

United Way of Bergen County

Financial Statements

March 31, 2018 and 2017



Independent Auditors' Report

Board of Directors of United Way of Bergen County

We have audited the accompanying financial statements of United Way of Bergen County (the "Organization") which comprise the statements of financial position as of March 31, 2018 and 2017, and the related statements of activities, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of BC UW/Madeline Housing Partners LLC ("BC UW/Madeline"), a 50% owned joint venture, accounted for on the equity method. As of and for the year ended March, 31, 2018, the Organization's equity interest in BC UW/Madeline was \$5,723,567 and its equity in earnings of BC UW/Madeline was \$841,386. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for BC UW/Madeline, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' 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, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Bergen County as of March 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Supplementary Schedule of Change in Net Assets on page 15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

PKF O'Connor Davies, LLP

November 9, 2018

United Way of Bergen County

Statements of Financial Position

	March 31,	
	2018	2017
ASSETS		
Cash and cash equivalents	\$ 1,809,636	\$ 3,255,860
Investments	2,437,001	2,418,103
Pledges receivable, net of allowance of \$958,816 and \$989,040	5,773,854	6,198,465
Notes receivable and advances, net of allowance of \$242,215 and \$0	924,000	1,068,158
Due from BCUW/Madeline Housing Partners LLC	2,508,565	1,233,102
Investment in BCUW/Madeline Housing Partners LLC	5,723,567	4,882,181
Prepaid expenses and other assets	799,281	791,824
Beneficial interest in charitable trusts	170,027	195,898
Property and equipment, net of accumulated depreciation of \$284,082 and \$269,249	31,422	33,305
	\$20,177,353	\$20,076,896
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 443,583	\$ 260,396
Designations payable, net of allowance of \$741,838 and \$791,546	11,477,059	12,406,841
Other liabilities	21,281	17,466
Total Liabilities	11,941,923	12,684,703
Net Assets		
Unrestricted	6,994,455	6,499,396
Temporarily restricted	1,240,975	892,797
Total Net Assets	8,235,430	7,392,193
	\$20,177,353	\$20,076,896

See notes to financial statements

United Way of Bergen County

Statements of Activities

	Year Ended March 31, 2018			Year Ended March 31, 2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
PUBLIC SUPPORT AND OTHER REVENUES						
Campaign funds raised	\$ 2,130,558	\$ 16,195,460	\$ 18,326,018	\$ 2,444,687	\$ 15,216,420	\$ 17,661,107
Amounts raised on behalf of others	(1,010,769)	(14,897,210)	(15,907,979)	(1,097,274)	(14,270,308)	(15,367,582)
Provision for uncollectible pledges	<u>(410,324)</u>	<u>(57,275)</u>	<u>(467,599)</u>	<u>(277,026)</u>	<u>(53,315)</u>	<u>(330,341)</u>
Net Current Year Contributions	709,465	1,240,975	1,950,440	1,070,387	892,797	1,963,184
Net assets released from restriction						
Prior year campaign contributions	946,112	(946,112)	-	1,670,483	(1,670,483)	-
Provision for uncollectible pledges	<u>(53,315)</u>	<u>53,315</u>	<u>-</u>	<u>(80,704)</u>	<u>80,704</u>	<u>-</u>
Net Campaign Revenue	1,602,262	348,178	1,950,440	2,660,166	(696,982)	1,963,184
Interest income	28,802	-	28,802	14,596	-	14,596
Investment in joint venture	841,386	-	841,386	1,825,360	-	1,825,360
Other	931,756	-	931,756	585,549	-	585,549
Provision for uncollectible notes receivable and advances	<u>(242,215)</u>	<u>-</u>	<u>(242,215)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Support and Other Revenues	<u>3,161,991</u>	<u>348,178</u>	<u>3,510,169</u>	<u>5,085,671</u>	<u>(696,982)</u>	<u>4,388,689</u>
ALLOCATIONS AND EXPENSES						
Community Funding						
Agency allocations	72,947	-	72,947	102,256	-	102,256
Community services	<u>749,164</u>	<u>-</u>	<u>749,164</u>	<u>658,124</u>	<u>-</u>	<u>658,124</u>
	822,111	-	822,111	760,380	-	760,380
Program related expense	<u>985,849</u>	<u>-</u>	<u>985,849</u>	<u>947,710</u>	<u>-</u>	<u>947,710</u>
Total Community Funding	<u>1,807,960</u>	<u>-</u>	<u>1,807,960</u>	<u>1,708,090</u>	<u>-</u>	<u>1,708,090</u>
Supporting Services						
Fundraising	319,196	-	319,196	251,284	-	251,284
Administration	<u>539,776</u>	<u>-</u>	<u>539,776</u>	<u>507,685</u>	<u>-</u>	<u>507,685</u>
Total Supporting Services	<u>858,972</u>	<u>-</u>	<u>858,972</u>	<u>758,969</u>	<u>-</u>	<u>758,969</u>
Total Allocations and Expenses	<u>2,666,932</u>	<u>-</u>	<u>2,666,932</u>	<u>2,467,059</u>	<u>-</u>	<u>2,467,059</u>
Change in Net Assets	495,059	348,178	843,237	2,618,612	(696,982)	1,921,630
NET ASSETS						
Beginning of year	<u>6,499,396</u>	<u>892,797</u>	<u>7,392,193</u>	<u>3,880,784</u>	<u>1,589,779</u>	<u>5,470,563</u>
End of year	<u>\$ 6,994,455</u>	<u>\$ 1,240,975</u>	<u>\$ 8,235,430</u>	<u>\$ 6,499,396</u>	<u>\$ 892,797</u>	<u>\$ 7,392,193</u>

