United Way of Larimer County

Consolidated Financial Statements and Independent Auditor's Report

June 30, 2015

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Independent Auditor's Report

To the Board of Directors
United Way of Larimer County
Fort Collins, CO

We have audited the accompanying consolidated financial statements of United Way of Larimer County (a 501(c)(3) nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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 consolidated 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 consolidated 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 consolidated 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 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of United Way of Larimer County as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Soukup, Bush & Associates P.C.

Fort Collins, Colorado
November 11, 2015

United Way of Larimer County
Consolidated Statement of Financial Position
June 30, 2015

Assets		
Cash and cash equivalents	$	900,677
Certificates of deposit		1,721,187
Beneficial interest in investments held by the Community Foundation of Northern Colorado		1,900,723
Grants receivable		56,327
Pledges receivable- net allowance of $151,960		1,166,830
Prepaid expenses		39,335
Other current assets		8,819
Property and equipment - net accumulated depreciation of $386,041		417,700
Total assets	$	6,211,598
Liabilities and Net Assets		
Liabilities		
Accounts payable	$	97,616
Designations and distributions payable		1,744,060
Accrued payroll and paid time off		82,696
Deferred revenue		6,000
Total liabilities		1,930,372
Net Assets		
Designated		2,503,701
Invested in property and equipment		299,575
Temporarily restricted		1,335,825
Permanently restricted		142,125
Total net assets		4,281,226
Total liabilities and net assets	$	6,211,598

See Accompanying Notes to the Financial Statements.

United Way of Larimer County
Consolidated Statement of Activities
For the Year Ended June 30, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public support and revenue				
Gross public support	$ 4,764,873	$ 438,671	$ -	$ 5,203,544
Less amounts designated by donors for specific organizations	(1,942,115)	-	-	(1,942,115)
Adjustment of provision for uncollectible pledges	(169,723)	-	-	(169,723)
Net campaign revenue	2,653,035	438,671	-	3,091,706
Special events revenue	85,488	-	-	85,488
Special events (costs)	(89,710)	-	-	(89,710)
Net special events (loss)	(4,222)	-	-	(4,222)
Investment income	67,885	-	-	67,885
Grants, initiatives and service fees	385,240	404,291	-	789,531
Rental income	158,708	10,561	-	169,269
(Loss) on disposal of assets	(2,470)	-	-	(2,470)
Other revenue	39,142	2,277	-	41,419
Net assets released from restrictions	1,163,864	(1,159,489)	(4,375)	-
Total other revenue	1,812,369	(742,360)	(4,375)	1,065,634
Total public support and revenue	4,461,182	(303,689)	(4,375)	4,153,118
Expenses				
Program services	3,819,554	-	-	3,819,554
Funds development	522,383	-	-	522,383
Management and general	275,900	-	-	275,900
Marketing	138,522	-	-	138,522
UW Worldwide dues	55,401	-	-	55,401
Total expenses	4,811,760	-	-	4,811,760
Changes in net assets	(350,578)	(303,689)	(4,375)	(658,642)
Net assets, beginning of year	3,153,854	1,639,514	146,500	4,939,868
Net assets, end of year	$ 2,803,276	$ 1,335,825	$ 142,125	$ 4,281,226

See Accompanying Notes to the Financial Statements.

United Way of Larimer County
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2015

