

**UNITED WAY OF DELAWARE COUNTY, INC.**

**DELAWARE COUNTY, OHIO**

*FINANCIAL STATEMENTS*  
JUNE 30, 2011 AND 2010

**WOLF, ROGERS, DICKEY & CO.**  
*Certified Public Accountants*

# Wolf, Rogers, Dickey & Co.

Certified Public Accountants

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## Independent Auditors' Report

To the Board of Directors of  
United Way of Delaware County, Inc.

We have audited the accompanying statements of financial position of the United Way of Delaware County, Inc. (United Way) (a non-profit organization) as of June 30, 2011 and 2010 and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the United Way's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Way of Delaware County, Inc. as of June 30, 2011 and 2010, 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.

*Wolf, Rogers, Dickey & Co.*

Certified Public Accountants

Delaware, Ohio  
October 5, 2011

**United Way of Delaware County, Inc.**  
**Statements of Financial Position**  
**June 30, 2011 and 2010**

<u>Assets</u>	<u>2011</u>	<u>2010</u>
Current assets:		
Cash	\$ 748,943	878,196
Investments	828,564	768,916
Pledges receivable, net	1,761,030	1,612,156
Prepaid expenses	<u>18,285</u>	<u>3,205</u>
Total current assets	3,356,822	3,262,473
Property and equipment, net	38,102	27,285
Other assets:		
Endowment cash	106,000	106,000
Deposits	<u>402</u>	<u>402</u>
Total other assets	<u>106,402</u>	<u>106,402</u>
	\$ <u>3,501,326</u>	<u>3,396,160</u>
 <b><u>Liabilities and Net Assets</u></b>  		
Current liabilities:		
Accounts payable	2,318	33,914
Due other counties and non United Way affiliates	385,223	341,279
Accrued expenses	25,290	10,754
Agency allocations	<u>2,361,010</u>	<u>2,209,669</u>
Total current liabilities	<u>2,773,841</u>	<u>2,595,616</u>
Net assets:		
Unrestricted	(854,782)	(822,756)
Temporarily restricted	1,476,267	1,517,300
Permanently restricted	<u>106,000</u>	<u>106,000</u>
Total net assets	<u>727,485</u>	<u>800,544</u>
	\$ <u>3,501,326</u>	<u>3,396,160</u>

The notes to the financial statements are an integral part of these financial statements.

**United Way of Delaware County, Inc.**  
**Statements of Activities**  
**For the Years Ended June 30, 2011 and 2010**

	2011			2010		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues:						
Campaign:						
Contributions	\$ -	3,423,727	3,423,727	-	3,475,176	3,475,176
Less non-United Way agencies	-	(358,708)	(358,708)	-	(351,679)	(351,679)
Less other United Way agencies	-	(18,995)	(18,995)	-	(18,819)	(18,819)
Less uncollectible pledges	-	(280,730)	(280,730)	-	(263,305)	(263,305)
Net campaign revenue	-	2,765,294	2,765,294	-	2,841,373	2,841,373
Net unrealized gain	44,180	-	44,180	5,578	-	5,578
Investment earnings	24,981	-	24,981	17,366	-	17,366
Fund raising sponsors	3,280	-	3,280	5,241	-	5,241
Net realized gain (loss)	(4,207)	-	(4,207)	438	-	438
Other	-	-	-	2,430	-	2,430
Net assets released from restrictions	2,806,327	(2,806,327)	-	2,607,278	(2,607,278)	-
Total revenues	2,874,561	(41,033)	2,833,528	2,638,331	234,095	2,872,426
Expenses:						
Program services	2,468,462	-	2,468,462	2,324,837	-	2,324,837
Management and general	284,775	-	284,775	245,198	-	245,198
Fundraising	153,350	-	153,350	186,516	-	186,516
Total expenses	2,906,587	-	2,906,587	2,756,551	-	2,756,551
Change in net assets	(32,026)	(41,033)	(73,059)	(118,220)	234,095	115,875
Net assets – beginning	(822,756)	1,517,300	694,544	(704,536)	1,283,205	578,669
Net assets – ending	\$ (854,782)	1,476,267	621,485	(822,756)	1,517,300	694,544
Net assets – permanently restricted			106,000			106,000
			\$ 727,485			800,544

The notes to the financial statements are an integral part of these financial statements.

