



*Financial Statements*

**UNITED WAY OF  
GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**DECEMBER 31, 2019 AND 2018**

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Directors  
United Way of Greater Lafayette and Tippecanoe County, Indiana, Inc.  
Lafayette, Indiana**

**We have audited the accompanying financial statements of United Way of Greater Lafayette and Tippecanoe County, Indiana, Inc., which comprise the statements of financial position as of December 31, 2019 and 2018, 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.**

### **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 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 Greater Lafayette and Tippecanoe County, Indiana, Inc. as of December 31, 2019 and 2018, 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.**

*Huth Thompson LLP*

**June 18, 2020**  
**Lafayette, Indiana**

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**STATEMENTS OF FINANCIAL POSITION  
As of December 31,**

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,894,548	\$ 1,549,990
Certificates of Deposit	363,217	357,127
Pledges Receivable	3,365,703	3,327,775
Grants Receivable	-	500,000
Investments	2,995,180	2,617,729
Other Assets	71,297	53,641
<b>TOTAL CURRENT ASSETS</b>	<b>8,689,945</b>	<b>8,406,262</b>
<b>PROPERTY AND EQUIPMENT</b>		
Building	595,216	592,000
Work in Progress	-	73,877
Equipment	253,192	176,665
	848,408	842,542
Less: Accumulated Depreciation	(231,344)	(185,189)
	617,064	657,353
<b>OTHER ASSETS</b>		
Beneficial Interest in Assets Held by the Community Foundation of Greater Lafayette-- United Way Designated Fund	1,297,399	1,140,430
Investments--Permanently Restricted	4,250	4,250
	<b>1,301,649</b>	<b>1,144,680</b>
	<b>\$ 10,608,658</b>	<b>\$ 10,208,295</b>

See Notes to Financial Statements.

	<u>2019</u>	<u>2018</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Allocations Payable	\$ 3,711,486	\$ 3,735,253
Agency Funds	-	295
Accounts Payable	276,676	140,143
Accrued Expenses	<u>14,039</u>	<u>15,540</u>
<b>TOTAL CURRENT LIABILITIES/ TOTAL LIABILITIES</b>	<b>4,002,201</b>	<b>3,891,231</b>
<b>NET ASSETS</b>		
<b>Net Assets Without Donor Restrictions--</b>		
Board Designated	221,295	64,326
Undesignated Net Assets	<u>1,956,092</u>	<u>1,471,063</u>
	<b>2,177,387</b>	<b>1,535,389</b>
<b>Net Assets With Donor Restrictions</b>	<u><b>4,429,070</b></u>	<u><b>4,781,675</b></u>
<b>TOTAL NET ASSETS</b>	<u><b>6,606,457</b></u>	<u><b>6,317,064</b></u>
	<u><b>\$ 10,608,658</b></u>	<u><b>\$ 10,208,295</b></u>