See notes to financial statements

United Way of Bergen County

Statements of Functional Expenses

	Year Ended March 31, 2018				Year Ended March 31, 2017			
	Community Funding	Fundraising	Administration	Total	Community Funding	Fundraising	Administration	Total
Resource allocation	\$ 822,111	\$ -	\$ -	\$ 822,111	\$ 760,380	\$ -	\$ -	\$ 760,380
Salaries and wages	536,335	167,752	264,549	968,636	518,259	122,635	276,502	917,396
Employee benefits	95,255	29,794	46,985	172,034	93,367	22,094	49,814	165,275
Payroll taxes	40,984	12,819	20,215	74,018	38,177	9,034	20,369	67,580
Campaign materials	-	10,201	-	10,201	-	3,393	-	3,393
Occupancy	107,855	17,172	27,080	152,107	122,430	14,578	32,868	169,876
Professional fees	106,355	38,327	131,369	276,051	83,048	54,042	78,107	215,197
Equipment rental and maintenance	12,208	3,818	6,021	22,047	13,643	3,228	7,279	24,150
Depreciation and amortization	8,213	2,569	4,051	14,833	4,576	1,083	2,441	8,100
Supplies	6,821	2,133	3,364	12,318	6,578	1,557	3,509	11,644
Postage and mailing	6,333	1,981	3,124	11,438	5,606	1,326	2,991	9,923
Conferences and meetings	15,275	4,777	7,536	27,588	17,996	4,259	9,607	31,862
Telephone	7,200	2,252	3,550	13,002	6,519	1,543	3,478	11,540
Direct mail	-	7,383	-	7,383	-	3,637	-	3,637
Dues	12,894	4,033	6,360	23,287	14,257	3,373	7,606	25,236
Other	30,121	14,185	15,572	59,878	23,254	5,502	13,114	41,870
	<u>\$ 1,807,960</u>	<u>\$ 319,196</u>	<u>\$ 539,776</u>	<u>\$ 2,666,932</u>	<u>\$ 1,708,090</u>	<u>\$ 251,284</u>	<u>\$ 507,685</u>	<u>\$ 2,467,059</u>

