

Financial Statements and Report of  
Independent Certified Public Accountants

**Triangle United Way, Inc.**

As of December 31, 2007 and 2006

# Triangle United Way, Inc.

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

To the Board of Directors of  
Triangle United Way, Inc.:

We have audited the accompanying statements of financial position of **Triangle United Way, Inc.** (the Organization) as of December 31, 2007 and 2006, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over the financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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 Triangle United Way, Inc. as of December 31, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Grant Thornton LLP*

Raleigh, North Carolina  
May 28, 2008

# Triangle United Way, Inc.

## Statements of Financial Position December 31, 2007 and 2006

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	<u>Assets</u>	<u>2007</u>	<u>2006</u>
<b>Assets:</b>			
Cash and cash equivalents		\$ 4,326,335	\$ 4,051,051
Investments		25,143	69,102
Contributions receivable, net		16,041,498	16,710,774
Other receivables		206,871	286,983
Prepaid expenses and other		14,985	15,619
Property and equipment, net		85,574	118,559
		<u>\$20,700,406</u>	<u>\$21,252,088</u>
	<u>Liabilities and Net Assets</u>		
<b>Liabilities:</b>			
Donor designations payable		\$ 8,616,028	\$ 9,600,808
Allocations payable		7,526,141	7,482,066
Accounts payable and accrued expenses		411,532	409,533
Capital lease obligations		16,159	15,475
Total liabilities		<u>16,569,860</u>	<u>17,507,882</u>
<b>Net assets:</b>			
Unrestricted:			
Board designated		184,009	136,710
Undesignated		(5,166,655)	(5,591,865)
Total unrestricted		<u>(4,982,646)</u>	<u>(5,455,155)</u>
Temporarily restricted		9,093,192	9,179,361
Permanently restricted		20,000	20,000
Total net assets		<u>4,130,546</u>	<u>3,744,206</u>
		<u>\$20,700,406</u>	<u>\$21,252,088</u>

The accompanying notes are an integral part of these financial statements.

# Triangle United Way, Inc.

## Statement of Activities and Changes in Net Assets For the Year Ended December 31, 2007

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
<b>Support and revenue:</b>				
Campaign promises to give received:				
Prior year campaigns	\$ 1,515,942	\$ -	\$ -	\$ 1,515,942
Current year campaign	-	18,514,116	-	18,514,116
Less - Donor designations	-	(8,915,248)	-	(8,915,248)
Less - Estimated uncollectible promises to give	-	(347,923)	-	(347,923)
Net campaign revenue	<u>1,515,942</u>	<u>9,250,945</u>	<u>-</u>	<u>10,766,887</u>
Grants	-	97,982	-	97,982
Administrative fees earned	1,010,664	-	-	1,010,664
Investment income	162,695	-	-	162,695
Other income	356,184	-	-	356,184
	<u>3,045,485</u>	<u>9,348,927</u>	<u>-</u>	<u>12,394,412</u>
Net assets released from restrictions	<u>9,435,096</u>	<u>(9,435,096)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>12,480,581</u>	<u>(86,169)</u>	<u>-</u>	<u>12,394,412</u>
<b>Expenses:</b>				
Program expenses:				
Allocations	7,831,801	-	-	7,831,801
Resource investment	749,659	-	-	749,659
Direct services	395,768	-	-	395,768
Fundraising	1,763,469	-	-	1,763,765
Administration	1,267,375	-	-	1,267,375
Total expenses	<u>12,008,072</u>	<u>-</u>	<u>-</u>	<u>12,008,072</u>
Changes in net assets	472,509	(86,169)	-	386,340
Net assets, beginning of year	(5,455,155)	9,179,361	20,000	3,744,206
Net assets, end of year	<u>\$ (4,982,646)</u>	<u>\$ 9,093,192</u>	<u>\$20,000</u>	<u>\$ 4,130,546</u>

The accompanying notes are an integral part of this financial statement.

