



**FINANCIAL STATEMENTS  
AND SUPPLEMENTAL SCHEDULE**

**DECEMBER 31, 2015 and 2014**

**WITH**

**INDEPENDENT AUDITOR'S REPORT**



## CONTENTS

Independent Auditor's Report .....	1
Statements of Financial Position.....	3
Statements of Activities .....	4
Statements of Cash Flows.....	5
Statements of Functional Expenses.....	6
Notes to Financial Statements.....	7
Supplemental Schedule:	
Supplemental Schedule of Allocations, Designations and Venture Grants .....	15

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Tulsa Area United Way

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Tulsa Area United Way as of December 31, 2015 and 2014, which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, cash flows and functional expenses 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 Tulsa Area United Way as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matter**

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedule of allocations, designations and venture grants is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the 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.

*Hogan Taylor LLP*

May 18, 2016

**TULSA AREA UNITED WAY**  
**STATEMENTS OF FINANCIAL POSITION**  
**December 31, 2015 and 2014**

	2015	2014
<b>Assets</b>		
Cash and cash equivalents	\$ 9,665,595	\$ 12,104,697
Pledges receivable, net	18,142,894	17,282,920
Other receivables	35,181	74,239
Prepaid expenses	28,254	59,999
Investments, at fair value	8,553,489	6,694,556
Beneficial interest in assets held by others	1,340,158	1,407,873
Land, building and equipment, net	570,966	655,126
	<b>\$ 38,336,537</b>	<b>\$ 38,279,410</b>
	<b>\$ 38,336,537</b>	<b>\$ 38,279,410</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 174,998	\$ 73,857
Allocations payable to agencies	21,006,201	21,042,808
	<b>21,181,199</b>	<b>21,116,665</b>
<b>Net assets:</b>		
Unrestricted	12,239,912	12,029,047
Temporarily restricted	3,915,426	4,133,698
Permanently restricted	1,000,000	1,000,000
	<b>17,155,338</b>	<b>17,162,745</b>
<b>Total net assets</b>	<b>17,155,338</b>	<b>17,162,745</b>
	<b>\$ 38,336,537</b>	<b>\$ 38,279,410</b>
<b>Total liabilities and net assets</b>	<b>\$ 38,336,537</b>	<b>\$ 38,279,410</b>

**TULSA AREA UNITED WAY**  
**STATEMENTS OF ACTIVITIES**

**Years ended December 31, 2015 and 2014**

	2015				2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Public Support and Revenues</b>								
Campaign revenue applicable to current fiscal year:								
Public support received - current year	\$ 748,299	\$ -	\$ -	\$ 748,299	\$ 1,641,182	\$ -	\$ -	\$ 1,641,182
Public support received in prior year - released from restrictions	5,426,682	(5,426,682)	-	-	4,636,217	(4,636,217)	-	-
Total public support - current year	6,174,981	(5,426,682)	-	748,299	6,277,399	(4,636,217)	-	1,641,182
Provision for uncollectible pledges	(943,072)	1,292,984	-	349,912	(1,024,366)	1,221,679	-	197,313
Total campaign revenue - current year	5,231,909	(4,133,698)	-	1,098,211	5,253,033	(3,414,538)	-	1,838,495
Campaign revenue applicable to next fiscal year:								
Public support	21,092,125	4,945,969	-	26,038,094	20,432,999	5,426,682	-	25,859,681
Less: donor designations to nonmember agencies	(529,294)	-	-	(529,294)	(564,544)	-	-	(564,544)
Less: allowance for uncollectible pledges	-	(1,030,543)	-	(1,030,543)	-	(1,292,984)	-	(1,292,984)
Total campaign revenue - to be used in next fiscal year	20,562,831	3,915,426	-	24,478,257	19,868,455	4,133,698	-	24,002,153
Net investment return	33,560	-	-	33,560	107,287	-	-	107,287
Special grants	333,563	-	-	333,563	271,985	-	-	271,985
In-kind donations	89,121	-	-	89,121	92,225	-	-	92,225
Miscellaneous	52,036	-	-	52,036	1,420	-	-	1,420
Total public support and revenues	26,303,020	(218,272)	-	26,084,748	25,594,405	719,160	-	26,313,565
<b>Program and Supporting Service Expenses</b>								
Program services:								
Allocations, designations and venture grants	23,126,073	-	-	23,126,073	22,290,358	-	-	22,290,358
Less: donor designations to nonmember agencies	(529,294)	-	-	(529,294)	(564,544)	-	-	(564,544)
Net allocations and venture grants	22,596,779	-	-	22,596,779	21,725,814	-	-	21,725,814
Community impact	824,467	-	-	824,467	726,048	-	-	726,048
Total program services	23,421,246	-	-	23,421,246	22,451,862	-	-	22,451,862
Supporting services:								
Fundraising	1,608,154	-	-	1,608,154	1,630,470	-	-	1,630,470
Management and general	1,062,755	-	-	1,062,755	1,052,068	-	-	1,052,068
Total supporting services	2,670,909	-	-	2,670,909	2,682,538	-	-	2,682,538
Total program and supporting service expenses	26,092,155	-	-	26,092,155	25,134,400	-	-	25,134,400
Change in net assets	210,865	(218,272)	-	(7,407)	460,005	719,160	-	1,179,165
Net assets - beginning of year	12,029,047	4,133,698	1,000,000	17,162,745	11,569,042	3,414,538	1,000,000	15,983,580
Net assets - end of year	\$ 12,239,912	\$ 3,915,426	\$ 1,000,000	\$ 17,155,338	\$ 12,029,047	\$ 4,133,698	\$ 1,000,000	\$ 17,162,745

