

**UNITED WAY OF FAIRFIELD COUNTY
AUDITED FINANCIAL STATEMENTS
Years Ended December 31, 2016 and 2015**

**UNITED WAY OF FAIRFIELD COUNTY
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Jeanette R. Addington, MBA, CPA, CGFM • Brian D. Long, CPA, PFS, CFF • Keith A. Lewis, CPA

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
United Way of Fairfield County

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

JC & Company

JC & Company
Lancaster, Ohio
May 4, 2017

**UNITED WAY OF FAIRFIELD COUNTY
STATEMENTS OF FINANCIAL POSITION
December 31, 2016 and 2015**

	2016	2015
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 553,985	\$ 537,451
Annual campaign pledges receivable - net	1,092,608	1,125,560
Prepaid expense	7,298	5,742
TOTAL CURRENT ASSETS	1,653,891	1,668,753
PROPERTY AND EQUIPMENT - NET	19,736	22,273
OTHER ASSETS		
Endowment funds	574,949	545,413
TOTAL ASSETS	\$ 2,248,576	\$ 2,236,439
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 139	\$ 878
Accrued payroll related withholdings	2,858	2,452
Accrued vacation	6,556	6,837
Accrued special grant commitment	68,562	70,524
Community impact commitments	37,297	39,380
Due to other United Way counties and nonlocal charities	44,068	48,351
TOTAL CURRENT LIABILITIES	159,480	168,422
NET ASSETS		
Unrestricted	1,146,415	1,100,715
Temporarily restricted	942,681	967,302
TOTAL NET ASSETS	2,089,096	2,068,017
TOTAL LIABILITIES AND NET ASSETS	\$ 2,248,576	\$ 2,236,439

See notes to financial statements

UNITED WAY OF FAIRFIELD COUNTY
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year Ended December 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
CAMPAIGN SUPPORT			
Current year campaign support for future allocation period	\$ -	\$ 1,627,063	\$ 1,627,063
Campaign stock donations	-	11,618	11,618
Less:			
Provision for uncollectible pledges	-	59,267	59,267
NET SUPPORT - CURRENT CAMPAIGN	-	1,579,414	1,579,414
Prior year campaign support released from restriction in current year	1,672,249	(1,672,249)	-
Less:			
Provision for uncollectible pledges	(64,852)	64,852	-
Other adjustments	(3,362)	3,362	-
NET ASSETS RELEASED FROM TIME RESTRICTION	1,604,035	(1,604,035)	-
TOTAL CAMPAIGN SUPPORT	1,604,035	(24,621)	1,579,414
OPERATING REVENUE			
Interest income	832	-	832
Imagination library	17,980	-	17,980
Contributions	42,013	-	42,013
Meeting income	16,794	-	16,794
VITA income	22,721	-	22,721
Grants	100	-	100
5K income	5,352	-	5,352
Kickoff income	3,254	-	3,254
Other income	10,416	-	10,416
TOTAL OPERATING REVENUE	119,462	-	119,462
NON - OPERATING REVENUE			
Gains on investments, net	22,943	-	22,943
Interest income	10,504	-	10,504
TOTAL NON - OPERATING REVENUE	33,447	-	33,447
TOTAL SUPPORT AND REVENUE	\$ 1,756,944	\$ (24,621)	\$ 1,732,323

See notes to financial statements

UNITED WAY OF FAIRFIELD COUNTY
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS – CONTINUED
Year Ended December 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
PROGRAM AND FUNCTIONAL EXPENSES			
Program expenses			
Agency allocations	\$ 984,999	\$ -	\$ 984,999
Support organization allocations	15,403	-	15,403
PROGRAM EXPENSES	1,000,402	-	1,000,402
Functional expenses			
Programs	449,529	-	449,529
Management and general	46,325	-	46,325
Fundraising	214,988	-	214,988
FUNCTIONAL EXPENSES	710,842	-	710,842
TOTAL PROGRAM AND FUNCTIONAL EXPENSES	1,711,244	-	1,711,244
CHANGES IN NET ASSETS	45,700	(24,621)	21,079
NET ASSETS - BEGINNING OF YEAR	1,100,715	967,302	2,068,017
NET ASSETS - END OF YEAR	\$ 1,146,415	\$ 942,681	\$ 2,089,096