# Triangle United Way, Inc.

## Statement of Activities and Changes in Net Assets For the Year Ended December 31, 2006

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
<b>Support and revenue:</b>				
Campaign promises to give received:				
Prior year campaigns	\$ 1,623,691	\$ -	\$ -	\$ 1,623,691
Current year campaign	-	19,329,334	-	19,329,334
Less - Donor designations	-	(9,912,648)	-	(9,912,648)
Less - Estimated uncollectible promises to give	-	(219,223)	-	(219,223)
Net campaign revenue	<u>1,623,691</u>	<u>9,197,463</u>	<u>-</u>	<u>10,821,154</u>
Grants	-	93,824	-	93,824
Administrative fees earned	906,391	-	-	906,391
Investment income	122,271	-	-	122,271
Other income	680,559	-	-	680,559
	<u>3,332,912</u>	<u>9,291,287</u>	<u>-</u>	<u>12,624,199</u>
Net assets released from restrictions	<u>9,337,113</u>	<u>(9,337,113)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>12,670,025</u>	<u>(45,826)</u>	<u>-</u>	<u>12,624,199</u>
<b>Expenses:</b>				
Program expenses:				
Allocations	7,511,627	-	-	7,511,627
Resource investment	614,389	-	-	614,389
Direct services	366,002	-	-	366,002
Fundraising	1,500,847	-	-	1,500,847
Administration	1,290,203	-	-	1,290,203
Total expenses	<u>11,283,068</u>	<u>-</u>	<u>-</u>	<u>11,283,068</u>
Changes in net assets	<u>1,386,957</u>	<u>(45,826)</u>	<u>-</u>	<u>1,341,131</u>
Net assets, beginning of year	<u>(6,842,112)</u>	<u>9,225,187</u>	<u>20,000</u>	<u>2,403,075</u>
Net assets, end of year	<u><u>\$ (5,455,155)</u></u>	<u><u>\$ 9,179,361</u></u>	<u><u>\$20,000</u></u>	<u><u>\$ 3,744,206</u></u>

# Triangle United Way, Inc.

## Statement of Functional Expenses For the Year Ended December 31, 2007

	<u>Direct Services</u>	<u>Resource Investment</u>	<u>Fundraising</u>	<u>Administration</u>	<u>2007 Totals</u>
Salaries and temporary help	\$187,356	\$479,710	\$1,067,065	\$ 500,743	\$2,234,874
Promotional printing and supplies	6,145	23,449	107,661	31,462	168,717
Membership dues and subscriptions	100	7,740	495	235,479	243,814
Rent and occupancy costs	19,863	55,616	99,712	129,904	305,095
Payroll taxes	13,100	33,209	66,131	32,471	144,911
Employee benefits	40,036	101,490	202,107	99,237	442,870
Contracted services and technical consultation	101,640	1,135	26,000	8,056	136,831
Depreciation	4,011	11,233	20,137	26,234	61,615
Telephone	1,686	4,661	8,356	10,887	25,590
Meetings	240	2,176	6,938	6,828	16,182
Postage and postal equipment	2,044	2,248	15,069	10,319	29,680
Conferences and training	933	1,743	5,649	25,726	24,051
Financial service fees	-	-	26,659	40,205	66,864
Travel	2,929	10,513	31,445	12,880	57,767
Professional fees	-	-	7,420	31,591	39,011
Office supplies and equipment	1,885	4,246	8,911	16,101	31,143
Copier services and supplies	315	880	1,578	2,056	4,829
Computer services and supplies	13,087	4,324	8,248	10,270	35,929
Special events	386	600	52,066	15,158	68,210
Insurance	-	-	-	9,617	9,617
Employee search and relocation	-	34	1,542	924	2,500
Interest expense	-	-	-	1,363	1,363
Miscellaneous expenses	12	4,652	280	9,864	14,808
	<u>\$395,768</u>	<u>\$749,659</u>	<u>\$1,763,469</u>	<u>\$1,267,375</u>	<u>\$4,176,271</u>

The accompanying notes are an integral part of this financial statement.

# Triangle United Way, Inc.

## Statement of Functional Expenses For the Year Ended December 31, 2006

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	Resource Investment	Direct Services	Fundraising	Administration	2006 Totals
Salaries and temporary help	\$421,718	\$169,533	\$ 956,600	\$ 480,374	\$2,028,225
Promotional printing and supplies	598	4,229	57,520	55,577	117,924
Membership dues and subscriptions	195	1,338	-	236,407	237,940
Rent and occupancy costs	48,297	22,539	104,321	133,884	309,041
Payroll taxes	27,960	11,883	58,325	31,073	129,241
Employee benefits	77,417	32,903	161,494	86,037	357,851
Contracted services and technical consultation	-	101,640	2,475	36,320	140,435
Depreciation	8,530	3,981	18,424	23,656	54,591
Telephone	3,892	1,816	8,408	10,795	24,911
Meetings	1,190	446	7,372	18,518	27,526
Postage and postal equipment	882	902	6,217	3,794	11,795
Conferences and training	4,613	30	8,031	14,841	27,515
Financial service fees	-	-	5,827	61,174	67,001
Travel	8,150	2,712	28,875	11,225	50,962
Professional fees	-	-	6,000	32,965	38,965
Office supplies and equipment	3,375	2,055	8,665	12,358	26,453
Copier services and supplies	719	336	1,554	1,995	4,604
Computer services and supplies	2,454	9,535	6,302	11,211	29,502
Special events	3,911	124	43,956	8,712	56,703
Insurance	-	-	-	10,278	10,278
Employee search and relocation	488	-	10,386	-	10,874
Interest expense	-	-	-	2,502	2,502
Miscellaneous expenses	-	-	95	6,507	6,602
	<u>\$614,389</u>	<u>\$366,002</u>	<u>\$1,500,847</u>	<u>\$1,290,203</u>	<u>\$3,771,441</u>

The accompanying notes are an integral part of this financial statement.