	Resources Allocated to the Community	Cost of Building Facilities Provided to the Community	Community Services	Community Investment	Total Program Services
Resources allocated to the community:					
Gross funds awarded	$ 2,735,765	$ -	$ -	$ -	$ 2,735,765
Less amounts designated by donors for specific organizations	(1,942,115)	-	-	-	(1,942,115)
Resources allocated to the community	793,650	-	-	-	793,650
Salaries	-	41,818	1,037,923	265,747	1,345,488
Employee benefits	-	3,589	126,184	27,942	157,715
Payroll taxes and related items	-	3,007	77,728	18,864	99,599
Total salaries and related expenses	-	48,414	1,241,835	312,553	1,602,802
Direct client assistance	-	-	667,543	319	667,862
Occupancy	-	148,473	77,133	10,064	235,670
Awards and grants	-	-	237,515	842	238,357
Professional fees	-	1,427	76,374	13,135	90,936
Technology	-	1,008	33,292	8,219	42,519
Membership dues	-	439	5,602	1,537	7,578
Printing and publications	-	282	9,167	3,097	12,546
Equipment rent and maintenance	-	1,153	16,232	4,183	21,568
Supplies	-	335	19,284	8,986	28,605
Meetings	-	87	10,999	3,604	14,690
Depreciation	-	19,771	2,287	4,389	26,447
Other expenses	-	73	6,728	749	7,550
Postage and shipping	-	263	3,795	951	5,009
Travel and transportation	-	-	11,449	2,444	13,893
Insurance	-	231	4,738	1,062	6,031
Cash in lieu of health benefits	-	205	2,891	745	3,841
Total other operating expenses	-	173,747	1,185,029	64,326	1,423,102
Total functional expenses	$ 793,650	$ 222,161	$ 2,426,864	$ 376,879	$ 3,819,554

See Accompanying Notes to the Financial Statements.

Fund Development	Management and General	Marketing	UW Worldwide Dues	Total Supporting Services	Total
$ -	$ -	$ -	$ -	$ -	$ 2,735,765
-	-	-	-	-	(1,942,115)
-	-	-	-	-	793,650
288,080	180,220	58,520	-	526,820	1,872,308
31,607	19,773	6,420	-	57,800	215,515
20,420	12,774	4,148	-	37,342	136,941
340,107	212,767	69,088	-	621,962	2,224,764
-	-	-	-	-	667,862
28,836	17,721	5,754	-	52,311	287,981
-	-	-	-	-	238,357
48,619	20,629	14,900	-	84,148	175,084
14,313	6,548	14,940	-	35,801	78,320
3,199	1,094	355	55,401	60,049	67,627
14,594	1,830	21,591	-	38,015	50,561
11,969	7,085	2,431	-	21,485	43,053
7,023	1,707	4,430	-	13,160	41,765
20,702	1,049	280	-	22,031	36,721
1,687	1,055	343	-	3,085	29,532
14,731	473	174	-	15,378	22,928
7,987	1,598	3,132	-	12,717	17,726
4,090	(487)	184	-	3,787	17,680
2,394	1,498	487	-	4,379	10,410
2,132	1,333	433	-	3,898	7,739
182,276	63,133	69,434	55,401	370,244	1,793,346
$ 522,383	$ 275,900	$ 138,522	$ 55,401	$ 992,206	$ 4,811,760

See Accompanying Notes to the Financial Statements.

United Way of Larimer County
Consolidated Statement of Cash Flows
For the Year Ended June 30, 2015

Cash flow from operating activities:		
Change in net assets	$	(658,642)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Loss on disposal of property and equipment		2,470
Bad debt		169,723
Depreciation		29,532
Interest income included in certificate of deposit		(7,725)
Earnings on investment held by Community Foundation		(43,918)
Changes in working capital items:		
Decrease in grants receivable		19,102
Decrease in pledges receivable		34,582
Decrease in prepaid expenses		905
(Increase) in other current assets		(8,819)
(Decrease) in accounts payable		(47,694)
Increase in designations and distributions payable		67,570
Increase in accrued payroll and paid time off		4,140
(Decrease) in deferred revenue		(128,970)
Net cash used in operating activities		(567,744)
Cash flows from investing activities:		
Purchase of investments		(56,872)
Purchase of property and equipment		(20,703)
Net cash used in investing activities		(77,575)
(Decrease) in cash during the year		(645,319)
Cash, beginning of year		1,545,996
Cash, end of year	$	900,677

See Accompanying Notes to the Financial Statements.

