

**United Way of Northeast Georgia, Inc.**  
**(a Georgia not-for-profit corporation)**

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Audited Financial Statements  
with  
Independent Auditor's Report

For the year ended  
December 31, 2017

Royals & Associates CPA PC  
1551 Jennings Mill Rd  
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Watkinsville, GA 30677-7278

United Way of Northeast Georgia, Inc.

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December 31, 2017

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## Independent Auditor's Report

To the Board of Directors  
United Way of Northeast Georgia, Inc.  
Athens, Georgia

We have audited the accompanying financial statements of United Way of Northeast Georgia, Inc. (a Georgia non-profit corporation) which comprise the statement of financial position for the year ended December 31, 2017, and the related statements of activities and cash flows for the year then ended and the 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 audit. We conducted our audit 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 these 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 significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that 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 Northeast Georgia, Inc. as of December 31, 2017, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of functional expenses on Page 5 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 is related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in blue ink, appearing to read "Royals & Associates CPA PC".

Royals & Associates CPA PC  
Watkinsville, Georgia  
August 10, 2018

United Way of Northeast Georgia, Inc.  
Statement of Financial Position  
December 31, 2017

Assets

Current Assets

Cash - unrestricted	\$	151,454
Cash - restricted planned giving		23,913
Cash - restricted 2-1-1 program		140,263
Cash - DPIL program		29,301
Cash - Fidelity Charitable Grant		23,512
Total cash and cash equivalents		<u>368,443</u>

Investment - Athens Area Community Foundation (Note 3) 320,753

Receivables

Pledges receivable, net of allowance (Note 4)	1,319,531
Due from United Way Worldwide	3,912
Total receivables	<u>1,323,443</u>

Total Current Assets 2,012,639

Property and Equipment (Note 5) - net of depreciation 95,754

Other Assets

Land	25,000
Deposits	4,675
Total Other Assets	<u>29,675</u>

\$ 2,138,068

Liabilities and Net Assets

Current Liabilities

Accounts payable	\$	1,690
Agency allocations (Note 7)		1,697,500
Accrued payroll liabilities		2,790
Current portion of long-term debt (Note 8)		8,500
Total Current Liabilities		<u>1,710,480</u>

Long-term Debt (net of current portion) (Note 8) 33,924

Net Assets

Unrestricted net assets	(144,078)
Temporarily restricted (Note 6)	537,742
Total Net Assets	<u>393,664</u>

\$ 2,138,068

United Way of Northeast Georgia, Inc.  
Statement of Activities  
For the year ended December 31, 2017

	Unrestricted	Temporarily Restricted	Total
<b>Support</b>			
Campaign contributions	\$ 2,093,633	\$ -	\$ 2,093,633
Less provision for uncollectible pledges	(380,958)	-	(380,958)
Administrative fees	13,600	-	13,600
Investment Income	96	48,229	48,325
Special events	26,637	-	26,637
Planned giving contributions	-	100	100
DPIL	-	86,357	86,357
Womens Leadership Circle-DPIL	-	25,172	25,172
E Lead	392	-	392
Insurance Reimbursement	-	1,289	1,289
Northeast Georgia 2-1-1 program	-	117,842	117,842
	1,753,400	278,989	2,032,389
Net assets released from restrictions	297,846	(297,846)	-
Total Support	2,051,246	(18,857)	2,032,389
<b>Expenses</b>			
Northeast GA campaign	1,760,424	-	1,760,424
Planned giving campaign	1,396	-	1,396
Dolly Parton Imagination Library program	122,772	-	122,772
Stephens County campaign	66,690	-	66,690
Women United	32,776	-	32,776
Fidelity charitable grant	7,317	-	7,317
2-1-1 program	74,275	-	74,275
Management and general	220,554	-	220,554
Fundraising expenses	201,308	-	201,308
Total expenses	2,487,512	-	2,487,512
<b>Other income (expense)</b>			
Gain on sale of assets	2,000	-	2,000
Increase(decrease) in net assets	(434,266)	(18,857)	(453,123)
Net assets at beginning of period	290,188	556,599	846,787
Net assets at end of period	\$ (144,078)	\$ 537,742	\$ 393,664

See independent auditor's report and accompanying notes to the financial statements

United Way of Northeast Georgia, Inc.  
Statement of Functional Expenses  
For the year ended December 31, 2017

