



United Way of Broward County, Inc.

**Financial Statements, Reports
Required by *Government Auditing Standards*
and OMB Circular A-133, Schedule of
Expenditures of Federal Awards and
Supplemental Information**

For the Years Ended June 30, 2015 and 2014

United Way of Broward County, Inc.

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Independent Auditor's Report

To the Board of Directors
United Way of Broward County, Inc.
Fort Lauderdale, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of United Way of Broward County, Inc. (the "United Way"), which comprise the statements of financial position as of June 30, 2015 and June 30, 2014, and the related statements of activities and changes in net assets, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Broward County, Inc. as of June 30, 2015 and June 30, 2014, and the activities and changes in its net assets, its functional expenses and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Information

Our audits of the financial statements included in this report were conducted for the purpose of forming an opinion on those statements as a whole. The schedule of allocation to agencies and donor designations on page 35 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of federal awards on page 31, as required by Office of Management and Budget Circular A-133 *Audits of States, Local Government, and Non-Profit Organizations*, is also presented for the purpose of additional analysis and is not part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic 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 basic 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2015 on our consideration of United Way's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way's internal control over financial reporting and compliance.

Miami, Florida
December 15, 2015

BDO USA, LLP

Certified Public Accountants

United Way of Broward County, Inc.
Statements of Financial Position

<i>June 30,</i>	2015	2014
Assets		
Cash and cash equivalents	\$ 1,179,437	\$ 717,485
Investments (Note 2)	4,054,938	5,556,401
Contributions receivable and donor designated pledges receivable, net of discount and allowance (Note 3)	3,281,105	3,530,476
Grants receivable and other receivables	567,500	777,341
Prepaid expenses and other assets	113,694	107,772
Total Current Assets	9,196,674	10,689,475
Contributions receivable, net of discount and allowance (Note 3)	417,000	452,000
Land, buildings and equipment, net (Note 4)	663,015	561,769
Beneficial interest in assets held by others (Note 9)	1,186,605	1,260,303
Total Assets	\$ 11,463,294	\$ 12,963,547
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 789,771	\$ 1,160,478
Accrued pension cost (Note 5)	621,569	707,937
Approved allocations payable	6,475,981	5,707,229
Donor designations payable	364,422	441,235
Deferred revenue	103,858	39,552
Total Liabilities	8,355,601	8,056,431
Commitments and Contingencies (Note 11)		
Net Assets		
Unrestricted (Note 7)	1,146,734	3,167,205
Temporarily restricted (Note 7)	960,332	739,284
Permanently restricted (Notes 6 and 7)	1,000,627	1,000,627
Total Net Assets	3,107,693	4,907,116
Total Liabilities and Net Assets	\$ 11,463,294	\$ 12,963,547

See accompanying notes to the financial statements

United Way of Broward County, Inc.
Statements of Activities and Changes in Net Assets

	<i>Year ended June 30, 2015</i>				<i>Year ended June 30, 2014</i>			
	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Permanently Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Permanently Restricted</i>	<i>Total</i>
Revenues								
Gross contributions	\$ 11,163,434	\$ 404,127	\$ -	\$ 11,567,561	\$ 11,041,779	\$ 50,000	\$ -	\$ 11,091,779
Less donor designations	(1,946,369)	-	-	(1,946,369)	(1,427,187)	-	-	(1,427,187)
Less provision for uncollectible pledges (Note 3)	(912,796)	-	-	(912,796)	(998,678)	-	-	(998,678)
Net contributions	8,304,269	404,127	-	8,708,396	8,615,914	50,000	-	8,665,914
Legacies and bequests	323,750	-	-	323,750	-	-	-	-
Federal, state & private grants	5,162,832	-	-	5,162,832	3,329,208	-	-	3,329,208
Dividends and interest	174,903	-	-	174,903	162,323	-	-	162,323
Net investment (loss) gain (Note 2)	(9,642)	(73,698)	-	(83,340)	646,845	91,848	-	738,693
Miscellaneous revenue	298,364	-	-	298,364	151,829	-	-	151,829
Special Events	152,993	-	-	152,993	30,939	-	-	30,939
Net assets released from restrictions:								
Purpose restrictions met	109,381	(109,381)	-	-	101,700	(101,700)	-	-
Total revenues	14,516,850	221,048	-	14,737,898	13,038,758	40,148	-	13,078,906
Expenses								
Allocations and contracted program services								
Funds allocated to member agencies	6,662,152	-	-	6,662,152	4,800,750	-	-	4,800,750
Contracted program services	4,257,465	-	-	4,257,465	2,943,137	-	-	2,943,137
Total allocations and contracted program services	10,919,617	-	-	10,919,617	7,743,887	-	-	7,743,887
Functional expenses:								
Program services	3,032,449	-	-	3,032,449	2,650,104	-	-	2,650,104
Supporting services:								
Donor relations	1,706,465	-	-	1,706,465	1,710,380	-	-	1,710,380
Management and general	878,790	-	-	878,790	812,063	-	-	812,063
Total supporting services	2,585,255	-	-	2,585,255	2,522,443	-	-	2,522,443
Total functional expenses	5,617,704	-	-	5,617,704	5,172,547	-	-	5,172,547
Total allocations, contracted program services, and functional expenses	16,537,321	-	-	16,537,321	12,916,434	-	-	12,916,434
Change in net assets	(2,020,471)	221,048	-	(1,799,423)	122,324	40,148	-	162,472
Net assets, beginning of year	3,167,205	739,284	1,000,627	4,907,116	3,044,881	699,136	1,000,627	4,744,644
Net assets, end of year	\$ 1,146,734	\$ 960,332	\$ 1,000,627	\$ 3,107,693	\$ 3,167,205	\$ 739,284	\$ 1,000,627	\$ 4,907,116