See notes to financial statements

UNITED WAY OF FAIRFIELD COUNTY
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year Ended December 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
CAMPAIGN SUPPORT			
Current year campaign support			
for future allocation period	\$ -	\$ 1,650,582	\$ 1,650,582
Campaign stock donations	-	5,120	5,120
Less:			
Provision for uncollectible pledges	-	64,852	64,852
Adjustments	-	3,362	3,362
NET SUPPORT - CURRENT CAMPAIGN	-	1,594,212	1,594,212
Prior year campaign support released			
from restriction in current year	1,737,625	(1,737,625)	-
Less:			
Provision for uncollectible pledges	(59,267)	59,267	-
Donor designations - nonlocal	(46,737)	46,737	-
Other adjustments	(1,974)	1,974	-
NET ASSETS RELEASED FROM TIME RESTRICTION	1,620,647	(1,620,647)	-
TOTAL CAMPAIGN SUPPORT	1,620,647	(26,435)	1,594,212
OPERATING REVENUE			
Interest income	644	-	644
Imagination library	3,660	-	3,660
Meeting income	8,778	-	8,778
VITA income	47,149	-	47,149
Grants	10,600	-	10,600
5K income	7,129	-	7,129
Kickoff income	6,150	-	6,150
Other income	14,645	-	14,645
TOTAL OPERATING REVENUE	98,755	-	98,755
NON-OPERATING REVENUE AND GAINS			
Realized gains on investments	14,026	-	14,026
Interest income	14,426	-	14,426
TOTAL NON-OPERATING REVENUE AND GAINS	28,452	-	28,452
TOTAL SUPPORT, REVENUE AND GAINS	\$ 1,747,854	\$ (26,435)	\$ 1,721,419

See notes to financial statements

UNITED WAY OF FAIRFIELD COUNTY
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS – CONTINUED
Year Ended December 31, 2015

	Unrestricted	Temporarily Restricted	Total
PROGRAM AND FUNCTIONAL EXPENSES AND LOSSES			
Program expenses			
Agency allocations	\$ 1,013,259	\$ -	\$ 1,013,259
Support organization allocations	13,485	-	13,485
PROGRAM EXPENSES	1,026,744	-	1,026,744
Functional expenses			
Programs	426,771	-	426,771
Management and general	44,467	-	44,467
Fundraising	162,092	-	162,092
FUNCTIONAL EXPENSES	633,330	-	633,330
Unrealized losses	37,964	-	37,964
TOTAL PROGRAM AND FUNCTIONAL EXPENSES AND LOSSES	1,698,038	-	1,698,038
CHANGES IN NET ASSETS	49,816	(26,435)	23,381
NET ASSETS - BEGINNING OF YEAR - RESTATED	1,050,899	993,737	2,044,636
NET ASSETS - END OF YEAR	\$ 1,100,715	\$ 967,302	\$ 2,068,017

See notes to financial statements

UNITED WAY OF FAIRFIELD COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2016

	<u>Programs</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 165,328	\$ 32,321	\$ 90,238	\$ 287,887
Payroll taxes	12,733	2,548	7,374	22,655
Employee benefits	12,215	2,453	7,092	21,760
Professional services	6,785	4,386	14,601	25,772
Consulting fees	678	92	250	1,020
Supplies and postage	7,591	1,043	2,956	11,590
Telephone	3,007	413	1,171	4,591
Rent	8,157	1,121	3,176	12,454
Insurance	1,136	156	442	1,734
Maintenance	2,903	399	1,130	4,432
Meetings	10,157	-	21,596	31,753
Auto expense	699	438	1,418	2,555
Miscellaneous	102	14	40	156
Hotel, meals, travel	588	81	229	898
Conference\convention\dues	925	127	361	1,413
Printing\publications\campaign	-	-	18,251	18,251
Combined program expense	211,191	-	-	211,191
Endowment/planned giving expense	-	-	42,586	42,586
	<u>444,195</u>	<u>45,592</u>	<u>212,911</u>	<u>702,698</u>
SUB-TOTAL				
Depreciation	5,334	733	2,077	8,144
	<u>5,334</u>	<u>733</u>	<u>2,077</u>	<u>8,144</u>
TOTAL	<u>\$ 449,529</u>	<u>\$ 46,325</u>	<u>\$ 214,988</u>	<u>\$ 710,842</u>

See notes to financial statements

UNITED WAY OF FAIRFIELD COUNTY
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2015

