UNITED WAY OF JACKSON COUNTY

Financial Statements

For the Year Ended June 30, 2015

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Clark Nuber PS

Independent Auditor's Report

To the Board of Directors
United Way of Jackson County
Medford, Oregon

We have audited the accompanying financial statements of United Way of Jackson County (the Organization), which comprise the statement of financial position as of June 30, 2015 and the related statements of activities and changes in net assets, cash flows and functional expenses 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 financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 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 financial statements referred to above present fairly, in all material respects, the financial position of United Way of Jackson 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.

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Report on Summarized Comparative Information

The financial statements of the Organization as of June 30, 2014, were audited by other auditors whose opinion dated September 17, 2014, expressed an unmodified opinion on those financial statements. As discussed in Note 13, the Organization has restated its 2014 financial statements during the current year. The other auditors reported on the 2014 financial statements before the restatement.

As part of our audit of the 2015 financial statements, we also audited the adjustments described in Note 13 that were applied to restate the 2014 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2014 financial statements of the Organization other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2014 financial statements as a whole.

In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements and restatement described in Note 13 from which the summarized comparative information has been derived.

Clark Nuber P.S.

Certified Public Accountants
September 16, 2015

UNITED WAY OF JACKSON COUNTY

Statement of Financial Position
June 30, 2015
(With Comparative Totals for 2014)

	2015	(As Restated Note 13) 2014
Assets		
Current Assets:		
Cash and cash equivalents	$ 30,957	$ 52,698
Current portion of pledges and grants receivable, net	204,584	238,170
Prepaid expenses	808	517
Total Current Assets	**236,349**	**291,385**
Property and equipment, net	5,484	8,549
Other Assets:		
Noncurrent portion of pledges and grants receivable, net	11,048	18,201
Beneficial interest in assets held by others	699,622	674,410
Total Other Assets	**710,670**	**692,611**
Total Assets	**$ 952,503**	**$ 992,545**
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable and accrued liabilities	$ 25,662	$ 50,878
Undesignated allocations payable	27,404	36,224
Designations payable	68,760	79,999
Note payable - line of credit	25,000	35,000
Total Liabilities	**146,826**	**202,101**
Net Assets:		
Unrestricted	440,654	454,336
Temporarily restricted	31,000	48,882
Permanently restricted	334,023	287,226
Total Net Assets	**805,677**	**790,444**
Total Liabilities and Net Assets	**$ 952,503**	**$ 992,545**

See accompanying notes.

UNITED WAY OF JACKSON COUNTY

Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2015
(With Comparative Totals for 2014)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2015 Total	(As Restated Note 13) 2014 Total
Revenues, Gains and Other Support:					
Current year campaign results	$ 1,207,311	$ -	$ -	$ 1,207,311	$ 1,013,791
Current year campaign results restricted by purpose		15,311		15,311	59,798
Current year campaign results restricted for Boles Fire/Weed, CA	144,933			144,933	
Current year campaign results restricted by time		31,000		31,000	16,281
Gross campaign results	1,352,244	46,311		1,398,555	1,089,870
Less allowance for uncollectable pledges	(86,745)			(86,745)	(43,123)
Less donor designations	(167,223)			(167,223)	(131,027)
Total campaign revenue	1,098,276	46,311		1,144,587	915,720
Other revenue	3,986			3,986	2,786
In-kind contributions	36,085			36,085	53,007
Sponsorships for community projects	18,727			18,727	13,950
Change in value of beneficial interest	(21,585)		46,797	25,212	59,643
Loss on disposal of leasehold improvements					(4,562)
Net assets released from restrictions	64,193	(64,193)			
Total Revenues, Gains and Other Support	**1,199,682**	**(17,882)**	**46,797**	**1,228,597**	**1,040,544**
Allocations and Expenses:					
Functional expenses-					
Program services	933,790			933,790	790,763
Management and general	139,528			139,528	104,485
Fundraising	128,309			128,309	110,991
Total functional expenses	1,201,627			1,201,627	1,006,239
Payments to affiliates	11,737			11,737	10,861
Total Allocations and Expenses	**1,213,364**			**1,213,364**	**1,017,100**
Change in Net Assets	**(13,682)**	**(17,882)**	**46,797**	**15,233**	**23,444**
Net assets, beginning of year (as restated, Note 13)	454,336	48,882	287,226	790,444	767,000
Net Assets, End of Year	**$ 440,654**	**$ 31,000**	**$ 334,023**	**$ 805,677**	**$ 790,444**

See accompanying notes.