See accompanying notes to the financial statements

United Way of Broward County, Inc.
Statements of Functional Expenses

<i>Year ended June 30, 2015</i>	<i>Program Services</i>	<i>Supporting Services</i>		<i>Total</i>
		<i>Donor Relations</i>	<i>Management and General</i>	
Funds allocated to member agencies	\$ 6,662,152	\$ -	\$ -	\$ 6,662,152
Contracted program services	4,257,465	-	-	4,257,465
Total allocations and contracted program services	10,919,617	-	-	10,919,617
Salaries and wages	2,164,881	1,066,747	498,152	3,729,780
Employee benefits	198,155	137,439	82,609	418,203
Pension contributions/actuarial gains	(41,793)	(20,594)	(9,617)	(72,004)
Payroll taxes	161,910	80,334	33,724	275,968
Total salaries and related expenses	2,483,153	1,263,926	604,868	4,351,947
Professional fees	61,716	30,360	106,574	198,650
Conferences and outreach events	67,335	61,279	24,494	153,108
National and state affiliations	85,270	42,017	19,621	146,908
Advertising and awareness	807	43,161	4,858	48,826
Equipment rental and maintenance	55,454	33,877	11,661	100,992
Printing and publications	24,762	96,019	1,707	122,488
Occupancy	40,336	26,891	23,198	90,425
Insurance	44,986	22,167	10,351	77,504
Supplies	33,260	9,629	7,500	50,389
Telephone	36,003	17,741	8,645	62,389
Travel	24,136	17,701	6,042	47,879
Postage and shipping	7,446	8,919	2,796	19,161
Other expenses	27,271	5,769	23,967	57,007
Total expenses before depreciation	2,991,935	1,679,456	856,282	5,527,673
Depreciation	40,514	27,009	22,508	90,031
Total functional expenses	3,032,449	1,706,465	878,790	5,617,704
Total allocations, contracted program services, and functional expenses	\$ 13,952,066	\$ 1,706,465	\$ 878,790	\$ 16,537,321

See accompanying notes to the financial statements

United Way of Broward County, Inc.
Statements of Functional Expenses

<i>Year ended June 30, 2014</i>	<i>Program Services</i>	<i>Supporting Services</i>		<i>Total</i>
		<i>Donor Relations</i>	<i>Management and General</i>	
Funds allocated to member agencies	\$ 4,800,750	\$ -	\$ -	\$ 4,800,750
Contracted program services	2,943,137	-	-	2,943,137
Total allocations and contracted program services	7,743,887	-	-	7,743,887
Salaries and wages	1,714,610	998,019	451,397	3,164,026
Employee benefits	104,394	112,819	74,095	291,308
Pension contributions	33,874	14,370	3,080	51,324
Payroll taxes	142,903	79,093	29,053	251,049
Total salaries and related expenses	1,995,781	1,204,301	557,625	3,757,707
Pension	67,604	28,681	6,146	102,431
Professional fees	101,114	36,317	80,948	218,379
Conferences and outreach events	67,325	59,496	30,091	156,912
National and state affiliations	88,130	37,388	13,012	138,530
Advertising and awareness	26,903	74,720	2,672	104,295
Equipment rental and maintenance	65,399	34,502	8,540	108,441
Printing and publications	14,052	98,571	1,270	113,893
Occupancy	35,867	23,912	19,926	79,705
Insurance	37,313	15,830	20,959	74,102
Supplies	24,856	19,315	3,691	47,862
Telephone	40,053	16,848	3,937	60,838
Travel	25,210	25,751	17,964	68,925
Postage and shipping	12,136	5,456	1,729	19,321
Other expenses	18,470	9,365	26,947	54,782
Total expenses before depreciation	2,620,213	1,690,453	795,457	5,106,123
Depreciation	29,891	19,927	16,606	66,424
Total functional expenses	2,650,104	1,710,380	812,063	5,172,547
Total allocations, contracted program services, and functional expenses	\$ 10,393,991	\$ 1,710,380	\$ 812,063	\$ 12,916,434

See accompanying notes to the financial statements

United Way of Broward County, Inc.
Statements of Cash Flows

<i>Year ended June 30,</i>	2015	2014
Cash Flows from Operating Activities:		
Change in net assets	\$ (1,799,423)	\$ 162,472
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	90,031	66,424
Provision for uncollectible pledges	912,796	998,678
Discount on contributions receivable	14,340	40,912
Net unrealized and realized loss (gains) on investments	83,340	(738,693)
(Increase) decrease in:		
Contributions and donor-designated pledges receivable	(642,765)	(971,764)
Grants receivable and other receivable	209,841	(348,444)
Prepaid expenses and other assets	(5,922)	(26,308)
Beneficial interest in assets held by others	73,698	(91,848)
Increase (decrease) in:		
Accounts payable and accrued expenses	(370,707)	432,338
Accrued pension cost	(86,368)	(93,679)
Deferred revenue	64,306	(45,856)
Approved allocations payable	768,752	(1,029,038)
Donor designations payable	(76,813)	(96,822)
Net cash used in operating activities:	(764,894)	(1,741,628)
Cash Flows from Investing Activities:		
Purchase of equipment and building improvements	(191,277)	(198,944)
Investment purchases	(1,300,000)	(448,156)
Investment sales	2,718,123	879,832
Net cash provided by investing activities	1,226,846	232,732
Net increase (decrease) in cash and cash equivalents	461,952	(1,508,896)
Cash and cash equivalents, beginning of year	717,485	2,226,381
Cash and cash equivalents, end of year	\$ 1,179,437	\$ 717,485

See accompanying notes to the financial statements

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

1. Organization and Summary of Significant Accounting Policies

Nature of Organization

United Way of Broward County, Inc. (the "Organization" or "United Way") is a volunteer-driven, not-for-profit organization whose mission is to focus and unite our entire community to create significant lasting change in the community impact areas of Education, Income and Health - the building blocks for a better life - which positively impacts people's lives. Revenues are derived principally from contributions that are received from year round fundraising activities that United Way conducts via direct solicitation to individual and corporate contributions as well as from major fundraising activities.

