

**UNITED WAY OF EASTERN  
NEW MEXICO, INC.**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**UNITED WAY OF EASTERN NEW MEXICO, INC.**  
**TABLE OF CONTENTS**

Board of Directors.....	3
Independent Auditor’s Report.....	4
Financial Statements	
Statement of Financial Position .....	5
Statement of Activities.....	6
Statement of Cash Flows .....	7
Statement of Functional Expenses.....	8
Notes to the Financial Statements.....	9-15

# UNITED WAY OF EASTERN NEW MEXICO

## BOARD OF DIRECTORS

President	Steve Vernon
President Elect	Mindy Watson
Treasurer	John Ellis
Secretary	Daniel Brashear
Campaign Chair	Misty Bertrand
2-1-1 Chair	Casey Peacock
Past President	Kathy Spears
Members	Claire Burroughes Eduardo Lopez Kaye Green Monty Porter Alisa Boswell John Luhman Paul Nelson Sara Wiest
Executive Director	Erinn Burch

# William Barrett, CPA

## CERTIFIED PUBLIC ACCOUNTANTS

227 E. Palace Ave. Suite E  
Santa Fe, New Mexico 87501  
(505) 983-5111

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
United Way of Eastern New Mexico, Inc.

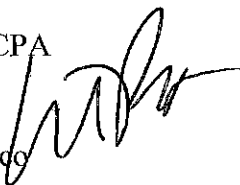
I have audited the accompanying statement of financial position of United Way of Eastern New Mexico, Inc (nonprofit organization) as of December 31, 2018 and the related statements of activities, functional expenses and cash flow for the year then ended. The financial statements are the responsibility of management. Our responsibility is to express an opinion on the 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Eastern New Mexico, Inc. as of December 31, 2018 and the results of operation and cash flow for the year then ended, in conformity with generally accepted accounting principles of the United States.

William T. Barrett, CPA

Santa Fe, New Mexico  
September 25, 2019



# UNITED WAY OF EASTERN NEW MEXICO

## Consolidated Statement of Financial Position

As of December 31, 2018

### ASSETS

#### Current Assets:

Cash and cash equivalents	\$	398,272
Accounts Receivable		13,933
Unconditional promises to give, net		244,875
Prepaid Expenses		<u>6,556</u>

Total Current Assets 663,636

#### Non Current Assets:

Investments		100,175
Property and equipment		11,586
Leasehold Improvements		3,858
Accumulated depreciation		<u>(11,154)</u>

TOTAL ASSETS \$ 768,101

### LIABILITIES

#### Current liabilities:

Accounts Payable	\$	9,548
Accrued Salaries & Benefits		5,509
Donor Option Payable		<u>98,540</u>

Total current liabilities \$ 113,597

Total liabilities \$ 113,597

### NET ASSETS

Unrestricted	\$	342,749
Temporarily Restricted		211,580
Permanently restricted		100,175