UNITED WAY OF JACKSON COUNTY

Statement of Functional Expenses
For the Year Ended June 30, 2015
(With Comparative Totals for 2014)

	Program Services	Management and General	Fund Raising	Total Expenses 2015	Total Expenses 2014
Expenses:					
Allocations to agencies	$ 304,179	$ -	$ -	$ 304,179	$ 306,837
Long-term recovery for Boles Fire/Weed, CA	144,961			144,961	
Salaries and wages	196,363	81,759	61,673	339,795	295,555
Employee benefits	41,366	17,117	12,838	71,321	59,581
Payroll taxes	18,103	7,491	5,618	31,212	26,930
Retirement plan contributions	6,490	2,686	2,014	11,190	9,217
Retirement plan administration	963	398	299	1,660	1,493
Professional services	10,264	4,247	3,185	17,696	13,240
Bank fees	1,773	734	550	3,057	2,339
Community projects	139,956	3,946	8,855	152,757	155,140
Computer consulting fees	6,301	2,905	2,557	11,763	6,379
Depreciation	1,778	736	551	3,065	4,520
Dues and fees	1,023	765	1,621	3,409	5,261
Equipment rental	1,830	610	610	3,050	2,925
Insurance	1,708	707	530	2,945	2,791
Interest expense	879	293	293	1,465	474
Meals and travel	13,741	2,094	5,343	21,178	14,142
Miscellaneous	82	26	26	134	335
Office rent	12,528	5,184	3,888	21,600	17,999
Office utilities	2,257	752	752	3,761	3,336
Postage	1,776	592	592	2,960	2,580
Printing	2,107	3,161	5,268	10,536	7,396
Public information	15,734		6,743	22,477	46,457
Supplies	2,450	2,357	3,677	8,484	6,535
Telephone	2,448	816	816	4,080	4,444
Training and conference	2,730	152	10	2,892	10,333
Total Expenses	**$ 933,790**	**$ 139,528**	**$ 128,309**	**$ 1,201,627**	**$ 1,006,239**

See accompanying notes.

UNITED WAY OF JACKSON COUNTY

Statement of Cash Flows
For the Year Ended June 30, 2015
(With Comparative Totals for 2014)

	2015	(As Restated Note 13) 2014 Total
Cash Flows From Operating Activities:		
Change in net assets	$ 15,233	$ 23,444
Adjustments to reconcile change in net assets to net cash used in operating activities-		
Change in value of beneficial interest	(25,212)	(59,643)
Depreciation	3,065	4,520
Loss on disposal of assets		4,562
(Increase) decrease in operating assets		
Pledges and grants receivable	40,739	(14,330)
Other receivables		538
Prepaid expenses	(291)	451
Increase (decrease) in operating liabilities		
Accounts payable and accrued liabilities	(25,216)	37,271
Undesignated allocations payable	(8,820)	1,118
Designations payable	(11,239)	(19,541)
Net Cash Used in Operating Activities	**(11,741)**	**(21,610)**
Cash Flows From Financing Activities:		
Net line of credit activity	(10,000)	35,000
Net Cash (Used) Provided by Financing Activities	**(10,000)**	**35,000**
Net Change in Cash and Cash Equivalents	**(21,741)**	**13,390**
Cash and cash equivalents balance, beginning of year	52,698	39,308
Cash and Cash Equivalents Balance, End of Year	**$ 30,957**	**52,698**
Supplementary Disclosure of Cash Flow Information:		
Cash paid for interest	$ 1,465	474

See accompanying notes.