See notes to financial statements

United Way of Bergen County

Statements of Cash Flows

	Year Ended March 31,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 843,237	\$ 1,921,630
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	14,833	8,100
Change in beneficial interest in charitable trusts	25,871	24,358
Bad debts	709,814	330,341
Investment in BCUW/Madeline Housing Partners, LLC	(841,386)	(1,825,360)
Change in operating assets and liabilities		
Pledges receivable	(42,988)	(1,002,704)
Notes receivable and advances	(98,057)	(138,129)
Due from BCUW/Madeline Housing Partners LLC	(1,275,463)	141,257
Prepaid expenses and other assets	(7,457)	(48,950)
Accounts payable and accrued expenses	183,187	(228,107)
Designations payable	(929,782)	1,523,173
Other liabilities	3,815	(55)
Net Cash from Operating Activities	(1,414,376)	705,554
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(12,950)	(21,674)
Purchases of investments	(18,898)	(7,655)
Net Cash from Investing Activities	(31,848)	(29,329)
Net Change in Cash and Cash Equivalents	(1,446,224)	676,225
CASH AND CASH EQUIVALENTS		
Beginning of year	3,255,860	2,579,635
End of year	\$ 1,809,636	\$ 3,255,860

See notes to financial statements

United Way of Bergen County

Notes to Financial Statements
March 31, 2018 and 2017

1. Nature of Operations

The United Way of Bergen County (the "Organization") is an independent, local New Jersey Tax-Exempt Corporation as described in Section 501(c)(3) of the Internal Revenue Code. The Organization is a nonprofit community service agency that provides assistance to individuals in crisis through its 2-1-1 helpline and organizes preventative and long term solutions to community wide issues such as affordable housing and ending chronic homelessness. The Organization raises funds for its programs and services through pledges from individuals in the community, employee workplace contributions, corporate gifts and foundation and government grants.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Net Asset Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed restrictions that will be met by actions of the Organization and/or the passage of time.

Permanently Restricted Net Assets – Net assets subject to donor imposed restrictions that require the Organization to maintain them permanently. The Organization did not have permanently restricted net assets as of March 31, 2018 and 2017.

Campaign Contributions and Allocations

Annual campaigns commence in the fall of each year to raise support for charitable distributions to be made after the end of each fiscal year. An unconditional promise to give is recognized as revenue at the time of the pledge, net of an allowance for uncollectible amounts.

United Way of Bergen County

Notes to Financial Statements
March 31, 2018 and 2017

2. Summary of Significant Accounting Policies *(continued)*

Campaign Contributions and Allocations (continued)

Donors can choose to designate that their contribution be distributed to a specific organization. These contributions are referred to as donor designations. The Organization also manages campaigns for corporations with locations outside Bergen County. Undesignated pledges from employees of these corporations who do not reside and/or work in Bergen County will in certain instances be distributed to other regional United Ways. The collection of these contributions and distribution to donor specified agencies or to other regional United Ways are agency transactions in which the Organization is acting as an intermediary. These transactions are included in the total campaign amounts raised on the statements of activities and then deducted as amounts raised on behalf of others before arriving at net current year contributions.

Contributions with donor-imposed restrictions, such as time or purpose restrictions, are recorded as temporarily restricted net assets. When donor-imposed time restrictions expire, or a donor-imposed purpose restrictions are fulfilled, the temporarily restricted net assets are reclassified to unrestricted net assets. This reclassification is reported as net assets released from restrictions.

Fair Value Measurements

The Organization follows U.S. GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon 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 which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Cash Equivalents

The Organization considers highly liquid debt instruments with maturities of three months or less at the time of purchase to be cash equivalents.

Investments Valuation and Investment Income Recognition

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of change in net assets.