# Triangle United Way, Inc.

## Statements of Cash Flows

For the Years Ended December 31, 2007 and 2006

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	<u>2007</u>	<u>2006</u>
<b>Cash flows from operating activities:</b>		
Changes in net assets	\$ 386,340	\$1,341,131
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation expense	61,615	54,591
Loss on disposal of equipment	1,422	-
Increase (decrease) in cash arising from changes in assets and liabilities:		
Contributions receivable, net	669,276	(620,184)
Other receivables	80,112	(113,700)
Prepaid expenses and other	634	926
Donor designations payable	(984,780)	111,233
Allocations payable	44,075	401,940
Accounts payable and accrued expenses	1,999	71,580
Net cash provided by operating activities	<u>260,693</u>	<u>1,247,517</u>
<b>Cash flows from investing activities:</b>		
Maturity of investments	43,959	68,042
Purchase of investments	-	(69,102)
Purchases of property and equipment	(20,116)	(33,892)
Net cash provided by (used in) investing activities	<u>23,843</u>	<u>(34,952)</u>
<b>Cash flows from financing activities - Payments made under capital lease obligations</b>	<u>(9,252)</u>	<u>(10,723)</u>
<b>Net increase in cash and cash equivalents</b>	275,284	1,201,842
<b>Cash and cash equivalents, beginning of year</b>	4,051,051	2,849,209
<b>Cash and cash equivalents, end of year</b>	<u>\$4,326,335</u>	<u>\$4,051,051</u>
<b>Supplemental cash flow information - Interest paid</b>	<u>\$ 1,363</u>	<u>\$ 2,503</u>
<b>Noncash information:</b>		
Gifts-in-kind included in contribution revenue and program expense	\$ -	\$ 313,572
Equipment acquired through capital lease obligation	<u>9,936</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements.

# Triangle United Way, Inc.

## Notes to Financial Statements December 31, 2007 and 2006

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### Note A – Organization and Significant Accounting Policies and Practices

#### Organization

Triangle United Way, Inc. (the Organization) was formed in 1996 for the purpose of consolidating the resources of the Durham County, Orange County and Wake County United Way organizations and to streamline activities to better serve the needs of the people in the Triangle region of North Carolina. The Organization conducts an annual Triangle-wide fundraising campaign on behalf of the three counties it encompasses.

Significant accounting policies and practices of the Organization are as follows:

#### Basis of Presentation

The financial statements of the Organization are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

#### Cash and Cash Equivalents

The Organization considers all demand deposits at financial institutions and all highly liquid debt instruments purchased with original maturities of three months or less to be cash and cash equivalents. At December 31, 2007 and 2006, the Organization has cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation limit by approximately \$4.13 million and \$3.95 million, respectively.

#### Investments

Investments at December 31, 2007 and 2006, consist of certificates of deposit with original maturities in excess of three months. The investments are stated at cost which approximates fair value.

#### Contributions Receivable

Unconditional promises to give are expected to be collected within one campaign cycle, which is typically the 18-month period beginning each August. Conditional promises to give are not included as support until such time as the conditions upon which they depend are substantially met.

An allowance for uncollectible, undesignated promises to give is established at the completion of each annual campaign. The allowance for uncollectible promises to give is based on historical collection experience and management's estimates of the collectibility of the promises received. The allowance for uncollectible promises to give was established at \$678,000, or 6% of the 2007 campaign, and \$749,000, or 7% of the 2006 campaign. Due to collections being better than anticipated, a reduction in the provision for uncollectible promises to give, relating to the previous year's Community Care Fund campaign, of \$404,077 and \$418,593 was recorded in 2007 and 2006, respectively.

# Triangle United Way, Inc.

## Notes to Financial Statements December 31, 2007 and 2006

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### **Allocations**

Allocations result from contributions by donors that are not specifically directed to individual organizations and agencies. These funds are allocated for distribution to various member agencies and programs based on need and other criteria deemed appropriate by the Board of Directors. Total allocations are accrued at the conclusion of each annual fundraising campaign when approved by the Board of Directors.

