share of the trust.

Investment securities are subject to various risks, including credit, interest rate, and overall market risk. Due to these risks associated with investment securities, the amount the Organization will ultimately realize could differ materially from the estimated value in the near term.

Cash equivalents, investments, and beneficial interest in trusts are stated at fair value. The following table presents fair value measurement information for certain financial instruments.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 5 – FAIR VALUE MEASUREMENTS (continued)

		Fair Value Measurements at Reporting Date Using:		
		Fair Value	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
		Cost		
December 31, 2015				
Cash equivalents	\$ <u>859,598</u>	\$ <u>859,598</u>	\$ <u>-</u>	\$ <u>859,598</u>
Beneficial interest in trusts	\$ <u>818,180</u>	\$ <u>805,484</u>	\$ <u>-</u>	\$ <u>805,484</u>
Debt securities – available for sale				
U.S. Government securities	\$ 312,093	\$ 326,855	\$ 326,855	\$ -
U.S. Government backed securities	26	26	-	26
Domestic and foreign corporate bonds	1,379,804	1,357,401	-	1,357,401
Taxable bond funds	<u>6,235,979</u>	<u>6,102,981</u>	<u>-</u>	<u>6,102,981</u>
Total debt securities available for sale	<u>7,927,902</u>	<u>7,787,263</u>	<u>326,855</u>	<u>7,460,408</u>
Equity securities – available for sale				
Domestic equities	11,252,517	13,291,532	13,291,532	-
Foreign equities	248,552	244,555	244,555	-
Domestic mutual equity funds	3,292,838	3,454,495	3,454,495	-
Foreign mutual equity funds	<u>1,654,876</u>	<u>1,644,393</u>	<u>1,644,393</u>	<u>-</u>
Total equity securities available for sale	<u>16,448,783</u>	<u>18,634,975</u>	<u>18,634,975</u>	<u>-</u>
Total investments	\$ <u>24,376,685</u>	\$ <u>26,422,238</u>	\$ <u>18,961,830</u>	\$ <u>7,460,408</u>

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 5 – FAIR VALUE MEASUREMENTS (continued)

		Fair Value Measurements at Reporting Date Using:			
		Cost	Fair Value	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
December 31, 2014					
Cash equivalents	\$	<u>675,947</u>	\$ <u>675,947</u>	\$ -	\$ <u>675,947</u>
Beneficial interest in trusts	\$	<u>844,949</u>	\$ <u>892,242</u>	\$ -	\$ <u>892,242</u>
Debt securities – available for sale					
U.S. Government securities	\$	374,164	\$ 412,113	\$ 412,113	\$ -
U.S. Government backed securities		354	350	-	350
Domestic and foreign corporate bonds		1,756,292	1,789,682	-	1,789,682
Taxable bond funds		5,587,416	5,605,222	-	5,605,222
Int'l fixed income corp bonds		<u>105,063</u>	<u>112,080</u>	-	<u>112,080</u>
Total debt securities available for sale		<u>7,823,289</u>	<u>7,919,447</u>	<u>412,113</u>	<u>7,507,334</u>
Equity securities – available for sale					
Domestic equities		9,422,005	13,357,695	13,357,695	-
Foreign equities		247,162	279,083	279,083	-
Domestic mutual equity funds		4,556,764	5,246,455	5,246,455	-
Foreign mutual equity funds		1,813,727	1,961,968	1,961,968	-
Mutual funds alternative investments		<u>154,399</u>	<u>150,256</u>	-	<u>150,256</u>
Total equity securities available for sale		<u>16,194,057</u>	<u>20,995,457</u>	<u>20,845,201</u>	<u>150,256</u>
Total investments	\$	<u>24,017,346</u>	\$ <u>28,914,904</u>	\$ <u>21,257,314</u>	\$ <u>7,657,590</u>

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 6 – RETIREMENT PLANS

The Organization sponsored a noncontributory defined benefit Pension Plan covering substantially all of its employees which was frozen as of October 1, 2011, at which point all accruals and new participation permanently ceased. Effective July 1, 2014, the Organization decided to terminate the Plan. On December 7, 2015, the IRS approved the termination of the Plan. In early January, 2016, the Organization purchased annuities for all eligible beneficiaries with total costs amounting to \$2,290,746. The amounts in the financials were accrued as the liability was known.