United Way of Bergen County

Notes to Financial Statements
March 31, 2018 and 2017

2. Summary of Significant Accounting Policies *(continued)*

Notes Receivables and Advances

The Organization's notes receivables and advances are reflected at cost less an allowance for potential impairment in value. Whether a valuation allowance is necessary due to impairment is determined based on various factors, including the debtor's payment performance and other pertinent factors related to the debtor's operations and ability to repay its debts. Notes receivables and advances are individually monitored to determine net realizable value based on an evaluation of recovery. The Organization assesses the risk of their financing receivables internally as either performing or monitoring. Performing receivables are investments that meet repayment benchmarks on a timely basis. Monitoring receivables are investments that are either behind in their repayment schedules or the overall health of the investee organization is lessened based upon an assessment of the investee. The Organization considers a note receivable or advance past due if an interest or principal payment is more than 10 days overdue. Notes for which interest has not been paid for six months after due date are put into non-accrual status and interest is no longer accrued.

Property and Equipment

Property and equipment are recorded at cost., or if received by donation, at estimated fair value at the time such items are received. Depreciation is provided using the straight-line method over estimated useful lives of 3 to 5 years. Expenditures for maintenance and repairs are expensed as incurred. Expenditures that improve or extend the estimated useful lives are capitalized. Leasehold improvements are amortized over the lesser of the estimated useful life of the asset or the term of the lease inclusive of expected renewal.

In-Kind Contributions

The Organization organizes specific charitable campaigns where contributors are requested to donate non-money items such as food, clothing or toys. In addition, the Organization receives donations of products and services from corporate donors. These contributions are recorded at their estimated fair value at their date of donation. The Organization did not receive any in-kind contributions for the years ended March 31, 2018 and 2017.

Contributions of services, if any, are recognized in the financial statements if the services enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteer services are not recorded in the financial statements as these contributions do not meet the requirements to be recorded as revenue and expense.

Functional Allocation of Expenses

The Organization allocates total costs to the various functional expense categories. This allocation is based primarily on employee time incurred in each respective functional expense category.

United Way of Bergen County

Notes to Financial Statements
March 31, 2018 and 2017

2. Summary of Significant Accounting Policies *(continued)*

Accounting for Uncertainty in Income Taxes

The Organization recognizes the effect of income tax positions only when they are more likely than not to be sustained. Management has determined that the Organization had no uncertain tax positions that require financial statement recognition and/or disclosure. The Organization is no longer subject to examination by the applicable taxing jurisdictions for periods prior to 2015.

Reclassification

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 9, 2018.

3. Investments

Investments as of March 31, 2018 and 2017 consisted of certificates of deposit and money market funds of \$2,437,001 and \$2,418,103 which were valued at fair value using level 1 inputs. Investment return consists of interest income of \$28,802 and \$14,596 for the years ended March 31, 2018 and 2017.

4. Notes Receivable and Advances

The Organization provides financing to various community service agencies primarily to assist them in facilitating the acquisition of property and the construction of affordable housing. Notes bear interest at 3 to 5%, are secured by property and mature at various times. As of March 31, 2018, all notes receivable and advances are considered to be performing receivables. At March 31, 2018, there were no notes receivables and advances considered past due. The notes receivable and advances are carried at a cost of \$924,000 and \$1,068,158 at March 31, 2018 and 2017. Management has reviewed the collectability of all the notes receivables and advances and deemed an allowance unnecessary.

United Way of Bergen County

Notes to Financial Statements
March 31, 2018 and 2017

4. Notes Receivable and Advances *(continued)*

Current maturities of these notes and advances are as follows at March 31, 2018:

2018	\$ 93,895
2019	313,517
2020	743,138
2021	2,980
2022	3,029
Thereafter	<u>9,656</u>
	1,166,215
Allowance for doubtful accounts	<u>(242,215)</u>
	<u>\$ 924,000</u>

5. Pledges Receivable

Pledges receivable at March 31, 2018 and 2017 consist of pledges to the Organization, and pledges that have been designated by donors for other charitable agencies or organizations. Designated pledges receivable of \$4,752,985 at March 31, 2018 and \$4,710,399 at March 31, 2017 will be paid to the donor-designated agencies when the pledges are collected by the Organization. All pledges outstanding are expected to be received within one year.