### **Designations**

Designations result from contributions by donors that are specifically directed to individual organizations and agencies. When received, these funds are distributed to the intended organizations, net of an administrative fee.

### **Property and Equipment**

Property and equipment are stated at cost for purchased assets and at market value on the date of the gift for donated assets. Depreciation is provided using the straight-line method over the estimated useful lives of the assets of 3 to 7 years. Maintenance, repairs and minor equipment purchases are expensed when incurred.

The Organization reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions as the donated or acquired long-lived assets are constructed or placed in service.

The Organization reviews its long-lived assets for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. If this review indicates that the asset will not be recoverable, based on the expected cash flows of the related asset, an impairment loss is recognized and the asset's carrying value is reduced. No such impairment loss was recognized during the years ended December 31, 2007 and 2006.

### **Contributions**

Contributions are recognized as revenues at fair value at the time the contribution or unconditional promise to give is received, net of estimated uncollectible amounts. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts that are restricted for future periods or for specific purposes are reported as temporarily or permanently restricted support and increase those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or donor restriction is met, contributions are reported as net assets released from restrictions in the statement of activities and changes in net assets.

Donated securities are recorded at their fair market value at the date of the gift.

# Triangle United Way, Inc.

## Notes to Financial Statements December 31, 2007 and 2006

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### Donated Services

The Organization recognizes donated services as those that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. No material donated services meeting these requirements for recognition in the financial statements were received during the years ended December 31, 2007 and 2006.

A significant amount of services not meeting the requirements for recognition in the financial statements have been contributed by others towards the general operation and success of the Organization.

### Investment Income

Investment income is credited to unrestricted net assets in the period earned, unless such income has been designated as restricted by donors.

### Grants

The Organization receives grant income from both governmental and private industry sources to help support its direct service efforts. In 2007 and 2006, the Organization recognized \$97,982 and \$93,824 in grant revenue, respectively.

### Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the current year net campaign revenue, which is time restricted. Substantially all temporarily restricted net assets released from restriction during 2007 and 2006 were released due to the expiration of time restrictions only.

### Permanently Restricted Net Assets

The Broughton Scholarship fund was established by the family of Melville Broughton to provide scholarships to staff members of Wake County's member agencies. The assets are subject to donor imposed restrictions that the assets be permanently maintained by the Organization and that the donor has permitted the Organization to use the funds only for specific purposes. The Broughton Volunteer Award recognizes excellence in volunteer service to the nonprofit community and the Broughton Scholarship Award supports a recipient agency's training budget. No amounts were expended from this fund during 2007 and 2006.

# Triangle United Way, Inc.

## Notes to Financial Statements December 31, 2007 and 2006

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### Functional Classification of Expenses

Operating expenses are allocated to specific functions based on management estimates of time and resources devoted to those functions. The following functional expense classifications are included in the foregoing financial statements:

#### Direct Services

Includes activities that deliver services funded by other sources other than the annual campaign, including:

- a) United Way 2-1-1, a community human services information and referral service which links individuals in need of services to those available services in the community,
- b) Teaming for Technology, a collaboration between IBM, AmeriCorps, Public Allies and United Way of America, designed to encourage strong leadership and technological skills among nonprofit organizations in an effort to help them enhance the delivery of services and improve technological efficiencies, and
- c) VOLUNTEER!, a service provided by United Way 2-1-1 that receives requests for help and provides referrals for persons interested in volunteering with agencies throughout the Triangle.

#### Resource Investment

Includes activities for ensuring that donors' gifts are invested wisely in the community and to examine the needs in each County and to determine how gifts to the Triangle Community Care Fund can be maximized to achieve measurable results. The Organization's teams use assessments and other data to identify the gaps in human services and the need. The Organization also has a committee assigned to ensure that all agencies meet accountability standards of United Way membership. Community Care Teams create community investment plans that will guide how money is spent to fund programs to achieve specific community outcomes.

#### Fundraising

The Organization's Resource Development Department has primary responsibility for cultivating fundraising efforts for the Organization. This department runs the annual campaign and cultivates new resources and opportunities to raise funds to support health and human services in the communities of Durham, Wake and Orange counties. Through the Triangle United Way Community Care Fund, donations are directed to meeting the most critical needs in the local community.

#### Administration

Includes costs of activities related to the overall direction of the Organization. These expenses are not identifiable with a particular program or event or with fundraising but, are indispensable to the conduct of those activities and are essential to the Organization. Specific activities include organization oversight, business management, human resources, finance, information technology and other administrative activities.

# Triangle United Way, Inc.

## Notes to Financial Statements December 31, 2007 and 2006

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### Concentrations

The Organization's annual fundraising campaigns are concentrated in the Triangle region of North Carolina. In addition, seven companies in the region accounted for approximately 57% and 53% of the Organization's total 2007 and 2006 campaign years' results, respectively.