Expense Account	Program Expenses								Fund-Raising	Management and General	2017 Combined
	Northeast Georgia Campaign	Planned Giving Campaign	Dolly Parton Imag Lib Program	Stephens County Campaign	Women United	Fidelity Charitable Grant	2-1-1 Program	Total Program Services			
Agency Allocations	\$ 1,614,750	\$ -	\$ -	\$ 53,000	\$ -	\$ -		\$ 1,667,750	\$ -	\$ -	\$ 1,667,750
Salaries	64,723	-	10,406	-	-	6,803	27,711	109,643	139,652	115,546	364,841
Payroll Taxes	4,888	-	786	-	-	514	2,093	8,281	10,547	8,727	27,555
Day of Caring	9,515	-	-	-	-	-	-	9,515	-	-	9,515
Campaign Supplies and Expense	14,869	-	-	-	-	-	-	14,869	15,968	-	30,837
Office Expense	1,379	-	-	-	-	-	270	1,649	-	1,379	3,028
Corporate Registration Fees	50	-	-	-	-	-	-	50	-	-	50
Postage	229	-	-	-	-	-	-	229	1,377	229	1,835
Donations	17	-	-	-	33	-	-	50	50	50	150
Athens Housing Redevelopment Strategy	500	-	-	-	-	-	-	500	-	-	500
Dues and Subscriptions	6,412	-	-	90	-	-	50	6,552	-	-	6,552
National Dues	-	-	-	-	-	-	-	-	-	26,930	26,930
Strategic Plan Expense	12,000	-	-	-	-	-	-	12,000	-	-	12,000
Telephone	2,072	-	-	-	-	-	195	2,267	2,072	2,072	6,411
Bond & Insurance	3,591	-	-	-	-	-	224	3,815	-	-	3,815
EE Benefit - Group Insurance	3,349	-	-	-	-	-	328	3,677	5,492	4,554	13,723
Utilities	988	-	-	-	-	-	-	988	988	988	2,964
Condo Association Fees	1,139	-	-	-	-	-	-	1,139	1,139	1,139	3,417
EE Benefit - Retirement	4,465	-	-	-	-	-	-	4,465	10,222	6,073	20,760
Repairs & Maintenance	269	-	-	-	-	-	-	269	269	269	807
Computer Expense & Support	2,656	-	-	-	-	-	-	2,656	2,656	2,656	7,968
Legal & Professional	-	-	-	-	-	-	-	-	-	19,381	19,381
Finance & Accounting	10,876	-	-	-	-	-	-	10,876	10,876	12,436	34,188
Bank Charges	1,464	1,031	564	-	-	-	119	3,178	-	-	3,178
Training	224	-	-	-	-	-	-	224	-	2,000	2,224
Forums, Seminars, & Meetings	-	-	-	-	-	-	-	-	-	2,385	2,385
Travel	-	-	-	-	-	-	-	-	-	1,332	1,332
Design, Ads, & Website	-	-	-	-	-	-	600	600	-	-	600
Mortgage Interest	-	-	-	-	-	-	-	-	-	2,253	2,253
Promotional Expense	-	-	-	-	-	-	220	220	-	-	220
Administrative Fees	-	365	-	13,600	-	-	-	13,965	-	-	13,965
Call Center Monitoring	-	-	-	-	-	-	42,297	42,297	-	-	42,297
2-1-1 Emergency Assist Fund	-	-	-	-	-	-	168	168	-	-	168
DPIL Expense - Books	-	-	111,016	-	-	-	-	111,016	-	-	111,016
Depreciation and Amortization	-	-	-	-	-	-	-	-	-	10,155	10,155
Special events	-	-	-	-	32,743	-	-	32,743	-	-	32,743
<b>Total Expenses</b>	<b>\$ 1,760,424</b>	<b>\$ 1,396</b>	<b>\$ 122,772</b>	<b>\$ 66,690</b>	<b>\$ 32,776</b>	<b>\$ 7,317</b>	<b>\$ 74,275</b>	<b>\$ 2,065,650</b>	<b>\$ 201,308</b>	<b>\$ 220,554</b>	<b>\$ 2,487,512</b>

See independent auditor's report and accompanying notes to the financial statements

United Way of Northeast Georgia, Inc.  
Statement of Cash Flows  
For the year ended December 31, 2017