Note 1 - Organization and Summary of Significant Accounting Policies

Organization - United Way of Larimer County (United Way) is a Colorado nonprofit corporation. United Way is supported primarily through public donations and is governed by a volunteer board of directors consisting of business professionals and community leaders. A predominant portion of United Way's support is allocated and paid to other nonprofit organizations.

United Way's mission is to cultivate and mobilize community resources to change and save lives.

United Way is the sole member of UWLC Holding, LLC which was organized in October 2011 for the purpose of receiving and liquidating significant in-kind property contributions on behalf of United Way.

Principles of Consolidation - The consolidated financial statements include the accounts of United Way and its wholly-owned subsidiary, UWLC Holding, LLC. All material intercompany accounts and transaction have been eliminated in consolidation.

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. These financial statements represent the consolidated financial statements of United Way of Larimer County and UWLC Holding, LLC. Consolidated financial statements have been prepared as United Way has a controlling financial relationship with UWLC Holding, LLC.

Net assets of United Way 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 either by actions of United Way and/or passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed restrictions that are to be maintained permanently by United Way.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets and liabilities are reported as increases and decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-imposed purpose has been fulfilled and or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Classification of Assets and Liabilities - The assets and liabilities have not been classified as current or noncurrent in accordance with FASB ASC 958, Not-for-Profit Entities.

Concentration of Credit Risk - United Way's operations are concentrated in Larimer County, Colorado. As such, the receiveables are concentrated within Larimer County.

Cash and Cash Equivalents - United Way maintains its cash in bank deposit accounts at financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. United Way had cash balances of $676,878 in excess of the insured limit as of June 30, 2015. United Way considers all unrestricted and highly liquid investments to be cash equivalents that have an initial maturity of three months or less.

Grants Receivable - Grants receivables are carried at their net estimated collectible amounts and are periodically evaluated for collectability based on past-due receivables. As of June 30, 2015, management has determined that all grant receivables are collectible; therefore, no allowance has been recorded.

Pledges Receivable - Pledges receivable represent pledges made by donors, which have not yet been received in cash. United Way estimates the amounts of pledges which will not be paid by donors and provides a collection allowance for uncollectible pledges. Factors which impact the allowance for uncollectible pledges include historical collection experience, local economic conditions, and various attributes pertaining to the donor base.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized using the level – yield method and is reported as contributed revenue.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional.

Campaign Contributions - Fundraising campaigns are conducted year-round, with most of the activity occurring from July through December of each year. The majority of funds are collected form payroll deductions during the following calendar year. Funds are disbursed beginning in February based on amounts received from contributions and at least quarterly thereafter.

Consistent with prior years, pledge revenue for the current campaign is recognized both prior to and subsequent to the fiscal year for which it is budgeted. In accordance with FASB ASC 958-605-25, United Way recognizes pledge revenue during the period in which an unconditional promise to give is received.

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

United Way allows contributors to specify the use of their contributions to specific entities (also known as designations). In these situations, the funds designated by the donor are not considered revenue to United Way, but rather an obligation to pay the donor funds to the specific entity. Because funds are disbursed based on amounts received, no pledge loss is deducted from individual designations. Some of United Way's corporate donors direct their contributions to be used to underwrite 100% of administrative costs, so no administrative fees are deducted form individual contributions.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence and nature of any donor restrictions. Campaign contributions are considered available for unrestricted use unless specifically restricted by the donor. United Way effectively matches campaign pledge receipts and disbursements for community impact funding which eliminates the time restriction related to campaign pledges. Contributions whose restriction are met in the same reporting period are reported as unrestricted support.

Property and Equipment - Property and equipment are capitalized at cost, or if donated, at the fair value on the date of donation. Repairs and maintenance, which neither materially add to the value for the property nor appreciably prolong its life, are charged to expense as incurred. Gains or losses on disposition of property and equipment are included in income.