**UNITED WAY OF GREATER LAFAYETTE AND TIPPECANOE COUNTY, INDIANA, INC.**

**STATEMENTS OF ACTIVITIES  
For the Years Ended December 31,**

	TOTAL		WITHOUT DONOR RESTRICTIONS		WITH DONOR RESTRICTIONS	
	2019	2018	2019	2018	2019	2018
<b>PUBLIC SUPPORT AND REVENUE</b>						
Gross Campaign Results Current Year	\$ 5,250,095	\$ 5,305,413	\$ -	\$ -	\$ 5,250,095	\$ 5,305,413
(Less) Provisions for Uncollectibles	(195,757)	(197,356)	-	-	(195,757)	(197,356)
Prior Year Recovery for Uncollectibles	73,753	72,257	73,753	72,257	-	-
(Less) Out-of-County Designations	(567,565)	(566,722)	-	-	(567,565)	(566,722)
(Less) Amounts Designated by Donors for Member Organizations	(592,665)	(573,294)	-	-	(592,665)	(573,294)
Net Campaign Revenue	3,967,861	4,040,298	73,753	72,257	3,894,108	3,968,041
In-Kind Contributions	24,132	76,437	24,132	73,437	-	3,000
Contributions	83,666	97,521	39,704	25,800	43,962	71,721
Grants	30,000	555,500	-	5,500	30,000	550,000
Sponsorship Income	22,500	32,500	22,500	32,500	-	-
Interest and Dividends, Net of Investment Fees	114,212	109,991	113,921	109,747	291	244
Realized Gain on Sale of Investments	14,512	78,107	14,476	77,711	36	396
Endowment Income	18,934	19,637	18,934	19,637	-	-
Service Fee Income	15,871	17,071	15,871	17,071	-	-
Net Assets Released from Restrictions	-	-	4,322,854	4,385,753	(4,322,854)	(4,385,753)
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>4,291,688</b>	<b>5,027,062</b>	<b>4,646,145</b>	<b>4,819,413</b>	<b>(354,457)</b>	<b>207,649</b>
<b>EXPENSES</b>						
Program Services--						
Gross Funds Awarded and Allocation Service Expenses	3,742,486	3,771,253	3,742,486	3,771,253	-	-
(Less) Donor Designations	(592,665)	(573,294)	(592,665)	(573,294)	-	-
Net Funds Awarded and Allocation Service Expenses	3,149,821	3,197,959	3,149,821	3,197,959	-	-
Labor Relations/Community Service	42,840	69,097	42,840	69,097	-	-
Grant Programs	618,291	808,792	618,291	808,792	-	-
Total Program Services	3,810,952	4,075,848	3,810,952	4,075,848	-	-
Management and General	295,191	290,527	295,191	290,527	-	-
Fundraising	467,503	627,693	467,503	627,693	-	-
<b>TOTAL EXPENSES</b>	<b>4,573,646</b>	<b>4,994,068</b>	<b>4,573,646</b>	<b>4,994,068</b>	<b>-</b>	<b>-</b>
<b>INCREASE (DECREASE) IN NET ASSETS BEFORE</b>						
UNREALIZED GAIN (LOSS) ON INVESTMENTS	(281,958)	32,994	72,499	(174,655)	(354,457)	207,649
UNREALIZED GAIN (LOSS) ON INVESTMENTS	571,351	(493,862)	569,499	(492,215)	1,852	(1,647)
INCREASE (DECREASE) IN NET ASSETS	289,393	(460,868)	641,998	(666,870)	(352,605)	206,002
NET ASSETS--Beginning of Year	6,317,064	6,777,932	1,535,389	2,202,259	4,781,675	4,575,673
NET ASSETS--End of Year	\$ 6,606,457	\$ 6,317,064	\$ 2,177,387	\$ 1,535,389	\$ 4,429,070	\$ 4,781,675

See Notes to Financial Statements.

**UNITED WAY OF GREATER LAFAYETTE AND TIPPECANOE COUNTY, INDIANA, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES  
For the Years Ended December 31,**

	2019							
	PROGRAM SERVICES				SUPPORTING SERVICES			COMBINED TOTAL
	ALLOCATION SERVICE	LABOR RELATIONS/ COMMUNITY SERVICE	GRANT PROGRAMS	TOTAL	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL	
Allocations to Agencies	\$ 3,742,486	\$ -	\$ -	\$ 3,742,486	\$ -	\$ -	\$ -	\$ 3,742,486
(Less) Donor Designations	(592,665)	-	-	(592,665)	-	-	-	(592,665)
Sub-Total	3,149,821	-	-	3,149,821	-	-	-	3,149,821
Grants to Agencies	-	1,168	129,307	130,475	7,377	21,045	28,422	158,897
Community and Agency Services--								
Salaries	-	25,640	316,233	341,873	169,620	207,029	376,649	718,522
Payroll Taxes	-	1,909	23,299	25,208	12,270	15,106	27,376	52,584
Fringe Benefits	-	2,319	19,655	21,974	14,937	14,644	29,581	51,555
Health Insurance	-	489	22,228	22,717	16,350	25,199	41,549	64,266
Public Relations/Campaign	-	885	1,351	2,236	1,070	81,777	82,847	85,083
State Association Dues	-	1,019	10,886	11,905	5,469	9,360	14,829	26,734
Office Expense	-	350	2,414	2,764	1,423	2,129	3,552	6,316
Insurance	-	677	7,202	7,879	3,742	6,122	9,864	17,743
Telephone and Networking	-	1,041	15,502	16,543	5,288	10,788	16,076	32,619
Postage and Shipping	-	172	(7)	165	1,563	4,179	5,742	5,907
Travel and Mileage	-	356	1,986	2,342	734	1,603	2,337	4,679
Professional Services	-	616	7,345	7,961	3,304	5,658	8,962	16,923
Conferences and Meetings	-	97	1,047	1,144	1,954	998	2,952	4,096
Repairs and Maintenance	-	571	3,154	3,725	1,090	842	1,932	5,657
Depreciation	-	1,759	18,795	20,554	9,441	16,160	25,601	46,155
Occupancy Expense	-	1,362	14,551	15,913	7,310	12,511	19,821	35,734
Endowment Fee	-	-	-	-	21,289	-	21,289	21,289
Miscellaneous	-	372	1,570	1,942	24	13,632	13,656	15,598
United Way of America Dues	-	2,038	21,773	23,811	10,936	18,721	29,657	53,468
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 3,149,821</b>	<b>\$ 42,840</b>	<b>\$ 618,291</b>	<b>\$ 3,810,952</b>	<b>\$ 295,191</b>	<b>\$ 467,503</b>	<b>\$ 762,694</b>	<b>\$ 4,573,646</b>

*(Continued on Page 6)*

See Notes to Financial Statements.