	<u>Programs</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 159,771	\$ 30,642	\$ 91,393	\$ 281,806
Payroll taxes	12,626	2,382	7,588	22,596
Employee benefits	14,819	2,678	8,531	26,028
Professional services	4,039	3,990	3,990	12,019
Consulting fees	1,196	190	513	1,899
Supplies and postage	4,956	787	2,124	7,867
Telephone	2,902	461	1,244	4,607
Rent	7,709	840	3,905	12,454
Insurance	1,080	171	463	1,714
Maintenance	2,629	417	1,127	4,173
Awards	-	295	295	590
Meetings	7,277	-	20,441	27,718
Auto expense	597	429	1,857	2,883
Miscellaneous	-	-	580	580
Hotel, meals, travel	274	85	271	630
Conference\convention\dues	2,269	705	2,243	5,217
Printing\publications\campaign	-	-	14,462	14,462
Combined program expense	<u>202,141</u>	<u>-</u>	<u>-</u>	<u>202,141</u>
SUB-TOTAL	424,285	44,072	161,027	629,384
Depreciation	<u>2,486</u>	<u>395</u>	<u>1,065</u>	<u>3,946</u>
TOTAL	<u>\$ 426,771</u>	<u>\$ 44,467</u>	<u>\$ 162,092</u>	<u>\$ 633,330</u>

See notes to financial statements

**UNITED WAY OF FAIRFIELD COUNTY
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2016 and 2015**

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 21,079	\$ 23,381
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	8,144	3,946
Unrealized (gains) on investments	(20,115)	37,964
In-kind contributions	(11,618)	(9,913)
(Increase) decrease in		
Pledge receivables-net	32,952	41,086
Prepaid expense	(1,556)	(645)
Deposits	-	34
Increase (decrease) in		
Accounts payable	(739)	(594)
Accrued payroll related withholdings	406	(1,385)
Accrued vacation	(281)	(991)
Accrued special grant commitments	(1,962)	25,494
Community impact commitments	(2,083)	(13,413)
Due to other United Way counties and nonlocal charities	(4,283)	1,614
NET CASH PROVIDED BY OPERATING ACTIVITIES	19,944	106,578
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(5,608)	(20,224)
Net investment activity	2,198	(14,500)
NET CASH (USED) BY INVESTING ACTIVITIES	(3,410)	(34,724)
CHANGE IN CASH AND CASH EQUIVALENTS	16,534	71,854
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	537,451	465,597
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 553,985	\$ 537,451

See notes to financial statements

UNITED WAY OF FAIRFIELD COUNTY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature and Scope of Agency

United Way of Fairfield County (the "Agency") was incorporated under the laws of the State of Ohio on October 9, 1940, as a nonprofit Agency to stimulate interest in programs and promote the general welfare of charitable, educational, character building, health and welfare, and social agencies in Fairfield County. The Agency receives its source of revenues from campaign contributions.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Restricted revenues whose restrictions are met in the same reporting period are shown as unrestricted revenues. Accordingly, net assets of the Agency and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

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

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

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 reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

These assets are recorded at cost and are depreciated over their estimated useful lives using the straight-line method and accelerated method. Repairs and maintenance are charged to operations when incurred, and additions and improvements are capitalized. United Way assesses for impairment losses when conditions warrant. The capitalization threshold is \$1,000.

Provision for Federal Income Tax

The Agency was incorporated as a nonprofit entity and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Agency and recognize a tax liability (or asset) if the Agency has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Agency has analyzed the tax positions taken by the Agency, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition (or asset) or disclosure in the financial statements. The Agency is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Agency believes it is no longer subject to income tax examinations for years prior to 2013.

**UNITED WAY OF FAIRFIELD COUNTY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include all highly liquid investments with original maturities of three months or less. Cash and cash equivalents for the year ended December 31 consist of:

	2016	2015
Checking account	\$ 363,176	\$ 357,885
Restricted cash - Section 125 plan	2,298	2,208
Money market accounts	188,486	177,333
Petty cash	25	25
	\$ 553,985	\$ 537,451

Concentration of Credit Risk

The Agency has cash and cash equivalents on deposit in financial institutions in excess of federally insured limits. Balances in 2016 and 2015 were covered with a repurchase agreement covered by bank collateral. Balances in excess of the FDIC limits were \$139,177 and \$113,177 for the years ended 2016 and 2015, respectively.

Fair Value of Financial Instruments

The carrying amount of the United Way's cash and cash equivalents, annual campaign pledges receivable, other assets, accounts payable, and other liabilities approximates fair value primarily because of the short maturity of these instruments.

Functional Expenses

The Agency allocates its expenses on a functional basis into fundraising, program expense, or administrative categories. Expenses that can be identified with a specific area are allocated directly according to their natural expenditure classification. Other expenses that are common to the three areas are allocated on a percentage basis.