Depreciation and amortization of property and equipment are calculated using the straight-line method over the following estimated useful lives:

Buildings and improvements	5 - 40 years
Furniture and equipment	5 - 10 years
Computers and software	3 - 5 years

Revenue Recognition - Contribution and grant revenues are recognized when realized or realizable. Special event revenues are recognized at the time of the event. Prepayments on special events are deferred and recognized as revenue in the applicable future period when related expenses are incurred. Payments received on grant agreements and service contracts in advance of the services being performed are deferred and recognized as the terms of the grant agreements are met or as services outline in contracts are performed. Rental income is recognized in the period it is earned. Management performs an analysis to determine if any contributions are uncollectible and reserves for such amount.

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Income Taxes - United Way is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and a similar provision of state law and has been classified as a public charity (not a private foundation) under Section 509(a)(2) of the IRC. However, United Way is subject to federal income tax on any unrelated business taxable income. During the year ended June 30, 2015, United Way did not incur any significant unrelated business income tax.

The 2012 through 2014 tax years remain subject to examination by the Internal Revenue Service (IRS). As of the date of the financial statements, the IRS has not commenced any examinations. United Way does not believe that any reasonably possible changes will occur within the next twelve months that will have a material impact on the financial statements.

Functional Expenses - United Way allocates its expenses on a functional basis among its various programs including fundraising activities and support services. Expenses and support services that can be identified with a specific program are allocated directly according to their natural expenditure classification. Other expenses that are common to several programs are allocated based on estimated employee time expended.

Donated Services - No amounts have been reflected in the accompanying financial statements for campaign volunteer services or donated publicity from various media, since no objective basis is available to measure the value of such services. However, substantial numbers of volunteers and contributors have donated significant amounts of their time and media space to United Way's program services and its fundraising campaigns.

Program Services - United Way administers and supports various programs, agencies and initiatives focused on health and human service needs in Larimer County. There are numerous ways in which United Way supports these efforts, including the Community Impact Fund. These funding efforts support people with basic and emergency services, stabilization, providing resources for people to improve their lives and supporting long-term community change by helping people move from poverty to self-sufficiency.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Advertising Costs - Advertising costs are expenses as incurred. Total adverting costs as of June 30, 2015 were $17,242.

Note 2 - Property and Equipment

Property and equipment consist of the following at June 30:

Buildings	$	735,651
Equipment, furniture and fixtures		68,090
Less accumulated depreciation		(386,041)
	$	417,700

Note 3 - Restricted Net Assets

Permanently Restricted Net Assets
United Way received a contribution of a building located in Loveland, Colorado which was previously acquired by a donor with Community Development Block Grant (CDBG) funding. The grant contains a permanent restriction that the building be used as a non-profit facility providing services to individuals, at least 60% of whom are low or moderate-income households.

In the event these conditions are not met, United Way must return the lesser of 85% of the fair market value of the building ($175,000 at date of contribution) or $87,275 to the City of Loveland. The City of Loveland has placed a lien on the building for the $87,725. Because of these restrictions, the depreciated cost of the building is included in permanently restricted net assets.

The cost of the building is being depreciated over 40 years. Annual depreciation of the building reduces the permanent restriction of net assets. The net book value of the building is $118,125 as of June 30, 2015.

United Way also maintains $24,000 of permanently restricted endowment funds invested with the Community Foundation of Northern Colorado.

Note 3 - Restricted Net Assets (continued)

Temporarily Restricted Net Assets

Temporarily restricted funds are related to the use of the funds and consist of the following at June 30:

Long Term Recovery Group - Flood	$	633,079
Smart Start for Kids		274,402
Women Give		196,955
Long Term Recovery Group -Wildfires		89,601
Day Services Initiative		55,634
Faith Family Hospitality		42,626
Time restricted campaign revenue		10,000
Fort Collins facility reserve		9,695
Small Business Recovery Fund		7,867
Special Response		5,356
Technical Assistance Partnership		4,891
Make Change NoCo		2,748
Long Term Recovery Group - Berthoud Tornado		2,254
Cold Nights Fund		717
	$	1,335,825

