

UNITED WAY OF GALVESTON, INC.

FINANCIAL STATEMENTS

**Years Ended December 31, 2018 and 2017
With Independent Auditors' Report**

UNITED WAY OF GALVESTON, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
United Way of Galveston, Inc.
Galveston, Texas

We have audited the accompanying financial statements of United Way of Galveston, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and 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 ("GAAP"); 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 ("GAAS"). 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 Galveston, Inc. as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with GAAP.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Allocations and Designations to Agencies and Schedule of Overhead Rate, are presented for purposes of additional analysis and are 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 audit 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the United Way of Galveston, Inc.'s 2017 financial statements, and our report dated June 26, 2018, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

August 9, 2019
Houston, Texas

UNITED WAY OF GALVESTON, INC.
STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2018	2017
Assets		
Current Assets:		
Cash and cash equivalents	\$ 978,243	\$ 715,896
Investments	598,211	840,647
Receivables:		
Pledges receivable, net of allowance for uncollectible pledges of \$30,000 and \$70,000	493,851	427,345
SECC reimbursement	28,991	25,023
Inventory	11,025	11,025
Total assets	\$ 2,110,321	\$ 2,019,936
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ -	\$ 3,566
Allocations payable to participating agencies	51,362	53,785
Designations payable (2018/2019 campaign)	265,809	248,140
Accrued expenses	136,917	-
Total liabilities	454,088	305,491
Net assets:		
Without donor restrictions:		
Inventory	11,025	11,025
Board designated	50,000	50,000
Operating	1,411,003	1,244,375
Total without donor restrictions	1,472,028	1,305,400
With donor restrictions	184,205	409,045
Total net assets	1,656,233	1,714,445
Total liabilities and net assets	\$ 2,110,321	\$ 2,019,936

See accompanying notes to financial statements.

UNITED WAY OF GALVESTON, INC.

STATEMENTS OF ACTIVITIES

Year ended December 31, 2018

(with comparative totals for the Year Ended December 31, 2017)

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>	<u>2017</u>
Revenue, gains, and other support:				
Gross campaign results (2018/2019)	\$ -	\$ 796,574	\$ 796,574	\$ -
Less donor designations - SECC	-	(298,666)	(298,666)	-
Less donor designations - SECC United Way	-	(265,809)	(265,809)	-
Less provisions for uncollectables	-	(30,854)	(30,854)	-
Net campaign revenues (2018/2019)	-	201,245	201,245	-
Gross campaign results (2017/2018)	876,248	(876,248)	-	876,248
Less donor designations - SECC	(336,637)	336,637	-	(336,637)
Less donor designations - SECC United Way	(248,140)	248,140	-	(248,140)
Less provisions for uncollectables	(70,000)	70,000	-	(70,000)
Net campaign revenues (2017/2018)	221,471	(221,471)	-	221,471
Net contributions received in prior year, released from restriction in current year	221,471	(221,471)	-	-
Additional campaign contributions from				
Prior years	375,874	-	375,874	187,651
Other contributions	142,768	-	142,768	67,712
Other income	35,071	-	35,071	6,021
Galveston county recovery	-	1,116,268	1,116,268	1,324,618
UTMB employee relief	-	-	-	198,053
GRF vision 2039	-	220,000	220,000	-
Net unrealized gain on investments	2,610	-	2,610	1,275
Investment income	13,957	-	13,957	9,043
Total revenue and other support	791,751	1,316,042	2,107,793	2,015,844
Expenses:				
Program services				
Direct aid	612,034	-	612,034	445,501
Less donor designations	(265,809)	-	(265,809)	(248,140)
Non-member designations	4,926	-	4,926	9,786
Galveston county recovery	-	1,240,509	1,240,509	1,141,250
UTMB employee relief	-	(915)	(915)	193,847
GRF vision 2039	-	301,288	301,288	-
Other distributions	-	-	-	67,162
Other program services	215,139	-	215,139	217,146
Total program services	566,290	1,540,882	2,107,172	1,826,552
Supporting services				
Management and general	33,930	-	33,930	55,464
Fund raising	24,903	-	24,903	29,871
Functional expenses	58,833	-	58,833	85,335
Total Expenses	625,123	1,540,882	2,166,005	1,911,887
Change in net assets	166,628	(224,840)	(58,212)	103,957
Net assets at beginning of year	1,305,400	409,045	1,714,445	1,610,488
Net assets at end of year	\$ 1,472,028	\$ 184,205	\$ 1,656,233	\$ 1,714,445

See accompanying notes to financial statements.

UNITED WAY OF GALVESTON, INC.

STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ (58,212)	\$ 103,957
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Net unrealized loss on investments	(2,610)	(1,673)
Interest earnings	(13,957)	(894)
Changes in net assets and liabilities:		
(Increase) decrease in pledges receivable	(66,506)	4,711
(Increase) decrease in other receivables	(3,968)	60,133
Increase (decrease) in accounts payable	133,351	431
Increase (decrease) in allocations payable to participating agencies	(2,423)	53,785
Increase (decrease) in designations payable	17,669	(16,216)
Net cash provided by operating activities	3,344	204,234
Cash flows from investing activities:		
Proceeds from sale of investments	259,003	29,634
Purchase of investments	-	(233,868)
Net cash provided by (used in) investing activities	259,003	(204,234)
Net increase in cash and cash equivalents	262,347	-
Cash and cash equivalents at beginning of year	715,896	715,896
Cash and cash equivalents at end year	\$ 978,243	\$ 715,896

See accompanying notes to financial statements.