**UNITED WAY OF GREATER LAFAYETTE AND TIPPECANOE COUNTY, INDIANA, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES**  
**For the Years Ended December 31,**  
*(Continued from Page 5)*

2018

	PROGRAM SERVICES				SUPPORTING SERVICES			COMBINED TOTAL
	ALLOCATION SERVICES	LABOR RELATIONS/ COMMUNITY SERVICE	GRANT PROGRAMS	TOTAL	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL	
Allocations to Agencies	\$ 3,771,253	\$ -	\$ -	\$ 3,771,253	\$ -	\$ -	\$ -	\$ 3,771,253
(Less) Donor Designations	(573,294)	-	-	(573,294)	-	-	-	(573,294)
Sub-Total	3,197,959	-	-	3,197,959	-	-	-	3,197,959
Grants to Agencies	-	-	275,099	275,099	-	8,250	8,250	283,349
Community and Agency Services--								
Salaries	-	41,593	340,521	382,114	169,905	255,721	425,626	807,740
Payroll Taxes	-	3,077	25,017	28,094	11,807	18,312	30,119	58,213
Fringe Benefits	-	4,604	21,957	26,561	15,644	19,340	34,984	61,545
Health Insurance	-	2,077	34,518	36,595	17,265	41,175	58,440	95,035
Public Relations/Campaign	-	895	2,465	3,360	2,044	160,067	162,111	165,471
State Association Dues	-	1,643	11,019	12,662	5,159	11,245	16,404	29,066
Office Expense	-	554	3,321	3,875	2,044	3,522	5,566	9,441
Insurance	-	995	6,716	7,711	3,260	6,690	9,950	17,661
Telephone and Networking	-	1,636	16,324	17,960	5,119	12,776	17,895	35,855
Postage and Shipping	-	362	430	792	1,600	4,945	6,545	7,337
Travel and Mileage	-	929	1,841	2,770	399	3,265	3,664	6,434
Professional Services	-	989	6,636	7,625	3,662	6,772	10,434	18,059
Conferences and Meetings	-	195	3,293	3,488	5,700	4,775	10,475	13,963
Repairs and Maintenance	-	1,182	3,153	4,335	968	2,861	3,829	8,164
Depreciation	-	2,156	14,466	16,622	6,773	14,763	21,536	38,158
Occupancy Expense	-	2,360	15,836	18,196	7,415	16,162	23,577	41,773
Endowment Fee	-	-	-	-	21,346	-	21,346	21,346
Miscellaneous	-	566	4,142	4,708	99	14,561	14,660	19,368
United Way of America Dues	-	3,284	22,038	25,322	10,318	22,491	32,809	58,131
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 3,197,959</b>	<b>\$ 69,097</b>	<b>\$ 808,792</b>	<b>\$ 4,075,848</b>	<b>\$ 290,527</b>	<b>\$ 627,693</b>	<b>\$ 918,220</b>	<b>\$ 4,994,068</b>

See Notes to Financial Statements.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**STATEMENTS OF CASH FLOWS  
For the Years Ended December 31,**

	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets	\$ 289,393	\$ (460,868)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided (Used) by Operating Activities--		
Depreciation	46,155	38,158
Net Realized and Unrealized (Gain) Loss on Investments and Beneficial Interest in Assets Held by the Community Foundation of Greater Lafayette	(585,863)	415,755
Provision for Uncollectible Pledges	200,549	202,929
(Increase) Decrease in Current Assets--		
Pledges Receivable	(238,477)	(217,969)
Grants Receivable	500,000	(496,425)
Other Assets	(17,656)	2,554
Increase (Decrease) in Current Liabilities--		
Accounts Payable	136,533	(5,070)
Allocations Payable	(23,767)	(75,084)
Agency Funds	(295)	-
Accrued Expenses	(1,501)	626
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>305,071</b>	<b>(595,394)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Increase) in Certificates of Deposit	(6,090)	(203,050)
Purchases of Equipment	(5,866)	(43,066)
Net Proceeds from Investments and Beneficial Interest in Assets Held by the Community Foundation of Greater Lafayette	51,443	110,810
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>39,487</b>	<b>(135,306)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>344,558</b>	<b>(730,700)</b>
<b>CASH AND CASH EQUIVALENTS--Beginning of Year</b>	<b>1,549,990</b>	<b>2,280,690</b>
<b>CASH AND CASH EQUIVALENTS--End of Year</b>	<b>\$ 1,894,548</b>	<b>\$ 1,549,990</b>