The Long Term Recovery Fund for Larimer County Wildfires was established in July 2012 in response to the High Park and Woodland Heights wildfires. The United Way has collected donations of $535,497, of which $445,896 had been distributed to residents as of June 30, 2015. The remaining balance of $89,601 at June 30, 2015 is restricted for long-term recovery needs of Larimer County residents impacted by the wildfires. The Long Term Recovery Fund for Larimer County Wildfires is administered by the Long Term Recovery Group of Northern Colorado (LTRG-NoCo), which is made up of more than 50 nonprofit agencies, government organizations, faith-based groups and concerned citizens.

The Long Term Recovery Fund for Larimer County Floods was established in September 2013 in response to the wide-spread flooding across the county. The United Way has collected donations through June 30, 2015 of $1,217,034, of which $583,955 had been distributed to residents as of June 30, 2015. The remaining balance of $633,079 at June 30, 2015 is restricted for long-term recovery needs of Larimer County residents impacted by the September 2013 flooding. The Long term Recovery Fund for Larimer County Floods is administered by the Long-Term Recovery Group - Larimer County Floods (LTRG-LCF), which is made up of more than 50 nonprofit agencies, government organizations, faith-based groups and concerned citizens.

Note 3 - Restricted Net Assets (continued)

The Small Business Recovery Fund (SBRF) was established in January 2014 in response to wide-spread flooding across the county. The fund provides urgently needed recoverable grants to small businesses in Larimer County that were affected by the floods of September 2013. Recipients of the recoverable grants are encouraged, but not required, to repay their grants in-full or in-part through donations within five years or when their businesses return to viability and have sufficient funds. Monies that are repaid to the SBRF will be redistributed to other eligible businesses impacted by the floods or other future disasters. Donations collected through the year ended June 30, 2015 totaled $1,256,334, of which $1,248,467 had been distributed to businesses as of June 30, 2015. The remaining balance of $7,867 at June 30, 2015 is restricted for long-term recovery needs of Larimer County businesses impacted by the September 2013 flooding.

Revenue from donations received for each of the recovery funds in included in grants, initiatives and service fees in the accompanying consolidated statements of financial position. Distributions from the recovery funds are included in direct client assistance in the accompanying consolidated statements of functional expenses.

Note 4 - Board Designated Net Assets

Board designated net assets are summarized as follows at June 30:

Operating reserve	$ 860,000
Strategic reserve	106,438
Building reserve	100,703
Endowment reserve	1,436,560
	$ 2,503,701

The operating reserve is to be used for long-term or unanticipated obligations.

The strategic reserve is the excess of the designated balance in operating reserves, accumulated from operating efficiencies of United Way.

The building reserve is to be used only to fund major repairs and critical maintenance.

United Way has board designated investments with the Community Foundation of Northern Colorado of $1,436,560 at June 30, 2015. It is the intention of the Board to permanently invest these assets and all associated earnings. However, the Board is under no contractual or donor-specified obligation to maintain this fund. As such, it is included in unrestricted net assets in the accompanying financial statements.

Note 5 - Pension Plan

United Way has a defined contribution pension plan, which covers substantially all of its employees. Employees are eligible for participation upon reaching 21 years of age and meeting certain other employment requirements. Employer contributions are 3% of base salary for 2015 and are 100% vested. Employer contributions totaled $40,269 for the year ended June 30, 2015.

Note 6 - Occupancy Expense

United Way leases office space to other nonprofit organizations. Each tenant is charged a proportionate share of the cost of operating and maintaining the facility, based on the square footage occupied by the tenant. United Way does not realize a profit as a result of these office leases. United Way recognized $169,269 in revenue from the rental of office space during the year ended June 30, 2015, which is netted against occupancy expense in the statement of functional expenses at June 30, 2015.