Total Unrestricted Net Assets \$ 654,504

TOTAL NET ASSETS \$ 654,504

TOTAL LIABILITIES AND NET ASSETS \$ 768,101

The notes to the Financial Statements are an integral part of these statements

**UNITED WAY OF EASTERN NEW MEXICO**

Statement of Activities  
For Year Ended December 31, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Campaign Results:</b>				
Older Campaigns	\$ 14,079		\$ -	\$ 14,079
2017/2018 Campaign	\$ -	\$ 530,835		\$ 530,835
Pledged in Prior Year		\$ (314,535)		\$ (314,535)
2018/2019 Campaign	\$ -	\$ 335,412		\$ 335,412
Estimated Uncollectible		\$ (22,018)		\$ (22,018)
<b>Total Campaign</b>	<b>\$ 14,079</b>	<b>\$ 529,694</b>	<b>\$ -</b>	<b>\$ 543,773</b>
Board allocation to Permanently Restricted	\$ -	\$ 24,958	\$ (24,958)	\$ -
Contributions Released from Restrictions	\$ 533,775	\$ (533,775)		
	\$ 547,854	\$ 20,877	\$ (24,958)	\$ 543,773
<b>Other Revenues</b>				
Special events	\$ 40,646	\$ -		\$ 40,646
Community Events	\$ 22,136			\$ 22,136
Restricted Contributions	\$ 37,963	\$ -		\$ 37,963
Interest	\$ 564		\$ 313	\$ 877
In Kind	\$ 112,822			\$ 112,822
Miscellaneous	\$ 1,057		\$ -	\$ 1,057
<b>Total Other Revenues</b>	<b>\$ 215,188</b>	<b>\$ -</b>	<b>\$ 313</b>	<b>\$ 215,501</b>
<b>Total Revenue</b>	<b>\$ 763,042</b>	<b>\$ 20,877</b>	<b>\$ (24,645)</b>	<b>\$ 759,274</b>
<b>Program Expenses</b>	<b>\$ 125,420</b>			<b>\$ 125,420</b>
Program Expenses in kind	\$ 77,875			\$ 77,875
Allocations, Distributions and Expenses to Agencies and Individuals	\$ 352,731		\$ -	\$ 352,731
	\$ -			\$ -
	\$ 556,026		\$ -	\$ 556,026
<b>Support Expenses</b>				
Fundraising	\$ 58,499			\$ 58,499
Fundraising in kind	\$ 33,256			\$ 33,256
Management	\$ 68,979			\$ 68,979
Management in kind	\$ 1,691			\$ 1,691
<b>Total Support Expenses</b>	<b>\$ 162,425</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 162,425</b>
<b>Total Expenses</b>	<b>\$ 718,452</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 718,452</b>
<b>Change in Net Assets</b>	<b>\$ 44,590</b>	<b>\$ 20,877</b>	<b>\$ (24,645)</b>	<b>\$ 40,822</b>
Net Assets at beginning of year	\$ 298,159	\$ 190,703	\$ 124,820	\$ 613,682
<b>Net Assets at end of year</b>	<b>\$ 342,749</b>	<b>\$ 211,580</b>	<b>\$ 100,175</b>	<b>\$ 654,504</b>

The notes to the Financial Statements are an integral part of these statements

# UNITED WAY OF EASTERN NEW MEXICO

## Statement of Cash Flows For the year ended December 31, 2018

### CASH FLOWS FROM OPERATING ACTIVITIES

Increase (Decrease) in net assets	\$	40,822
Adjustment to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation/Amortization		1,427
(Increase) decrease in operating assets:		
Accounts Receivable		(729)
Pledges Receivable		307
Prepaid Expenses		4,341
Increase (decrease) in operating liabilities:		
Accrued liabilities		19,143
Total Operations		<u>\$65,311</u>

### CASH FLOWS FROM INVESTING ACTIVITIES

Payments for leasehold improvements	\$	(3,858)
	\$	-
Net Cash Provided (Used) by Investing Activities	\$	<u>(3,858)</u>

### CASH FLOWS FROM FINANCING ACTIVITIES

Net Cash Provided (Used) by Financing Activities	\$	-
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Net Increase (Decrease) in Cash and Cash Equivalents		\$61,453
Beginning Cash and Cash Equivalents		436,994
Ending Cash and Cash Equivalents	\$	<u>498,447</u>

The notes to the Financial Statements are an integral part of these statements

UNITED WAY OF EASTERN NEW MEXICO

Statement of Functional Expenses  
For year ended December 31, 2018

	Program Services	Management and General	Fund- raising	Total
Salaries	\$ 71,375	\$ 15,614	\$ 24,535	\$ 111,525
Payroll Taxes	5,500	1,203	1,891	8,594
Employee Benefits	1,094	239	376	1,709
Professional Fees	-	37,974	-	37,974
Office Supplies	2,092	1,046	2,092	5,230
Printing	564	-	2,257	2,821
Postage	300	600	600	1,500
Information Technology	2,407	527	827	3,761
Office Rent	5,854	1,281	2,012	9,147
Utilities	172	38	-	210
Telephone	2,260	494	777	3,531
Travel & Mileage	3,118	682	1,073	4,873
Conference, Conventions & Meetings	2,980	652	1,025	4,657
Payments to Affiliates	3,940	862	1,355	6,157
Insurance	-	5,460	-	5,460
Campaign Events	3,306	-	10,471	13,777
Community Events	7,211	-	-	7,211
Awards, Gifts and Events	5,811	-	8,717	14,528
Bank Fees	-	881	-	881
Dues & Subscriptions	-	-	-	-
Miscellaneous	952	-	491	1,443
Depreciation	-	1,427	-	1,427
Fire Fund	4,220	-	-	4,220
211 Expenses	2,262	-	-	2,262
	<u>\$ 125,420</u>	<u>\$ 68,979</u>	<u>\$ 58,499</u>	<u>\$ 252,899</u>

The notes to the Financial Statements are an integral part of the statements



**United Way of Eastern New Mexico**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2018

Note 1 Summary of Significant Accounting Policies

Organization United Way of Eastern New Mexico, Inc (United Way) is a voluntary health and welfare organization which solicits and receives contributions to United Way's mission to include grants to local agencies within Curry and Roosevelt Counties and other donor opted agencies, United Way internal programs, services and activities. An annual pledge campaign is conducted in the fall of each year in order to raise financial support for United Way ENM operations in the subsequent year.

