Tulsa Area United Way

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE

DECEMBER 31, 2018 and 2017

WITH

INDEPENDENT AUDITOR'S REPORT

HoganTaylor LLP
CPAs + ADVISORS

CONTENTS

HoganTaylor LLP
CPAs + ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Tulsa Area United Way

Report on the Financial Statements

We have audited the accompanying financial statements of Tulsa Area United Way, which comprise the statements of financial position as of December 31, 2018 and 2017, the related statements of activities, cash flows and functional expenses for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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. 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 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 Tulsa Area United Way as of December 31, 2018 and 2017, and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

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

Hogan Taylor LLP

Tulsa, Oklahoma
May 15, 2019

TULSA AREA UNITED WAY

STATEMENTS OF FINANCIAL POSITION

December 31, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 10,457,894	$ 10,004,091
Pledges receivable, net	14,855,285	16,947,998
Other receivables	25,838	74,777
Prepaid expenses	19,737	24,328
Other assets	76,000	54,500
Investments, at fair value	9,112,220	8,580,738
Beneficial interest in assets held by others	1,492,829	1,635,769
Land, building and equipment, net	415,043	416,763
Total assets	$ 36,454,846	$ 37,738,964
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	$ 49,376	$ 127,137
Allocations payable to agencies	19,692,462	19,877,966
Total liabilities	19,741,838	20,005,103
Net assets:		
Without donor restrictions	12,561,668	12,359,404
With donor restrictions:		
Restricted for specified purposes or time	3,151,340	4,374,457
Restricted in perpetuity - endowment	1,000,000	1,000,000
Total net assets	16,713,008	17,733,861
Total liabilities and net assets	$ 36,454,846	$ 37,738,964

See notes to financial statements.

TULSA AREA UNITED WAY

STATEMENTS OF ACTIVITIES

Years ended December 31, 2018 and 2017

	2018			2017		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenues						
Campaign revenue applicable to current fiscal year:						
Public support received - current year	$ 1,029,040	$ -	$ 1,029,040	$ 988,261	$ -	$ 988,261
Public support received in prior year - released from restrictions	5,333,208	(5,333,208)	-	5,145,183	(5,145,183)	-
Total public support - current year	6,362,248	(5,333,208)	1,029,040	6,133,444	(5,145,183)	988,261
Provision for uncollectible pledges	(1,289,161)	973,751	(315,410)	(1,102,596)	971,669	(130,927)
Total campaign revenue - current year	5,073,087	(4,359,457)	713,630	5,030,848	(4,173,514)	857,334
Campaign revenue applicable to next fiscal year:						
Public support	19,608,817	4,105,955	23,714,772	19,250,954	5,333,208	24,584,162
Less: donor designations to agencies	(642,720)	-	(642,720)	(718,255)	-	(718,255)
Less: allowance for uncollectible pledges	-	(954,615)	(954,615)	-	(973,751)	(973,751)
Total campaign revenue - to be used in next fiscal year	18,966,097	3,151,340	22,117,437	18,532,699	4,359,457	22,892,156
Contributions, other than campaign revenue	161,750	-	161,750	151,500	15,000	166,500
Grant revenue	27,343	-	27,343	26,416	-	26,416
Net investment return	43,128	-	43,128	323,894	-	323,894
In-kind donations	119,500	-	119,500	160,300	-	160,300
Miscellaneous	84,011	-	84,011	44,976	-	44,976
Net assets released from restrictions	15,000	(15,000)	-	18,747	(18,747)	-
Total public support and revenues	24,489,916	(1,223,117)	23,266,799	24,289,380	182,196	24,471,576
Program and Supporting Service Expenses						
Program services:						
Allocations, designations and other funding	21,141,014	-	21,141,014	20,982,460	-	20,982,460
Less: donor designations to agencies	(642,720)	-	(642,720)	(718,255)	-	(718,255)
Net allocations, designations and other funding	20,498,294	-	20,498,294	20,264,205	-	20,264,205
Community impact	840,513	-	840,513	849,671	-	849,671
Total program services	21,338,807	-	21,338,807	21,113,876	-	21,113,876
Supporting services:						
Fundraising	1,833,802	-	1,833,802	1,794,093	-	1,794,093
Management and general	1,115,043	-	1,115,043	1,129,099	-	1,129,099
Total supporting services	2,948,845	-	2,948,845	2,923,192	-	2,923,192
Total program and supporting service expenses	24,287,652	-	24,287,652	24,037,068	-	24,037,068
Change in net assets	202,264	(1,223,117)	(1,020,853)	252,312	182,196	434,508
Net assets - beginning of year	12,359,404	5,374,457	17,733,861	12,107,092	5,192,261	17,299,353
Net assets - end of year	$ 12,561,668	$ 4,151,340	$ 16,713,008	$ 12,359,404	$ 5,374,457	$ 17,733,861