Note 7 - Beneficial Interest in Investments Held by the Community Foundation of Northern Colorado

United Way executed an agreement with the Community Foundation of Northern Colorado (Community Foundation) in May 2005, whereby United Way transferred assets to the Community Foundation in order to establish an endowment fund with the Foundation. In accordance with the agreement, the primary purpose of the endowment fund is to provide operating and capital support to United Way to carry out its role and mission as described in its governing documents, and the principal of the fund shall be held by the Community Foundation as a permanent endowment in support of United Way.

Distributions form the endowment portion of the endowment fund are designated to be made available to United Way at an annual rate established by the Community Foundation. The agreement states that the endowment fund is not a separate trust, and that all assets of the fund are assets of the Community Foundation. The agreement also provides that the endowment fund shall continue for as long as United Way continues as a public charity, with the exception that United Way may, upon a vote of two-thirds of its directors present at a directors' meeting at which a quorum is present, direct the distributions to itself of any part or all of the principal from the fund with 30 days advance written notice to the Community Foundation.

As the agreement provides an option to request the distribution of the entire endowment with sufficient vote from its directors, United Way has accounted for the endowment fund as an asset in accordance ASC 958-605-25-33, *Transfers that Are Not Contributions Because They Are Revocable, Repayable, or Reciprocal.* The endowment fund is presented as beneficial interest in investments held by the Community Foundation of Northern Colorado on United Way's statement of financial position.

Note 7 - Beneficial Interest in Investments Held by the Community Foundation of Northern Colorado (continued)

Through the Community Foundation, United Way invests in a managed portfolio that contains common stocks and bonds of publicly traded companies, U.S. Government obligations, mutual funds and money market funds. Such investments are exposed to various risks such as interest rate, credit and overall market volatility.

Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements. The fair value of investments in securities is based on the last reported sales price at June 30, 2015. United Way considers certificates of deposit with original maturities of more than three months to be investments. The fair market value attributes of these assets are reported in Note 8.

Community Foundation of Northern Colorado	
Beginning fund balance	$ 1,807,288
Gifts received	49,517
Investment activity	
Interest and dividends	41,681
Realized gain/loss	(3,964)
Unrealized gain/loss	21,035
Administrative fees	(14,834)
Ending fund balance	$ 1,900,723

Note 8 - Fair Value Measurements

ASC 820-10, Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets, and Level 3 inputs have the lowest priority. The United Way uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. Valuation techniques utilized to determine fair value are consistently applied.

Level 1 Fair Value Measurements - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in an active market which the United Way has the ability to access at the measurement date.

Note 8 - Fair Value Measurements (continued)

Level 2 Fair Value Measurements - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in an active market;
- Quoted prices for identical or similar assets or liabilities in an inactive market;
- 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, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Fair Value Measurements - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

For those assets with fair value measured using Level 3 inputs, the asset manager determines the fair value measurement policies and procedures in consultation with the United Way's Executive Director and Board of Directors. Those policies and procedures are reassessed at least annually to determine if the current valuation techniques are still appropriate. At that time, the unobservable inputs used in the fair value measurements are evaluated and adjusted, as necessary, based on current market conditions and other third-party information.

The following is a description of the valuation methodologies used for assets measured at fair value:

Pooled separate accounts: Valued at fair value as determined by observable Level 1 quoted pricing inputs or by quoted prices for similar assets in active or non-active markets. While some pooled separate accounts may have publicly quoted pricing inputs (Level 1), the account values of separate accounts are not publicly quoted and are therefore classified as Level 2 investments. There have been no changes in the methodologies used at June 30, 2015.

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

Note 8 - Fair Value Measurements (continued)

		Fair Value Measurements Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Community Foundation of Northern Colorado:				
Pooled Separate Accounts	$ 1,900,723	$ -	$ 1,900,723	$ -
Ending balance	$ 1,900,723	$ -	$ 1,900,723	$ -

Note 9 - Subsequent Events

United Way has evaluated all subsequent events through November 11, 2015, the date the financial statements were available to be issued.