Donated Assets

Donated assets are recorded as contributions at their estimated fair market value at the date of the donation. When sold, the fair market value at the date of the donation is used as the basis of the asset.

Pledge Receivables

Contributions are recognized when the donor makes a promise to give to the Agency that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Allowance for Doubtful Accounts

Pledge receivables are shown at their net realizable value. Uncollectible accounts are charged to operations during the period in which they are determined to be uncollectible based on an average of actual uncollected accounts.

2. DONATED SERVICES

The Agency receives donated services from a variety of unpaid volunteers assisting the Agency with specific assistance programs, campaign solicitations and various committee assignments. No amounts for these services have been recognized in the accompanying statements of activities because the services performed by volunteers do not require specialized skills.

UNITED WAY OF FAIRFIELD COUNTY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

3. RELATED PARTY TRANSACTIONS

During 2016 and 2015, the Agency paid membership dues to United Way Worldwide in the amount of \$15,403 and \$13,485, respectively.

4. ENDOWMENT FUNDS

In 2012, United Way established two endowment funds with the Fairfield County Foundation. The investments are invested in a pool of assets held by the Foundation for the benefit of various organizations.

An allocation of types of investments held by the Fairfield County Foundation, percentages held in each type, and approximate dollar amounts invested in each type at December 31, 2016 follows:

	<u>Live United Program Fund</u>	<u>United Way Endowment Fund</u>	<u>Total Investments</u>
Balance at December 31, 2015	\$ 212,060	\$ 333,353	\$ 545,413
Interest and dividends	4,084	6,420	10,504
Fees	(1,521)	(2,390)	(3,911)
Unrealized gains	7,827	12,288	20,115
Realized gains	1,093	1,735	2,828
Balance at December 31, 2016	<u>\$ 223,543</u>	<u>\$ 351,406</u>	<u>\$ 574,949</u>

	<u>Live United Program Fund</u>	<u>Fair Market Value United Way Endowment Fund</u>	<u>Percent</u>
Government Agencies	\$ 3,420	\$ 5,377	1.53%
Corporate Bonds	29,843	46,913	13.35%
Stocks	38,271	60,161	17.12%
Certificates of Deposit	67	105	0.03%
Mutual Funds	138,798	218,188	62.09%
Money Market	13,144	20,663	5.88%
	<u>\$ 223,543</u>	<u>\$ 351,407</u>	<u>100.00%</u>

5. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets on accounting basis.

UNITED WAY OF FAIRFIELD COUNTY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

5. FAIR VALUE MEASUREMENTS – CONTINUED

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets on a continuing basis;
- quoted prices for identical or similar assets or liabilities in inactive markets on a continuing basis;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at December 31 are as follows:

Description	2016		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Money market/savings	\$ 222,293	\$ -	\$ -
Available for sale securities	464,215	-	-
Certificates of deposit	172	-	-
Corporate bonds	76,756	-	-
	<u>\$ 763,436</u>	<u>\$ -</u>	<u>\$ -</u>

Description	2015		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Money market/savings	\$ 194,023	\$ -	\$ -
Available for sale securities	453,511	-	-
Certificates of deposit	545	-	-
Corporate bonds	74,667	-	-
	<u>\$ 722,746</u>	<u>\$ -</u>	<u>\$ -</u>

The Level 1 total includes \$177,333 and \$167,356 money market funds included in the cash and cash equivalents on the Statement of Financial Position for the years ended December 31, 2016 and 2015, respectively.

UNITED WAY OF FAIRFIELD COUNTY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

6. PROPERTY AND EQUIPMENT

	2016	2015
Office equipment	\$ 88,817	\$ 83,210
Leasehold improvements	3,842	3,842
Accumulated depreciation	(72,923)	(64,779)
PROPERTY AND EQUIPMENT - NET	\$ 19,736	\$ 22,273

7. SPECIAL GRANT COMMITMENTS

In 2016 and 2015, the Agency committed to sponsor agency programs by special grants. However, there are some situations when the agency's special grant is not paid during the year. At December 31, 2016 and 2015 the unexpended agency commitments for agency special grants was \$68,562 and \$70,524, respectively.