### Line-of-Credit

As of December 31, 2006, the Organization had \$500,000 available from a line of credit with a local bank, with interest payable monthly at a rate equal to the bank's prime rate (8.25% as of December 31, 2006). The line of credit expired August 31, 2007. There is no outstanding balance as of December 31, 2007 or 2006.

### Custodial Funds

The Organization maintains separate bank accounts for the funds raised by the Research Triangle Area Combined Federal Campaign (CFC) and the Triangle United Way General Campaign. The operations of these campaigns are included in the foregoing financial statements.

### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Tax Status

The Organization is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt for federal income tax under the provisions of Section 501(a). Income taxes are provided on net taxable income from unrelated business activities and do not have a material impact on the financial statements.

# Triangle United Way, Inc.

## Notes to Financial Statements December 31, 2007 and 2006

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### Note B – Property and Equipment

Property and equipment consists of the following at December 31:

	<u>2007</u>	<u>2006</u>
Computer, equipment and software	\$ 785,953	\$ 773,358
Furniture and fixtures	197,532	197,532
Office equipment	131,717	124,197
Leasehold improvements	23,016	23,016
Assets under capital lease	42,816	47,096
	<u>1,181,034</u>	<u>1,165,199</u>
Accumulated depreciation	(1,095,460)	(1,046,640)
Net property and equipment	<u>\$ 85,574</u>	<u>\$ 118,559</u>

Depreciation expense for the years ended December 31, 2007 and 2006, totaled \$61,615 and \$54,591, respectively.

### Capital Leases

The Organization has financed equipment under capital lease agreements.

Future minimum lease payments under the capital lease agreement as of December 31, 2007, are as follows:

	<u>Amount</u>
2008	\$ 9,494
2009	6,847
2010	4,200
2011	4,200
2012	1,050
Thereafter	-
	<u>25,791</u>
Less – Interest portion	(9,632)
Capital lease obligation	<u>\$16,159</u>

The net book value of assets held under capital leases was \$21,833 at December 31, 2007. Accumulated depreciation at December 31, 2007 and 2006, includes accumulated amortization for the assets held under the capital leases of \$26,896 and \$30,221, respectively. Amortization expense for the assets held under the capital leases was \$6,872 and \$8,995 for the years ended December 31, 2007 and 2006, respectively, and is included in depreciation expense.

# Triangle United Way, Inc.

## Notes to Financial Statements December 31, 2007 and 2006

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### Note C – Board-designated Net Assets

The Organization’s Board of Directors (the Board) has the ability to designate net assets for certain funds. A description of those funds is as follows:

#### Suther Funds

The C. M. and Margaret D. Suther Memorial Fund was established in 1980. Criteria established by the Trust Advisory Committee of Wachovia Bank guides the disbursement of the income from this fund to the Organization to support “renovations, repairs and capital improvements” in Durham County. The Durham Certification Committee oversees the distribution of this fund, which is limited to member agencies.

#### Response Funds

The intent of response funds is to allocate one-time grants to nonprofit health and human services agencies to address needs in the following categories: unanticipated emergencies, community partnership opportunities and discretionary funds for individual/family needs. The County Community Care Cabinet (the Cabinets) is responsible for the management of these funds. The Cabinets reviews all completed applications and recommends grants throughout the year to both member and nonmember agencies.

#### Special Allocations

Once county allocations have been established for the Community Care Fund, the Cabinets may decide to hold some funds back to address future critical needs. The Cabinets is responsible for making the decision as to when and to whom to release the funds.

#### Disaster Relief

This fund is for hurricane relief. The balance in the account represents the funds remaining that can be spent on future hurricane relief efforts.

At December 31, 2007, the Board had designated net assets as follows:

	For the Benefit of				
	Durham	Orange	Wake	TUW	Total
Response funds	\$16,977	\$5,000	\$29,013	\$ -	\$ 50,990
Suther funds	76,416	-	-	-	76,416
Special allocations	-	-	4,829	40,000	44,829
Disaster relief	-	-	-	11,774	11,774
	<u>\$93,393</u>	<u>\$5,000</u>	<u>\$33,842</u>	<u>\$51,774</u>	<u>\$184,009</u>

# Triangle United Way, Inc.

## Notes to Financial Statements December 31, 2007 and 2006

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At December 31, 2006, the Board had designated net assets as follows:

	For the Benefit of				Total
	Durham	Orange	Wake	TUW	
Response funds	\$12,432	\$8,399	\$34,013	\$ -	\$ 54,844
Suther funds	58,140	-	-	-	58,140
Special allocations	10,958	-	994	-	11,952
Disaster relief	-	-	-	11,774	11,774
	<u>\$81,530</u>	<u>\$8,399</u>	<u>\$35,007</u>	<u>\$11,774</u>	<u>\$136,710</u>

### Note D – Operating Leases

The Organization leases office facilities and equipment under operating leases expiring through 2011. Rent expense was approximately \$305,000 and \$309,000 for the years ended December 31, 2007 and 2006, respectively.