See notes to financial statements.

**TULSA AREA UNITED WAY**

**STATEMENTS OF CASH FLOWS**

**Years ended December 31, 2015 and 2014**

	2015	2014
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (7,407)	\$ 1,179,165
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Provision for uncollectible pledges	(680,631)	(1,095,671)
Net unrealized and realized (gain) loss on investments	47,470	(44,365)
Loss on disposal of property and equipment	3,722	631
Depreciation expense	167,316	149,500
Change in assets and liabilities:		
Pledges receivable	(179,343)	(824,889)
Other receivables	39,058	(7,283)
Prepaid expenses	31,745	(35,825)
Accounts payable and accrued expenses	101,141	(9,384)
Allocations payable to agencies	(36,607)	535,824
	(513,536)	(152,297)
<b>Net cash used in operating activities</b>		
<b>Cash Flows from Investing Activities</b>		
Proceeds from maturities of investments	1,065,111	2,326,392
Purchases of investments	(2,903,799)	(282,151)
Purchases of equipment	(86,878)	(73,798)
	(1,925,566)	1,970,443
<b>Net cash provided by (used in) investing activities</b>		
<b>Net change in cash and cash equivalents</b>	(2,439,102)	1,818,146
<b>Cash and cash equivalents, beginning of year</b>	12,104,697	10,286,551
<b>Cash and cash equivalents, end of year</b>	\$ 9,665,595	\$ 12,104,697

**TULSA AREA UNITED WAY**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**Years ended December 31, 2015 and 2014**

	2015				2014			
	Supporting Services			Total Functional Expenses	Supporting Services			Total Functional Expenses
	Fundraising	Management and General	Community Impact		Fundraising	Management and General	Community Impact	
Salaries	\$ 919,925	\$ 508,092	\$ 471,880	\$ 1,899,897	\$ 905,637	\$ 521,895	\$ 412,747	\$ 1,840,279
Employee retirement benefits	73,352	48,666	36,248	158,266	75,562	45,794	35,856	157,212
Other employee benefits	129,313	60,998	70,135	260,446	111,582	61,103	79,000	251,685
Payroll taxes and other	68,941	35,628	35,260	139,829	68,061	38,730	32,656	139,447
<b>Total salaries and related expenses</b>	<b>1,191,531</b>	<b>653,384</b>	<b>613,523</b>	<b>2,458,438</b>	<b>1,160,842</b>	<b>667,522</b>	<b>560,259</b>	<b>2,388,623</b>
Professional fees and contract services	6,455	42,281	104,645	153,381	14,907	44,190	81,802	140,899
Advertising and promotion	124,674	3,391	1,494	129,559	131,408	10,800	2,105	144,313
Office expense	14,416	35,938	3,576	53,930	20,788	18,064	5,059	43,911
Information technology	3,934	26,850	14,980	45,764	4,358	16,837	1,887	23,082
Maintenance and general occupancy	27,808	26,418	20,856	75,082	31,234	32,653	15,617	79,504
Equipment and service contracts	-	13,009	-	13,009	3,145	13,549	-	16,694
Travel	12,368	6,465	986	19,819	16,028	7,938	1,392	25,358
Subscriptions and organizational dues	3,151	6,121	5,436	14,708	4,090	3,185	2,966	10,241
Conferences, conventions and meetings	32,848	43,897	10,346	87,091	63,057	33,783	5,414	102,254
Special awards	6,373	1,208	1,221	8,802	15,950	1,837	2,030	19,817
United Way Worldwide dues	102,611	128,264	25,653	256,528	100,368	125,460	25,092	250,920
Depreciation	81,985	63,580	21,751	167,316	64,285	62,790	22,425	149,500
Miscellaneous	-	11,949	-	11,949	10	13,460	-	13,470
<b>Total</b>	<b>\$ 1,608,154</b>	<b>\$ 1,062,755</b>	<b>\$ 824,467</b>	<b>\$ 3,495,376</b>	<b>\$ 1,630,470</b>	<b>\$ 1,052,068</b>	<b>\$ 726,048</b>	<b>\$ 3,408,586</b>