See notes to financial statements.

TULSA AREA UNITED WAY

STATEMENTS OF CASH FLOWS

Years ended December 31, 2018 and 2017

	2018	2017
Cash Flows from Operating Activities		
Change in net assets	$ (1,020,853)	$ 434,508
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Provision for uncollectible pledges	(1,270,025)	(1,104,678)
Net unrealized and realized (gain) loss on investments	122,874	(181,180)
Depreciation expense	92,999	109,496
Change in assets and liabilities:		
Pledges receivable	3,362,738	1,957,266
Other receivables	48,939	(13,410)
Prepaid expenses	4,591	2,504
Other assets	(21,500)	(54,500)
Accounts payable and accrued expenses	(77,761)	(1,696)
Allocations payable to agencies	(185,504)	305,274
Net cash provided by operating activities	1,056,498	1,453,584
Cash Flows from Investing Activities		
Proceeds from maturities of investments	1,564,760	833,427
Purchases of investments	(2,076,176)	(553,545)
Purchases of equipment	(91,279)	(60,442)
Net cash provided by (used in) investing activities	(602,695)	219,440
Net change in cash and cash equivalents	453,803	1,673,024
Cash and cash equivalents, beginning of year	10,004,091	8,331,067
Cash and cash equivalents, end of year	$ 10,457,894	$ 10,004,091

See notes to financial statements.

TULSA AREA UNITED WAY

STATEMENTS OF FUNCTIONAL EXPENSES

Years ended December 31, 2018 and 2017

	2018				2017			
	Supporting Services				Supporting Services			
	Fundraising	Management and General	Community Impact	Total Functional Expenses	Fundraising	Management and General	Community Impact	Total Functional Expenses
Salaries	$ 990,286	$ 573,491	$ 554,384	$ 2,118,161	$ 1,037,913	$ 571,452	$ 535,440	$ 2,144,805
Employee retirement benefits	72,042	54,444	38,817	165,303	31,154	55,694	40,911	127,759
Other employee benefits	197,832	83,244	84,742	365,818	151,841	74,777	64,751	291,369
Payroll taxes and other	67,437	36,775	39,654	143,866	64,938	38,736	38,456	142,130
Total salaries and related expenses	1,327,597	747,954	717,597	2,793,148	1,285,846	740,659	679,558	2,706,063
Professional fees and contract services	29,333	46,759	22,527	98,619	6,575	42,216	65,316	114,107
Advertising and promotion	133,719	5,500	553	139,772	139,508	6,712	1,373	147,593
Office	9,262	29,758	3,326	42,346	8,943	35,499	2,579	47,021
Information technology	5,194	27,598	2,125	34,917	4,577	27,613	8,809	40,999
Maintenance and general occupancy	37,886	29,919	20,662	88,467	35,654	28,274	21,393	85,321
Equipment and service contracts	-	17,035	-	17,035	-	11,471	-	11,471
Travel	7,097	3,259	1,249	11,605	8,671	7,014	851	16,536
Subscriptions and organizational dues	4,316	13,065	10,310	27,691	4,268	11,203	7,449	22,920
Conferences, conventions and meetings	11,512	10,586	6,645	28,743	12,831	8,494	13,164	34,489
Special events	117,522	19,654	9,037	146,213	113,464	25,467	5,600	144,531
Special awards	2,577	119	1,294	3,990	13,814	261	1,678	15,753
United Way Worldwide dues	101,144	126,431	25,286	252,861	106,289	132,862	26,572	265,723
Depreciation	46,593	26,504	19,902	92,999	53,653	40,514	15,329	109,496
Miscellaneous	50	10,902	-	10,952	-	10,840	-	10,840
Total	$ 1,833,802	$ 1,115,043	$ 840,513	$ 3,789,358	$ 1,794,093	$ 1,129,099	$ 849,671	$ 3,772,863

See notes to financial statements.