**United Way of Delaware County, Inc.**  
**Statements of Functional Expenses**  
**For the Years Ended June 30, 2011 and 2010**

	<u>2011</u>				<u>2010</u>			
	<u>Program</u> <u>Services</u>	<u>Management</u> <u>and General</u>	<u>Fund-</u> <u>Raising</u>	<u>Total</u>	<u>Program</u> <u>Services</u>	<u>Management</u> <u>and General</u>	<u>Fund-</u> <u>Raising</u>	<u>Total</u>
Grants and allocations	\$ 2,361,010	-	-	2,361,010	2,239,338	-	-	2,239,338
Payroll and payroll taxes	57,670	168,329	101,449	327,448	35,911	136,799	133,090	305,800
Office and campaign	2,527	35,378	12,635	50,540	2,921	40,894	14,605	58,420
Professional fees	19,840	10,550	4,991	35,381	24,738	6,188	3,364	34,290
Office rent	5,648	11,295	5,647	22,590	5,250	10,500	5,250	21,000
Retirement plan contributions	2,780	8,953	4,700	16,433	1,932	7,491	7,132	16,555
Public relations	3,704	5,925	5,185	14,814	1,237	4,125	2,887	8,249
Travel and conference	3,444	6,889	3,444	13,777	2,500	6,875	3,125	12,500
Dues to United Way organizations and other	2,668	5,335	2,668	10,671	2,864	5,727	2,864	11,455
Printing and postage	-	7,170	2,390	9,560	-	4,111	1,371	5,482
Depreciation and amortization	2,021	4,043	2,021	8,085	2,200	4,398	2,200	8,798
Telephone	2,011	4,021	2,011	8,043	1,678	3,354	1,678	6,710
Employee benefits	1,409	4,105	2,479	7,993	1,731	6,592	6,413	14,736
Relocation	1,542	3,085	1,542	6,169	-	-	-	-
Investment fees	-	4,042	-	4,042	-	3,070	-	3,070
Loss on disposal of equipment	-	1,280	-	1,280	-	-	-	-
Other	<u>2,188</u>	<u>4,375</u>	<u>2,188</u>	<u>8,751</u>	<u>2,537</u>	<u>5,074</u>	<u>2,537</u>	<u>10,148</u>
	<u>\$ 2,468,462</u>	<u>284,775</u>	<u>153,350</u>	<u>2,906,587</u>	<u>2,324,837</u>	<u>245,198</u>	<u>186,516</u>	<u>2,756,551</u>

The notes to the financial statements are an integral part of these financial statements.

**United Way of Delaware County, Inc.**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Change in net assets	\$ (73,059)	115,875
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	8,085	8,799
Loss on disposal of property and equipment	1,280	-
Net realized (gain) loss on investments	4,207	(438)
Net unrealized (gain) on investments	(44,180)	(5,578)
(Increase) in pledges and other receivables	(148,874)	(256,973)
(Increase) decrease in prepaid expenses	(15,080)	5,601
Increase (decrease) accounts payable	(31,596)	27,934
Increase (decrease) in due other counties and non-United Way affiliates	43,944	(29,019)
Increase (decrease) in accrued expenses	14,536	(15,857)
Increase in agency allocations	<u>151,341</u>	<u>295,197</u>
Net cash provided by (used in) operating activities	(89,396)	145,541
Cash flows from investing activities:		
Purchase of equipment	(20,182)	(10,132)
Net purchase of investments	<u>(19,675)</u>	<u>(762,900)</u>
Net cash used in investing activities	<u>(39,857)</u>	<u>(773,032)</u>
Net change in cash and cash equivalents	(129,253)	(627,491)
Cash and cash equivalents – beginning of the year	<u>984,196</u>	<u>1,611,687</u>
Cash and cash equivalents – end of the year	<u>\$ 854,943</u>	<u>984,196</u>

The notes to the financial statements are an integral part of these financial statements.

**United Way of Delaware County, Inc.**  
**Notes to Financial Statements**  
**June 30, 2011 and 2010**

(1) Summary of Significant Accounting Policies

Organization

The United Way of Delaware County, Inc. (United Way) is a not for profit corporation organized to unite and mobilize community resources that will sustain improvement in the lives of individuals in Delaware County, Ohio. United Way is locally governed by a board of community volunteers.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. As required by the Not-For-Profit Presentation of Financial Statements topic of the FASB accounting standards codification assets and revenues, expenses, gains and losses are to be classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the United Way 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 may or will be met by either actions of the United Way and/or the passage of time.