8. ANNUAL CAMPAIGN PLEDGES RECEIVABLE

A summary of annual campaign pledges, annual campaign pledges receivable, and allowance for uncollectible pledges at December 31, 2015 and 2014 is as follows:

	Original amounts of pledges	Pledges receivable	Allowance for uncollectible pledges	Net pledges receivable
<u>2016</u>				
Pledges from the:				
2016 Campaign	\$ 1,640,040	\$ 1,047,316	\$ 69,702	\$ 977,614
2015 Campaign		167,940	70,132	97,808
2014 Campaign		86,132	68,946	17,186
		\$ 1,301,388	\$ 208,780	\$ 1,092,608
<u>2015</u>				
Pledges from the:				
2015 Campaign	\$ 1,650,175	\$ 1,085,493	\$ 70,132	\$ 1,015,361
2014 Campaign		189,579	68,946	120,633
2013 Campaign		58,633	69,067	(10,434)
		\$ 1,333,705	\$ 208,145	\$ 1,125,560

The funding for agency allocations and grants is awarded on a fiscal year.

9. DONOR DESIGNATION – OTHER UNITED WAY COUNTIES AND NONLOCAL CHARITIES

The United Way of Fairfield County receives revenue for other United Way Counties and nonlocal charities. Current year campaign revenues designated by donors to other United Way counties and nonlocal charities are disbursed in the following year. For the years ended December 31, 2016 and 2015, designations paid out were \$40,755 and \$37,202, respectively. Donor designations unpaid at December 31, 2016 and 2015 are \$44,068 and \$48,351, respectively. These proceeds are included on the statements of financial position as *Due to other United Way counties and nonlocal charities*. These amounts are net of administrative fees charged by the United Way of Fairfield County.

**UNITED WAY OF FAIRFIELD COUNTY
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015**

10. TEMPORARILY RESTRICTED NET ASSETS

The temporarily restricted net assets balance is campaign revenue designated for future agency allocations and grants.

11. OPERATING LEASE

United Way leases office space from the Lancaster City School District of Lancaster, Ohio. The lease was renewed to commence on January 1, 2015 for six years at \$3,113 per quarter. It can be terminated by either party with six months advance notice. Rent paid for the years ended December 31, 2016 and 2015 was \$12,454 each year. The following schedule consists of lease payments for the remaining years:

2017 - 2020	Years 3 - 6	\$12,454 per year
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12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 4, 2017, the date the financial statements were available to be issued. Any subsequent events after that date have not been evaluated.



Jeanette R. Addington, MBA, CPA, CGFM • Brian D. Long, CPA, PFS, CFF • Keith A. Lewis, CPA

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Board of Trustees
United Way of Fairfield County

We have audited the financial statements of United Way of Fairfield County as of and for the years ended December 31, 2016 and 2015, and our report appears on page 1, which contained an unmodified opinion on these financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Supplemental Schedules of Agency Allocations and Graphs of Agency Expenses (pages 18-19) are presented for purposes of additional analysis and are not a required part of the basic 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 audits 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.

A handwritten signature in black ink that reads "JC & Company".