Future minimum rentals under noncancelable operating leases are as follows at December 31, 2007:

2008	\$214,896
2009	221,343
2010	227,983
2011	234,822
2012	-
	<u>\$899,044</u>

### Note E – Retirement Plans

The Organization sponsors a noncontributory defined contribution pension plan covering all employees who qualify as to age and length of service. The Organization contributes 7% of each participant's eligible compensation to the plan on an annual basis. Employer contributions to the plan for the years ended December 31, 2007 and 2006, were \$151,941 and \$105,688, respectively.

The Organization has also established a thrift plan, which is available to all employees who meet the eligibility requirements. The plan includes an employer match up to a maximum employee contribution of 4% of eligible salary. Employer contributions to the plan for the years ended December 31, 2007 and 2006, were \$68,896 and \$61,144, respectively.



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON  
INFORMATION ACCOMPANYING THE BASIC FINANCIAL STATEMENTS**

Audit • Tax • Advisory

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To the Board of Directors of  
Triangle United Way, Inc.:

The report on our audit of the financial statements of **Triangle United Way, Inc.** as of December 31, 2007, and for the year then ended appears on page 1. That audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information on pages 16 to 21 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Grant Thornton LLP*

Raleigh, North Carolina  
May 28, 2008

# Triangle United Way, Inc.

## Schedule I – Schedule of Direct Services Expenses For the Year Ended December 31, 2007

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	<u>2-1-1</u>	<u>Teaming for Technology</u>	<u>Totals</u>
Salaries and temporary help	\$102,870	\$ 84,486	\$187,356
Promotional printing and supplies	6,091	54	6,145
Membership dues and subscriptions	-	100	100
Rent and occupancy costs	7,945	11,918	19,863
Payroll taxes	7,193	5,907	13,100
Employee benefits	21,982	18,054	40,036
Contracted services and technical consultation	101,640	-	101,640
Depreciation	1,604	2,407	4,011
Telephone	666	1,020	1,686
Meetings	202	38	240
Postage and postal equipment	1,987	57	2,044
Conferences and training	544	389	933
Travel	858	2,071	2,929
Office services and supplies	606	1,279	1,885
Copier services and supplies	126	189	315
Computer services and supplies	618	12,469	13,087
Special events	152	234	386
Miscellaneous	-	12	12
	<u>\$255,084</u>	<u>\$140,684</u>	<u>\$395,768</u>

# Triangle United Way, Inc.

## Schedule II – Schedule of Fundraising Expenses For the Year Ended December 31, 2007

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	<u>Resource Development</u>	<u>Donor Relations</u>	<u>CFC Campaign</u>	<u>Totals</u>
Salaries and temporary help	\$ 767,688	\$254,916	\$44,461	\$1,067,065
Promotional printing and supplies	53,279	45,833	8,549	107,661
Membership dues and subscriptions	-	495	-	495
Rent and occupancy costs	77,466	22,246	-	99,712
Payroll taxes	45,198	17,824	3,109	66,131
Employee benefits	138,133	54,473	9,501	202,107
Contracted services and technical consultation	26,000	-	-	26,000
Depreciation	15,644	4,493	-	20,137
Telephone	6,492	1,864	-	8,356
Meetings	4,201	2,737	-	6,938
Postage and postal equipment	12,190	2,470	409	15,069
Conferences and training	-	2,483	3,166	5,649
Financial service fees	21,238	-	5,421	26,659
Travel	27,222	3,243	980	31,445
Professional fees	-	-	7,420	7,420
Office supplies and equipment	6,156	2,254	501	8,911
Copier services and supplies	1,100	352	126	1,578
Computer services and supplies	5,404	1,729	1,115	8,248
Special events	26,523	23,922	1,621	52,066
Employee search and relocation	1,542	-	-	1,542
Miscellaneous expenses	150	130	-	280
	<u>\$1,235,626</u>	<u>\$441,464</u>	<u>\$86,379</u>	<u>\$1,763,469</u>