Permanently restricted net assets

Net assets subject to donor-imposed stipulations that they will be maintained permanently by the United Way. Earnings on these assets are available for normal operating purposes.

Fair Value of Financial Instruments

The carrying value of cash and cash equivalents, accrued interest receivable, and contributions receivable approximates fair value because of the short maturity of these financial instruments. The fair value of investments and funds held in trust by others is disclosed in other notes and is based upon values provided by external investment managers or quoted market values. The carrying value of indebtedness approximates the fair value because these financial instruments bear interest rates which approximate current market rates for debt with similar terms.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in banks and certificates of deposit maturing within one year.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are stated at fair value. The cost assigned to investments received by gift is the fair value at the date the gift is received. Purchase and sales of securities are reflected on a trade-date basis. Gains

**United Way of Delaware County, Inc.**  
**Notes to Financial Statements, continued**  
**June 30, 2011 and 2010**

(1) Summary of Significant Accounting Policies, continued

Investments, continued

and losses on sales of securities are based on average historical value (cost of securities if purchased or the fair market value at the date of gift if received by donation). Dividends and interest income is recorded on this accrual basis. In accordance with the policy of stating investments at fair value, the net change in unrealized appreciation or depreciation for the year is reflected in the statement of activities.

The various investments in stocks, securities, mutual funds, and other investments are exposed to a variety of uncertainties, including interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the values of these instruments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the organization.

Contributions

Annual campaigns begin in the spring to raise funds for member agencies for the following calendar year. Campaign contributions received and receivable are recognized as support in the year the unconditional promise is made. The revenues are temporarily restricted as to time because they represent future payments by donors.

Allowance for Doubtful Accounts

The United Way uses the allowance method to estimate uncollectible receivables. The allowances are based on prior experience and management analysis of specific receivables and promises to give. If collections are made in excess of this allowance, the funds are available to be allocated to the member agencies with the next campaign.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets generally ranging from 5 to 7 years.

Donated Services

Contributed services are recorded when they meet the criteria of (1) creating or enhancing nonfinancial assets or (2) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. A large number of volunteers donate substantial amounts of time toward the campaign and the various program activities. Such services are not reflected in the financial statements, as those services do not meet this definition.

**United Way of Delaware County, Inc.**  
**Notes to Financial Statements, continued**  
**June 30, 2011 and 2010**

(1) Summary of Significant Accounting Policies, continued

Donor Designations

The United Way allows donors the choice to designate all or part of their contributions. Designations to specific not-for-profit organizations other than the United Way are deducted from contributions revenue. When the agency receives contributions designated for a specific purpose by the donor, a restricted fund is established.

Income Taxes

The United Way has been determined, by the Internal Revenue Service, to be exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as an entity that is not a private foundation within the meaning of section 509(a) and, as a result, a provision for taxes is not required. The United Way has adopted the provisions of the *Accounting for Uncertainty in Income Taxes* topic of the FASB Accounting Standards Codification, which became effective for years beginning after December 26, 2008. The United Way's tax returns for the years 2005 through 2010 are subject to examination by tax authorities. The United Way records interest and penalties, if any, in interest expense and other expense, respectively. During the years ended December 31, 2010 and 2009, the United Way did not have any interest or penalties related to taxes.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make assumptions which 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain 2010 amounts have been reclassified to conform to the 2011 presentation.

(2) Cash and Concentration of Credit Risk

Cash consists of the following at June 30:

	<u>2011</u>	<u>2010</u>
Checking and cash	\$ 509,069	953,512
Money market	250,504	30,684
Certificates of deposit	<u>95,370</u>	<u>-</u>
	<u>\$ 854,943</u>	<u>984,196</u>

The checking and certificates of deposit bear interest from .01% to .3%.

**United Way of Delaware County, Inc.**  
**Notes to Financial Statements, continued**  
**June 30, 2011 and 2010**

(2) Cash and Concentration of Credit Risk, continued

The United Way maintains its cash and cash equivalents in five accounts with three financial institutions. At times balances may exceed federally insured limits. All of the non-interest bearing cash balances were fully insured at June 30, 2011 due to a temporary federal program in effect from December 31, 2010 through December 31, 2012. Under the program, there is no limit to the amount of insurance for eligible accounts. Beginning 2013, insurance coverage will revert to \$250,000 per depositor at each financial institution, and the non-interest bearing balances may again exceed federally insured limits. Interest-bearing amounts on deposit in excess of federal insured limits at June 30, 2011 and 2010 are \$540 and \$677,411 respectively.