The Plan provided normal, death, and disability benefits based on a percentage of qualifying compensation during the final 36 months of employment. The Organization's funding policy was to make at least the required annual contribution under applicable standards and attempt to increase the contribution to the recommended level when funding was available. Contributions are intended to provide for benefits earned prior to the Plan being frozen.

The Plan was amended effective July 1, 2010 to reduce the formula for future benefit accruals for each year of service from 1.50% of final average 3-year compensation in excess of Covered Compensation, to 1.0% of final average 5-year compensation. The early retirement factors were also adjusted.

Pension Plan Obligations and Funded Status As of December 31:	<u>2015</u>	<u>2014</u>
Projected benefit obligation	\$ <u>2,296,268</u>	\$ <u>2,560,473</u>
Fair value of plan assets	\$ <u>1,257,229</u>	\$ <u>1,364,424</u>
Funded Status	\$ <u>(1,039,039)</u>	\$ <u>(1,196,049)</u>
Accumulated benefit obligation	\$ 2,296,268	\$ 2,560,473
Employer contributions	-	102,208
Benefits paid and expense charges	92,823	77,787
Net periodic benefit cost	154,064	39,940
<u>Amounts recognized in the statements of financial position</u>		
Accrued pension cost	\$ <u>1,039,039</u>	\$ <u>1,196,049</u>

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 6 – RETIREMENT PLANS (continued)

	<u>2015</u>	<u>2014</u>
<u>Net Periodic Benefit Cost (Credit)</u>		
Service Cost	\$ -	\$ -
Interest Cost	62,620	79,752
Expected return on assets	(67,928)	(102,268)
Unrecognized (gain) loss	159,372	62,456
Curtailement credit	-	-
Unrecognized past service liability	-	-
	<u> -</u>	<u> -</u>
Net periodic benefit cost (credit)	\$ <u>154,064</u>	\$ <u>39,940</u>
Net (gain) or loss	\$ 1,009,241	\$ 1,323,848
Past service credit	-	-
<u>Less: Amounts previously recognized in unrestricted net assets not recognized as periodic pension costs</u>	<u>(1,323,848)</u>	<u>(452,981)</u>
Total charge to net assets	\$ <u>(314,607)</u>	\$ <u>870,867</u>

The following assumptions were used in accounting for the pension plan

Weighted Average Assumptions used to determine net periodic benefit cost

Discount Rate	2.50%	4.95%
Long-term rate of return on plan assets	5.00%	8.00%
Salary increase rate	N/A	N/A

Weighted Average Assumptions used to determine pension benefit obligations

Discount Rate	2.5%	2.50%
Salary Increase Rate	N/A	N/A

Investment Policies and Strategies

Plan assets are invested in the diversified investment funds of the Pentegra Retirement Trust, a private placement investment fund. Due to the plan termination in progress, plan assets are invested 99% in a fixed income portfolio (LTGFI) and 1% in a cash equivalent fund (for liquidity). LTGFI is a diversified portfolio that invests in a number of fixed-income mutual funds and collective investment trusts.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 6 – RETIREMENT PLANS (continued)

Investment Policies and Strategies (continued)

The overall investment objective at this point is to minimize interest rate risk in advance of the pending purchase of annuities in satisfaction of all remaining plan liabilities in conjunction with the ongoing plan termination.

Current Asset Allocation

The Organization's pension plan weighted-average asset allocations by asset category are as follows:

Asset Category	Plan assets at December 31, 2015	Plan assets at December 31, 2014
Fixed Income – Intermediate Duration (LTGFI)	99%	99%
Cash Equivalents – Money Market	<u>1%</u>	<u>1%</u>
Total	<u>100%</u>	<u>100%</u>

<u>Major Categories of Plan Assets Fair Value Measurements</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
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December 31, 2015

Fixed Income—Intermediate Duration (LTGFI)	\$ 1,267,269	\$ -	\$ 1,267,269
Cash Equivalents—Money Market	<u>17,278</u>	<u>17,278</u>	<u>-</u>
Total	<u>\$ 1,284,547</u>	<u>\$ 17,276</u>	<u>\$ 1,267,269</u>