See Notes to Financial Statements.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the United Way of Greater Lafayette and Tippecanoe County, Indiana, Inc.'s significant accounting policies consistently applied in the preparation of the accompanying financial statements are as follows:

- A) **Nature of Operations**--United Way of Greater Lafayette and Tippecanoe County, Indiana, Inc. (the Organization) was formed in 1956 as a not-for-profit corporation located in Lafayette, Indiana. United Way's mission is mobilizing our community to improve lives. The Organization is governed by local volunteer leaders – people who live and/or work in the community and who understand the needs of Tippecanoe County.
- B) **Cash Equivalents**--For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments with maturities of three months or less when purchased to be cash equivalents.
- C) **Use of 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 the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.
- D) **Pledges Receivable**--Pledges receivable are carried at the original pledged amount less an estimate made for allowance for doubtful accounts based on historical uncollectibles data. Pledges that are determined to be uncollectible, along with a general reserve, are included in the overall allowance for doubtful pledges. Recoveries of pledges receivable are recorded when received.
- E) **Contributions and Campaign Expenses**--Pledges receivable, which are unconditional promises to give, are recorded as received and are all restricted by time for the future year. The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Campaign expenses for annual campaigns are recognized in the period incurred.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

- F) **Allocations**--Allocations to member agencies are recognized as expenses in the period approved by the Board of Directors.
- G) **Property and Equipment**--Property and equipment are stated at cost, less accumulated depreciation. If donated, the cost is the fair market value at the date of receipt. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives on the straight-line method. The Organization's policy is to capitalize property and equipment with a value of \$500 or greater. Maintenance, repairs, and minor renewals are charged to operations as incurred. Improvements and major renewals are capitalized. Upon sale or disposition of properties, the asset account is relieved of the cost and the accumulated depreciation account is charged with depreciation taken prior to the sale. Any resultant gain or loss is credited or charged to operations. Depreciation expense for the years ended December 31, 2019 and 2018, was \$46,155 and \$38,158, respectively.
- H) **Basis of Presentation**--In accordance with FASB Accounting Standards Codification (Accounting Standards), the net assets of the Organization are reported in each of the following two classes:
- (1) *Net Assets Without Donor Restrictions*--Net assets that are not subject to donor-imposed stipulations. Other donor-imposed restrictions require the Organization to use all or part of the income earned on any related investments for general or specific purposes.
  - (2) *Net Assets With Donor Restrictions*--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.

All donor-restricted contributions are recorded as increases in net assets with donor restrictions. When a restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Restrictions on gifts of fixed assets or contributions restricted for the purchase of fixed assets expire when the asset is placed in service, unless otherwise stipulated by the donor.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

- I) **Income Taxes**--The Organization is a not-for-profit organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and state income taxes under the Indiana General Not-For-Profit Act.

Accounting Standards requires entities to disclose in their financial statements the nature of any uncertainties in their tax position. Tax years including 2016 and later are subject to examination by tax authorities. Areas that IRS and state tax authorities consider when examining tax returns of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. The Organization does not believe that it has any uncertain tax positions with respect to these or other matters, and therefore, has not recorded any unrecognized tax benefits or liabilities. The Organization is not aware of any circumstances or events that make it reasonably possible that tax benefits may increase or decrease within 12 months of the date of these financial statements.

- J) **Advertising**--The Organization expenses advertising as incurred. During 2019 and 2018, advertising costs totaled \$-0- for both years.

- K) **Donated Goods and Services**--The Organization records various types of in-kind support including property and equipment, professional services, and materials. Property and equipment donated is capitalized on the basis explained on the previous page. Contributed professional services are recognized if the services either create or enhance long-lived assets, or require specialized skills and would typically need to be purchased if not provided by the donation. Contributions of supplies, space, and materials are recognized at fair market value when received. In-kind contributions for professional services, meeting space, and public relation materials were \$24,132 and \$76,437 for the years ended December 31, 2019 and 2018, respectively.

The Organization also receives significant donations of time from volunteers that do not meet the two recognized criteria described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the financial statements.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2019 and 2018

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

L) New Accounting Pronouncement--The Organization has adopted Accounting Standards Update (ASU) No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)* as management believes the standard improves the usefulness and understandability of the Organization's financial reporting.

Additionally, the Organization has adopted Accounting Standards Update (ASU) No. 2014-09 – *Revenue from Contracts and Customers (Topic 606)*, as amended as management believes this standard improves the usefulness and understandability of the Organization's financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

**NOTE 2: OVERHEAD RATIO**

The overhead ratio is equal to fund-raising and management and general expenses divided by total campaign support and all other revenue sources. The ratio is calculated below using the Gross Method recommended in "*Functional Expenses and Overhead Reporting Guidelines for United Ways,*" by United Way Worldwide.