Cash Flows from Operating Activities	
Increase(decrease) in net assets	\$ (453,123)
Adjustments to reconcile increase in net assets to cash provided by operating activities	
Depreciation	10,155
Gain on disposal of fixed assets	(2,000)
Changes in:	
(Increase)decrease in accounts receivable	232,492
Increase(decrease) in payables and accrued liabilities	(32,775)
(Increase)decrease in other receivables	(3,912)
(Increase)decrease in other assets	728
Unrealized gain on investments	(28,833)
<b>Net Cash Used by Operating Activities</b>	<b><u>(277,268)</u></b>
Cash Flows from Investing Activities	
Net Increase in Investments	14,470
Cash received for vehicle sale	2,000
<b>Net Cash Provided by Investing Activities</b>	<b><u>16,470</u></b>
Cash Flows from Financing Activities	
Repayment of principal	<u>(7,327)</u>
<b>Net Cash Used by Financing Activities</b>	<b><u>(7,327)</u></b>
Net Increase(decrease) in Cash and Cash Equivalents	(268,125)
Cash and Cash Equivalents at Beginning of Period	<u>636,568</u>
Cash and Cash Equivalents at End of Period	<b><u><u>\$ 368,443</u></u></b>

Supplemental Disclosures:

Interest paid	<u><u>\$2,253</u></u>
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United Way of Northeast Georgia, Inc.  
Notes to Financial Statements  
December 31, 2017

**Note 1 - Organization and Nature of Operations**

The mission of the United Way of Northeast Georgia, Inc. is to motivate and mobilize resources to meet the highest priority needs of the people living in Northeast Georgia. The organization envisions a region where every man, woman, and child has access to quality education, financial stability, and a healthy lifestyle. This is accomplished through annual fund drives for the benefit of approved agencies. United Way of Northeast Georgia, Inc. is exempt from federal and state income taxation under Section 501(c)(3) of the Internal Revenue Code.

Northeast Georgia Campaign

Organized in 1952, the United Way of Northeast Georgia, Inc. serves twelve counties of Northeast Georgia.

Stephens County Campaign

The United Way of Northeast Georgia, Inc. is responsible for the annual fund drive and financial management of the United Way activities of Stephens County, Georgia. The Stephens County advisory board makes local recommendations to the Board of Directors of the United Way of Northeast Georgia. The agreement can be cancelled if either party gives a six month notice.

Planned Giving

A planned gift to United Way of Northeast Georgia is a contribution that is arranged in the present and allocated at a future date. Commonly donated through a will or trust, planned gifts are most often granted once the donor has passed away.

2-1-1 Program

The 2-1-1 program helps build local community capacity through streamlining the process for giving and receiving help. The service covers 15 counties in the Northeast Georgia region. 2-1-1 service delivery includes database development and maintenance, resource development, community outreach and marketing of 2-1-1, and supervision of 2-1-1 volunteers. This department works closely with the United Way of Greater Atlanta's 2-1-1 database manger, service providers, community members, key community leaders, and investors to support the accessibility of quality information and referral to Northeast Georgia.

Dolly Parton Imagination Library

Dolly Parton's Imagination Library (DPIL) is an early childhood literacy program focused on instilling a love of reading in young children and preparing those children for kindergarten. The program sends one, free and age-appropriate book to children ages 0-5 in Clarke County and Oconee County, GA. Parent engagement tips are provided on the inside flap of each book. Families in our program receive monthly e-newsletters with further reading tips and information on local literacy events.

**Note 2 - Significant Accounting Policies**

Basis of Accounting

The financial statements of the Organization are prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities.

Financial Statement Basis of Presentation

The Organization follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 958, *Not-For-Profit Entities*, which establishes external reporting standards of not-for-profit organizations. Under ASC 958, the entity is required to report information regarding its financial position and activities in three classes of net assets; unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

United Way of Northeast Georgia, Inc.  
Notes to Financial Statements  
December 31, 2017

**Note 2 - Significant Accounting Policies (continued)**

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Cash and Cash Equivalents

The Organization considers cash on hand, cash in bank, certificates of deposit, and all short-term investments with maturity dates of three months or less when purchased to be cash and cash equivalents.

Income Tax

The Organization is a non-profit corporation, which is tax-exempt under Section 501(c)(3) of the Internal Revenue Code (IRC), whereby only unrelated business income, as defined by IRC Section 512(a)(1) is subject to federal income tax. The Organization had no unrelated business income subject to taxes for the year ended December 31, 2017.