(3) Investments

Investments at June 30 were as follows:

	<u>2011</u>	<u>2010</u>
Cash	\$ 55,756	52,326
United States government agency obligations	236,087	246,839
Mortgages backed agencies	148,223	228,183
Municipal bonds	77,847	75,737
Corporate bonds	82,473	-
Mutual funds	228,178	131,118
Other	<u>-</u>	<u>34,713</u>
	<u>\$ 828,564</u>	<u>768,916</u>

Other investments are measured at fair value on a recurring basis as provided for in ASC 820-10-50, *Fair Value Measurements*. These assets are categorized as Level 1 because their valuation is based on quoted market prices in active markets for identical assets.

Investment accounts are insured up to \$500,000 under the Securities Investment Protection Corporation. At June 30, 2011 the United Way has uninsured balances totaling \$328,564.

(4) Pledges Receivable and Concentrations

Pledges receivable consist of the following at June 30:

	<u>2011</u>	<u>2010</u>
Pledges receivable	\$ 2,041,760	1,875,461
Less allowance for doubtful accounts	<u>(280,730)</u>	<u>(263,305)</u>
Net pledges receivable	<u>\$ 1,761,030</u>	<u>1,612,156</u>

The United Way receives substantially all of its revenue in the form of charitable contributions from individuals, businesses and other organizations who live or operate in Delaware County, Ohio. The contributions are solicited via annual fundraising campaigns in Delaware and nearby counties.

**United Way of Delaware County, Inc.**  
**Notes to Financial Statements, continued**  
**June 30, 2011 and 2010**

(4) Pledges Receivable and Concentrations, continued

A single employer's campaign resulted in 57% and 59% of contributions in 2011 and 2010, respectively. Additionally, this employer's receivables represent 55% and 56% of the total receivables at June 30, 2011 and 2010, respectively.

(5) Property and Equipment

Property and equipment consist of the following at June 30:

	<u>2011</u>	<u>2010</u>
Leasehold improvements	\$ -	1,525
Office equipment	102,690	85,895
Furniture and fixtures	<u>14,294</u>	<u>11,561</u>
Total property and equipment	116,984	98,981
Less accumulated depreciation	<u>(78,882)</u>	<u>(71,696)</u>
Net property and equipment	\$ <u>38,102</u>	<u>27,285</u>

(6) Leases

The United Way leases office space pursuant to a ten year operating lease commencing April 1, 2011 with an option to renew for five additional years. For the years ended June 30, the United Way will be required to make the following monthly rental payments: 2012 - \$3,340; 2013 - \$3,442; 2014 - \$3,544; 2015 - \$3,646; 2016 - \$3,748; 2017 - \$3,850; 2018 - \$3,952; 2019 - \$4,054; 2020 - \$4,156 and 2021 - \$4,258.

(7) Agency Allocations

In the first half of each calendar year the Board of Trustees approves allocations to member agencies for the upcoming July 1 to June 30 fiscal period. The amount allocated is a portion of the anticipated proceeds from the fall campaign. The United Way recognizes a liability to the member agencies at the time of Board approval. The liability may be adjusted by the Board depending on the collection of campaign pledges and the operations of the agency.

During the years ended June 30, 2011 and 2010, the Board approved allocations of \$2,361,010 and \$2,209,669, respectively. In addition, the United Way has received pledges which were designated by the donor to be paid to United Ways in other counties. These pledges totaled \$18,995 and \$18,819 as of June 30, 2011 and 2010, respectively, and are reflected as liabilities. The United Way also received pledges designated for unaffiliated agencies. These pledges totaled \$358,708 and \$351,679 as of June 30, 2011 and 2010, respectively, and are reflected as liabilities as well.

Member agencies received allocations for the July 1, 2011 to June 30, 2012 period which were recorded as an expense at June 30, 2011. Similarly, the July 1, 2010 to June 30, 2011 allocations were recognized as an expense at June 30, 2010:

**United Way of Delaware County, Inc.**  
**Notes to Financial Statements, continued**  
**June 30, 2011 and 2010**

(7) Agency Allocations, continued

	<u>2011</u>	<u>2010</u>
People In Need	\$ 307,233	302,888
American Red Cross	218,265	247,814
Liberty Community Center	215,905	225,553
Delaware Speech & Hearing	170,079	169,965
Big Brothers/Big Sisters	142,357	119,240
Directions for Youth Families	135,283	60,519
Council for Older Adults	132,032	124,802
Turning Point	112,284	110,098
Salvation Army	108,838	142,799
Action for Children	108,079	104,889
Helpline of Delaware & Morrow Counties	105,800	141,712
Grace Medical Clinic	88,464	-
Community Action	87,035	35,052
Senior Services for Independent Living	81,933	95,181
Family Promise	67,008	65,000
Maryhaven	49,865	50,693
Boy Scouts of America	43,651	40,440
Girl Scouts of Ohio's Heartland	39,519	40,369
Legal Aid Society	38,806	38,725
Heritage Day Health Centers	36,324	33,308
Marion Shelter Board	28,767	19,541
Concord Counseling	18,929	19,654
Friends of Delaware County - CASA	12,599	10,410
Delaware General Health District	<u>11,954</u>	<u>11,017</u>
 Total	 \$ <u>2,361,009</u>	 <u>2,209,669</u>

(8) Retirement Plan

The United Way has established a defined contribution retirement plan for its eligible employees. For fiscal 2011 and 2010, the Board designated 6% of each employees' gross wages from the prior fiscal year to be contributed to the plan. The Board has approved \$16,433 and \$16,555 contributions to the plan for the years ended June 30, 2011 and 2010, respectively.

(9) Beneficial Financial Support Held by Others

In 2002, the Community Foundation of Delaware County established a designated endowment fund on behalf of the United Way. The fund was established for the exclusive purpose of providing income for the United Way. The endowment is funded by outside donors and administered by the Foundation. No United Way deposits have been made to this fund through June 30, 2011. The income will be distributed not less than once annually under the Investment Policy of the Community Foundation. The fund need not make distributions when the assets of the fund are less than \$5,000. The value of the fund as of June 30, 2011 is approximately \$14,506. This amount is not included in these financial statements.

**United Way of Delaware County, Inc.**  
**Notes to Financial Statements, continued**  
**June 30, 2011 and 2010**

(10) Grant Program For Community Impact

In April 2008, the United Way partnered with a community investor to increase the number of Alexis de Tocqueville gifts. Individuals who may not have the ability to contribute at this level at this time, but may be able in future will have their gift “stepped up” by this grant. To qualify for the step up, an individual must commit to a multi-year pledge. This grant has been recorded as temporarily restricted until “stepped up” contributions are utilized from this grant.

(11) Permanently Restricted Net Assets

United Way has interpreted the Ohio enacted version of the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, United Way classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets, until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by United Way.

In accordance with UPMIFA, United Way considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of United Way and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of United Way
- The investment policies of United Way

As of June 30, 2011 and 2010, permanently restricted net assets consist of a charitable bequest of \$106,000.

(12) Fair Value Measurement

During the fiscal year ended June 30, 2011, United Way adopted ASC 820-10, *Fair Value Measurements and Disclosures*. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. ASC 820-10 applies to all assets and liabilities that are being measured and reported on a fair value basis. ASC 820-10 requires a new disclosure that establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosure about fair value measurements. This statement enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability

**United Way of Delaware County, Inc.**  
**Notes to Financial Statements, continued**  
**June 30, 2011 and 2010**

(12) Fair Value Measurement, continued

of the information used to determine fair values. The statement requires that assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Inputs to the valuation methodology include (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in inactive markets, (c) inputs other than quoted prices that are observable for the asset or liability, and (d) 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: Inputs to the valuation methodology are unobservable for the asset or liability, significant to the fair value measurement, and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant judgment or estimation.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

In determining the appropriate levels, United Way performs a detailed analysis of the assets and liabilities that are subject to ASC 820-10. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

The table below presents the balances of assets and liabilities as of June 30, 2011 measured at fair value on a recurring basis by level within the hierarchy:

	Level I	Level II	Level III	Total
Cash	\$ 55,756	-	-	55,756
United States governmental agency obligations	236,087	-	-	236,087
Mortgage backed agencies	148,223	-	-	148,223
Municipal bonds	77,847	-	-	77,847
Corporate bonds	82,473	-	-	82,473
Mutual funds	<u>228,178</u>	<u>-</u>	<u>-</u>	<u>228,178</u>
	<u>\$ 828,564</u>	<u>-</u>	<u>-</u>	<u>828,564</u>

**United Way of Delaware County, Inc.**  
**Notes to Financial Statements, continued**  
**June 30, 2011 and 2010**

(13) Subsequent Events

Subsequent events have been evaluated through October 5, 2011, which is the date the financial statements were available to be issued.