	2019	2018
Numerator:		
Supporting Services Functional Expenses	\$ 757,970	\$ 866,916
Denominator:		
Total Support and Revenue	5,446,816	6,111,239
Numerator/Denominator		
Expressed as a Percent	13.92%	14.19%

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 3: LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following:

	<u>2019</u>	<u>2018</u>
Financial Assets at Year End--		
Cash and Cash Equivalents	\$ 1,894,548	\$ 1,549,990
Certificates of Deposit	363,217	357,127
Accounts Receivable	40,570	32,042
Pledges Receivable	3,365,703	3,327,775
Grants Receivable	-	500,000
Investments	<u>2,999,430</u>	<u>2,621,979</u>
Total Financial Assets Available Within One Year	8,663,468	8,388,913
Less Amounts Unavailable for General Expenditure--		
Restricted by Donors With Purpose Restrictions	(534,962)	(813,634)
Allocations Payable	<u>(3,711,486)</u>	<u>(3,735,253)</u>
Total Amounts Unavailable Due to Purpose Restrictions	(4,246,448)	(4,548,887)
Less Amounts Unavailable to Management Without Board Approval--		
Emergency Reserves	(48,793)	(48,793)
Less Amounts Designated Internally as Reserve Funds--		
Investments	<u>(2,995,180)</u>	<u>(2,617,729)</u>
Financial Assets Available to Management for General Expenditures Within One Year	<u>\$ 1,373,047</u>	<u>\$ 1,173,504</u>

As part of the Organization's liquidity management, it follows the recommended United Way Worldwide Standard Membership Guideline of having three to six months operating and allocations available. The Organization's financial assets are structured in a way to be available as general expenditures, liabilities, and other obligations come due. It is necessary to have an appropriate level of cash available due to the irregular nature of monthly revenue streams and consistent monthly expenditures (operating expenses, programmatic expenses, and agency allocations). Excess cash is invested in short term investments such as money markets and certificates of deposit.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 4: PLEDGES RECEIVABLE**

Pledges receivable at December 31, consist of the following:

	<u>2019</u>	<u>2018</u>
Current Year Campaign	\$ 3,312,531	\$ 3,332,588
Prior Year Campaign	<u>452,981</u>	<u>399,878</u>
	3,765,512	3,732,466
Less: Allowance for Uncollectible Pledges	<u>(399,809)</u>	<u>(404,691)</u>
<b>Total Pledges Receivable</b>	<b><u>\$ 3,365,703</u></b>	<b><u>\$ 3,327,775</u></b>

For the years ended December 31, 2019 and 2018, management calculated the current allowance for uncollectible pledges based on 4.18% and 4.16%, respectively, of the total pledges raised less out-of-county pledges paid by others.

**NOTE 5: INVESTMENTS**

Investments are carried at fair market value, and realized and unrealized gains and losses are included in the statements of activities. Interest and dividends are accrued as earned. Interest is shown net of any investment fees.

Investments at fair market value consisted of the following for the years ended December 31:

	<u>2019</u>	<u>2018</u>
Equities	\$ 1,988,964	\$ 1,674,132
Fixed Income	<u>1,010,466</u>	<u>947,847</u>
	<b><u>\$ 2,999,430</u></b>	<b><u>\$ 2,621,979</u></b>



**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 5: INVESTMENTS (Continued)**

The following schedule summarizes the investment return, net of investment fees of \$16,123 and \$20,000 for the years ended December 31, 2019 and 2018, respectively, and is included in the statements of activities. The investment return includes returns from the beneficial interest in assets held by the Foundation.

	2019	2018
<b>Investment Earnings--</b>		
Interest and Dividends, Net of Investment Fees	\$ 103,915	\$ 103,130
Realized Gain on Sale of Investments	14,512	78,107
Unrealized Gain (Loss) on Investments	571,351	(493,862)
	\$ 689,778	\$ (312,625)

Included in investments are the General, Loeb, Bonner, and Rosen funds.

**NOTE 6: BENEFICIAL INTEREST IN ASSETS HELD BY THE COMMUNITY FOUNDATION OF GREATER LAFAYETTE**

During 1994 and 1996, the Organization transferred assets to the Foundation and created two Agency Fund Endowments. Agency Fund Endowments are funds created by a not-for-profit organization with its own funds and for its own benefit. Assets transferred by the Organization to the Foundation are listed in the following paragraphs:

On January 1, 1994, the Organization entered into an Agency Endowment Fund Agreement (the United Way Special Endowment Fund) with the Foundation. The basic purpose of the United Way Special Endowment Fund is to provide support to the Organization to carry out its role and mission. This was accomplished by transferring cash in the amount of \$70,000 to the Foundation.