Note 1 – Description of Organization and Summary of Significant Accounting Policies

Organization

Tulsa Area United Way (United Way) is a nonprofit, voluntary health and welfare organization formed to unite people and resources to improve lives and build a stronger community. United Way conducts an annual fundraising campaign and provides allocations to numerous partner agencies, funding for nonprofit organizations that collaborate to meet community challenges, venture grants to implement new and innovative solutions to social problems, and emergency funding in time of need. The management and administration is vested with a volunteer Board of Directors.

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 (U.S. GAAP). The financial statements do not include the accounts or activities of United Way's partner agencies.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net assets

Net assets are classified based on the existence or absence of donor-imposed restrictions as follows:

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations, other restrictions, or whose restriction has been fulfilled. Revenues are generally reported as increases in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Investment returns generated by unrestricted funds are classified as changes in net assets without donor restrictions.

With donor restrictions – Net assets whose use by United Way is subject to stipulations that can be fulfilled by actions of United Way or that expire with the passage of time. Net assets with donor restrictions also include amounts received or pledged in the current year annual campaign to fund subsequent year operations. When a restriction expires or is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) by United Way. These assets are held in an endowment fund investment account. There are no donor restrictions on the use of income earned on the account.

Cash and cash equivalents

United Way classifies all highly liquid investments with original maturities of three months or less as cash equivalents. Cash and cash equivalents are carried at cost, which approximates fair value.

Investments

Investments are presented at estimated fair value, based on quoted market prices. Income from, and gains or losses on, investments are reported as follows:

- Increases in net assets with donor restrictions if the terms of the gift that gave rise to the investment or applicable law require a portion of income or gains be added to the principal of a permanent endowment. Additionally, investment income is reported as an increase in net assets with donor restrictions if the terms of the gift or applicable law impose restrictions on the use of the income. United Way's endowment fund agreement does not restrict the use of its related income.

- Increases in net assets without donor restrictions in all other cases.

Generally, losses on the investments of restricted endowments reduce net assets with donor restrictions to the extent donor-imposed restrictions on net appreciation of investments have not been met before the loss occurs. Any remaining losses reduce net assets without donor restrictions, but can be restored through subsequent investment gains.

Credit and market risk

Financial instruments which potentially subject United Way to concentration of credit and market risk consist primarily of cash and cash equivalents, pledges receivable and investments.

United Way maintains its cash and cash equivalents in Federal Deposit Insurance Corporation bank deposit accounts with the exception of a collateralized daily sweep account. Daily balances on that account are collateralized by 102% of acceptable securities.

Pledges receivable are due from a large number of donors in the Tulsa area, including recurring donations from individuals and companies, and collection of such pledges receivable is subject to local economic conditions and events.

Investments, other than those in the endowment fund, are to be invested in short-term instruments which provide the ready availability of cash to fund operational needs while maximizing return, minimizing risk and ensuring appropriate safety of the funds. Upon approval by the United Way Finance and Audit Committee (the Committee), United Way may invest a certain percentage in longer term instruments, with maturities not to exceed 24 months. The percentage approved by the Committee as of December 31, 2018 is 15%.

Campaign pledges

United Way conducts an annual campaign to raise funds for allocations to Tulsa area partner agencies and funding to other social services organizations in the subsequent calendar year. Pledges are recorded as receivables upon receipt of formal pledge documentation and allowances are provided for amounts estimated to be uncollectible. The uncollectible estimate is based upon a historical loss percentage of total public support including donor designations as well as current economic conditions.

Functional expenses

Expenses are allocated to the various supporting services on a systematic basis. Depreciation expense is allocated to the various functions based on estimated facility usage.