See notes to financial statements.



## TULSA AREA UNITED WAY

### NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

#### Note 1 – Description of Organization and Summary of Significant Accounting Policies

##### Organization

Tulsa Area United Way (United Way) is a not-for-profit, voluntary health and welfare organization formed to unite people and resources to improve lives and build a stronger community. United Way conducts an annual fundraising campaign and provides allocations to 60 partner agencies, funding for nonprofit organizations that collaborate to meet community challenges, venture grants to implement new and innovative solutions to social problems, and emergency funding in time of need. The management and administration is vested with a volunteer Board of Directors.

##### Basis of presentation

The financial statements of United Way are presented on the accrual basis of accounting. The financial statements do not include the accounts or activities of United Way's partner agencies.

##### Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### Net assets

Resources are reported in three separate categories of net assets based on the existence or absence of donor-imposed or other restrictions. In the accompanying financial statements, net assets that have similar characteristics have been combined into categories as follows:

Unrestricted – Net assets that are not subject to donor-imposed stipulations, other restrictions, or whose restriction has been fulfilled.

Temporarily restricted – Net assets whose use by United Way is temporarily subject to stipulations that can be fulfilled by actions of United Way or that expire with the passage of time. Temporarily restricted net assets also include amounts received or pledged in the current year annual campaign to fund subsequent year operations.

Permanently restricted – Net assets subject to donor-imposed stipulations that they be maintained permanently by United Way. Permanently restricted assets are held in an Endowment Fund investment account. There are no donor restrictions on the use of income earned on the account.

##### Cash and cash equivalents

United Way classifies all highly liquid investments with original maturities of three months or less as cash equivalents. Cash and cash equivalents are carried at cost, which approximates fair value.

## Investments

Investments consist of certificates of deposit, fixed income securities and equity securities. Investments are presented at estimated fair value, based on quoted market prices.

Income from and gains or losses on investments are reported as follows:

- Increases in permanently restricted net assets if the terms of the gift that gave rise to the investment or applicable law require a portion of income or gains be added to the principal of a permanent endowment. United Way's Endowment Fund agreement does not restrict the use of its related income.
- Increases in temporarily restricted net assets if the terms of the gift or applicable law impose restrictions on the use of the income.
- Increases in unrestricted net assets in all other cases.

Generally, losses on the investments of restricted endowments reduce permanently restricted net assets to the extent donor-imposed restrictions on net appreciation of investments have not been met before the loss occurs. Any remaining losses reduce unrestricted net assets, but can be restored through subsequent investment gains.

## Credit and market risk

Financial instruments which potentially subject United Way to concentration of credit and market risk consist primarily of cash and cash equivalents, pledges receivable and investments.

United Way maintains its cash and cash equivalents in Federal Deposit Insurance Corporation bank deposit accounts with the exception of a collateralized daily sweep account. Daily balances on that account are collateralized by 102% of acceptable securities.

Pledges receivable are due from a large number of donors in the Tulsa area, including recurring donations from individuals and companies, and collection of such pledges receivable is subject to local economic conditions and events.