Basis of Presentation

The financial statements of United Way have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Net Assets

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

- Unrestricted - net assets that are not subject to donor-imposed restrictions
- Temporarily restricted - net assets that are subject to donor-imposed restrictions that may or will be met by actions of United Way or that expire by the passage of time
- Permanently restricted - net assets that are subject to donor-imposed restrictions that require the assets to be permanently maintained by United Way

Contributions/Promises to Give/Donor-Designated Pledges

Contributions are recognized as revenue when they are received or unconditionally pledged. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows based on discount rate of 3% at June 30, 2015 and 2014. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met. An allowance for uncollectible contributions is provided based upon management's judgment, including such factors as prior collection history, type of contribution and nature of fund raising activity.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods or are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

1. Organization and Summary of Significant Accounting Policies (continued)

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified to unrestricted net assets and are reported in the statements of activities and changes in net assets as net assets released from restrictions.

If a restriction is fulfilled in the same fiscal year in which the contribution is received, the contribution is reported as unrestricted.

The Organization's top 10 donor organizations represent more than 50% of total contributions presented in the statement of activities and changes in net assets for the year ended June 30, 2015. The top 10 donors represent large corporations sponsoring employee campaign events each year which have historically resulted in substantial contributions to United Way.

Contributed Property and Equipment

Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the asset must be used or for what purpose, the contribution is recorded as restricted support. In the absence of such stipulations, a contribution of property and equipment is recorded as unrestricted support.

Donated Services

A substantial number of volunteers have donated significant amounts of their time to the Organization's fund-raising campaigns during the year. The value of these services has not been reflected in the accompanying financial statements since the services do not require specialized skills, and hence, do not meet the criteria for recognition under GAAP.

Advertising, including television and radio, have been donated during the year. The value of these services has not been reflected in the accompanying financial statements as the services would not have been purchased if not provided by donation.

Beneficial Interest in Assets Held by Others

The Organization has beneficial interests in perpetual trusts, the funds of which are invested with Community Foundation of Broward Inc., in the name of the United Way. As of June 30, 2015 and 2014, the fair value of these funds equates to \$1,186,605 and \$1,260,303, respectively; of these funds, \$1,000,627 is restricted to maintain the purpose of the funds in perpetuity. The net income of the funds are required to be distributed at least annually to the Organization, and are to be used to support the operating activities of the Organization.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

1. Organization and Summary of Significant Accounting Policies (continued)

Allocations to Agencies

Annually, the Board of Directors decides which not-for-profit agencies will receive funding from the United Way. The Board of Directors decisions are based on an evaluation of the funding request from the various agencies and the availability of unrestricted net assets. Once a decision including the amount, has been determined and approved by the Board, and with a promise to give to specific agencies, the liability and the related expense is recorded.

Donor Designations

The Organization accepts cash or other financial assets from a donor and agrees to transfer those assets to a specified qualified beneficiary. The Organization, as an intermediary, recognizes the fair value of those assets as a liability to the specified beneficiary concurrent with the recognition of the assets received from the donor. The Organization refers to this type of donor contribution as donor designations. Donor designations that were pledged for the years ended June 30, 2015 and 2014 are \$1,946,369 and \$1,427,187, respectively, and are not included in net revenues.

Administrative fees of up to 10% of the amounts designated, subject to certain limitations, are netted against donor designations. Partner agencies receiving designations from the United Way campaign are charged an administrative fee based upon amounts received in accordance with United Way Worldwide guidelines. United Way is an approved fundraising federation representing partner agencies in the combined federal campaign. The partner agencies participating in the combined federal campaign have not been charged dues and/or service charges as a requirement for participation in such campaign.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents consists of cash held in checking and money market accounts, which approximates fair value at June 30, 2015 and 2014.

Investments

United Way accounts for its investments in marketable securities and all investments in debt securities with readily determinable fair values in the statements of financial position. Investments as of June 30, 2015 and 2014 consist of equity securities, debt securities and funds of funds. Investment income (including gains and losses on investments, interest and dividends) is included in the statements of activities and changes in net assets as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or law.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

1. Organization and Summary of Significant Accounting Policies (continued)

Fair Value Measurements

Fair value is defined as the price the United Way would receive to sell an investment or pay to transfer a liability in an orderly transaction with an independent counter-party in the principal market or in the absence of a principal market, the most advantageous market for the investment or liability. GAAP establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish a classification of fair value measurements for disclosure purposes). The three levels of the fair value hierarchy are described below:

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

Level 2 - Inputs to the valuation methodology are based on inputs other than quoted prices included within Level 1 that are observable for the assets and liabilities either directly or indirectly. Inputs include quoted prices for similar assets and liabilities in active markets, including the following:

- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, Level 2 inputs must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs that are unobservable reflecting management's own assumptions to determine the valuation methodology, which is significant to the fair value measurement.

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2015.

Equity Securities: Quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Debt Securities: Quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

1. Organization and Summary of Significant Accounting Policies (continued)

Funds of Fund Securities: Quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Beneficial Interest in Assets Held By Others: Fair value is derived principally from inputs that are corroborated by observable market data by correlation or other means that the Organization has the ability to access.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent, the use of different methodologies and assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Grants Receivable

Grants receivable represent unconditional grant awards from various sources, which may include private donors, federal, state, and local governmental agencies, and other not-for-profit agencies. Grants receivable that are expected to be received within one year are recorded at their net realizable value. Grants receivable that are expected to be received in future years are recorded at the present value of future cash flows. The discounts on those amounts are computed using the effective interest rate applicable to the donor in the year in which the grant is awarded. Amortization of the discount is recorded in grant revenue. All grants receivable are current assets as of June 30, 2015 and 2014.

Land, Buildings and Equipment

Land, buildings and equipment are recorded at cost. The Organization follows the practice of capitalizing all expenditures for buildings and equipment in excess of \$500; the fair value of donated fixed assets is similarly capitalized. Depreciation is provided over the estimated useful lives of the assets, ranging from 5 to 40 years, on a straight-line basis.