All functions are charged for specific direct expenses, except for maintenance and general occupancy and salary expenses. Salary, maintenance and general occupancy expenses are allocated based on the individual personnel who work in each function.

Land, building and equipment

Land, building and equipment is reported at cost less accumulated depreciation. Donated fixed assets are recorded at fair value at the time of donation. Depreciation is based upon estimated useful lives ranging from 3 to 30 years using the straight-line method. Maintenance, repairs and minor replacements are expensed as incurred.

Long-lived asset impairment

United Way evaluates the carrying amount of its land, building and equipment on an annual basis or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable from cash flows generated by future activities. No impairments were recorded in 2018 or 2017.

Allocations to partner agencies

Prior to commencement of the campaign, funds are conditionally allocated to partner agencies and other social service organizations in accordance with United Way Community Investments Committee recommendations and Board of Directors authorization. Allocations are recognized as an expense and allocations payable in the year of the annual campaign as all substantive conditions related to the allocations have been satisfied. Contributions received with donor designations are shown as a reduction of revenues and expenses in "donor designations to agencies" on the statements of activities. These allocations are distributed to partner agencies and other social service organizations in the subsequent calendar year.

Income taxes

United Way is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined not to be a private foundation under Section 509(a) of the Code. As a result, as long as the United Way maintains its tax exemption, it will not be subject to income tax.

Donated services

Many volunteers donate substantial amounts of time toward the campaign, Community Investments Committee and various program activities. No amounts for these services are included in the financial statements, as a majority of these services do not require specialized skills as defined by the Financial Accounting Standards Board (FASB).

Accounting pronouncement adopted

In August 2016, the FASB issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*. The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions," (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investment expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. In addition, ASU 2016-14 removes the requirement that not-for-profit entities that chose to prepare the statements of cash flows using the direct method must also present a reconciliation (the indirect method). United Way adopted this ASU as of and for the year ended December 31, 2018.

New accounting pronouncement

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2018. United Way is evaluating the effect that the standard will have on the financial statements and related disclosures.

Subsequent events

Management has evaluated subsequent events through May 15, 2019, the date the financial statements were available to be issued.

Note 2 – Pledges Receivable

Pledges receivable consist of the following at December 31:

	2018	2017
Current-year campaign	$ 14,404,568	$ 16,720,577
Prior-year campaigns	2,404,219	2,200,138
Total pledges receivable	16,808,787	18,920,715
Allowance for uncollectible pledges	(1,953,502)	(1,972,717)
Pledges receivable, net	$ 14,855,285	$ 16,947,998

Note 3 – Investments

Investments consist of the following at December 31:

	2018	2017
Certificates of deposit	$ 9,112,220	$ 8,570,822
Equity securities	-	9,916
Endowment Fund investments:		
Beneficial interest in assets held by others:		
Cash management fund	68,900	48,142
Fixed income mutual funds	476,416	476,765
Equity mutual funds	878,552	1,021,934
Exchange-traded funds	68,961	88,928
	1,492,829	1,635,769
Total	$ 10,605,049	$ 10,216,507

Net investment return for the years ended December 31 consists of:

	2018	2017
Interest and dividend income	$ 166,002	$ 142,714
Net unrealized gain (loss)	(129,509)	179,856
Net realized gain	6,635	1,324
	$ 43,128	$ 323,894

Endowment funds

FASB provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). This guidance requires specific disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not the organization is subject to UPMIFA.

The Board of United Way has interpreted 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 net assets with donor restriction (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.

United Way's endowment funds consist of a donor-restricted endowment fund (Donor Endowment Fund) and a board-designated endowment fund (Designated Endowment Fund).

With respect to the Donor Endowment Fund, the spending policy allows for distributions of the lesser of 6% of the market value of the Donor Endowment Fund or the market value in excess of $1,000,000. In accordance with the donor's restrictions, the amount available for distribution cannot exceed an amount at any time that would have the effect of reducing the Donor Endowment Fund below $1,000,000. The spending policy for the Designated Endowment Fund allows for distributions up to a maximum of 6% of the market value of the Designated Endowment Fund.