United Way's Finance and Audit Committee of the Board of Directors is responsible for investment decisions and risk management. Investments, other than those in the Endowment Fund, are limited to money market accounts and certificates of deposit.

## Campaign pledges

United Way conducts an annual campaign to raise funds for allocations to Tulsa area partner agencies and funding to other social services organizations in the subsequent calendar year. Pledges are recorded as receivables upon receipt of formal pledge documentation and allowances are provided for amounts estimated to be uncollectible. The uncollectible estimate is based upon a historical percentage of total public support including donor designations as well as current economic conditions.

## Functional expenses

Expenses are allocated to the various supporting services on a systematic basis. Depreciation expense is allocated to the various functions based on estimated facility usage.

All functions are charged for specific direct expenses, except for maintenance and general occupancy and salary expenses. Salary, maintenance and general occupancy expenses are allocated based on the individual personnel who work in each function.

### Land, building and equipment

Land, building and equipment is reported at cost less accumulated depreciation. Donated fixed assets are recorded at fair value at the time of donation. Depreciation is based upon estimated useful lives ranging from 3 to 30 years using the straight-line method. Maintenance, repairs and minor replacements are expensed.

### Long-lived asset impairment

United Way evaluates the carrying amount of its land, building and equipment on an annual basis or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable from cash flows generated by future activities. No impairments were recorded in 2015 or 2014.

### Allocations to partner agencies

Prior to commencement of the campaign, funds are conditionally allocated to partner agencies and other social service organizations in accordance with United Way Community Investments Committee recommendations and Board of Director authorizations. Allocations are recognized as an expense and allocations payable in the year of the annual campaign as all substantive conditions related to the allocations have been satisfied. These allocations are distributed to partner agencies and other social service organizations in the subsequent calendar year.

### Combined federal campaign donor designations

The Local Federal Coordinating Committee has selected United Way as the Principal Combined Fund Organization responsible for administering the local Combined Federal Campaign. United Way honors designations made to each member organization through this campaign by distributing a proportionate share of receipts based on donor designations to each member.

### Income taxes

United Way is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined not to be a private foundation under Section 509(a) of the Code. As a result, as long as the Organization maintains its tax exemption, it will not be subject to income tax.

### Reclassifications

Certain reclassifications have been made to the 2014 statement of activities, statement of functional expenses and supplemental schedule to correspond to the current year's format. These reclassifications did not have an impact on net assets or changes in net assets.

### Donated services

Many volunteers donate substantial amounts of time toward the campaign, Community Investments Committee and various program activities. No amounts for these services are included in the financial statements, as a majority of these services do not require specialized skills as defined by the Internal Revenue Service.

### Subsequent events

Management has evaluated subsequent events through May 18, 2016, the date the financial statements were available to be issued.

## Note 2 – Pledges Receivable

Pledges receivable consist of the following at December 31:

	2015	2014
Current-year campaign	\$ 18,441,865	\$ 18,021,654
Prior-year campaign	1,999,299	1,835,159
Total pledges receivable	20,441,164	19,856,813
Allowance for uncollectible pledges	(2,298,270)	(2,573,893)
Pledges receivable, net	\$ 18,142,894	\$ 17,282,920

## Note 3 – Investments

Investments consist of the following at December 31:

	2015	2014
Certificates of deposit	\$ 8,545,019	\$ 6,694,556
Equity securities	8,470	-
Endowment Fund investments:		
Beneficial interest in assets held by others:		
Cash management fund	38,494	38,107
Fixed income mutual funds	422,847	373,011
Equity mutual funds	878,817	996,755
	1,340,158	1,407,873
Total	\$ 9,893,647	\$ 8,102,429

Net investment return consists of and is included in the statements of activities for the years ended December 31 as follows:

	2015	2014
Interest and dividend income	\$ 81,030	\$ 62,922
Net unrealized loss	(300,752)	(12,939)
Net realized gain	253,282	57,304
	\$ 33,560	\$ 107,287

### Endowment Fund

The Financial Accounting Standards Board 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). This guidance requires specific disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not the organization is subject to UPMIFA.

The Board of United Way has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, United Way 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.

With respect to the donor-restricted endowment fund (Endowment Fund), United Way has adopted the policy of appropriating for expenditure the lesser of 6% of the market value of the Endowment Fund at the end of the year or the market value of the Endowment Fund in excess of \$1,000,000. The Board has not established a specific spending policy for the board-designated endowment fund. In establishing the Endowment Fund policy, United Way considered the long-term expected return on its endowment.