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 6 – RETIREMENT PLANS (continued)

Current Asset Allocation (continued)

<u>Major Categories of Plan Assets Fair Value Measurements</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
<u>December 31, 2014</u>			
Fixed Income—Intermediate Duration (LTGFI)	\$ 1,343,094	\$ -	\$ 1,343,094
Cash Equivalents—Money Market	<u>17,797</u>	<u>17,797</u>	<u>-</u>
Total	<u>\$ 1,360,891</u>	<u>\$ 17,797</u>	<u>\$ 1,343,094</u>

Level 1 - Fair Value Measurements

The fair values of equity mutual funds are based on quoted market prices. The unit price for these investments held in the Organization's pension account are revalued and published on an actively traded market at least daily.

Level 2 - Fair Value Measurements

The fair values of common collective trusts are determined using quoted market prices currently available for securities with similar terms and maturity dates.

Cash Flows

Expected Contributions

For the Fiscal Year ending December 31, 2016 the Organization expects to contribute \$1,039,039, which was accrued in the financial statements for the year ended December 31, 2015.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service as appropriate and the termination and closeout of the plan, are expected to be paid.

2016	\$ 2,296,268
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UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
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NOTE 6 – RETIREMENT PLANS (continued)

Tax Deferred Annuity Plan

The Organization has adopted a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers all permanent employees of the Organization and is funded through employee voluntary contributions to the plan. There are no expenses for the Organization for this plan.

NOTE 7 – TEMPORARILY RESTRICTED AND BOARD DESIGNATED NET ASSETS

Adoption of Uniform Prudent Management of Institutional Funds Act (UPMIFA) – The State of New York adopted UPMIFA effective September 17, 2010. As a result of that enactment, the Organization has adopted FAS 117-1, now located in Accounting Standards Codification (ASC) Topic 958-205, Financial Statement Presentation, for the year ending December 31, 2010. The Board of Directors, on the advice of legal counsel, has determined that the majority of the Organization's permanently restricted net assets meet the definition of endowment funds under UPMIFA. The Organization is governed subject to the Governing Documents of the Organization, and most contributions received are subject to the terms of the Governing Documents.

During the year ended December 31, 2010, the Organization reviewed all endowment funds and transferred to temporarily restricted net assets those amounts that are subject to UPMIFA that were previously classified as unrestricted. The total amount transferred amounted to \$4,230,375.

Board designated net assets are a result of two actions by the Board of Directors of the Organization. Effective December 31, 1996, the Board of Directors designated a portion of the unrestricted net asset balance of the trust and endowment funds to support a pledge to the annual campaign. This designation was made to reflect the spending policy of the Trust and Endowment Funds which allows contributions to the annual campaign from the trust and endowment funds of 5% of the fair market value of these funds. Therefore, the Board has reserved the lesser of the unrestricted portion of the trust and endowment funds or the portion of the available net assets needed to meet the succeeding year pledge from the trust and endowment funds. The Board has reserved an additional \$1,000,000 in 2014 for termination of the defined benefit plan (see Note 6). The amount reserved based upon this formula amounted to \$9,485,145 and \$10,505,145 at December 31, 2015 and 2014, respectively.

In addition, the Board has established a reserve equal to two months' allocation expense in 2015 and one month's in 2014 as a contingency fund. The total amount reserved under these policies was \$496,077 and \$253,700 for 2015 and 2014, respectively.

Temporarily restricted net assets result primarily from timing restrictions on campaign pledges received in the current fiscal year but designated for use in the next fiscal year and the portion of perpetual endowment funds subject to a time restriction under UPMIFA.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 7 – TEMPORARILY RESTRICTED AND BOARD DESIGNATED NET ASSETS (continued)

The following is a table of the composition of temporarily restricted assets as of the end of the year.