Income Taxes

United Way is a non-profit corporation whose revenues are derived from contributions and other fund-raising activities and is not subject to federal or state income taxes. United Way is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code of 1986, except for any income that may be a result of unrelated business transactions.

United Way is required under GAAP to recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

1. Organization and Summary of Significant Accounting Policies (continued)

United Way does not believe that it has any material uncertain tax positions and accordingly has not recognized any liability for unrecognized tax benefits. United Way has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, United Way has filed Internal Revenue Service Form 990 tax returns as required and all other applicable returns in those jurisdictions where it is required. United Way believes that it is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2010. However, United Way is still open to examination by taxing authorities from fiscal year 2010 forward. No interest or penalties have been recorded in the financial statements related to any uncertain tax positions.

Use of Estimates in the Preparation of Financial Statements

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 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 amounts.

Functional Allocation of Expenses

The costs of providing the various programs, fund-raising and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Specific expenses that are identifiable to a program or activity are charged directly to that function. However, many expenses relate to more than one function and must be allocated among the program and supporting services benefitted.

Concentrations of Credit and Market Risk

Financial instruments that potentially expose the Organization to concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash equivalents and investments are maintained at high-quality financial institutions and credit exposure is limited at any one institution. At year-end and throughout the year, the Organization's cash balances were deposited in a bank. As part of the Dodd-Frank Wall Street Reform and Consumer Protection Act, all funds are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) effective January 1, 2013. As of June 30, 2015 and 2014, there were deposits in excess of federally insured amount of approximately \$916,000 and \$554,000, respectively. Management believes that the Organization is not exposed to any significant credit risk on its cash and cash equivalents. Furthermore, the Organization has not experienced any losses on its cash and cash equivalents. In addition, the Organization's investments do not represent significant concentrations of market risk in as much as the Organization's investment portfolio is adequately diversified among issuers. See (Note 2).

Reclassification

Certain amounts in the 2014 financial statements have been reclassified to conform to the 2015 presentation of special events in the statement of activities and changes in net assets.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

1. Organization and Summary of Significant Accounting Policies (continued)

Subsequent Events

The date to which events occurring after June 30, 2015, the date of the most recent statement of financial position, has been evaluated for possible adjustments to the financial statements or disclosure is December 15, 2015.

2. Investments

Investment at estimated fair value, consist of the following:

June 30,	2015	2014
Equity Securities		
Common Stock	\$ 1,051,679	\$ -
US Large Cap	521,882	2,082,500
US Mid Cap	317,896	473,070
US Small Cap	137,587	148,780
International	264,754	425,497
Emerging Market	104,745	128,136
Closed End Funds	305,955	238,938
	2,704,498	3,496,921
Debt Securities		
Investment Grade Taxable	503,121	505,157
Multi-Sector Bond	295,135	387,302
Corporate Bond	139,674	334,476
Short Term Bond	-	343,955
Intermediate Term Bond	292,501	348,975
	1,230,431	1,919,865
Funds of Funds		
Hedge Fund Specific Strategy	120,009	100,073
Tangible Assets - Commodities	-	39,542
	120,009	139,615
	\$ 4,054,938	\$ 5,556,401

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

2. Investments (continued)

The following table sets forth by level, within the fair value hierarchy, United Way's investments at fair value as of June 30, 2015:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Equity securities	\$ 2,704,498	\$ -	\$ -	\$ 2,704,498
Debt securities	1,230,431	-	-	1,230,431
Funds of Funds	120,009	-	-	120,009
	\$ 4,054,938	\$ -	\$ -	\$ 4,054,938
Beneficial Interest in assets held by others	\$ -	\$ -	\$ 1,186,605	\$ 1,186,605

The following table sets forth by level, within the fair value hierarchy, United Way's investments at fair value as of June 30, 2014:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Equity securities	\$ 3,496,921	\$ -	\$ -	\$ 3,496,921
Debt securities	1,919,865	-	-	1,919,865
Funds of Funds	139,615	-	-	139,615
	\$ 5,556,401	\$ -	\$ -	\$ 5,556,401
Beneficial Interest in assets held by others	\$ -	\$ -	\$ 1,260,303	\$ 1,260,303

The following table presents additional information about Level 3 assets measured at fair value. Both observable and unobservable inputs may be used to determine the fair value of positions that United Way has classified within the Level 3 category. As a result, the unrealized gains and losses for assets within the Level 3 category may include changes in fair value that were attributable to both observable (e.g., changes in market interest rates) and unobservable (e.g., changes in unobservable long-dated volatilities) inputs. Changes in Level 3 assets measured at fair value for the years ended June 30, 2015 and 2014 are as follows:

Year Ended June 30, 2015	Beginning Balance	Contributions	Net Unrealized Gains (Losses)/ Distributions	Total
Beneficial Interest in assets held by others	\$ 1,260,303	\$ -	\$ (73,698)	\$ 1,186,605
Year Ended June 30, 2014				
Beneficial Interest in assets held by others	\$ 1,168,455	\$ -	\$ 91,848	\$ 1,260,303

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

2. Investments (continued)

Unrestricted investment income from cash equivalents and investments for the years ended June 30, 2015 and 2014 are as follows:

<i>Year ended June 30,</i>	2015	2014
Dividends and interest	\$ 174,903	\$ 162,323
Net realized gains	394,753	62,185
Net unrealized gains (losses)	(404,395)	584,660
	\$ 165,261	\$ 809,168

Risks and Uncertainties

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of financial position. The Organization, through its investment advisor, monitors the Organization's investments and the risks associated on a regular basis, wherein the Organization believes that this process minimizes those risks.