The Endowment Fund investments are in a fund (TCF Fund) with Tulsa Community Foundation (the Foundation). The fair value of United Way's investments in the TCF Fund was \$1,340,158 and \$1,407,873 at December 31, 2015 and 2014, respectively. In unusual circumstances of need or opportunity, United Way may request a distribution of all or a portion of the TCF Fund upon two-thirds vote of United Way's Board of Directors. The Foundation may grant the request if it concludes the distribution is neither unreasonable nor inconsistent with the charitable purposes of the Foundation and United Way; however, the Foundation has the ultimate unilateral authority over and control of all property in the TCF Fund.

From time to time, the fair value of assets associated with the Endowment Fund may fall below the level that the donor or UPMIFA requires United Way to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. There was no such deficiency in 2015 or 2014.

Endowment Fund net assets for 2015 by type consist of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment fund	\$ 178,307	\$ -	\$ 1,000,000	\$ 1,178,307
Board-designated endowment fund	161,851	-	-	161,851
	<u>\$ 340,158</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ 1,340,158</u>

Changes in Endowment Fund net assets for 2015 consist of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Fund net assets, January 1, 2015	\$ 407,873	\$ -	\$ 1,000,000	\$ 1,407,873
Investment return:				
Investment income	3,583	-	26,173	29,756
Net depreciation	(6,021)	-	(41,450)	(47,471)
Total investment return	(2,438)	-	(15,277)	(17,715)
Withdrawals	(50,000)	-	-	(50,000)
Transfers	(15,277)	-	15,277	-
Total change	<u>(67,715)</u>	<u>-</u>	<u>-</u>	<u>(67,715)</u>
Endowment Fund net assets, December 31, 2015	<u>\$ 340,158</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ 1,340,158</u>

Endowment Fund net assets for 2014 by type consist of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment fund	\$ 243,584	\$ -	\$ 1,000,000	\$ 1,243,584
Board-designated endowment fund	164,289	-	-	164,289
	<u>\$ 407,873</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ 1,407,873</u>

Changes in Endowment Fund net assets for 2014 consist of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Fund net assets, January 1, 2014	\$ 417,559	\$ -	\$ 1,000,000	\$ 1,417,559
Investment return:				
Investment income	2,419	-	18,530	20,949
Net appreciation	5,028	-	39,337	44,365
Total investment return	7,447	-	57,867	65,314
Withdrawals	(75,000)	-	-	(75,000)
Transfers	57,867	-	(57,867)	-
Total change	<u>(9,686)</u>	<u>-</u>	<u>-</u>	<u>(9,686)</u>
Endowment Fund net assets, December 31, 2014	<u>\$ 407,873</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ 1,407,873</u>

#### Fair value measurement

The fair value measurement standards establish a consistent framework for measuring fair value and a fair value hierarchy based on the observability of inputs used to measure fair value. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities.
- Level 2 – other significant observable inputs (including quoted prices for similar securities).
- Level 3 – significant unobservable inputs (including United Way's own assumptions in determining the value of investments).

Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market and listed securities for which no sales were reported on that date are valued at the last reported bid price.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Following is a summary of the inputs used in valuing United Way's securities carried at fair value:

As of December 31, 2015	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ 8,545,019	\$ -	\$ -	\$ 8,545,019
Equity securities	8,470	-	-	8,470
Beneficial interest in assets held by others	-	1,340,158	-	1,340,158
	<u>\$ 8,553,489</u>	<u>\$ 1,340,158</u>	<u>\$ -</u>	<u>\$ 9,893,647</u>

  

As of December 31, 2014	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ 6,694,556	\$ -	\$ -	\$ 6,694,556
Beneficial interest in assets held by others	-	1,407,873	-	1,407,873
	<u>\$ 6,694,556</u>	<u>\$ 1,407,873</u>	<u>\$ -</u>	<u>\$ 8,102,429</u>

Beneficial interest in assets held by others (Beneficial Interest) is measured at fair value using Level 2 inputs. Since the Foundation maintains variance power for the beneficial interests it holds, there is no potential market for the Beneficial Interest or similar assets. Consequently, the valuation is determined by aggregating the valuation of the underlying investments of the Beneficial Interest. The fair values of the underlying investments are based on quoted prices from active and inactive markets.