JC & Company
Lancaster, Ohio
May 4, 2017

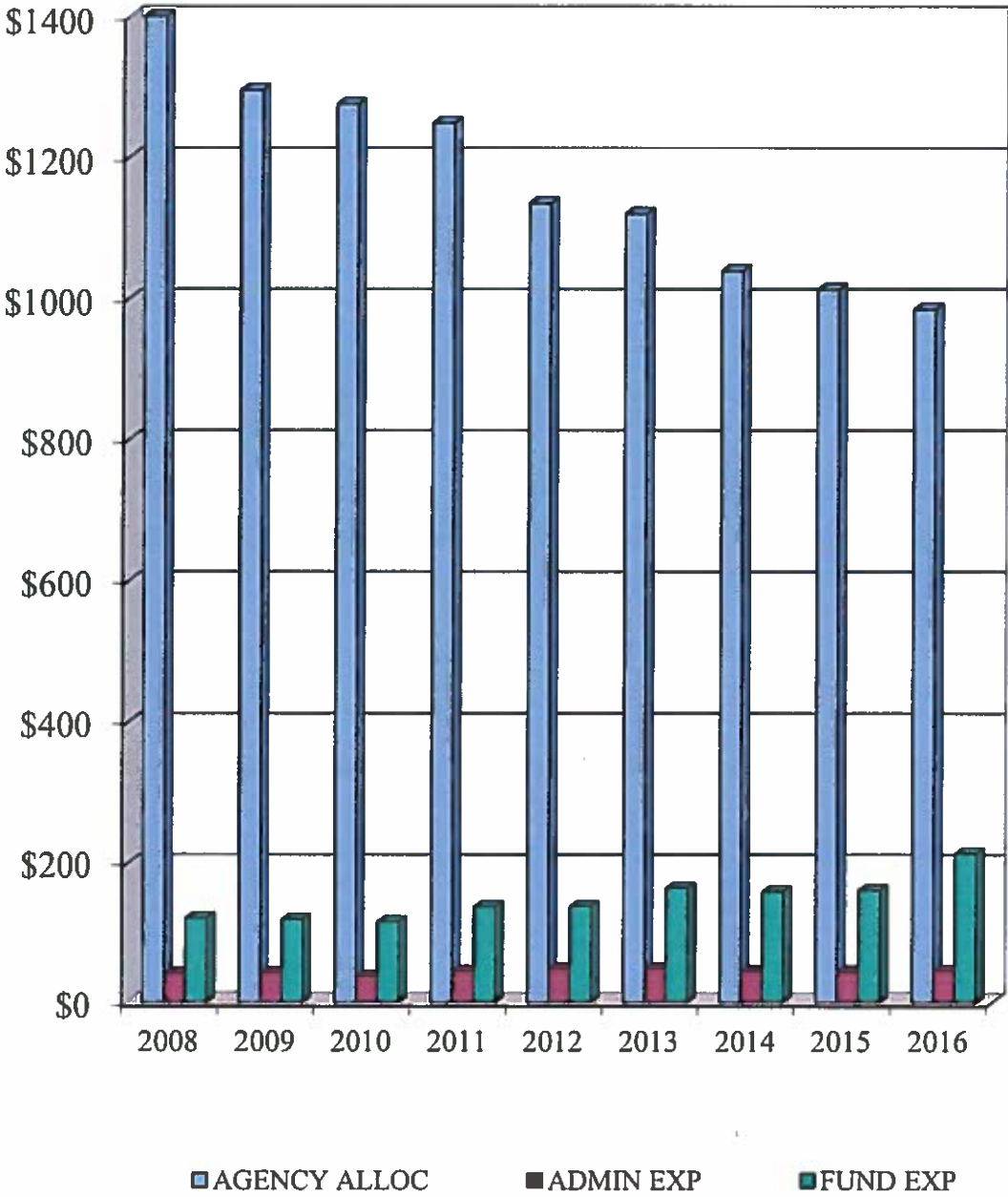
**UNITED WAY OF FAIRFIELD COUNTY
SUPPLEMENTAL SCHEDULES OF AGENCY ALLOCATIONS
Years Ended December 31, 2016 and 2015**

	Amount Paid 2016	Amount Paid 2015
EDUCATION:		
Big Brothers/Big Sisters	\$ 50,442	\$ 50,442
Boy Scouts of America	18,450	18,450
Lancaster Community Action ABLE Program	-	400
Mid-Ohio Psychological Services	10,000	5,000
The Recovery Center, Inc.	34,946	63,769
Seal of Ohio Girl Scouts	18,450	18,450
Maywood Mission	60,642	60,642
Robert K Fox Family Y	44,278	44,278
Pickerington Local School District W.I.S.E. Program	48,000	30,354
HEALTH:		
Center for Disabilities and Cerebral Palsy	74,285	78,785
Robert K Fox Family Y Scholarship Fund	22,000	22,000
Harcum House/Child Advocacy Center	17,000	20,500
New Horizons	71,111	80,000
Salvation Army	58,000	58,000
Southeast Ohio Sight Center	-	26,467
Life Center at Wesley Ridge	21,296	20,328
FairHope Hospice and Palliative Care	-	7,544
By The Way Clinic	10,000	12,500
INCOME:		
American Red Cross	69,000	69,000
Canal Winchester Human Services	14,250	11,250
Information and Referral	80,000	80,000
Lighthouse	88,636	87,042
Foundation Dinners	17,500	7,500
Lancaster - Fairfield County Community Action Food Pantry	64,963	55,043
Lutheran Social Services Emergency Shelter	49,000	48,765
Lutheran Social Services Food Pantry	21,000	13,750
Grace Haven Ministries	-	3,000
Pickerington Food Pantry	21,750	20,000
AGENCY ALLOCATIONS	984,999	1,013,259
Support organization allocations	15,403	13,485
TOTALS	\$ 1,000,402	\$ 1,026,744

See auditors' report on supplementary information

UNITED WAY OF FAIRFIELD COUNTY Expense Allocation

Thousands



See auditor's report on supplementary information