3. Contributions Receivables & Donor Designated Pledges Receivable, Net

Unconditional promises to give, which are included in contributions receivable, at June 30, 2015 and 2014 are as follows:

	2015	2014
Contributions receivable less than one year	\$ 5,047,965	\$ 5,207,084
Contributions receivable one to five years	485,000	535,000
Unamortized discount	(68,660)	(83,000)
Total	5,464,305	5,659,084
Allowance for uncollectible contributions	(1,766,200)	(1,676,608)
Total, net of allowance and unamortized discount	\$ 3,698,105	\$ 3,982,476

All donor designated receivables are due and payable within one year as of June 30, 2015. Contributions receivable are unconditional promises to give that represent a period of one year or more and are measured at the present value of future cash flows based on a discount rate at the date of the contribution. For the years ended June 30, 2015 and 2014, the discount rate used was 3%. United Way will not satisfy the donors' requests should it not collect designated pledge receivables from the donors.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

3. Contributions Receivables & Donor Designated Pledges Receivable (Continued)

The Organization utilizes a historical average for calculating the allowance for uncollectible contributions and may be adjusted by management's judgment of current economic conditions.

4. Land, Buildings and Equipment, net

At June 30, land, buildings and equipment, net, consisted of the following:

	2015	2014
Land	\$ 76,900	\$ 76,900
Construction in progress	129,776	70,392
Buildings and improvements	1,519,344	1,519,344
Furniture, equipment and software	1,565,640	1,433,747
Total	3,291,660	3,100,383
Less: accumulated depreciation	(2,628,645)	(2,538,614)
Total Land, Buildings, and Equipment, net	\$ 663,015	\$ 561,769

5. Employees' Retirement Plans

Defined Benefit Plan

The Organization has a non-contributory defined benefit pension plan (the "Plan") which was frozen effective December 31, 2003. The benefits which were frozen on that date are based on years of service and highest average earnings during five consecutive years of the last ten years of employment for plan participants. The funding policy is to contribute an amount not less than the ERISA minimum funding requirement. The plan assets comprise of fixed income and equity securities. The latest actuarial valuation is for the fiscal year ending June 30, 2015. The Organization has begun the process of plan termination of the defined benefit pension plan during fiscal year 2016 and will obtain a final settlement liability.

The following tables set forth the amount recognized in the statement of financial position, change in the benefit obligation, change in plan assets, the funded status of the Plan, and the principal weighted average assumptions that were used.

As of June 30,	2015	2014
<i>Change in benefit obligation</i>		
Benefit obligation at beginning of year	\$1,275,473	\$ 1,218,110
Interest costs	57,396	54,797
Actuarial (gain)/loss	41,805	74,666
Benefits paid/reduction	(441,739)	(72,100)
Benefit obligation at end of year	\$ 932,935	\$ 1,275,473

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

5. Employees' Retirement Plans (Continued)

As of June 30,	2015	2014
<i>Change in plan assets</i>		
Fair value of plan assets at beginning of year	\$ 567,536	\$ 416,504
Actual return on plan assets	11,224	27,045
Employer contributions	-	196,100
Benefits paid	(267,394)	(72,100)
Plan expenses	-	(13)
Fair value of plan assets at end of year	\$ 311,366	\$ 567,536
Funded status at end of year	\$ (621,569)	\$ (707,937)
Amount recognized in the statement of financial position	\$ 621,569	\$ 707,937
<i>Unrecognized actuarial loss in unrestricted assets</i>		
Liability reflected in the statement of financial position	\$ 621,569	\$ 707,937
Accrued pension cost beginning of year	(177,653)	(320,755)
Net period pension costs	(57,561)	(52,998)
Gain from early settlement of benefit obligation	(124,136)	-
Contributions made during the year	-	196,100
Accrued pension costs end of the year	(359,350)	(177,653)
Unrecognized net actuarial loss for amortization	\$ 262,219	\$ 530,284
<i>As of June 30,</i>		
	2015	2014
<i>Weighted-average assumption as of June 30,</i>		
Interest rate used to calculate net periodic pension costs	4.50%	4.77%
Interest rate used to calculate year end disclosures	4.50%	4.50%
Expected return on plan assets	6.00%	6.00%
Rate of compensation increase	0.00%	0.00%

In selecting the expected long-term rate of return of assets, the Organization considered the average rate of earning on the funds invested or to be invested to provide for the benefits of the plan. This included considering the trust's assets and the expected returns likely to be earned over the life of the plan.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

5. Employees' Retirement Plans (Continued)

The following table sets forth the component of the net periodic pension costs for the year ended June 30, 2015 and 2014:

	2015	2014
Interest costs	\$ 57,396	\$ 54,797
Actual investment return on assets	(11,224)	(27,032)
Amortization and deferral		
Experience loss amortization	34,217	23,762
Deferred actuarial investment gain (loss)	(22,828)	1,471
Net periodic pension costs	\$ 57,561	\$ 52,998

Fair Value Measurements

Within the fair value hierarchy, the pension plan's investment at fair value by level as of June 30, 2015 and 2014, are as follows:

June 30, 2015	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Large Growth Mutual Fund	\$ 13,860	\$ -	\$ -	\$ 13,860
Intermediate Term Bond Fund	214,396	-	-	214,396
Large Blend Equity Fund	40,102	-	-	40,102
Guaranteed investment contracts*	-	-	30,407	30,407
Large value equity mutual funds	12,601	-	-	12,601
	\$ 280,959	\$ -	\$ 30,407	\$ 311,366
<hr/>				
June 30, 2014				
Large Growth Mutual Fund	\$ 24,203	\$ -	\$ -	\$ 24,203
Intermediate Term Bond Fund	392,439	-	-	392,439
Large Blend Equity Fund	72,604	-	-	72,604
Guaranteed investment contracts*	-	-	54,654	54,654
Large value equity mutual funds	23,636	-	-	23,636
	\$ 512,882	\$ -	\$ 54,654	\$ 567,536

* contract value

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

5. Employees' Retirement Plans (Continued)

Mutual funds are stated at fair value, which is the quoted market price in an active market of the shares owned on the last day of the Plan year.