#### Note 4 – Land, Building and Equipment

Land, building and equipment consists of the following at December 31:

	2015	2014
Land	\$ 146,586	\$ 146,586
Land improvements	20,719	20,719
Building and improvements	2,864,034	2,850,773
Furniture and fixtures	117,588	154,028
Computer equipment and other	262,692	243,726
Automobiles	15,591	15,591
Total	3,427,210	3,431,423
Accumulated depreciation	(2,856,244)	(2,776,297)
Total land, building and equipment, net	<u>\$ 570,966</u>	<u>\$ 655,126</u>

#### Note 5 – Retirement Plan

United Way has a 403(b) defined contribution thrift plan in which substantially all employees are eligible to participate. Employees may contribute to the plan and their contributions are matched in varying amounts by United Way. United Way contributed \$158,266 and \$157,212 to the defined contribution thrift plan in 2015 and 2014, respectively.

#### Note 6 – Combined Federal Campaign

In addition to conducting the annual fall campaign, United Way serves under contractual arrangement as the Principal Combined Fund Organization (PCFO) for the Combined Federal Campaign (CFC), the Tulsa area fundraising campaign for federal employees. United Way honors the designations of federal employees who participate in the CFC. United Way reports as revenue the amount of allocations from

CFC. The total amount of allocations for 2015 and 2014, was \$527,781 and \$600,363, respectively. Campaign expenses to be withheld from the participating organizations and reimbursed to United Way were \$57,557 and \$53,907 for the 2015 and 2014 campaigns, respectively.

The Local Federal Coordinating Committee of the CFC annually approves a budget for the PCFO's recovery of campaign expenses. The following is a comparison of the budget to actual expenses incurred for the 2015 campaign:

	Approved Budget	Actual	Actual (Over) Under Budget
Salaries	\$ 30,130	\$ 21,083	\$ 9,047
AUP/Audit	18,500	17,000	1,500
Campaign processing	2,800	3,322	(522)
Awards recognition	8,000	4,348	3,652
Miscellaneous expenses	850	528	322
Post office box/postage	600	309	291
Advertising	120	-	120
Printing (campaign materials)	8,500	8,308	192
Staff development	1,200	898	302
Office/occupancy	3,150	1,761	1,389
Total	<u>\$ 73,850</u>	<u>\$ 57,557</u>	<u>\$ 16,293</u>
CFC Campaign totals and goals	<u>\$ 600,300</u>	<u>\$ 527,781</u>	
Budget as percentage of CFC Campaign	12.30%	10.91%	



**SUPPLEMENTAL SCHEDULE**

**TULSA AREA UNITED WAY**

**SUPPLEMENTAL SCHEDULE OF ALLOCATIONS,  
DESIGNATIONS AND VENTURE GRANTS**

**Years ended December 31, 2015 and 2014**

	2015	2014
<b>Allocations and Designations</b>		
A New Leaf	\$ 373,950	\$ 404,000
Ability Resources	78,593	83,943
American Red Cross, Tulsa Chapter	930,299	1,074,906
Big Brothers Big Sisters of Oklahoma	328,954	328,954
Boy Scouts of America, Indian Nations Council	598,659	598,659
Bridges Foundation, The	232,000	232,000
Bristow Social Services	80,667	86,667
Broken Arrow Neighbors	90,192	95,192
Broken Arrow Seniors, Inc.	44,269	59,269
Camp Fire USA, Green Country Council	353,085	353,085
Caring Community Friends Inc. of Sapulpa	37,838	42,998
Center for Employment Opportunities	110,000	110,000
Center for Individuals with Physical Challenges, The	314,569	334,569
Child Abuse Network	249,000	274,000
Combined State Campaign Designations	12,352	11,431
Community Action Project of Tulsa County	658,894	558,449
Community Action Project of Tulsa County - Special Grants	150,445	-
Community Health Charities	21,857	28,859
Community Service Council	625,813	794,739
Creek County Literacy Program	34,640	34,640
Crossroads	106,021	131,021
Crosstown Learning Center	180,000	105,000
Domestic Violence Intervention Services	910,000	900,705
Eastern Oklahoma Donated Dental Services, Inc.	130,000	155,000
Family & Children's Services	1,730,865	1,780,865
Girl Scouts of Eastern Oklahoma	364,994	372,944
Global Gardens	69,000	59,000
Goodwill Industries of Tulsa	473,686	483,468
Hospice of Green Country, Inc.	73,452	79,639
KIPP Academy	412,500	278,000
Leadership Tulsa	23,433	17,000
Legal Aid Services of Oklahoma, Inc.	412,660	321,775
LIFE Senior Services	789,640	804,640
Margaret Hudson Program	385,321	500,000
Mental Health Association	588,580	541,100
Miscellaneous and Other Agency Grant Funding	46,459	121,624
Morton Comprehensive Health Services	325,000	212,721
Okmulgee County Family Resource Center, Inc.	129,634	144,634
Okmulgee County Homeless Shelter	90,000	90,000
Okmulgee-Okfuskee County Youth Shelter	116,868	126,868