The Donor Endowment Fund and Designated Endowment Fund's investments are in a fund (TCF Fund) with Tulsa Community Foundation (the Foundation). The fair value of United Way's investments in the TCF Fund was $1,492,829 and $1,635,769 at December 31, 2018 and 2017, respectively. In unusual circumstances of need or opportunity, United Way may request a distribution of all or a portion of the TCF Fund upon two-thirds vote of United Way's Board of Directors. The Foundation may grant the request if it concludes the distribution is neither unreasonable nor inconsistent with the charitable purposes of the Foundation and United Way; however, the Foundation has the ultimate unilateral authority over and control of all property in the TCF Fund.

From time to time, the fair value of assets associated with the Donor Endowment Fund may fall below the level that the donor or UPMIFA requires United Way to retain as a fund of perpetual duration. Deficiencies of this nature are reported in net assets with donor restrictions. There was no such deficiency in 2018 or 2017.

Endowment fund net assets by type as of December 31, 2018, consist of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment fund	$ 304,352	$ 1,000,000	$ 1,304,352
Board-designated endowment fund	188,477	-	188,477
	$ 492,829	$ 1,000,000	$ 1,492,829

Changes in endowment fund net assets for 2018 consist of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment fund net assets, January 1, 2018	$ 635,769	$ 1,000,000	$ 1,635,769
Investment return:			
Investment income	4,404	30,530	34,934
Net depreciation	(16,354)	(106,520)	(122,874)
Total investment return	(11,950)	(75,990)	(87,940)
Withdrawals	(55,000)	-	(55,000)
Transfers	(75,990)	75,990	-
Total change	(142,940)	-	(142,940)
Endowment fund net assets, December 31, 2018	$ 492,829	$ 1,000,000	$ 1,492,829

Endowment fund net assets by type as of December 31, 2017, consist of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment fund	$ 435,343	$ 1,000,000	$ 1,435,343
Board-designated endowment fund	200,426	-	200,426
	$ 635,769	$ 1,000,000	$ 1,635,769

Changes in endowment fund net assets for 2017 consist of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment fund net assets, January 1, 2017	$ 447,086	$ 1,000,000	$ 1,447,086
Investment return:			
Investment income	3,970	28,533	32,503
Net appreciation	21,883	159,297	181,180
Total investment return	25,853	187,830	213,683
Withdrawals	(25,000)	-	(25,000)
Transfers	187,830	(187,830)	-
Total change	188,683	-	188,683
Endowment fund net assets, December 31, 2017	$ 635,769	$ 1,000,000	$ 1,635,769

Fair value measurement

The fair value measurement standards establish a consistent framework for measuring fair value and a fair value hierarchy based on the observability of inputs used to measure fair value. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities.
- Level 2 – other significant observable inputs (including quoted prices for similar securities).
- Level 3 – significant unobservable inputs (including United Way's own assumptions in determining the value of investments).

Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market and listed securities for which no sales were reported on that date are valued at the last reported bid price.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Following is a summary of the inputs used in valuing United Way's securities carried at fair value:

	Fair Value Measurements			
As of December 31, 2018	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ 9,112,220	$ -	$ -	$ 9,112,220
Beneficial interest in assets held by others	-	1,492,829	-	1,492,829
	$ 9,112,220	$ 1,492,829	$ -	$ 10,605,049

	Fair Value Measurements			
As of December 31, 2017	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ 8,570,822	$ -	$ -	$ 8,570,822
Equity securities	9,916	-	-	9,916
Beneficial interest in assets held by others	-	1,635,769	-	1,635,769
	$ 8,580,738	$ 1,635,769	$ -	$ 10,216,507

Beneficial interest in assets held by others (Beneficial Interest) is measured at fair value using Level 2 inputs. Since the Foundation maintains variance power for the beneficial interests it holds, there is no potential market for the Beneficial Interest or similar assets. Consequently, the valuation is determined by aggregating the valuation of the underlying investments of the Beneficial Interest. The fair values of the underlying investments are based on quoted prices from active and inactive markets.