Note 1 - Summary of Significant Accounting Policies

Nature of Operations - The United Way of Jackson County, Inc. (the Organization) was formed and organized in the State of Oregon to operate as a not-for-profit entity under Internal Revenue Code Section 501(c)(3). The Organization's primary objective is to mobilize caring in order to effect change via promoting volunteerism, community philanthropy, and community building. The Organization engages in fundraising activities and allocates the contributed funds to other not-for-profit organizations and for community building programs. Substantially all of the Organization's revenues are derived from fundraising contributions in the local geographic area.

The Organization administers a fundraising campaign to collect donations for charitable organizations. The Organization has a donor choice program that allows donors to designate to a member agency, to another non-affiliated tax-exempt agency, or to both. The Organization also allows donors to designate to broadly defined areas of service.

Basis of Presentation - Net assets, revenues, 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 stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

Revenues are reported as increases in unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or 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 stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets.

Gross Campaign Results - Gross campaign results consist of funds raised as a result of the Organization’s fundraising efforts during the normal course of their campaign. This includes gifts to the Local Community Fund as well as gifts that are designated to other nonprofit organizations. Included in this total for the year ended June 30, 2015 were contributions of $121,087 which were raised and administered by third party organizations but where the Organization had a substantive role in raising those funds.

Cash and Cash Equivalents - The Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Property and Equipment - The Organization records purchased property and equipment at cost. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restriction regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Note 1 - Continued

Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor.

Property and equipment is depreciated using the straight-line method over estimated useful lives of three to ten years. Acquisitions of property and equipment in excess of $2,000 and with a useful life of three years or more are capitalized.

Contributions - Contributions, which include unconditional promises to give (pledges), are recognized as revenue in the period received. When restrictions are fulfilled in the same fiscal year in which the contribution is received, the contribution is reported as unrestricted. During the year ended June 30, 2015, the Organization received and distributed, as part of their fundraising efforts, contributions specifically restricted for the long-term recovery of the Boles Fire in Weed, California.

Pledges and Grants Receivable - Unconditional pledges and grants receivable, less an allowance for uncollectible amounts, are recognized as revenues in the period the promise is made and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

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

Cost Deductions - The Organization has committed to and was in compliance with the Cost Deduction Requirements for Membership Requirement M, as established by United Way Worldwide. The standard establishes uniform rules for deducting resource development and organizational administration expenses from donor pledges.

In-kind Contributions - Donated assets and services are reflected as contributions in the accompanying statements at their estimated values at the date of receipt. Contributions of services are recognized if the services received create or enhance a nonfinancial asset or the services require specialized skills that are provided by individuals possessing those skills. In-kind contributions reported in the statement of activities and changes in net assets for the years ended June 30, 2015 and 2014 include contributed rent of $21,600 and $18,000, respectively. In addition, in-kind contribution revenue for the years ended June 30, 2015 and 2014 also included contributed advertising and other of $14,485 and $35,007, respectively.

A substantial number of volunteers have donated significant amounts of time in the Organization’s program services and in its fundraising campaign. The financial statements do not reflect the value of those contributed services because the criteria for recognition of such volunteer effort have not been satisfied.

Designations Payable and Undesignated Allocations Payable - The Organization conducts an annual fundraising campaign from August through November. When a donor makes a contribution to the Organization and designates a named charity, those contributions are recorded by the Organization as designations payable. The designated donation is then reduced by a pledge loss allowance of 8 percent, and a rolling three year average of management and fundraising fees on a percentage basis. The designations payable are generally disbursed quarterly in July, October, January and April to recipient charities. The Organization honors designations to charities by distributing a proportionate share of receipts based on donor designations.