**TULSA AREA UNITED WAY**

**SUPPLEMENTAL SCHEDULE OF ALLOCATIONS,  
DESIGNATIONS AND VENTURE GRANTS (continued)**

**Years ended December 31, 2015 and 2014**

	2015	2014
<b>Allocations and Designations (continued)</b>		
Operation Aware of Oklahoma	\$ 142,778	\$ 142,778
Other United Ways	4,028	24,328
Owasso Community Resources	77,213	74,213
Palmer Continuum of Care, Inc.	306,718	292,281
The Parent Child Center of Tulsa	602,754	581,796
Reading Partners	188,652	-
RSVP	83,950	88,950
Rogers County United Way	100,000	118,000
Show, Inc.	118,835	133,835
Salvation Army	1,483,612	1,510,443
Sand Springs Community Services	96,514	79,615
Street School	330,007	255,007
Tristesse Grief Center	55,000	55,000
TSHA, Inc.	216,681	228,181
Tulsa Advocates for the Rights of Citizens with Developmental Disabilities	216,341	188,529
Tulsa Boys' Home	365,420	365,420
Tulsa C.A.R.E.S.	483,385	440,885
Tulsa Court Appointed Special Advocates	112,609	117,609
Tulsa Day Center for the Homeless	265,000	245,000
12 & 12, Inc.	300,000	330,000
Visiting Nurse Association of Tulsa	470,000	495,000
Wagoner Area Neighbors	76,150	76,150
YMCA of Greater Tulsa	718,524	818,524
YWCA of Tulsa	453,018	435,943
Youth at Heart	245,000	245,000
Youth Services of Creek County	150,000	130,732
Youth Services of Tulsa	733,066	728,066
	21,079,444	20,933,649
<b>Collaborative Initiatives and Other Special Funding</b>		
A Way Home for Tulsa - Pathways Program	139,630	150,000
A Way Home for Tulsa - Strategic Planning	25,000	24,000
Anti Bullying Initiative	104,950	104,950
Campaign to Prevent Teen Pregnancy	120,000	120,000
Carerra Program	150,000	-
City Year	100,000	-
Growing Together	172,000	100,000
impact!Tulsa	200,000	100,000
Madison Strategies Group	80,000	-