# Triangle United Way, Inc.

## Schedule III – Schedule of Administration Expenses For the Year Ended December 31, 2007

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	<u>Finance and Administration</u>	<u>Information Technology</u>	<u>Marketing and Communication</u>	<u>Totals</u>
Salaries and temporary help	\$306,374	\$126,268	\$ 68,101	\$ 500,743
Promotional printing and supplies	4,507	144	26,811	31,462
Membership dues and subscriptions	234,003	400	1,076	235,479
Rent and occupancy costs	69,918	23,835	36,151	129,904
Payroll taxes	18,893	8,829	4,749	32,471
Employee benefits	57,741	26,983	14,513	99,237
Contracted services and technical consultation	5,056	3,000	-	8,056
Depreciation	14,120	4,813	7,301	26,234
Telephone	5,859	1,998	3,030	10,887
Meetings	4,889	311	1,628	6,828
Postage and postal equipment	7,154	59	3,106	10,319
Conferences and training	19,243	4,910	1,573	25,726
Financial service fees	40,170	-	35	40,205
Travel	4,043	1,701	7,136	12,880
Professional fees	31,591	-	-	31,591
Office supplies and equipment	6,760	6,352	2,989	16,101
Copier services and supplies	1,106	378	572	2,056
Computer services and supplies	5,435	2,025	2,810	10,270
Special events	2,479	-	12,679	15,158
Insurance	9,617	-	-	9,617
Employee search and relocation	-	-	924	924
Interest expense	1,363	-	-	1,363
Miscellaneous expenses	9,574	-	290	9,864
	<u>\$859,895</u>	<u>\$212,006</u>	<u>\$195,474</u>	<u>\$1,267,375</u>

# Triangle United Way, Inc.

## Schedule IV – 2006 Community Care Fund Allocations For the Year Ended December 31, 2007

	Agency Allocation	Gifts-in-kind Allocations	Other Allocations	Total
Adolescent Pregnancy Prevention Coalition of NC, Inc.	\$ 7,989	\$ 1,279	\$ -	\$ 9,268
Alcohol/Drug Council of North Carolina	6,974	-	-	6,974
Alliance of AIDS Services - Carolina	43,468	2,831	362	46,661
American Red Cross, Central North Carolina Chapter	143,336	1,552	-	144,888
American Red Cross, Orange County Chapter	53,666	-	-	53,666
American Red Cross, Triangle Area Chapter	433,188	-	-	433,188
Arc of Durham County, Inc.	43,795	-	-	43,795
Arc of Orange County, Inc.	68,019	-	-	68,019
Arc of Wake County, Inc.	54,282	-	-	54,282
Big Brothers Big Sisters of the Triangle, Inc.	6,784	-	-	6,784
Boys & Girls Clubs of Wake County	432,869	-	-	432,869
Catholic Social Ministries of the Diocese of Raleigh	154,604	2,149	-	156,753
Chapel Hill-Carrboro YMCA	37,906	-	-	37,906
Child Advocacy Commission of Durham, Inc.	27,745	2,558	-	30,303
Child and Parent Support Services, Inc.	67,194	-	-	67,194
Child Care Services Association	287,646	4,110	-	291,756
Communities in Schools of Durham, Inc.	3,235	-	-	3,235
Community Partnerships, Inc.	12,456	4,110	-	16,566
Coordinating Council for Senior Citizens	73,411	1,552	-	74,963
Direct Medical Fund of Durham County	50,000	-	-	50,000
Disabilities Education Support Center, Inc	-	6,668	-	6,668
Dispute Settlement Center, Inc.	29,781	-	-	29,781
Durham Child Development & Behavioral Clinic	59,958	-	-	59,958
Durham Companions, Inc.	22,102	1,279	-	23,381
Durham Congregations in Action	3,235	-	-	3,235
Durham Crisis Response Center, Inc.	69,863	-	-	69,863
Durham Literacy Center	51,890	-	-	51,890
Durham Nursery and Preschool, Inc.	30,909	-	-	30,909
Durham Rescue Mission	-	23,022	-	23,022
El Centro Latino, Inc.	14,217	1,552	-	15,769
Exchange Clubs' Child Abuse Prevention Center	27,738	-	-	27,738
Family Counseling Service of Durham, Inc.	-	-	-	-
Food Bank of Central and Eastern North Carolina, Inc.	60,514	-	-	60,514
Freedom House Recovery Center, Inc.	44,751	4,110	-	48,861
Friends of the Chapel Hill Senior Center, Inc.	8,118	-	-	8,118
Futures for Kids	-	11,870	-	11,870
Fuquay-Varina Youth Initiative, Inc.	62,286	-	-	62,286
Garner Road YMCA, Inc.	244,848	-	-	244,848
Genesis Home, Inc.	25,739	-	-	25,739
Girl Scouts, Tarheel Triad	-	1,552	-	1,552
Girl Scouts, NC Coastal Pines Council, Inc.	98,263	7,760	-	106,023
Haven House, Inc.	289,992	-	-	289,992