6. Beneficial Interest in Charitable Trusts

In August 1997, three irrevocable charitable lead trusts were established for the benefit of the Organization. Under the terms of the trust agreements, the Organization will receive an annuity equal to a percentage of the initial fair value of the trusts as of the valuation date. Annuity payments will be made for a term of 25 years for two of the trusts and 30 years for the remaining trust. The fair value of these charitable trusts are valued using Level 3 inputs. Future distributions from the trusts are discounted at a rate of 6.07% for the 25 year trusts and 5.97% for the 30 year trust and are expected to be realized in the following periods:

Within one year	\$ 46,435
Between one to five years	121,097
More than five years	<u>48,165</u>
	215,697
Less discount to present value	<u>45,670</u>
	<u>\$ 170,027</u>

United Way of Bergen County

Notes to Financial Statements
March 31, 2018 and 2017

6. Beneficial Interest in Charitable Trusts *(continued)*

The following is a reconciliation of the beginning and ending balances for Level 3 investments during the years ended March 31:

	2018	2017
Beginning balance	\$ 195,898	\$ 220,256
Change in value of beneficial interest in trusts	(25,871)	(24,358)
Ending Balance	\$ 170,027	\$ 195,898

7. NJ 2-1-1 Partnership

The Organization has been contracted by the NJ 2-1-1 Partnership, a subsidiary of the United Ways of New Jersey, to provide cash advances related to grants received from New Jersey's Department of Human Services to maintain operations for the NJ 2-1-1 Partnership database and establish and maintain 2-1-1 information and referral services on a statewide basis. Activities for the years ended March 31 were as follows:

	2018	2017
Beginning of year	\$ 537,618	\$ 563,349
Cash received	27,714	47,757
Disbursements	(59,244)	(73,488)
End of year	\$ 506,088	\$ 537,618

These amounts are included in prepaid expenses and other assets at March 31, 2018 and 2017.

8. Property and Equipment

Property and equipment consist of the following as of March 31:

	2018	2017	Depreciable Life
Equipment	\$ 259,529	\$ 259,529	3-5 years
Leasehold improvements	23,375	23,375	5 years
Software	32,600	19,650	3 years
	315,504	302,554	
Accumulated depreciation and amortization	(284,082)	(269,249)	
	\$ 31,422	\$ 33,305	

United Way of Bergen County

Notes to Financial Statements
March 31, 2018 and 2017

9. Rental Commitments

The Organization leases office space under a noncancelable five-year lease expiring on September 30, 2022 and certain office equipment under noncancelable leases expiring in fiscal 2020. Rental expense amounted to \$85,496 and \$86,437 for the years ended March 31, 2018 and 2017.

The approximate minimum rental commitment for the office space and equipment under all noncancelable-operating leases in effect at March 31, 2018 is as follows:

<u>Fiscal year ending March 31,</u>	
2019	\$ 90,918
2020	83,433
2021	79,617
2022	79,287
2023	<u>39,644</u>
	<u>\$ 372,899</u>

10. Retirement Plan

Eligible employees, who have at least one year of service and a minimum of 1,000 hours worked, participate in a defined contribution retirement plan (the "Plan") maintained by Mutual of America. The Organization's contribution to the Plan is 8% of eligible employees' compensation. Plan expense amounted to approximately \$68,500 and \$65,600 for the years ended March 31, 2018 and 2017. A tax deferred annuity plan (403b) is also available, to which employees can choose to contribute. The Organization does not contribute to this plan.

11. Federal Emergency Management Agency ("FEMA")

The Organization administers an award program under the Emergency Food and Shelter Program. The Organization is responsible for promoting the availability of these funds, reviewing applications and recommending recipient organizations to be funded. Disbursement of funds is made by FEMA directly to the recipient organization. FEMA awards during the years ended March 31, 2018 and 2017 totaled approximately \$233,610 and \$250,377. These awards are not included in the statements of activities and changes in net assets.