On October 1, 1996, the Organization entered into an Agency Endowment Fund Agreement (the United Way Designated Endowment Fund) with the Foundation that will benefit United Way agencies. The assets used to establish the endowment fund (\$1,054,897) were transferred from Foundation assets, which had built up over the years as a result of the receipt and investment of the Organization's allocations to the Foundation.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 6: BENEFICIAL INTEREST IN ASSETS HELD BY THE COMMUNITY FOUNDATION OF GREATER LAFAYETTE (Continued)**

In 2010, the Organization merged the Special Endowment Fund into the Designated Endowment Fund.

Since the Foundation is granted variance power in the endowment agreement, any subsequent contributions to the endowment made by individuals other than the Organization are not recorded on the Organization's books as contribution revenue. The only revenue and expense shown on the Organization's books for the endowment is interest income, investment gains and losses, investment fees and support expense directly related to the Organization's contributions. Revenue from the investments is reinvested annually.

At December 31, 2019 and 2018, the Organization has recorded a beneficial interest in assets held by the Foundation in the amount of \$1,297,399 and \$1,140,430, respectively. Only the income portions of these funds are board restricted. The historic value transferred is unrestricted, unappropriated.

**NOTE 7: CONCENTRATIONS OF CREDIT RISK**

At certain times during the year the Organization maintained cash deposits with its banks which exceeded the insurance limits set by the Federal Deposit Insurance Corporation (FDIC) as well as deposits with a credit union which exceeded the insurance limit set by the National Credit Union Administration (NCUA). As of December 31, 2019 and 2018, the amounts over the FDIC and NCUA limits were \$650,880 and \$366,538, respectively.

Investments, including investments underlying other assets invested with the Community Foundation of Greater Lafayette, total \$4,264,759 and \$3,762,409 at December 31, 2019 and 2018, respectively, and make up approximately 40% and 37% of the Organization's total assets, respectively. If market events were to result in a severe near term effect, management believes it would not cause a severe disruption of the normal functioning of the entity.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 8: DONOR DESIGNATED CONTRIBUTIONS**

In accordance with Accounting Standards, donor designated contributions are accounted for as a liability on the books of the Organization.

As of December 31, 2019 and 2018, \$592,665 and \$573,294, respectively, have been designated by donors for various agencies. The Organization has either included these designated amounts in the total allocations payable or paid the allocations out in each respective year.

United Way of Greater Lafayette complies with both the letter and intent of United Way of America's Cost Deduction Standard. United Way does not charge donors more than the actual cost to process and transfer designated gifts. There are no duplicative charges assessed donors on designated gifts.

**NOTE 9: BOARD DESIGNATED FUNDS**

Annual allocations are made to the unrestricted, board designated fund accounts through transfers from the undesignated fund. Disbursements made in excess of the annual allocations to these funds must be approved by the Board of Directors. Any balances remaining in the board designated fund accounts at the end of the year are carried over to the following year and serve to reduce the allocations necessary in the following year.

**NOTE 10: NET ASSETS**

Unrestricted, board designated funds are specifically identified in the statements of financial position and amount to \$221,295 and \$64,326, respectively for the years ended December 31, 2019 and 2018. Included in cash and investments at December 31, 2019 and 2018, is \$221,295 and \$64,326, respectively, of unrestricted, board designated funds.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 10: NET ASSETS (Continued)**

Net assets with donor restrictions, subject to purpose or time restrictions consisted of the following at December 31:

	<u>2019</u>	<u>2018</u>
<b>Purpose Restriction--</b>		
Special Projects-Bonner	\$ 12,484	\$ 10,305
Stem Initiative	500	-
Tipp Celebration Rally	503	27
Lean IN Grant	6,810	6,810
Invest 1213-Health	2,324	37,980
Solutions Beyond Shelter	11,222	11,222
Family Stability	1,397	1,397
BornLearning	10,347	12,162
Kindergarten Camp	-	403
Healthy Active Tippecanoe	2,000	2,000
Philanthropic Needs	10,934	30,296
4Community2	1,543	2
United IN 16	66,752	179,563
United IN 18	350,487	454,236
Mental Health & Substance Abuse	4,650	-
Community Commitment to Education	48,759	62,981
<b>Time Restriction--</b>		
Campaign to support future years	3,894,108	3,968,041
<b>Perpetual Restriction--</b>		
Albert J. Bonner, Jr. Fund	<u>4,250</u>	<u>4,250</u>
	<u>\$ 4,429,070</u>	<u>\$ 4,781,675</u>

Included in cash, certificates of deposits, and receivables, and investments at December 31, 2019 and 2018, are \$4,429,070 and \$4,781,675, respectively, of donor restricted funds.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 11: FUNCTIONAL EXPENSES**

Expenses are allocated based on their functional basis: program services, management and general, and fundraising costs. Expenses by function have been allocated among program and supporting services classifications on the basis of time studies and analyses made by the Organization's management.