# Triangle United Way, Inc.

## Schedule IV – 2006 Community Care Fund Allocations For the Year Ended December 31, 2007 (continued)

	Agency Allocation	Gifts-in-kind Allocations	Other Allocations	Total
Hilltop Home	\$ 25,958	\$ 1,279	\$ -	\$ 27,237
HopeLine, Inc.	97,645	-	-	97,645
Hospice of Wake County, Inc.	22,848	-	-	22,848
Interact	423,912	5,389	-	429,301
Inter-Faith Council for Social Service, Inc.	61,621	-	-	61,621
Inter-Faith Food Shuttle	31,831	2,831	-	34,662
John Avery Boys & Girls Club, Inc.	123,495	13,149	-	136,644
Joint Orange-Chatham Community Action, Inc.	14,247	18,095	-	32,342
Learning Together, Inc.	205,188	2,831	-	208,019
Legal Aid of North Carolina, Inc.	127,989	-	-	127,989
Life Experiences, Inc.	31,761	-	-	31,761
Literacy Council of Wake County	11,922	-	-	11,922
Meals on Wheels of Wake County, Inc.	60,450	-	-	60,450
Mental Health Association in Orange County	4,204	-	-	4,204
Operation Breakthrough, Inc.	3,214	21,490	-	24,704
Orange and Chatham Alternative Sentencing, Inc.	4,915	-	-	4,915
Orange Congregations in Mission, Inc.	43,610	-	-	43,610
Orange County 4-H	31,689	-	-	31,689
Orange County Literacy Council, Inc.	33,983	-	-	33,983
Orange County Rape Crisis Center	32,993	1,552	-	34,545
Orange Enterprises, Inc.	21,847	-	-	21,847
PLM Families Together, Inc.	15,227	-	-	15,227
Raleigh Nursery School, Inc.	113,432	-	-	113,432
Resources for Seniors, Inc.	235,162	-	-	235,162
Riley Hill Family Life Center – Technology Center	-	6,395	-	6,395
Ronald McDonald House - Durham	-	5,389	-	5,389
Salvation Army Boys and Girls Club	185,262	12,790	-	198,052
Salvation Army, Durham	70,169	-	-	70,169
Scarborough Nursery School, Inc.	42,255	-	-	42,255
Smart Start	-	75,215	-	75,215
SouthLight, Inc.	248,395	-	-	248,395
Summit House, Inc.	5,407	-	-	5,407
Tammy Lynn Center for Developmental Disabilities	139,621	3,837	-	143,458
Threshold	74,031	1,279	-	75,310
Training for Success, Inc. (grant status agency)	3,235	-	-	3,235
Triangle Family Services, Inc.	525,727	2,831	-	528,558
Triangle Radio Reading Service	16,178	3,837	-	20,015
Urban Ministries of Wake County, Inc.	173,785	3,837	-	177,622
Volunteer Center of Durham	85,526	-	-	85,526
Volunteers for Youth, Inc.	25,886	-	-	25,886
Wake Enterprises, Inc.	54,337	1,279	-	55,616
Wake Teen Medical Services, Inc.	133,769	1,279	-	135,048

# Triangle United Way, Inc.

## Schedule IV – 2006 Community Care Fund Allocations For the Year Ended December 31, 2007 (continued)

	Agency Allocation	Gifts-in-kind Allocations	Other Allocations	Total
White Plains Children's Center, Inc.	\$ 40,786	\$ -	\$ -	\$ 40,786
Women in Action for the Prevention of Violence and Its Causes, Inc.	23,041	-	-	23,041
The Women's Center, Inc.	28,953	1,552	-	30,505
Women's Center of Wake County, Inc.	90,934	1,279	-	92,213
Young Child Mental Health Initiative	14,682	-	-	14,682
The Youth & Educational Achievement Center	-	2,558	-	2,558
YMCA of the Triangle Area, Inc.	137,898	-	-	137,898
YWCA of the Greater Triangle, Inc.	305,137	-	-	305,137
Collaboration with Wake County Human Services	1,255	-	-	1,255
Duke/TUW Partnership	64,185	-	-	64,185
Wake Children's Team	3,574	-	-	3,574
Durham Response Team	1,262	-	-	1,262
Prevent and End Homelessness	40,000	-	-	40,000
Orange Response Funds	1,810	-	-	1,810
Wake Response Funds	30,986	-	-	30,986
Total	<u>\$7,500,000</u>	<u>\$267,926</u>	<u>\$362</u>	<u>\$7,768,288</u>