Note 4 – Land, Building and Equipment

Land, building and equipment consists of the following at December 31:

	2018	2017
Land	$ 146,587	$ 146,586
Land improvements	25,087	20,719
Building and improvements	2,912,781	2,875,060
Furniture and fixtures	130,954	122,208
Computer equipment and other	294,181	270,442
Automobiles	15,591	15,591
Total	3,525,181	3,450,606
Accumulated depreciation	(3,110,138)	(3,033,843)
Total land, building and equipment, net	$ 415,043	$ 416,763

Note 5 – Retirement Plan

United Way has a 403(b) defined contribution thrift plan in which substantially all employees are eligible to participate. Employees may contribute to the plan and their contributions are matched by United Way, dollar for dollar, up to 4%. Additionally, contingent upon approval by the Compensation Committee, United Way can choose to make a discretionary contribution to employees plans up to 4% of compensation, regardless of employee participation in the plan. United Way contributed $165,303 and $127,759 to the defined contribution thrift plan in 2018 and 2017, respectively.

Note 6 – Financial Assets and Liquidity Resources

As of December 31, 2018, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses, were as follows:

Assets:	
Cash and cash equivalents	$ 10,457,894
Pledges receivables, net	14,855,285
Other receivables	25,838
Investments, at fair value	9,112,220
Total financial assets available within one year	34,451,237
Less:	
Amounts unavailable for general expenditures within one year, due to:	
Donor-restricted for specified purposes	(3,151,340)
Allocations payable to agencies	(19,692,462)
Total financial assets available to management for general expenditures within one year	$ 11,607,435

United Way manages its liquidity so that financial assets are available as its general expenditures, liabilities, and other obligations come due. The United Way is supported primarily by contributions. Receivables are expected to be collected within one year.

SUPPLEMENTAL SCHEDULE

TULSA AREA UNITED WAY

SUPPLEMENTAL SCHEDULE OF ALLOCATIONS, DESIGNATIONS AND OTHER FUNDING

Years ended December 31, 2018 and 2017

	2018	2017
Allocations and Designations		
A New Leaf	$ 373,950	$ 373,950
Ability Resources	156,911	156,911
American Red Cross, Tulsa Chapter	550,000	550,000
Big Brothers Big Sisters of Oklahoma	309,217	309,217
Boy Scouts of America, Indian Nations Council	562,740	562,740
Bridges Foundation, The	232,000	232,000
Bristow Social Services	70,667	70,667
Broken Arrow Neighbors	80,192	80,192
Broken Arrow Seniors, Inc.	44,269	44,269
Camp Fire USA, Green Country Council	322,200	312,200
Caring Community Friends Inc. of Sapulpa	40,000	27,838
Center for Employment Opportunities	150,000	150,000
Center for Individuals with Physical Challenges, The	307,255	295,695
Child Abuse Network	249,000	249,000
Combined State Campaign Designations	-	7,951
Community Action Project of Tulsa County	658,894	658,894
Community Health Charities	-	30,814
Community Service Council	216,399	376,399
Community Service Council - Special 2-1-1 Funding	150,000	-
Community Service Council- MHSC & Planning Programs	131,600	-
Creek County Literacy Program	34,640	34,640
Crossroads	106,021	106,021
Crosstown Learning Center	140,000	140,000
Domestic Violence Intervention Services	910,000	962,995
Domestic Violence Intervention Services - Special Grant	62,000	50,000
Eastern Oklahoma Donated Dental Services, Inc.	90,000	80,000
Family & Children's Services	1,678,939	1,678,939
Girl Scouts of Eastern Oklahoma	364,994	364,994
Global Gardens	69,000	69,000
Goodwill Industries of Tulsa	479,365	479,365
Hospice of Green Country, Inc.	73,452	73,452
Hospice of Green Country, Inc. - Special Grant	50,000	50,000
KIPP Academy	372,500	372,500
Leadership Tulsa	17,250	17,000
Legal Aid Services of Oklahoma, Inc.	412,660	412,660
LIFE Senior Services	773,967	765,951
Mental Health Association	540,980	516,080
Mental Health Association - Special Grant	-	50,000
Miscellaneous and Other Agency Grant Funding	14,137	3,400
Morton Comprehensive Health Services	325,000	325,000
Morton Comprehensive Health Services - Special Grant	90,000	90,000