12. Bank Line of Credit

The Organization maintains a \$500,000 line of credit agreement with a bank. There were no borrowings under this credit agreement as of and for the years ended March 31, 2018 and 2017. The line of credit is uncollateralized and is available through June 30, 2018 and renewal is currently under negotiation. The interest rate on borrowings is variable and payable at the bank's prime lending rate.

United Way of Bergen County

Notes to Financial Statements
March 31, 2018 and 2017

13. Temporarily Restricted Net Assets and Net Assets Released From Restrictions

Temporarily restricted net assets were available for the following purpose at March 31:

	<u>2018</u>	<u>2017</u>
Program services	<u>\$1,240,975</u>	<u>\$ 892,797</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose for the years ended March 31:

	<u>2018</u>	<u>2017</u>
Program services	<u>\$ 892,797</u>	<u>\$1,589,779</u>

14. Concentrations of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of pledges receivable and cash. Pledges from two companies exceeded 5% of total campaign amounts raised for 2018 and three pledges for 2017. Contributions from such company's employees aggregated 80% and 82% of contributions in 2018 and 2017. Approximately 76% and 77% of pledges receivable were from two companies in 2018 and 2017.

Cash and cash equivalents are maintained at several financial institutions and amounts on deposit periodically exceed federally insured amounts.

15. Joint Venture

The Organization entered into an agreement to establish a joint venture with another not-for-profit organization and formed BCUW/Madeline Housing Partners LLC ("BCUW/Madeline"), a limited liability corporation ("LLC"). Each organization owns fifty percent of this LLC. The purpose of this LLC is to acquire, improve, lease and manage real property while providing safe, affordable housing for families, seniors, and special needs persons throughout New Jersey. As of March 31 2018, the Organization invested \$65,000 into this LLC which is included in notes receivable and other advances. The Organization also advances funds for various housing projects which are reimbursed by BCUW/Madeline at a later date. The balance due from BCUW/Madeline was \$2,508,565 and \$1,233,102 as of March 31, 2018 and 2017.

Summarized financial information related to the LLC as of and for the years ended March 31 is as follows:

	<u>2018</u>	<u>2017</u>
Total Assets	\$23,694,682	\$16,917,480
Total Liabilities	12,247,549	7,153,119
Total Revenue	2,351,639	4,466,260
Total Expenses	668,867	815,541

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Supplementary Information

Public support and other revenues, investment in charitable programs and supporting services expenses have been arranged to facilitate the presentation of key operating ratios for United Way of Bergen County.

March 31, 2018 and 2017

United Way of Bergen County

Supplementary Schedule of Change in Net Assets

	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Amount	%	Amount	%
PUBLIC SUPPORT AND OTHER REVENUES				
Campaign funds raised	\$ 18,326,018		\$ 17,661,107	
Government grants	233,610		-	
Interest income	28,802		14,596	
Other, net	931,756		585,549	
Provision for uncollectible pledges	(709,814)		(330,341)	
Total Public Support and Other Revenues	18,810,372	100.0%	17,930,911	100.0%
INVESTMENT IN CHARITABLE PROGRAMS				
Amounts distributed on behalf of others	15,907,979		15,367,582	
Allocations to community programs	822,111		760,380	
Allocation of government grant funds	233,610		-	
Program related expense	985,849		947,710	
Total Investment in Charitable Programs	17,949,549	95.4%	17,075,672	95.2%
SUPPORTING SERVICES EXPENSES				
Fundraising	319,196		251,284	
Administration	539,776		507,685	
Total Supporting Services Expenses	858,972	4.6%	758,969	4.2%
Total Charitable Investments and Supporting Services	18,808,521	99.9%	17,834,641	99.5%
Change in Net Assets Before Investment in BCUW/Madeline Housing Partners LLC	1,851	0.1%	96,270	0.5%
RECONCILIATION OF NET ASSETS				
Investment in BCUW/Madeline Housing Partners LLC	841,386		1,825,360	
Change in Net Assets	\$ 843,237		\$ 1,921,630	

See independent auditors' report