On March 31, 1971 Curry County United Fund, Inc. incorporated. A Certificate of Amendment was filed on September 4, 1973 changing the name to Curry County United Way, Inc. On April 25, 2005 Curry County United Way and Roosevelt County United Way joined and an additional certificate of amendment was filed to change the name to United Way of Eastern New Mexico, Inc.

Administered Programs – United Way administers the following programs:

Donor Option – Under the Donor Option Program, which occurs concurrently with United Way's annual campaign, donors have the option to designate contributions to any organizations which are tax-exempt under Internal Revenue Code Section 501 ©(3) within the United States and internationally. United Way remits collected contributions on a quarterly basis to the designated organization.

Community Building Activities- United Way staff and volunteers participate in numerous community efforts to improve lives: Local Emergency Planning Committee, both Portales and Clovis Ministerial Alliances, and both counties health councils and substance abuse prevention coalitions and more.

United Way's Successful You Career Closet assisted 69 women who were in need of appropriate clothing for job interviews and first days at a new job with gently used "office wear".

Volunteer Action Center was created to mobilize more volunteers for the non-profit work of Curry & Roosevelt Counties. In 2018, 433 volunteers were engaged in activities at 12 local agencies; providing over \$75,000 in volunteer labor to fight hunger, build affordable housing, mentor young people, serve the elderly and much more.

## **United Way of Eastern New Mexico**

### **NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2018

In order to encourage high school students to complete their education and be aware of the financial management challenges of adult life. UWENM 's Reality Check Day program was brought to 850 9<sup>th</sup> graders across 2 counties and 6 school districts. This experiential learning program was delivered to 90-105 students at a time by over 180 volunteers on 9 school/work days. Over 2200 hours from volunteers and staff was devoted to this project that teacher raved was the best program of its kind that they had ever participated in.

2-1-1 Information Helpline assisted 2,215 callers in 2018, referring them to local/regional services; 2-1-1 published the Summer Activity Guide (a FREE directory of activities for children and families) distributing 11,000 copies across Curry & Roosevelt Counties. 2-1-1 Game Changer program provided direct assistance to over 500 families: heaters and fans to 70 households; financial assistance to 256 households facing eviction and utility cutoff; paying for ID cards, Birth certificates, and drivers licenses for 153; home repairs for 10 households. UWENM diaper and school supply drives gathered 21,000 diapers for local diaper banks; gathered 15,500 school supplies for local teachers.

The more significant accounting policies and procedures of the Organization are more fully described below.

#### **A. Basis of Accounting**

The financial statements of the Organization have been prepared utilizing the accrual basis of accounting.

#### **B. Financial Statement Presentation**

The accompanying financial statements have been prepared so that the presentation of the financial statements will conform to the presentation requirements of FASB ASC 958 Financial Statements of Not-for-Profit Organizations. Under FASB ASC 958, UWCC is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

**United Way of Eastern New Mexico**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2018

**C. Public Support and Revenue**

All pledges and other contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

Annual campaign contributions are generally available for unrestricted use in the related campaign year unless specifically restricted by the donor. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give in subsequent years are reflected as long term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts. The majority of the promises to give are received from a broad base of Curry and Roosevelt Counties contributors as a result of the annual campaign. An allowance for uncollectible promises is provided based on management's valuation of potential uncollectible promises receivable at year end.

Contributed property and equipment are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

**D. Assets, Liabilities and Net Assets**

**Cash and Cash Equivalents:** The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents. Foundation cash and investments are considered to be permanently restricted. Cash balances are maintained in several financial institutions which, at times, may exceed federally insured limits

**Investments:** Accordingly to FASB ASC 958, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Changes in the fair value of these investments represent unrealized gains or losses and are recorded in Consolidated Statements of Activities as a component of investment return.

