

UNITED WAY OF PALM BEACH COUNTY, INC.
TRI-COUNTY COMBINED FEDERAL CAMPAIGN
FINANCIAL STATEMENTS
2007 Campaign Period Ended March 31, 2009

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Tri-County Combined Federal Campaign
Miami, Florida

We have audited the accompanying statement of financial position of the Tri-County Combined Federal Campaign ("CFC") for the campaign period ended March 31, 2009 (2007 Campaign), and the related statements of activities, functional expenses and cash flows for the period then ended. These financial statements are the responsibility of the Principal Combined Fund Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S generally accepted auditing standards. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tri-County Combined Federal Campaign for the campaign period ended March 31, 2009, and the changes in its net assets and its cash flows for the period then ended in conformity with U.S. generally accepted accounting principles.

A handwritten signature in black ink that reads "Mayer Hoffman McCann P.C." in a cursive script.

Boca Raton, Florida
July 16, 2009

TRI-COUNTY COMBINED FEDERAL CAMPAIGN

STATEMENT OF FINANCIAL POSITION

March 31, 2009

ASSETS

Cash and cash equivalents	\$	-
Pledges and interest receivable		-
Computer equipment, less accumulated depreciation of \$3,619		<u>446</u>
TOTAL ASSETS	\$	<u>446</u>

LIABILITIES AND NET ASSETS

LIABILITIES:

PCFO administrative expense payable	\$	<u>-</u>
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NET ASSETS:

Unrestricted		<u>446</u>
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TOTAL LIABILITIES AND NET ASSETS	\$	<u>446</u>
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See Notes to Financial Statements

TRI-COUNTY COMBINED FEDERAL CAMPAIGN

STATEMENT OF ACTIVITIES

For the Campaign Period Ended March 31, 2009

CAMPAIGN RESULTS AND OTHER REVENUES:

CAMPAIGN RESULTS:

Contributions/Pledges	\$ 1,769,063
Less: cancellations and uncollected pledges	(134,155)
Net contributions	<u>1,634,908</u>

OTHER REVENUES:

Interest on bank account	<u>2,248</u>
Net campaign results	<u>1,637,156</u>

Less: Net distributions to other agencies (1,367,959)

NET CAMPAIGN RESULTS AND OTHER REVENUES 269,197

OPERATING EXPENSES:

Salaries	129,997
Employee benefits and taxes	33,605
Supplies	1,823
Postage	1,141
Printed Materials	21,309
Advertising	1,556
Travel	9,543
Occupancy	4,500
Telephone	2
Meeting and events	23,529
Audit	22,000
Recognition	18,818
Depreciation	741
Computer expense	225
Total operating expenses	<u><u>268,789</u></u>

CHANGE IN UNRESTRICTED NET ASSETS 408

NET ASSETS AT BEGINNING OF CAMPAIGN 38

NET ASSETS AT END OF CAMPAIGN \$ 446

See Notes to Financial Statements

TRI-COUNTY COMBINED FEDERAL CAMPAIGN

STATEMENT OF FUNCTIONAL EXPENSE

Campaign Period Ended March 31, 2009

	<u>Program Services</u>		<u>Supporting Services</u>		<u>Total</u>
	<u>Fund Distribution</u>	<u>Fund Raising</u>	<u>General & Management</u>	<u>Total Supporting Services</u>	
OPERATING EXPENSES					
Salaries	\$ 3,802	\$ 117,223	\$ 8,972	\$ 126,195	\$ 129,997
Employee Benefit and Taxes	1,065	30,028	2,512	32,540	33,605
Supplies	-	1,823	-	1,823	1,823
Postage	-	1,141	-	1,141	1,141
Printed Materials	-	21,309	-	21,309	21,309
Advertising	-	1,556	-	1,556	1,556
Travel	-	9,543	-	9,543	9,543
Occupancy	-	4,500	-	4,500	4,500
Telephone	-	2	-	2	2
Meetings & Events	-	23,529	-	23,529	23,529
Audit	11,000	-	11,000	11,000	22,000
Recognition	-	18,818	-	18,818	18,818
Depreciation	-	741	-	741	741
Computer expense	-	225	-	225	225
	<u>\$ 15,867</u>	<u>\$ 230,438</u>	<u>\$ 22,484</u>	<u>\$ 252,922</u>	<u>\$ 268,789</u>