Note 1 - Continued

Contributions to the United Way community fund or an area of service are allocated among approved programs. The budget for the total allocable amount is determined using the current campaign collections and pledges less designations, a pledge loss allowance, specific agency related expenses, and operating expenses. Volunteers then make recommendations to the Organization's Board of Directors for amounts to be allocated to programs. Allocation award and agreement letters are sent to the programs, generally in June. Allocations to programs are recorded as an undesignated allocation payable as of July 1 following the campaign year. Undesignated allocations payable to programs are generally disbursed monthly beginning in July.

Federal Income Tax - The Internal Revenue Service has determined that the Organization is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and is not considered to be a private foundation; accordingly, no provision has been made for federal income tax in the accompanying financial statements.

Concentrations - The Organization raised gross campaign contributions from one anonymous donor representing 16% of gross campaign results for the ended June 30, 2015.

Functional Expense Allocation - Directly identifiable expenses are charged to program and support services. Expenses related to more than one function are charged to programs and support services based on the activity in each respective function. Organizational administration expenses include those expenses which are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions. These affect the reported amounts of assets, liabilities, revenues, and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Summarized Information for 2014 - The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2014, from which the summarized information was derived as adjusted by the restatements noted in Note 13.

Subsequent Events - Management has evaluated subsequent events through September 16, 2015, the date on which the financial statements were available to be issued. No subsequent events were identified for disclosure.

Reclassifications - Certain accounts in the June 30, 2014 financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These reclassifications had no effect on the change in net assets for the year ended June 30, 2014 as adjusted by the prior period restatement as described in Note 13.

Note 2 - Property and Equipment

The following is a summary of property and equipment, less accumulated depreciation at June 30:

	2015	2014
Office furniture and equipment	$ 29,643	$ 29,643
Accumulated depreciation	(24,159)	(21,094)
Total Property and Equipment, Net	**$ 5,484**	**$ 8,549**

Note 3 - Pledges Receivable

Pledges receivable include the following unconditional promises to give as of June 30:

	2015	(As Restated Note 13) 2014
Unconditional pledges receivable due in less than one year	$ 249,388	$ 278,213
Less allowance for uncollectible pledges	(44,804)	(40,043)
Net Pledges Receivable Due in Less Than One Year	**$ 204,584**	**$ 238,170**
Pledges due in one to five years	$ 12,110	$ 19,855
Less allowance for uncollectible pledges	(969)	(1,588)
Less present value discount of long-term pledges	(93)	(66)
Net Pledges Receivable Due in One to Five Years	**$ 11,048**	**$ 18,201**

Note 4 - Beneficial Interest in Assets Held by Others

The Organization’s beneficial interests in trusts and assets held by others included the following at June 30:

	2015	(As Restated Note 13) 2014
Beneficial interest in assets held by The Oregon Community Foundation	$ 478,715	$ 500,300
Latham Trust	220,907	174,110
Total Beneficial Interest in Assets Held by Others	**$ 699,622**	**$ 674,410**

Note 4 - Continued

The Oregon Community Foundation

The Oregon Community Foundation (OCF) administers the endowment fund for the benefit of the Organization, under OCF's Endowment Partners Program. The United Way of Jackson County Endowment Fund is a component fund of the Oregon Community Foundation. Under terms of the agreement dated May 27, 1992 between OCF and the Organization, OCF has the authority to modify restrictions and conditions of the fund agreement under certain circumstances, without the approval of the Organization. This authority is referred to as variance power. The Organization has recorded a beneficial interest in funds held by OCF. The Organization transferred endowment and other funds to OCF with no donor obligation to do so and named itself as beneficiary.

According to the agreement, OCF distributes an appropriate percentage, as determined by OCF, of the fair value of the fund, at least annually, under its grant percentage payout policy for permanent funds. The Organization transfers contributions to the endowment fund held by OCF as general endowment contributions are received. For the years ended June 30, 2015 and 2014 there were no new endowment contributions.