# United Way of Eastern New Mexico

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

Investments consist of certificates of deposit and mutual funds. The certificates of deposits range in maturity from six months to 12 months. Interest is accrued as of year end. The certificates of deposit are recorded at cost, which approximates fair value. The mutual funds are stated at fair market value. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

**Receivables:** All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The allowance as of December 31, 2018 was \$22,018.

**Equipment and Depreciation:** Equipment is capitalized at cost. It is the Organization's policy to capitalize expenses for items with useful lives greater than one year and costs over \$500. Additions and replacements that improve or extend the estimated economic useful lives of existing assets are also capitalized. All other items are expensed as incurred. Donated fixed assets are recorded at estimated fair market value if they have an estimated fair market value in excess of \$500 at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

<u>Assets</u>	<u>Years</u>
Equipment	3-15

**Accrued Expenses:** Accrued expenses are comprised of the payroll expenses based on amounts earned by the employees through December 31, 2018, along with FICA and Medicare payable.

### **Net Assets Classification Policies and Procedures:**

According to FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets:

- a. Unrestricted- represents revenues and expenses related to the operations and management of the Organization's primary programs and supporting services of which no donor-imposed restrictions have been imposed.
- b. Temporarily restricted- represents donations and awards received by the Organization in which the donor has placed a time or purpose restriction on the donation. Included in temporarily restricted net assets are any gains or revenues earned on restricted assets where the donor has placed a restriction of time or purpose on such earnings. When the terms of the restrictions are met, the temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the Consolidated Statements of Activities as net assets released from restriction.

**United Way of Eastern New Mexico**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2018

- c. Permanently restricted – represents donations and awards received in which the donor has placed a restriction that neither expires by the passage of time nor can be fulfilled or otherwise removed by actions of the organizations.

**E. Income Taxes**

United Way of Eastern New Mexico Inc is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code.

**F. Estimates**

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

**Note 2 Concentration of Credit Risk**

The Organization maintains its cash accounts at commercial banks located in Clovis, New Mexico. Accounts for each bank are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per account.

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

**Note 3 Promises to Give**

Contributions are recognized when the donor makes a promise to give to the Organization. Contributions are reported as increases in unrestricted, temporarily, or permanently restricted net assets depending on the nature of the restriction. 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

**United Way of Eastern New Mexico**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2018

allowance is based on gross campaign totals utilizing prior years' experience and management's analysis of specific promises made.

Unconditional promises to give at December 31, 2018 is as follows:

Unconditional promises to give	\$ 592,465
Less: Allowance for uncollectible promises	(22,018)
	-----
Net Unconditional promises to give	\$ 570,447
	=====

**Note 4 Depreciation**

Depreciation expense for the year ended December 31, 2018 was \$1,427.

**Note 5 Employee Benefit Plan**

408(P)- United Way participates in a 408(P), simple plan IRA through Edward Jones. The employees can contribute any percentage as long as the total dollar amount does not go over the legal IRS amount. United Way will match up to 3% of the volunteered employee annual salary. New Employees can enroll during the standard enrollment period, which is in December. Employer contributions of \$1,709 were made to the plan for the period ending December 31, 2018.

Compensated absences – Full time employees accrue 1.44 hours of vacation time per pay period. They can carry over 37.5 hours to the next year. Anything beyond that will be forfeited. Upon termination the employee will be paid any unused vacation time.

Sick Leave – Full time employees accrue 2.88 hours of sick leave per pay period. Upon termination the employee will forfeit any unused sick leave.

**Note 6 Related Party Transactions**

The Organization allows its employees to make payroll deductions for the benefit of the United Way of Eastern New Mexico, Inc.

**United Way of Eastern New Mexico**  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2018

**Note 7 Functional Expenses**

The costs of the Organization's program and supporting services are reported on a functional basis. Program services are those directly related to the purposes of the agencies, and supporting services are those not directly related to program services, Such as : 211, Volunteer Action Center, YouthSuccess Initiative, Reality Check Day, grants to local agencies and Community Building. Reporting on a functional basis required the allocation of certain costs among the various programs and supporting services based upon estimates.

**Note 8 Subsequent Events**

The Organization has evaluated events subsequent to December 31, 2018 that would require adjustment or disclosure in these financial statements, through September 25, 2019, the date these statements were available to be issued. There were no events identified that require adjustment or disclosure as of December 31, 2018.