	<u>2015</u>	<u>2014</u>
Deferred campaign revenue	\$ 1,179,076	\$ 1,420,006
Donor restricted endowment funds	6,335,902	7,656,446
Flood relief contributions	37,120	25,154
Deferred grant income	6,309	2,947
Deferred sponsorship income	8,655	7,508
Interest beneficial trusts	<u>-</u>	<u>-</u>
Total	\$ <u>7,567,062</u>	\$ <u>9,112,061</u>

NOTE 8 – PERMANENTLY RESTRICTED NET ASSETS

The following is a table of the composition of permanently restricted net assets as of the end of the year:

	<u>2015</u>	<u>2014</u>
Donor restricted endowment	\$ 10,514,855	\$ 10,494,855
Donor restricted interest in beneficial trusts	<u>805,484</u>	<u>892,242</u>
Total	\$ <u>11,320,339</u>	\$ <u>11,387,097</u>

NOTE 9 – ENDOWMENTS

The Organization's endowment includes both donor-restricted endowments and funds designated by the Board of Directors to function as endowments. As required by Generally Accepted Accounting Principles (GAAP), net assets associated with endowment funds, including funds designated by Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 9 – ENDOWMENTS (continued)

The Board of Directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the State of New York as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted funds, absent any explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the funds.
2. The purposes of the Organization and the donor-restricted endowment funds.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

Return objectives and risk parameters- The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for donor-specified periods, as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested to provide an average rate of return of approximately nine percent annually. Actual returns in any given year may vary from this amount.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
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(See Independent Auditor's Report)

NOTE 9 – ENDOWMENTS (continued)

Strategies employed for achieving objectives - To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investment to achieve its long-term return objectives within prudent risk constraints.

Spending policy and how the investment objective relates to spending policy - Distribution of endowment funds are approved annually by the Trust Fund Committee. A guideline for distributions from the two main trust and endowment funds is calculated based upon 5% of the five-year average of the fair market value of these two funds as of June 30 of each year. The amount approved for distribution from these two funds was \$1,050,000 for 2015 and 2014, respectively. Accordingly, over the long term, the Organization expects the current spending policy to allow its endowment to grow at an average of four percent annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Distributions from the Emergency and Capital Needs Fund are approved annually by the Trust Fund Committee and caps the annual distribution to a five-year average of the fair market value of the account, less 120% of the original restricted bequest. To establish the approved maximum distribution from the Emergency & Capital Needs Fund, the Trust Fund Committee also considers the projected income from the fund for the next year, the estimated funding requests, and the amount of emergency funds remaining from the prior year(s). Distributions from the Robert L. McDevitt Fund are based upon the income earned, as the donor has stipulated that any income not distributed will revert to restricted balances.

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 9 – ENDOWMENTS (continued)

The following tables report endowment net asset composition and changes in net assets by type of fund:

<u>Changes in Endowment Net Assets for the Year Ended</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
December 31, 2015				
Endowment net assets, beginning of the year	\$ 11,796,013	\$ 7,656,442	\$ 10,494,855	\$ 29,947,310
Contributions	-	-	20,000	20,000
Appropriation of endowment funds for expenditure	(686,388)	(955,895)	-	(1,642,283)
Investment Return:				
Investment income	247,269	325,081	-	572,350
Realized and unrealized appreciation (depreciation)	(557,328)	(689,726)	-	(1,247,054)
Total	<u>\$ 10,799,566</u>	<u>\$ 6,335,902</u>	<u>\$ 10,514,855</u>	<u>\$ 27,650,323</u>

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 9 – ENDOWMENTS (continued)

<u>Changes in Endowment Net Assets for the Year Ended</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
December 31, 2014				
Endowment net assets, beginning of the year	\$ 11,489,590	\$ 7,397,709	\$ 10,464,855	\$ 29,352,154
Contributions	-	-	30,000	30,000
Appropriation of endowment funds for expenditure	(506,268)	(637,494)	-	(1,143,762)
Investment Return:				
Investment income	302,759	346,732	-	649,491
Realized and unrealized appreciation (depreciation)	<u>509,932</u>	<u>549,495</u>	<u>-</u>	<u>1,059,427</u>
Total	<u>\$ 11,796,013</u>	<u>\$ 7,656,442</u>	<u>\$ 10,494,855</u>	<u>\$ 29,947,310</u>