Program services are divided into three programs. The Allocation Service Program recruits, educates, and assists local community volunteers in the identification of community funds in programs that address those same needs in our community. The Labor Relations/Community Services Program recruits and educates employees and union members on resources available in our community to assist people in need as well as the ways in which they can assist their co-workers, family members, and neighbors in locating the proper resources for their needs. Grant Programs consists of the United Way Volunteer Center (UWVC), and Community Impact. The Community Impact Programs work to bring key community partners together to address significant community issues. UWVC is a program that builds and strengthens our community by promoting and developing volunteerism by developing awareness among area residents of social service needs in the Lafayette community, promoting the recruitment of volunteers to work with social service agencies to develop and maintain quality volunteer programs.

**NOTE 12: CONDITIONAL GRANTS**

In 2018, the Organization was awarded a grant under the UnitedIN 18 program through the Indiana Association of United Ways. The grant was awarded in the amount of \$500,000, conditional upon the Organization securing new giving. The Organization had two years in which to meet the conditions of the grant. In 2018, the Organization fully met match requirements totaling \$500,000 and recorded a grant receivable as of December 31, 2018.

**NOTE 13: SERVICE AGREEMENT**

During 2018 the Organization entered into an agreement with White County United Way to provide pledge processing services. Annual fees for these services rendered to White County were 2.5% of the annual campaign. The agreement ceased in December 2018.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 14: TRANSACTIONS WITH UNITED WAY WORLDWIDE AND INDIANA UNITED WAYS--RELATED PARTY**

The Organization remits annual dues to United Way Worldwide and Indiana United Ways. Remitted amounts for the years ended December 31 were as follows:

	2019	2018
United Way Worldwide	\$ 53,468	\$ 58,131
Indiana United Ways	26,734	29,066
	\$ 80,202	\$ 87,197

In addition, the Organization recorded \$-0- and \$520,000 in grant income from Indiana United Ways for the years ended December 31, 2019 and 2018, respectively.

**NOTE 15: PENSION PLAN**

The Organization has a defined contribution plan covering substantially all of its employees. Funding of this plan is current. Pension expense was \$38,563 and \$46,607 in 2019 and 2018, respectively.

**NOTE 16: COMMITMENTS**

The Organization has entered into three lease agreements for postage and software hosting. The leases qualify as operating leases and contain monthly lease payments of \$105 and \$425 and annual payments of \$3,500. The leases expire at various dates thru March 2020. Expenses under these leases totaled \$9,854 for both years ended December 31, 2019 and 2018.

The Organization has also entered into an agreement for Connect2Help services on a monthly basis. The agreement includes monthly payments of \$2,300. Total expense under this agreement was \$27,600 for the years ended December 31, 2019 and 2018.

The minimum payments under these commitments for the years following December 31, 2019, are as follows:

2020            \$    314

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 17: SUBSEQUENT EVENTS**

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closing of many Organizations. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. The investments held by the Organization have experienced significant declines in fair market value through the date of this report, though this is deemed to be temporary. Further, there is uncertainty around the collectability of pledges from the current and prior year campaigns. Therefore, the Organization expects this matter to negatively impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.

In response to the above situation, the Organization applied and for and was apportioned a Paycheck Protection Program loan for a total of \$160,025. The Organization has thus far received \$210,000 from various organizations and individuals for the Tippecanoe County COVID-19 Response Fund. The Organization was also awarded a \$1,300,000 grant from Indiana United Ways, funded by Lilly Endowment, Inc., for COVID-19 Relief for Tippecanoe, Benton, and Carroll counties.

The Organization has evaluated subsequent events through June 18, 2020, the date which the financial statements were available to be issued.



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**INDEPENDENT AUDITOR'S REPORT  
ON SUPPLEMENTARY INFORMATION**

To the Board of Directors  
United Way of Greater Lafayette and Tippecanoe County, Indiana, Inc.  
Lafayette, Indiana

We have audited the financial statements of United Way of Greater Lafayette and Tippecanoe County, Indiana, Inc. as of and for the years ended December 31, 2019 and 2018, and have issued our report thereon dated June 18, 2020, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole.

The following supplemental schedules are presented for the purpose 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.