TULSA AREA UNITED WAY

SUPPLEMENTAL SCHEDULE OF ALLOCATIONS, DESIGNATIONS AND OTHER FUNDING (continued)

Years ended December 31, 2018 and 2017

	2018	2017
Allocations and Designations (continued)		
Okmulgee County Family Resource Center, Inc.	$ 129,634	$ 129,634
Okmulgee County Homeless Shelter	90,000	90,000
Okmulgee-Okfuskee County Youth Services	129,793	116,868
Operation Aware of Oklahoma	142,778	142,778
Other United Ways	-	18,516
Owasso Community Resources	67,213	67,213
Palmer	306,718	306,718
The Parent Child Center of Tulsa	590,254	590,254
Reading Partners	312,500	275,000
RSVP	78,913	78,913
Rogers County United Way	75,000	75,000
Show, Inc.	118,835	118,835
Salvation Army	1,394,596	1,394,596
Sand Springs Community Services	72,079	72,079
Street School	365,007	290,007
Tristesse Grief Center	75,000	75,000
TSHA, Inc.	216,681	216,681
Tulsa Advocates for the Rights of Citizens with Developmental Disabilities	171,341	176,341
Tulsa Boys' Home	343,495	343,495
Tulsa C.A.R.E.S.	469,536	433,385
Tulsa C.A.R.E.S. - Special Grant	50,000	-
Tulsa Community Work Advance	-	255,000
Tulsa Court Appointed Special Advocates	112,609	112,609
Tulsa Day Center for the Homeless	235,000	235,000
12 & 12, Inc.	300,000	300,000
Wagoner Area Neighbors	66,150	66,150
YMCA of Greater Tulsa	734,018	711,518
YWCA of Tulsa	428,018	428,018
Youth at Heart	230,300	230,300
Youth Services of Creek County	150,000	150,000
Youth Services of Tulsa	757,336	757,336
Youth Services of Tulsa - Special Grant	50,000	-
Total Allocations and Designations	19,473,003	19,387,978

TULSA AREA UNITED WAY

SUPPLEMENTAL SCHEDULE OF ALLOCATIONS, DESIGNATIONS AND OTHER FUNDING (continued)

Years ended December 31, 2018 and 2017

	2018	2017
Collaborative Initiatives and Other Special Funding		
A Way Home for Tulsa - Pathways Program	$ 100,000	$ 100,000
Anti Bullying Initiative	-	25,000
Broken Arrow Public Schools	35,000	-
Tulsa Campaign to Prevent Teen Pregnancy	60,000	120,000
City Year	100,000	100,000
Family & Children's Services - Community Response Team	106,011	106,011
Growing Together	-	100,000
Healthy Minds	20,000	-
ImpactTulsa	200,000	200,000
Madison Strategies/Work Advance	150,000	80,000
Safe Baby Court	80,000	80,000
STEM Alliance	70,000	60,000
Strong Tomorrows	409,000	317,000
Tulsa County Child Protection Center	42,500	42,500
Total Collaborative Initiatives and Other Special Funding	1,372,511	1,330,511
Innovation Grant Funding		
Caring Community Friends	-	37,000
Center for Employment Opportunities	85,000	-
First Step Male Diversion Program	-	71,250
Legal Aid Services of Oklahoma, Inc.	60,000	-
Mental Health Association	-	61,750
Tulsa Community WorkAdvance	150,500	80,000
Total Innovation Grant Funding	295,500	250,000
Total Allocations before Combined Federal Campaign	21,141,014	20,968,489
Combined Federal Campaign - Nonmember Agencies [(1)]		
Total CFC designations - Nonmember Agencies	-	13,971
Total allocations	21,141,014	20,982,460
Less donor designations to agencies	(642,720)	(718,255)
	$ 20,498,294	$ 20,264,205

[(1)] Beginning in fall 2017, United Way ceased to serve as the Principal Combined Fund Organization (PCFO) for the Greater Tulsa Area Combined Federal Campaign. The Combined Federal Campaign was reorganized under a web-based system that will act as a single giving system and eliminated the need for manual processing functions, previously performed by the PCFO.