Latham Trust

The Organization is the beneficiary of a perpetual charitable trust (the Trust) established by Gerald T. Latham in 1986. The Organization had an interest of 20% and 15% as of June 30, 2015 and 2014, respectively. During the year ended June 30, 2015, the Organization’s percentage interest in the assets of the trust increased due to the death of one of the Trust’s beneficiaries. The assets of the Trust are managed by Wells Fargo Bank. The Organization typically receives monthly distributions from Wells Fargo Bank from the earnings of the Trust. In accordance with U.S. GAAP, the Organization has recognized its interest in the Trust as an asset on the Organization's statement of financial position. Net realized and unrealized gains and losses related to the Trust are reported as changes in permanently restricted net assets.

Note 5 - Fair Value Measurement

The Organization applies the U.S. GAAP authoritative guidance for *Fair Value Measurements and Disclosures,* which defines fair value, establishes a framework for measuring fair value and requires certain disclosures about fair value measurements.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Note 5 - Continued

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2015 and 2014.

Beneficial Interest in Trust - The Organization is a beneficiary of a percentage interest in a perpetual charitable trust held by a third party. The Organization's interest in the trust is recorded at the fair value of the Organization's ownership in the trust. This asset is valued using the net asset value (see Note 4).

Beneficial Interest in Assets Held by The Oregon Community Foundation (OCF) - The beneficial interest in assets held at The Oregon Community Foundation has been valued, as a practical expedient, at the fair value of the Organization's share of assets held by The Oregon Community Foundation. This asset is valued using the net asset value (see Note 4).

The underlying investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and investment contracts, and the level of uncertainty related to changes in the value of the investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect account balances and the amounts reported in the statement of financial position and the statement of activities and changes in net assets.

The following tables present the assets that are measured at fair value on a recurring basis as of June 30 and are categorized using the three levels of the fair value hierarchy:

	Fair Value Measurements as of June 30, 2015			
	Level 1	Level 2	Level 3	Total
Beneficial interest in assets held by The Oregon Community Foundation	$ -	$ -	$ 478,715	$ 478,715
Beneficial interest in perpetual charitable trust			220,907	220,907
	$ -	**$ -**	**$ 699,622**	**$ 699,622**

	Fair Value Measurements as of June 30, 2014 (As Restated Note 13)			
	Level 1	Level 2	Level 3	Total
Beneficial interest in assets held by The Oregon Community Foundation	$ -	$ -	$ 500,300	$ 500,300
Beneficial interest in perpetual charitable trust			174,110	174,110
	$ -	**$ -**	**$ 674,410**	**$ 674,410**

Note 5 - Continued

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying statements of financial position using significant unobservable (Level 3) inputs for the year ended June 30:

	Beneficial Interest In Trust	Beneficial Interest in Assets Held By OCF
Balance, June 30, 2014	$ 174,110	$ 500,300
Contributed beneficial interest	56,158	
Total realized and unrealized (losses) gains	(9,361)	1,311
Distributions and fees		(22,896)
Balance, June 30, 2015	**$ 220,907**	**$ 478,715**

	Beneficial Interest In Trust	Beneficial Interest in Assets Held By OCF
Balance, June 30, 2013, as restated, Note 13	$ 164,906	$ 449,861
Total realized and unrealized gains	9,204	74,326
Distributions and fees		(23,887)
Balance, June 30, 2014	**$ 174,110**	**$ 500,300**

Note 6 - Designations Payable and Undesignated Allocations Payable

Designations payable and undesignated allocations payable consist of donor designated contributions and United Way allocations to agencies as of June 30 as follows:

	2015	2014
Donor designations from prior year campaign	$ 22,624	$ 34,793
Donor designations from current year campaign	46,136	45,206
Total designations payable	68,760	79,999
Undesignated allocations payable to member agencies from prior year campaign	27,404	36,224
Total Designations Payable and Undesignated Allocations Payable	**$ 96,164**	**$ 116,223**

Note 7 - Note Payable

The Organization maintains an unsecured line of credit in the approved amount of $100,000 with AmericanWest Bank. Under the terms of the loan agreement, the outstanding balance of the line is payable upon demand of the lender. The Organization is required to make monthly payments of interest, and must pay the line to zero for a period of 30 consecutive days at least once during the year. There is no interest due on the outstanding balance for the year ended June 30, 2015. Interest is computed at the prime rate plus 1.5 percent, but not less than 4.75 percent. At both June 30, 2015 and 2014, the interest rate was 4.75 percent. The line of credit has a maturity date of March 5, 2016, and is renewable annually. The outstanding balance on the line of credit at June 30, 2015 and 2014 was $25,000 and $35,000 respectively.