In addition, the Organization qualifies for the charitable contribution deduction under IRC Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under IRC Section 509(a)(2). The determination letter of tax exempt status by the Internal Revenue Service was dated April 1965.

The Organization has evaluated its uncertain tax positions as required by FIN 48, *Accounting for Uncertainty in Income Taxes*, and finds no uncertainties or tax contingencies that require disclosure. The Organization's Form 990, *Return of an Organization Exempt From Income Tax*, are subject to examination by the Internal Revenue Service generally for a three year period after filing. The periods ending December 31, 2014 to December 31, 2016 remain open for routine examination.

Investments

The Organization follows the FASB ASC 958, *Not-For-Profit Entities*, which establishes external reporting standards for not-for-profit organizations. Standards for accounting for investments in equity securities and debt instruments are contained in FASB ASC 958-320, *Investments-Debt and Equity Securities*. Investments are stated at fair value. The fair value of debt securities and marketable equity securities are based on quoted market prices at the date of the financial statements. The investments are subject to various risks such as interest rate, credit and overall market volatility, which may substantially affect the value of the investments. Investments are stated at their current market value at December 31, 2017.

Investment - Beneficial Interest in Funds Held by Others - Athens Area Community Foundation

Beneficial interests in assets held by others represent investments held by the Athens Area Community Foundation (AACF) which are comprised of pooled accounts. Pooled accounts are comprised of broad asset category types including bond funds, mutual funds and cash equivalents. The underlying holdings are based on unadjusted quoted market prices. Realized and unrealized gains and losses are included in the accompanying statement of activities and changes in net assets as investment income or loss. (Note 3)

United Way of Northeast Georgia, Inc.  
Notes to Financial Statements  
December 31, 2017

**Note 2 - Significant Accounting Policies (continued)**

Fair Value of Financial Instruments

The Organization adopted the provisions of FASB ASC 820, *Fair Value Measurements and Disclosure*. FASB ASC 820 defines fair value and establishes a hierarchy organized into three levels based on the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets that may include quoted prices for similar assets or liabilities or other inputs which are corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Contributions - Public Support

Contributions represent public support and are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions received are recorded as unrestricted and temporarily restricted depending on the existence and/or nature of donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on management's experience in prior years and management's analysis of specific promised to give.

Campaign results may include:

Unrestricted local campaign pledges and donations.

Local campaign pledges restricted by donors to another not for profit agency or other United Way (referred to as donor choice).

Campaign pledges from other United Ways designated to United Way of Northeast Georgia.

Donor designated amounts raised on behalf of others restricted to support agencies not supported by United Way of Northeast Georgia (referred to as donor choice).

Campaign Pledges Receivable

Annual campaign pledges are generally available for unrestricted use in the related campaign year. Pledges receivable are valued at the amount pledges less an allowance for estimated uncollectible amounts. The allowance is \$451,124 at December 31, 2017. All pledges are receivable during the annual fund drive period of one year. Campaign pledges outstanding after two years are written off as a charge against allowance for uncollectible pledges. (Note 4)

Depreciation

Property and equipment are stated at cost if purchased and at fair value at the date of donation if donated. The cost of buildings and equipment are charged against income over their estimated useful lives using the straight line method of depreciation (primarily 30 years for building and improvements and five years for furniture and equipment). Repair and maintenance costs, which are not considered improvements and do not extend the useful life of property and equipment, are charged to expense as incurred. When property and equipment are retired or otherwise disposed of, the asset and accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the statement of activities. (Note 5)

United Way of Northeast Georgia, Inc.  
Notes to Financial Statements  
December 31, 2017

**Note 2 - Significant Accounting Policies (continued)**

Contributed Services

The Organization follows the provisions of FASB ASC 958, *Not-For-Profit Entities*, which indicates recognition of contributed services should be recognized only if the service creates or enhances a non-financial asset or the service provides specialized skills that would need to be purchased if not provided by donation. Accordingly, no contributions for volunteer services are recognized in the statement of activities.

Management estimates that volunteers contributed approximately 7,500 hours during the year ended December 31, 2017. The fair value of these services represents a significant contribution to the Organization that is not recognized on the statement of activities. Based on the latest Bureau of Labor statistics and the information furnished to not-fo-profit organizations by the Independent Sector, the hourly value of volunteer time in Georgia is \$25.15 per hour. The resulting value of volunteer time to the Organization would approximate a contribution of \$188,600.