See Notes to Financial Statements

TRI-COUNTY COMBINED FEDERAL CAMPAIGN

STATEMENT OF CASH FLOWS

Campaign Period Ended March 31, 2009

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from contributors	\$ 1,634,908
Cash payments to participating agencies	(1,367,959)
Cash received from investment income	2,248
Cash payments to employees and suppliers	<u>(268,048)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>1,149</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment in equipment	<u>(1,149)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(1,149)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF CAMPAIGN	-
CASH AND CASH EQUIVALENTS AT END OF CAMPAIGN	<u><u>\$ -</u></u>
Reconciliation of Change in Net Assets to Cash and Cash Equivalents from Operating Activities:	
Change in net assets	\$ 408
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Depreciation	741
Net cash flows from operating activities	<u><u>\$ 1,149</u></u>

See Notes to Financial Statements

TRI-COUNTY COMBINED FEDERAL CAMPAIGN

NOTES TO FINANCIAL STATEMENTS

(1) Summary of significant accounting policies

Organization and Business - Tri-County Combined Federal Campaign ("CFC") enables Federal employees in Miami-Dade, Monroe and Broward County to provide financial support to various not-for-profit organizations through annual fund raising campaigns.

This is the third Tri-County Combined Federal Campaign that United Way of Palm Beach County has administered.

Combined Federal Campaign Agreement - The policies and procedures for conducting the annual campaign are governed by the U.S. Office of Personnel Management. The agreement between the Principal Combined Fund Organization ("PCFO") ("United Way") and the Local Federal Coordinating Committee established an amount to be reimbursed for expenses, which reflects the actual costs of administering the local campaign. The agreement obligates the United Way to disperse allocations to participating agencies quarterly. As a result of the United Way's economic interest, CFC is consolidated in the United Way's financial statements.

Basis of Financial Statement Presentation - The financial statements of CFC have been prepared on the accrual basis of accounting, as prescribed by the CFC Audit Guide.

Net Assets are classified based on the existence or absence of donor-imposed restrictions as follows:

- Unrestricted- net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted- net assets subject to donor-imposed stipulations that may or will be met either by actions of CFC and/or passage of time.
- Permanently restricted- net assets subject to donor-imposed stipulations that they be maintained permanently by CFC.

As of March 31, 2009, CFC has no temporarily restricted or permanently restricted net assets.

Annual Campaign - Annual fund raising campaigns are generally conducted each year from September to December. Allocations to agencies are recorded when the pledge is made by the donor. The proceeds of each campaign are distributed to the agencies during the following year, commencing on April 1, 2008. The Fall 2007 campaign commenced in September 2007 and ended March 31, 2009. Contributions of cash and other assets are recorded at fair value and are recognized when the pledges are received. Donor-restricted contributions, whose restrictions are met within the same year as received, are reflected as unrestricted revenue in the accompanying financial statements.

TRI-COUNTY COMBINED FEDERAL CAMPAIGN

NOTES TO FINANCIAL STATEMENTS

(1) Summary of significant accounting policies (continued)

Contributions designated by donors for specified agencies and, therefore, received by CFC in an agency capacity, are reflected as a reduction of annual campaign revenue in the accompanying statement of activities. These contributions, subject to collections and administrative fees, are distributed to those agencies for their unrestricted use unless specifically restricted by the donor. Undesignated contributions received by CFC are distributed to agencies proportionate to the amount of contributions designated by donors to each agency. A provision for pledges estimated to be uncollectible is based, among other things, on CFC's past collection experience and evaluation of current economic conditions. At the end of the campaign period, any remaining pledge balance is written off.

Designation to Agencies - Designations are recorded as expense when the pledge is made. Designations payable represent amounts owed to agencies for contributions pledged. As of March 31, 2009, the balance is zero.

Cash and Cash Equivalents - Short-term investments with maturities at the date of purchase of three months or less are classified as cash equivalents and are carried at market value. Cash equivalents include money market securities and other short-term highly liquid investment. As of March 31, 2009, there was no cash and cash equivalents balance related to the campaign period.