As of June 30, 2015 and 2014, the Plan has an investment with VOYA's guaranteed investment contract. VOYA maintains and manages the contributions in a general account and the Plan's account is credited with earnings on the underlying investments and charged for withdrawals and administrative expenses. VOYA is contractually obligated to repay the principal and a specified interest rate for a period of one year. However, VOYA may impose restriction on the ability of the Plan to transfer funds from the Fixed Account to another contract investment option. The contract value is calculated based on guaranteed minimum crediting annual interest for the years ended June 30, 2015 and 2014 of 3% and 2.5%, respectively.

The following table presents the reconciliation of Level 3 assets measured at fair value for 2015 and 2014:

	2015	2014
Guaranteed investment contract		
Beginning balance at July 1,	\$ 54,654	\$ 40,997
Purchases, sales, issuances and settlement, net	(24,247)	13,657
Ending balance at June 30,	\$ 30,407	\$ 54,654

Projected benefits for the next ten years are as follows:

<i>Fiscal Year</i>	
2016	\$ 17,944
2017	31,324
2018	31,634
2019	33,122
2020	38,166
2021 through 2025	229,795
Total	\$ 381,985

Defined Contribution Plan

During 1999, the Organization established a defined contribution pension plan covering all regular employees over the age of 21 and having at least three months of service. Employer contributions for the years ended June 30, 2015 and 2014 amounted to \$50,589 and \$51,324, respectively.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

5. Employees' Retirement Plans (Continued)

Participant's contributions and actual earnings or losses thereon are immediately vested. Vesting in the employer's contributions plus actual earnings or losses thereon is based on years of continuous service. A participant is 100% vested after six years of service according to the following schedule:

<u>Years of Service</u>	<u>Vested Percentage</u>
1	0
2	20
3	40
4	60
5	80
6	100

Service with other United Way organizations may be considered when determining years of service in accordance with the plan documents. Upon termination of employment, a participant's non-vested amounts are forfeited in accordance with the Plan document and will be applied as employer contribution during the year of forfeiture. Upon death, total disability or retirement, participants become 100% vested in their employer contributions.

6. Endowment Net Asset Classification

The Organization's endowments consist of funds established for a variety of purposes related to the Organization's missions and programs. These endowments include funds designated by the Board of Directors to function as endowments (quasi-endowments). As required by GAAP, net assets associated with endowment funds, including quasi-endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Organization has interpreted the Florida Uniform Prudent Management of Institutional Funds Act 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, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment.

As of June 30, 2015, endowment net assets consisted of the following:

	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Permanently Restricted</i>	<i>Total</i>
Donor restricted endowment funds	\$ -	\$ 185,978	\$ 1,000,627	\$ 1,186,605
Board designated quasi-endowment funds	-	-	-	-
\$	-	\$ 185,978	\$ 1,000,627	\$ 1,186,605

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

6. Endowment Net Asset Classification (Continued)

As of June 30, 2014, endowment net assets consisted of the following:

	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Permanently Restricted</i>	<i>Total</i>
Donor restricted endowment funds	\$ -	\$ 259,676	\$ 1,000,627	\$ 1,260,303
Board designated quasi-endowment funds	1,827,209	-	-	1,827,209
	\$ 1,827,209	\$ 259,676	\$ 1,000,627	\$ 3,087,512

Changes to endowment net assets for the year ended June 30, 2015 are as follows:

	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Permanently Restricted</i>	<i>Total</i>
Endowment net assets, June 30, 2014	\$ 1,827,209	\$ 259,676	\$ 1,000,627	\$ 3,087,512
Endowment investment return:				
Interest and dividends	74,336	-	-	74,336
Realized and unrealized gains	(51,402)	(73,698)	-	(125,100)
Total endowment investment return	22,934	(73,698)	-	(50,764)
Re-appropriation of endowment for general operations	(1,850,143)	-	-	(1,850,143)
Endowment net assets, June 30, 2015	\$ -	\$ 185,978	\$ 1,000,627	\$ 1,186,605

Changes to endowment net assets for the year ended June 30, 2014 are as follows:

	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Permanently Restricted</i>	<i>Total</i>
Endowment net assets, June 30, 2013	\$ 1,587,498	\$ 167,828	\$ 1,000,627	\$ 2,755,953
Endowment investment return:				
Interest and dividends	27,547	-	-	27,547
Realized and unrealized gains	218,338	91,848	-	310,186
Total endowment investment return	245,885	91,848	-	337,733
Appropriation of endowment for expenditures	(6,174)	-	-	(6,174)
Endowment net assets, June 30, 2014	\$ 1,827,209	\$ 259,676	\$ 1,000,627	\$ 3,087,512

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those (a) assets of donor-restricted funds that the Organization must hold in perpetuity which are held by others for the benefit of United Way and (b) assets with donor specified period restrictions as well as board-designated funds that are included as part of current investments.

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

6. Endowment Net Asset Classification (Continued)

Strategies Employed for Achieving Objectives

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

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy of appropriating for distributions each year up to five percent of its endowment fund's average fair value over the prior thirty six months through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected return on its endowment. There were no distributions for operations from Board Designated Funds during the years ended June 30, 2015 and 2014.

7. Net Assets

At June 30, unrestricted net assets consisted of the following:

	2015	2014
Board designated allocations	\$ -	\$ 61,750
Board designated endowment	-	1,827,209
Unrestricted and undesignated	1,146,734	1,278,246
Total unrestricted net assets	\$ 1,146,734	\$ 3,167,205

The board designated allocations are funds set aside to support a specific program for Junior Achievement of South Florida.

The board designated endowment represents funds that are invested separately to generate earnings that can be used to pay for operating expenses. During the year 2015, the Board approved the release of designated endowment to be used for general operations of the Organization.