Net Asset Composition

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
December 31, 2015				
Donor restricted endowment	\$ -	\$ 6,335,902	\$ 10,514,855	\$ 16,850,757
Board-designated endowment	<u>10,799,566</u>	<u>-</u>	<u>-</u>	<u>10,799,566</u>
Total	<u>\$ 10,799,566</u>	<u>\$ 6,335,902</u>	<u>\$ 10,514,855</u>	<u>\$ 27,650,323</u>
December 31, 2014				
Donor restricted endowment	\$ -	\$ 7,656,442	\$ 10,494,855	\$ 18,151,297
Board-designated endowment	<u>11,796,013</u>	<u>-</u>	<u>-</u>	<u>11,796,013</u>
Total	<u>\$ 11,796,013</u>	<u>\$ 7,656,442</u>	<u>\$ 10,494,855</u>	<u>\$ 29,947,310</u>

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 10 – BENEFICIAL INTEREST IN TRUST

The Organization has recognized as contributions the United Way's respective beneficial interest in two perpetual trusts.

Under the terms of the perpetual trusts, the Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. The Organization has recorded the asset at the estimated fair value of the Organization's share of the beneficial interest in trust assets. Income earned on the trust assets is recorded as unrestricted revenue in the accompanying statement of activities unless otherwise restricted by the donor. Changes in fair value of the beneficial interest in the trust assets are recorded as unrealized gains or losses in the permanently restricted net asset class.

A summary of the Beneficial Interest in Trusts is as follows:

	<u>2015</u>	<u>2014</u>
Perpetual trusts	\$ <u>805,484</u>	\$ <u>892,242</u>

NOTE 11 – GOVERNMENT CAMPAIGNS

The Organization served as the campaign agent for the Broome County State Employees Campaign for both 2015 and 2014. Amounts raised as part of this campaign are included in Gross Campaign results reported. The following is a summary of the campaign results. For processing the campaign, the Organization expects to collect \$9,494 or 7% of the total campaign.

	<u>2015</u>	<u>2014</u>
Gross Campaign-Broome County State Employees	\$ 143,406	\$ 161,053
Less: amounts designated to other agencies	<u>(84,922)</u>	<u>(137,381)</u>
Net campaign revenue	\$ <u>58,484</u>	\$ <u>23,672</u>

The Organization started to serve as the campaign agent for the Chemung County State Employees Campaign in 2015. Amounts raised as part of this campaign are included in Gross Campaign results reported. The following is a summary of the campaign results. From processing the campaign, the Organization expects to collect \$3,523 or 11% of the total campaign.

	<u>2015</u>
Gross Campaign-Chemung County State Employees	\$ 32,143
Less: amounts designated to other agencies	<u>(32,143)</u>
Net campaign revenue	\$ _____

UNITED WAY OF BROOME COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 and 2014
(See Independent Auditor's Report)

NOTE 11 – GOVERNMENT CAMPAIGNS (continued)

The Organization started to serve as the campaign agent for the Steuben/Yates County State Employees Campaign in 2015. Amounts raised as part of this campaign are included in Gross Campaign results reported. The following is a summary of the campaign results. From processing the campaign, the Organization expects to collect \$1,929 or 19% of the campaign.

	<u>2015</u>
Gross Campaign-Chemung County State Employees	\$ 10,108
Less: amounts designated to other agencies	<u>(10,108)</u>
Net campaign revenue	\$ <u><u> -</u></u>

NOTE 12 – SUBSEQUENT EVENTS

The Organization approved to terminate the defined benefit plan as of July 1, 2014. On December 7, 2015, the IRS approved the termination of the Plan. In early January, 2016, the Organization purchased annuities for all eligible beneficiaries with total costs amounting to \$2,290,746. The accrued pension cost as of December 31, 2015 was \$1,039,039. The accrued pension liability was paid in full as of the date the financial statements were available to be issued.