Note 8 - Operating Lease

The Organization had a lease agreement with AmericanWest Bank for office space beginning June 2014 and ending June 2015. The Organization is not required to pay rental costs under the lease agreement and recognized in-kind contributions and related rent expense of $21,600 and $18,000 during the years ended June 30, 2015 and 2014, respectively.

Note 9 - Related Party Transactions

The Organization entered into a professional services agreement with a member of the Board of Directors. During the years ended June 30, 2015 and 2014, expenditures for development of promotional materials and management consultations totaled $14,000 and $23,285, respectively.

Note 10 - Retirement Plan

The Organization maintains a defined contribution retirement plan (the Plan) covering all employees who are at least 21 years of age. There is no minimum service requirement for employees to receive employer contributions under the Plan. Individual participant accounts vest according to the number of years of service credited to each participant. Contributions to the Plan are made at 3 percent of participant's salary. During the years ended June 30, 2015 and 2014, contributions to the Plan totaled $11,190 and $9,217, respectively.

Note 11 - Net Assets Released From Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors as follows for the years ended June 30:

	2015	2014
Prior year campaign revenue for the use in the current year, net of donor designations and an allowance for uncollectible pledges	$ 15,311	$ 22,244
Women Living Leadership project	43,311	54,795
Nutrition Education	5,571	6,874
Humanity Walking		5,871
LIFE Art		4,054
Jackson County Child Abuse Network		4,610
Total Net Assets Released From Restrictions	**$ 64,193**	**$ 98,448**

Note 12 - Restrictions on Net Assets

Temporarily restricted net assets at June 30 were available for the following purposes:

	2015	(As Restated Note 13) 2014
Pledges received from the current campaign for use in a future period, net of dollar designations and allowance for uncollectible pledges	$ 31,000	$ 43,311
Nutrition Education		5,571
Total Temporarily Restricted Net Assets	**$ 31,000**	**$ 48,882**

Note 12 - Continued

Permanently restricted net assets are restricted by donors to investments in perpetuity. The income from the assets can be used to support the Organization's general operations; therefore all the income and expenses of the endowment fund are classified as unrestricted. Permanently restricted net assets as of June 30, 2015 and 2014 consist of the following:

	2015	(As Restated Note 13) 2014
Geraldine Taylor Estate	$ 93,136	$ 93,136
Gerald Latham Perpetual Charitable Trust (Note 13)	220,907	174,110
Albert Relei and Wilson Anderson Memorial	1,000	1,000
Campaign contributions specified for endowment	18,980	18,980
Total Permanently Restricted Net Assets	**$ 334,023**	**$ 287,226**

Note 13 - Prior Period Restatements

During the year ended June 30, 2015, the Organization determined that a beneficial interest in a perpetual charitable trust should have been recorded in the prior period. As a result of the prior period adjustment posted by management, beginning of year permanently net assets for the year ended June 30, 2014 increased by $164,906 and permanently restricted change in net assets increased by $9,204 for the year ended June 30, 2014.

In addition, the Organization determined that revenue for a grant agreement had been improperly recognized during the year ended June 30, 2014. As a result of the prior period adjustment, accounts receivable and contribution revenue were decreased by $82,145 as of and for the year ended June 30, 2014.

In addition, a reclassification between net asset categories was identified by management increasing year ended June 30, 2014 temporarily restricted net assets and decreasing unrestricted net assets by $37,035.