Temporarily restricted net assets are available at June 30, 2015 and 2014 for the following purposes or periods:

	2015	2014
Purpose restriction:		
Capital renovation	\$ 753,104	\$ 429,608
Time restriction:		
Program funding for future periods	21,250	50,000
Earnings from beneficial interest in assets held by others	185,978	259,676
Total temporarily restricted	\$ 960,332	\$ 739,284

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

7. Net Assets (Continued)

A temporarily restricted net asset of \$500,000 was contributed by an individual donor in 2013 as a capital gift for the purpose of renovating the out parcel building on the United Way of Broward County campus. Approximately \$60,000 and \$70,000 of the funds was expended during the years 2015 and 2014 to finance construction costs. Additional contributions restricted towards the capital renovations were received from various donors during the year ended 2015. The unspent funds as of June 30, 2015 remain temporarily restricted. The project is expected to be completed by November 30, 2015.

Private gifts of \$21,250 and \$50,000 were received during the year ended June 30, 2015 and 2014, respectively, which were restricted for donor-specified programs to be used for next fiscal year.

Permanently restricted net assets of \$1,000,627 at June 30, 2015 and 2014 are restricted contribution of assets in perpetuity held by a third party trustee, Community Foundation of Broward, Inc. (See Note 9).

8. Annual Dues for National and State Affiliations

The United Way provides funding to the State and National United Way organizations to finance programs of research, education and community services. Membership support is used to provide National Academy for Volunteerism (NAV) training and conferencing, career development, advertising, market research, campaign assistance, National Corporate Leadership and National Football League relationships, executive search, Alexis de Tocqueville Society enrollments, product and service discounts, and consultation and technical assistance.

Payments for the years ended June 30, 2015 and 2014 are based upon the campaign reported gross contributions as follows:

	2015	2014
State organization	\$ 23,726	\$ 21,870
National organization	123,182	116,660
Total	\$ 146,908	\$ 138,530

9. Beneficial Interest in Assets Held by Others

A third party trustee, Community Foundation of Broward, Inc., holds assets for the benefit of United Way in five endowment funds, original values of the gift to be held in perpetuity. The endowments were established by third party donors. The beneficial interest in assets held by others is measured by the fair value of the assets contributed at initial donation which at June 30, 2015 and 2014, amounted to \$1,000,627. Changes in fair value are recognized in investment income in the statement of activities and changes in temporarily restricted net assets as gains are not immediately available for distribution due to donor imposed restrictions providing a limit on annual distribution of earnings. The components of the change in beneficial interest for the year ended June 30 are as follows:

United Way of Broward County, Inc.
Notes to Financial Statements
For the Years Ended June 30, 2015 and 2014

	2015	2014
Fair value at beginning of year	\$ 1,260,303	\$ 1,168,455
Contributions		-
Net appreciation (depreciation) of assets held by others	(15,967)	164,878
Distributions	(57,731)	(73,030)
Fair value at end of the year	\$ 1,186,605	\$ 1,260,303

10. Special Events

The Organization holds various events to help fund operations. Expenses incurred in relation to these events are netted against the revenue earned from these events. Revenues and expenses related to these events for the year ended June 30, 2015 and 2014 are as follows:

	2015	2014
Gross revenues	\$ 579,586	\$ 445,657
Special events expenses	426,593	414,718
Net revenues	\$ 152,993	\$ 30,939

11. Commitments and Contingencies

Commitments

In April 2009, the Organization entered into an agreement with the United Way of Delaware and the United Way of Southeastern Pennsylvania (UWSEPA) for information technology hosting services. The agreement expired in May 2014, however the arrangement has continued on a month to month basis under the same terms.

Contingencies

In the normal course of business, United Way has received grants which are subject to audit by agents of the relevant funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. The Board believes that all of the grant expenditures are properly recorded and that the liability, if any, for any reimbursement which may arise as the result of audits would not be significant.

Reports Required by *Government Auditing
Standards* and OMB A-133

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
United Way of Broward County, Inc.
Fort Lauderdale, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of United Way of Broward County, Inc. (the "United Way"), which comprise the statement of financial position as of June 30, 2015 and June 30, 2014, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2015.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered United Way's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of United Way's internal control. Accordingly, we do not express an opinion on the effectiveness of United Way's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatement on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weakness may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether United Way's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Miami, Florida
December 15, 2015

BDO USA, LLP

Certified Public Accountants



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Directors
United Way of Broward County, Inc.
Fort Lauderdale, Florida

Report on Compliance for Each Major Federal Program

We have audited the United Way of Broward County, Inc.'s (the "United Way") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the United Way's major federal programs for the year ended June 30, 2015. The United Way's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of United Way's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about United Way's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of United Way's compliance.

Opinion on Each Major Federal Program

In our opinion, United Way complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.



Report on Internal Control Over Compliance

Management of United Way is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered United Way's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of United Way's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Miami, Florida
December 15, 2015

BDO USA, LLP
Certified Public Accountants

Schedule of Expenditures of Federal Awards

United Way of Broward County, Inc.
Schedule of Expenditures of Federal Awards
Year ended June 30, 2015