**UNITED WAY OF BROOME COUNTY, INC.
SCHEDULE OF ALLOCATIONS AND GRANTS
FOR THE YEAR ENDED
DECEMBER 31, 2015**

Local Member Agencies:

ACCORD	\$	14,000
Action for Older Persons		36,926
American Civic Association		29,266
American Red Cross, Southern Tier Chapter		239,945
Baden-Powell Council, Boy Scouts of America		76,760
Boys and Girls Club of Binghamton		159,940
Boys and Girls Club of Western Broome		123,125
Catholic Charities of Broome County		192,521
Crime Victims Assistance Center		19,710
Deposit Foundation, Inc.		15,194
Family and Children's Society		95,000
Family Planning of South Central NY		59,445
Girl Scouts of NYPENN Pathways		39,950
Handicapped Children's Association		6,500
Haven After School		1,090
Jewish Community Center		97,541
Literacy Volunteers of Broome/Tioga		13,245
Mental Health Association		72,036
Mothers & Babies Perinatal Network of South Central New York		26,000
Rise NY a/k/a SOS Shelter		70,000
Salvation Army		53,253
Southern Tier Alternative Therapies		7,236
Wilson Children's Center		46,000
Young Men's Christian Association		269,484
Young Women's Christian Association		76,000
Subtotal Local Partner Agencies		1,840,167

Other Allocations and Grants:

Venture Grant and Miscellaneous Grants		384,493
Capacity Building Fund		16,700
Less: Allocations Funded By Donor Designations		-
TOTALS	\$	2,241,360

See independent auditor's report.

**UNITED WAY OF BROOME COUNTY, INC.
SCHEDULE OF SERVICES RENDERED
YEAR ENDED DECEMBER 31, 2015**

Community Investments

Program Expenditures \$ **1,895,933**

The **Community Investment** function supports the work of community volunteers in making recommendations to the Board of Directors on the allocation of organizational resources. Campaign and trust fund proceeds are provided to support community priorities as developed through community planning and engagement efforts. Community volunteer recommendations include the allocation of funds for funded partner programs, Planned Capital Grants, Emergency grants, and Venture Grants. Funds are monitored to insure that agreed upon goals for each program/project are met in an economical and effective manner. Periodic and annual program and financial reports of funded agencies are submitted for careful review by the community volunteers.

2-1-1

Program Expenditures \$ **282,357**

The 2-1-1 information and referral program, links people in need with the appropriate service in Broome, Tioga, Chenango, Delaware and Otego Counties and maintains an extensive database of agency and program information.

Volunteer Engagement

Program Expenditures \$ **81,629**

The **Volunteer Engagement** function supports efforts to engage individuals in service opportunities throughout the community. This includes the mobilization of more than 800 community volunteers annually as part of United Way's Annual Day of Caring. Efforts to mobilize young people through Student United Way are also supported through this function. The mobilization of community volunteers is becoming an increasingly important function as United Way seeks to align volunteer efforts with community priorities.

Community Impact & Initiatives Programs

Program Expenditures \$ **600,898**

Community Impact & Initiatives Programs refers to efforts designed to bring about lasting community change on a limited number of priority issues. This includes training and community events to build capacity around the Community Impact Model as well as the management and direct delivery of services such as the Healthy Lifestyles Coalition and other multi-partner collaborative community programs.

**UNITED WAY OF BROOME COUNTY, INC.
SCHEDULE OF SERVICES RENDERED
YEAR ENDED DECEMBER 31, 2015**

Community Planning and Relations

Program Expenditures **\$ 203,310**

The **Community Planning** function develops community partnerships, linkages, and coalitions aimed at seeking solutions to human services issues. It assists in the identification of current human service needs, and evaluates the services provided to meet those needs.

See independent auditor's report.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
United Way of Broome County, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of United Way of Broome County, Inc. (a nonprofit organization), which comprises the statement of financial position as of December 31, 2015 and 2014, and the related statements of cash flows for the years then ended, and the accompanying statements of activities and functional expenses for the year ended December 31, 2015 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Broome County, Inc as of December 31, 2015 and 2014, and the changes in its net assets for the year ended December 31, 2015 and its cash flows for the years ended December 31, 2015 and 2014 in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedules on pages 26-28 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.

Report on Summarized Comparative Information

We have previously audited the United Way of Broome County, Inc's. 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 11, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Davidson, Fox & Company, LLP

Binghamton, New York
October 28, 2016