**TULSA AREA UNITED WAY**

**SUPPLEMENTAL SCHEDULE OF ALLOCATIONS,  
DESIGNATIONS AND VENTURE GRANTS (continued)**

**Years ended December 31, 2015 and 2014**

	2015	2014
<b>Collaborative Initiatives and Other Special Funding (continued)</b>		
Model Court Program	\$ 56,000	\$ -
Safe Baby Court	-	80,000
Spark Policy Institute	22,500	-
STEM Alliance	75,000	-
Work Advance Fund	150,000	-
	1,395,080	678,950
<b>Innovation Grant Funding</b>		
A New Leaf	-	5,000
Attic Conversations Yoga Foundation	4,160	-
Community Service Council of Greater Tulsa	-	6,500
Fab Lab Tulsa	-	60,000
Family & Children's Services	50,000	-
Family Safety Center	-	65,000
Madison Strategies Group	50,000	-
OU Foundation	-	5,000
Resonance Center for Women	50,000	-
Teach for America	5,000	-
TSHA, Inc.	2,345	-
Tulsa Community Foundation	-	5,000
Visiting Nurse Association	-	5,000
Workforce Tulsa	-	50,000
YMCA of Greater Tulsa	-	5,000
Youth Services of Tulsa	99,404	90,044
	260,909	296,544
Total Innovation Grant Funding	260,909	296,544
Total Allocations before Combined Federal Campaign	22,735,433	21,909,143
<b>Combined Federal Campaign - Nonmember Agencies <sup>(1)</sup></b>		
Aid for Africa	78	1,454
Alzheimer's Disease & Related Disorders	1,993	-
American Red Cross, National Chapter	1,366	3,742
America's Charities	3,867	5,630
Animal Charities of America	19,383	18,651
Bartlesville Regional United Way	1,089	-
CancerCURE of America	6,897	5,479
Catholic Service Organizations	4,987	3,646
Charities Under 1% Overhead	5,073	5,006
Charities Without Borders LICA	1,919	1,719
Child Advocates of Northeast Oklahoma	1,103	-

**TULSA AREA UNITED WAY**

**SUPPLEMENTAL SCHEDULE OF ALLOCATIONS,  
DESIGNATIONS AND VENTURE GRANTS (continued)**

**Years ended December 31, 2015 and 2014**

<b>Combined Federal Campaign - Nonmember Agencies <sup>(1)</sup> (continued)</b>	2015	2014
Children's First America Charities	\$ 4,795	\$ 6,677
Children's Charities of America	5,594	6,529
Children's Medical & Research Charities of America	9,283	7,878
Christian Aid USA	329	1,101
Christian Charities USA	6,881	4,789
Christian Children's Charities	2,048	1,992
Christian Service Charities of America	28,754	20,463
Coins 4 Critters Club	9,480	-
Community Health Charities	33,966	27,367
Community Health Charities of OK	1,416	25,595
Conservation & Preservation Charities	2,146	1,917
Dayspring Villa	3,687	-
EarthShare	2,540	4,567
Global Impact	9,729	11,238
Health & Medical Research Charities of America	15,659	10,193
Health First - America's Charities	2,455	6,711
Human & Civil Rights Organizations of America	2,011	518
Human Service Charities of America	1,296	757
JDRF International	2,514	-
Jewish Aid Worldwide	1,091	1,663
Jewish Charities of America	2,792	1,264
Lake Area United Way	45,982	49,566
Local Unaffiliated Agencies	60,705	73,264
Medical Research Agencies of America	3,162	2,062
Mental Health and Addiction Network	1,456	133
Miscellaneous Other Federations	16,563	4,855
Military Family & Vet Svc Orgs	17,040	-
Military Support Groups of America	8,957	4,396
Military, Veterans & Patriotic Service Organizations of America	475	18,466
Muscular Dystrophy Association	2,480	-
National Black United Federation of Charities	1,322	176
National and International Unaffiliated Agencies	27,426	27,268
Susan G. Komen Breast Cancer Foundation	2,408	-
Unique and Noteworthy Charities	2,164	6,054

**TULSA AREA UNITED WAY**

**SUPPLEMENTAL SCHEDULE OF ALLOCATIONS,  
DESIGNATIONS AND VENTURE GRANTS (continued)**

**Years ended December 31, 2015 and 2014**

<b>Combined Federal Campaign - Nonmember Agencies <sup>(1)</sup> (continued)</b>	<u>2015</u>	<u>2014</u>
Universal Giving Charities	\$ 665	\$ 3,388
USO World Headquarters	67	1,197
Wild Animals Worldwide	1,990	2,271
Women, Children & Family Service Charities of America	1,557	1,573
	<hr/>	<hr/>
Total CFC designations - Nonmember Agencies	390,640	381,215
	<hr/>	<hr/>
Total allocations	23,126,073	22,290,358
	<hr/>	<hr/>
Less current year designations	(529,294)	(564,544)
	<hr/>	<hr/>
	<u>\$ 22,596,779</u>	<u>\$ 21,725,814</u>

<sup>(1)</sup> United Way has been designated to serve as the Principal Combined Fund Organization for the Greater Tulsa Area Combined Federal Campaign. United Way receives pledges from federal employees and distributes the funds to United Way, National Voluntary Health Agencies, International Service Agencies, National Service Agencies, Local Independent Agencies, National Independent Agencies and Independent Charities as designated by the contributors.