*Huth Thompson LLP*

**June 18, 2020**  
Lafayette, Indiana



**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**SCHEDULES OF ALLOCATIONS TO AGENCIES**

As of December 31,

(See Independent Auditor's Report on Supplementary Information)

	<u>2019</u>	<u>2018</u>
American Red Cross	\$ 112,500	\$ 112,500
Big Brothers/Big Sisters	95,400	106,090
BIGS in Blue-Big Brothers/Big Sisters	10,000	13,000
Boy Scouts of Sagamore Council	56,700	81,000
Bauer Family Resource Center	360,000	374,500
Connect2Help	27,600	27,600
Family Promise	30,800	30,800
Finance Park/Biz Town-Junior Achievement	10,000	10,000
Food Finders Food Bank	130,256	117,933
Girl Scouts of Sycamore Council	40,000	46,000
Hanna Community Center	67,500	67,500
Lafayette Adult Resource Academy	69,300	77,000
Lafayette Family YMCA	80,550	80,550
LTHC Homeless Services	329,080	329,080
Legal Aid Corporation	55,350	55,350
Lyn Treece Boys and Girls Club	235,000	243,500
Tippecanoe Senior Center/Meals on Wheels	201,150	201,150
Mental Health America	216,900	216,900
Mental Health America Wabash Valley Region - Let's Talk	30,958	-
NAMI Café-NAMI West Central Indiana	20,000	20,000
PALS-Purdue University	22,000	22,000
Riggs Community Health Center	100,000	200,000
Right Steps Child Development Centers	520,000	540,500
Salvation Army	35,350	35,350
School Court-Bauer Family Resources	15,000	15,000
The Arc of Tippecanoe County	22,400	22,400
Tippecanoe School Corporation - SOAR Middle School Program	24,000	-
Valley Oaks Health - Leveling Up	36,000	-
Wabash Center	219,600	219,600
We Bloom - Recovery Café	30,000	-
Willowstone	308,400	308,400
Willowstone - Active Parenting	27,500	-
YWCA	161,550	161,550
YWCA - Substance Use Treatment	10,642	-
	<u>3,711,486</u>	<u>3,735,253</u>
Less: Donor Designated Contributions	<u>(592,665)</u>	<u>(573,294)</u>
	<u>\$ 3,118,821</u>	<u>\$ 3,161,959</u>

The amounts listed above include donor designated contributions for 2019 and 2018.

**UNITED WAY OF GREATER LAFAYETTE AND  
TIPPECANOE COUNTY, INDIANA, INC.**

**SCHEDULES OF HISTORICAL PLEDGES AND UNCOLLECTIBLES**

As of December 31,

(See Independent Auditor's Report on Supplementary Information)

CAMPAIGN YEAR	TIPPECANOE TOTAL PLEDGES RECEIVABLE	ALLOWANCE FOR UNCOLLECTED			PERCENT OF TOTAL UNCOLLECTED
		ORIGINAL	ADJUSTMENTS	UNCOLLECTED	
1990	3,071,030	129,262	39,164	168,426	5.48
1991	3,197,824	159,273	(49,980)	109,293	3.42
1992	3,261,425	169,400	(781)	168,619	5.17
1993	3,386,686	161,085	(10,010)	151,075	4.46
1994	3,431,252	163,393	(9,900)	153,493	4.47
1995	3,601,188	171,485	1,236	172,721	4.80
1996	3,761,580	188,079	(8,644)	179,435	4.77
1997	3,956,639	197,832	56,035	253,867	6.42
1998	4,121,871	206,094	56,516	262,610	6.37
1999	4,307,759	237,312	(129,996)	107,316	2.49
2000	4,380,508	264,000	(76,592)	187,408	4.28
2001	4,401,345	267,600	(66,468)	201,132	4.57
2002	4,665,021	264,083	(87,300)	176,783	3.79
2003	4,399,526	264,000	(94,509)	169,491	3.85
2004	4,447,808	242,375	(73,741)	168,634	3.79
2005	4,656,884	218,585	43,364	261,949	5.62
2006	4,612,355	221,819	2,568	224,387	4.86
2007	4,644,855	207,160	110,923	318,083	6.85
2008	4,745,316	265,208	128,779	393,987	8.30
2009	4,266,163	283,273	(19,726)	263,547	6.18
2010	4,257,744	299,319	(110,438)	188,881	4.44
2011	4,283,304	280,484	(114,248)	166,236	3.88
2012	4,532,528	291,946	(105,941)	186,005	4.10
2013	4,543,407	258,946	(86,746)	172,200	3.79
2014	4,628,534	215,211	(8,360)	206,851	4.47
2015	4,540,654	184,022	37,738	221,760	4.88
2016	4,618,646	187,433	(25,155)	162,278	3.51
2017	4,625,209	199,425	(21,202)	178,223	3.85
2018	4,738,691	197,356	*	*	*
2019	4,682,530	195,757	*	*	*

Note: The pledges and allowances shown above represent only Tippecanoe County pledges. The columns do not include Out-of-County designated pledges or allowances.