Donated Services - No amount has been reflected in the financial statements for donated services as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time to the fund raising campaign.

Campaign Expenses - Campaign expenses are paid by United Way on behalf of CFC and allocated to CFC based on an estimation of actual expenses, or based upon direct expenses incurred by CFC.

Functional Expenses - Expenses are allocated to functional categories based on allocation percentages approved by management. The allocations reflect costs associated with program and supporting service functions.

Income Taxes - United Way, as administrator of CFC is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code.

Use of Estimates - The preparation of financial statements in conformity with U.S generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of the public support and revenue and expenses during the period. Actual results could differ from these amounts.

The allowance for uncollectible pledges is an estimate established through reductions to public support. Management's judgment in determining the adequacy of the allowance is based upon several factors, which include, but are not limited to, the collection history and management's judgment with respect to current economic conditions.

TRI-COUNTY COMBINED FEDERAL CAMPAIGN

NOTES TO FINANCIAL STATEMENTS

(1) Summary of significant accounting policies (continued)

Property and equipment - Property and equipment are recorded at cost if purchased and at their estimated fair value if donated. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service, as instructed by the donor. United Way reclassifies temporarily restricted net assets to unrestricted net assets at that time.

United Way capitalizes any single asset purchased with value equal or over \$1,000 and an estimated useful life of over one year. Depreciation is calculated using the straight-line method.

(2) Equipment

As of March 31, 2009, equipment consisted of computer equipment purchased for the administration of the campaign at a cost of \$4,065. Associated accumulated depreciation is \$3,619 as of March 31, 2009.

Depreciation expense for the campaign period was \$741.

TRI-COUNTY COMBINED FEDERAL CAMPAIGN

NOTES TO FINANCIAL STATEMENTS

(4) SUMMARY OF ALLOCATIONS TO PARTICIPATING AGENCIES

CFC distributes the total amount of net contributions from each campaign to participating agencies based on donor designations and on allocations of undesignated contributions. The allocations to federated groups and unaffiliated agencies are as follows:

	Gross Designation	Distribution
(USO) United Service Organizations	\$ 8,552	\$ 6,612
Aging Disabilities Charities America	2,450	1,894
AIDS Global Action Inc	8,296	6,414
American Red Cross	70,510	54,516
America's Charities	64,671	50,002
Animal Charities of America	67,195	51,953
CancerCURE of America	97,077	75,057
Children First-America's Charities	40,406	31,241
Children's Charities of America	53,983	41,738
Children's Medical Charities America	26,851	20,761
Christian Charities, USA	40,604	31,394
Christian Service Charities	51,741	40,004
Community Health Charites	182,334	140,975
Conservation & Preservation	11,527	8,913
Earth Share	28,958	22,389
Educate America	3,099	2,396
Health & Medical Research Charities	70,992	54,889
Health First - America's Charities	14,973	11,577
Hispanic United Fund	8,861	6,851
Human & Civil Rights Organizations	14,430	11,157
Human Care Charities of America	17,940	13,870
Human Service Charities of America	7,135	5,517
Jewish Charities of America	2,837	2,193
Medical Research Charities	39,925	30,869
Mental Health Organizations America	5,701	4,408
Military, Veterans & Patriotic Serv	86,815	67,122
National Black United Federation	14,832	11,468
Peace and Reconciliation Charities	1,054	819
Sports Charities, USA	2,602	2,012
The Arts Federation	1,080	839
Women, Children & Family Service	21,622	16,717
Community Health Charities of Fla	53,011	40,986
Local Independent Charities America	28,773	22,247
United Way of Broward County	93,463	72,263
United Way of Miami-Dade	97,452	75,347
United Way of Palm Beach County	9,631	7,446
Aid to Africa	11,646	9,004
Do Unto Others	16,994	13,140
Global Impact	55,021	42,540
Israel Fund, Inc. dba Tzedakah	6,148	4,754
Latin America Fund, Inc. dba Ayuda	2,591	2,003
National Unaffiliated Organizations	188,482	145,817
Local Unaffiliated Organizations	113,036	87,442
International Unaffiliated Organizations	23,762	18,403
	<u>\$ 1,769,063</u>	<u>\$ 1,367,959</u>