Agency Allocations

Amounts which have allocated to specific agencies in the current fiscal year but have not been disbursed as of December 31, 2017 are accrued and reflected in the accompanying statement of financial position as "Agency Allocations." Amounts committed for periods after year end are subject to further review and approval by the United Way Board and the availability of funding. Accordingly, such amounts are reflected as a liability as of year end. Donor choice funds are paid separately and are included in "Agency Allocations" if not paid by year end. (Note 7)

Functional Expenses Allocation

The cost of providing various programs, services and other activities have been summarized and categorized on a functional basis in the accompanying statement of activities and the statement of functional expenses as either program services or supporting services. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. However, certain expenses relate to more than one function and are allocated between program and supporting services based on estimates made by management.

Compensated Absences

Employees of the Organization are entitled to paid vacation and personal days off, depending on job classification, length of service and other factors. It is not practical to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The Organization's policy is to recognize the cost of compensation when actually paid to employees.

United Way of Northeast Georgia, Inc.  
Notes to Financial Statements  
December 31, 2017

**Note 2 - Significant Accounting Policies (continued)**

Recent Financial Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The amendments in this ASU are the first phase of changes aimed at providing more useful information to users of not-for-profit financial statements. Under this ASU, net assets will be presented in two classes: *net assets with donor restrictions* and *net assets without donor restrictions* and underwater endowments will be grouped with *net assets with donor restrictions*. New or enhanced disclosures will be required about the nature and composition of net assets, and the liquidity and availability of resources for general operating expenditures within one year of the balance sheet date. Expenses will be required to be presented by both nature and function, and investment return will be presented net of external and direct internal investment expenses. Absent explicit donor stipulations, restriction on long-lived assets will expire when assets are placed in service. The ASU is effective for fiscal periods beginning after December 15, 2017, but early adoption is permitted. Adoption of this ASU will significantly impact the presentation and disclosures of the financial statements. The Organization will adopt this ASU for the fiscal year ended December 31, 2018.

**Note 3 - Funds Held by Others**

Investments held at Athens Area Community Foundation, as noted in the summary of significant accounting policies (Note 2), are pooled with other organization's funds and invested in diversified portfolios of marketable equity and fixed income securities. The underlying assets at the Athens Area Community Foundation are measured at fair value using Level 1 inputs. The Organization's ownership in the investments is represented by undivided interest in the investment portfolios managed by the community foundation and not in the underlying assets themselves. The fair market value of there Organization's interests have been determined using the net asset value method (NAV). The NAV is based on the value of the underlying assets, minus any liabilities, and then divided by the number of interests outstanding. The undivided interests are not themselves publicly traded.

The investments are stated at their current market values at December 31, 2017 and consist of the following:

Planned Giving Funds	\$	309,841
2-1-1 Program Funds		10,912
	\$	<u>320,753</u>

Investment returns of the year ended December 31, 2017 consist of the following:

Interest and dividends	\$	15,605
Realized gain on investments		3,570
Unrealized appreciation on investments		28,833
	\$	<u>48,008</u>

United Way of Northeast Georgia, Inc.  
Notes to Financial Statements  
December 31, 2017

**Note 4 - Pledges Receivable**

Pledges receivable at December 31, 2017 are expected to be collected as follows:

	Gross Pledges Receivable	Allowance for Uncollectible Amounts	Net Pledges Receivable
Pledges receivable	\$ 1,770,655	\$ 451,124	\$ 1,319,531

The United Way of Northeast Georgia conducts its annual campaign in the last quarter of each calendar year to raise support for allocations to participating agencies in the subsequent fiscal year. Campaign pledges are unconditional promises to give and are recorded in the year the promise is made. The pledges are recorded at fair value at the date of the pledge. Pledges outstanding for longer than two years are written-off as uncollectible.

The allowance for uncollectible pledges is an estimate based on management's knowledge of historical pledge collection rates. The allowance for the current year campaign is calculated as a percentage of pledges revenue generated by the campaign. In addition, an allowance for prior year campaign pledges not collected is made based on management's knowledge and estimate of uncollectible amounts.

**Note 5 - Property and Equipment**

The following is a summary of depreciable assets as of December 31, 2017:

Office Condominium	\$ 142,474
Equipment and furniture	106,607
	249,081
Less: accumulated depreciation	(153,327)
Net book value of fixed assets	\$ 95,754

Of the accumulated depreciation above, \$10,155 was charged to supporting services for the year ended December 31, 2017.