Federal Agency/Project Title/Pass Through Agency	CFDA Numbers	Contract Number	Federal Expenditures
U.S. Department of Health and Human Services:			
Office of Substance Abuse and Mental Health Services			
Administrative Programs:			
Pass-through:			
State of Florida - Department of Children and Families			
Prevention and Treatment of Substance Abuse Block Grant	93.959	JD260	\$ 1,981,505
Prevention and Treatment of Substance Abuse Block Grant	93.959	LD969	278,406
Total Prevention and Treatment of Substance Abuse Block Grants			2,259,911
Total for U.S. Department of Health and Human Services			2,259,911
U.S. Department of Justice:			
Justice Assistance Grant Cluster- Bureau of Justice Assistance:			
Pass-through Broward County:			
Edward Byrne Memorial Justice Assistance Grant Program Planning, Evaluation and Technology Improvement Program	16.738	2015-JAGC- BROW-5-R3-203	18,450
Edward Byrne Memorial Justice Assistance Grant Program Planning, Evaluation and Technology Improvement Program	16.738	2014-JAGC- BROW-6-E5-183	13,944
Pass-through:			
Sheriff of Broward County			
Edward Byrne Memorial Justice Assistance Grant Program Drinking and Other Drug Programs	16.738	2015-JAGC-BROW-4-RS-207	29,245
Edward Byrne Memorial Justice Assistance Grant Program Drinking and Other Drug Programs	16.738	2014-JAGC-BROW-5-E5-126	9,838
Total U.S. Department of Justice and Justice Assistance Grant Cluster			71,477
U.S. Department of Veteran Affairs:			
VA Health Administration Center			
VA Supportive Services for Veteran Families Program	64.033	14-FL-181	2,272,644
Total U.S. Department of Veteran Affairs			2,272,644
Total Expenditures for Federal Awards			\$ 4,604,032

See Notes to Schedule of Expenditures of Federal Awards

United Way of Broward County, Inc.
Notes to Schedule of Expenditures of Federal Awards
Year ended June 30, 2015

Note 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of United Way of Broward County, Inc. (the "United Way") and is presented on the accrual basis of accounting. The information in this schedule is prepared in accordance with the requirements of OMB *Circular A-133, Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general-purpose financial statements.

Note 2 - SUBRECIPIENTS

The following awards were received directly by United Way and passed through to subrecipient during the year ended June 30, 2015:

Department	Program	CFDA Number	Expenditures
U. S. Department of Health and Human Services	Prevention and Treatment of Substance Abuse Block Grant	93.959	\$ 1,148,733
Total			\$ 1,148,733

United Way of Broward County, Inc.
Schedule of Findings and Questioned Costs
Year ended June 30, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	___yes <u> X </u> no
• Significant deficiencies identified not considered to be material weaknesses?	___yes <u> X </u> none reported
• Non-compliance material to financial statements noted?	___yes <u> X </u> no

Federal Programs:

Internal control over major program:	
Material weaknesses identified?	___yes <u> X </u> no
Significant deficiencies identified not considered to be material weaknesses?	___yes <u> X </u> none reported

Type of auditor's report issued on compliance of major program?	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with the requirements of OMB Circular A-133?	___yes <u> X </u> no
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Identification of major programs:
CFDA Numbers

93.959

Name of Federal Program or Cluster

Prevention and Treatment of Substance Abuse Block Grant

64.033

VA Supportive Services for Veteran Families Program

Dollar threshold used to distinguish between Type A and Type B programs:

Auditee qualified as low-risk auditee?	___yes <u> X </u> no
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United Way of Broward County, Inc.
Schedule of Findings and Questioned Costs
Year ended June 30, 2015

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no identified audit findings during the year ended June 30, 2015.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

During the audit of the year ended June 30, 2015, there were no identified audit findings and questioned costs to be reported under OMB Circular A-133 Section 510(a).

Supplemental Information

United Way of Broward County, Inc.
Schedules of Allocations to Agencies and Donor Designations
Year ended June 30, 2015

Agency	Amount
Achievement and Rehabilitation Centers, Inc.	\$ 237,359
American Red Cross	200,000
Big Brothers/Big Sisters of Broward, Inc.	90,000
Boys & Girls Clubs of Broward County, Inc.	55,000
Broward Housing Solutions	126,500
Broward Partnership for the Homeless, Inc	24,000
Broward Regional Health Planning Council, Inc.	580,882
Center for Hearing and Communication	84,300
Center for Independent Living of Broward	103,659
ChildNet, Inc.	37,000
Children's Diagnostic & Treatment Center, Inc.	185,892
Children's Harbor, Inc.	40,000
City of Fort Lauderdale	30,000
Coast to Coast Legal Aid of South Florida	95,000
College Summit, Inc.	50,000
Community Based Connections	170,347
Community Foundation of Broward	40,000
Covenant House Florida, Inc.	129,940
Crockett Foundation	81,665
Elder Care Services	20,000
Family Central, Inc.	58,649
Firewall Industries, Inc.	30,000
First Call for Help of Broward, Inc.	260,000
FLITE Center	50,000
Florida Department of Health Broward County	82,858
Gilda's Club South Florida	123,500
H.O.M.E.S., Inc.	50,000
HandsOn Broward	25,000
Healthy Mothers, Healthy Babies Coalition	45,000
Helping Abused Neglected Disadvantaged Youth, Inc.	50,000
Henderson Behavioral Health, Inc.	117,666
Hispanic Unity of Florida, Inc.	270,000
Hope South Florida, Inc.	63,000
Impact Broward, Inc.	157,050
Jack & Jill Children's Center	55,000
Jewish Family Service, Inc. of Broward County	72,000
Joe Di Maggio Children's Hospital Foundation	90,124
Junior Achievement	82,500
Legal Aid Service of Broward County, Inc.	63,000

United Way of Broward County, Inc.
Schedules of Allocations to Agencies and Donor Designations
Year ended June 30, 2015

Agency	Amount
LifeNet4Families, Inc./Cooperative Feeding Program, Inc.	\$ 93,000
Lighthouse Broward County, Inc.	50,000
Luz del Mundo (Light of the World Clinic)	115,551
Mission United	226,096
Museum of Discovery & Science	139,872
N.E. Focal Point CASA, Inc.	25,000
Project Lifeline	475,000
Salvation Army – Broward County	50,000
Second Chance Society, Inc.	45,000
Sunshine Social Services/SunServe	110,089
Susan B. Anthony Center, Inc.	100,000
TaskForce Fore Ending Homelessness, Inc.	40,000
Urban League of Broward County	262,000
Women in Distress of Broward County, Inc.	35,000
YMCA of Broward County, Florida, Inc.	50,000
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Subtotal	
Allocations and donor designations for the month of June 2015, that were paid in July 2015	896,904
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Total	\$ 6,840,403