**Note 6 - Restricted Net Assets**

The Board has designated certain cash and investment funds as temporarily restricted. At December 31, 2017, the following balances were Board designated as restricted:

Cash accounts	
Planned Giving	\$ 23,913
Dolly Parton Imagination Library	22,358
Womens United - DPIL	6,943
2-1-1 Program	140,263
	193,477
Investment accounts	
Planned Giving	309,841
2-1-1 Program	10,912
	320,753

United Way of Northeast Georgia, Inc.  
Notes to Financial Statements  
December 31, 2017

**Note 6 - Restricted Net Assets (continued)**

The Organization received an anonymous grant administered by Fidelity Charitable for \$75,000. The grant is donor restricted for specific purposes. At December 31, 2017, the following balance remains restricted:

	23,512
Total restricted net assets at December 31, 2017	\$ 537,742

**Note 7 - Agency Allocations**

Agency allocations are commitments of support to other agencies during the next twelve months following the year ended December 31, 2017. The commitments are presented as liabilities on the statement of functional expenses and are subject to further review and board approval and availability of funds. Agency allocations consist of the following at December 31, 2017:

Northeast Georgia	
ABHS Custom Industries	\$ 15,000
ABHS Fine Finish	47,300
ABHS Jackson Creative	33,000
Action Inc., Full Plate	48,000
American Red Cross of Northeast Georgia	115,000
Athens Community Council on Aging	144,000
Athens Neighborhood Health Center	36,500
Boy & Girls Club - Winder	52,000
Boys & Girls Club of Athens	125,000
Extra Special People	72,400
Family Counseling Service of Athens	128,000
Food Bank of Northeast Georgia	50,000
Girl Scouts of Historic GA	27,000
Harmony House	13,000
Hope Haven	126,700
Madison-Morgan Co. Caring Place	6,000
Northeast Georgia Boy Scouts	66,500
Oglethorpe Senior Center	20,000
Prevent Child Abuse Athens	53,000
Project ADAM	75,000
Project Safe	64,100
Reins of Life	37,500
Salvation Army	126,000
The Cottage Sexual Assault & Child Advocacy	52,000
The Tree House	48,000
YWCO Girls Club	60,000
Total Northeast Georgia	\$ 1,641,000

United Way of Northeast Georgia, Inc.  
Notes to Financial Statements  
December 31, 2017

**Note 7 - Agency Allocations (continued)**

Stephens County		
4-H	\$	5,700
Boys and Girls Club of Toccoa- Stephens County		10,000
Campfire Toccoa		6,300
Circle of Hope		7,700
Northeast Georgia Boy Scouts		4,600
Power House for Kids		4,600
Reins of Life		2,600
Toccoa Soup Kitchen		8,800
Toccoa-Stephens Co. Literacy Council		6,200
Total Stephens County	\$	<u>56,500</u>
 Total Agency Allocations	 \$	 <u>1,697,500</u>

**Note 8 - Long-term Debt**

The Organization is liable for a mortgage note to Synovus Bank payable in monthly installments of \$843 including interest at a fixed rate of 4.5%. The loan is secured by real estate.

Summary of maturity of long-term debt:

For the year ended December 31, 2018	\$	8,500
For the year ended December 31, 2019		8,862
For the year ended December 31, 2020		9,240
For the year ended December 31, 2021		9,634
For the year ended December 31, 2022		6,187
Thereafter		-
	\$	<u>42,424</u>

**Note 9 - Retirement Plans**

The Organization adopted a retirement plan effective January 1, 1992. The plan is a SEP Thrift retirement plan funded entirely by the employer. Contributions made by the employer are based on 7% of the gross wages of the participants. Investments are placed in Mutual of America's Interest Accumulated Fund at an interest rate set by Mutual of America. Employer contributions totaled \$20,760 during 2017.

**Note 10 - Concentrations and Risk**

The Organization maintains cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit of \$250,000 per account. Management periodically reviews the financial condition of the financial institutions to reduce the credit risk associated with cash deposits. Management considers the risk associated with the financial institution to be minimal.

United Way of Northeast Georgia, Inc.  
Notes to Financial Statements  
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**Note 11 - Subsequent Events**

Management has evaluated subsequent events through August 10, 2018, which is the date the financial statements were available to be issued. As of this date, there are no material subsequent events that require adjustment to or disclosure in the financial statements for the year ended December 31, 2017.