UNITED WAY OF GALVESTON, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2018

(with comparative totals for the Year Ended December 31, 2017)

	<u>Direct Aid</u>	<u>Other Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>2017</u>
Operating Expenses Before Depreciation						
Salaries and Related Expenses:						
Salaries and wages	\$ -	\$ 106,393	\$ 15,423	\$ 6,411	\$ 128,227	\$ 134,015
Employee Benefits	-	16,760	2,430	1,010	20,200	15,906
Payroll Taxes	-	8,054	1,168	485	9,707	10,956
Total Salaries and Related Expenses	-	131,207	19,021	7,906	158,134	160,877
Other Expenses:						
Allocations to agencies	612,034	-	-	-	612,034	445,501
(Less donor designations)	(265,809)	-	-	-	(265,809)	(248,140)
Non-member designations	4,926	-	-	-	4,926	9,786
Other allocations	-	-	-	-	-	67,162
Galveston County Recovery	1,240,509	-	-	-	1,240,509	1,141,250
UTMB Employee Relief	(915)	-	-	-	(915)	193,847
GRF vision 2039	301,288	-	-	-	301,288	-
Bank Charges	-	956	-	-	956	1,949
Advertising	-	-	-	13,046	13,046	12,206
Community Awareness	-	16,977	-	-	16,977	14,907
Insurance	-	2,845	412	171	3,428	3,508
Membership Dues	-	2,737	397	165	3,299	3,322
Miscellaneous expenses	-	27,540	3,992	1,660	33,192	24,529
Occupancy Expenses	-	16,694	2,420	1,006	20,120	19,752
Information Technology	-	5,918	858	357	7,133	6,024
Office Supplies	-	6,859	994	413	8,266	11,482
Postage and Shipping	-	439	-	-	439	567
Professional Fees	-	-	34,372	-	34,372	59,853
Repairs and Maintenance	-	-	-	-	-	5,000
Telephone	-	2,968	430	179	3,577	3,528
SECC Reimbursement of Expenses	-	-	(28,966)	-	(28,966)	(25,023)
Total Other Expenses	1,892,033	83,933	14,909	16,997	2,007,872	1,751,010
Total Expenses	\$ 1,892,033	\$ 215,140	\$ 33,930	\$ 24,903	\$ 2,166,006	\$ 1,911,887

See accompanying notes to financial statements.

UNITED WAY OF GALVESTON, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

A. Organization, Nature of Activities and Significant Accounting Policies

Organization

United Way of Galveston, Inc., a nonprofit organization, was incorporated in the State of Texas in 1923. The Internal Revenue Service has determined that the United Way of Galveston, Inc. (the "Organization") is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code as an Organization described in Section 501(c)(3). It is classified as a public charity under Section 170(b)(1)(A)(vi). Also, the Comptroller of Public Accounts of the State of Texas has determined that the Organization is qualified for exemption from state franchise tax.

Nature of Activities

The Organization invests in a broad array of services that focus on developing children and youth to their full potential, creating strong families and safe neighborhoods, sustaining senior independence and supporting people rebuilding their lives. The Organization services touched over 22,000 lives in the community last year. In addition, the Organization connects people with services through 2-1-1 Texas in order to bring services closer to where people live.

The Organization's fundraising efforts include workplace campaigns, individual leadership giving programs, corporate giving, foundation grants, and special efforts to respond to emerging issues such as disaster recovery. Additionally, the Organization acts as the Local Campaign Manager for the local Galveston Area State Employees Charitable Campaign, soliciting funds from Texas State employees.

B. Summary of Significant Accounting Policies

A summary of the Organization's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Basis of Accounting

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

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

UNITED WAY OF GALVESTON, INC.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

B. Summary of Significant Accounting Policies – continued

Basis of Accounting – continued

Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- Net assets without donor restrictions – net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors.
- Net assets with donor restrictions – net assets subject to donor-imposed stipulations that specify a use for a contributed asset. When a donor stipulation has been satisfied the net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits and all short-term investments with a maturity of three months or less when purchased.

Investments

Investments are reported at fair value. Investment return is reported in the statement of activities as an increase in net assets without donor restriction unless the use of income is limited to donor imposed restrictions. Investments consist of certificates of deposits with a maturity of greater than three months when purchased.

Inventory

Inventory consists of recognition pins and is stated at the lower of cost or net realizable value.

Pledges Receivable

Contributions are recognized when the donor makes a promise to give the Organization that is, in substance, unconditional. Contributions with restrictions by the donor are reported as increases in net assets without restriction if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restriction.

The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made, as well as other factors anticipated to affect collections.

UNITED WAY OF GALVESTON, INC.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

B. Summary of Significant Accounting Policies – continued

Campaign Pledges and Designations

An annual fundraising campaign is conducted to obtain donations and pledges to fund the subsequent year's operations. Accordingly, a receivable is recorded at year end for outstanding campaign pledges with an allowance for amounts estimated to be uncollectable. Substantially all of the pledges receivables are from corporations and individuals.

Community-wide donations and pledges are recorded as donor restricted revenues in the campaign year and released into net assets without donor restriction as restrictions are satisfied in the subsequent year. Donor designated pledges are accounted for as a liability until disbursed to the designated agency. Those amounts are not accounted for as revenue by the Organization but are reported as part of campaign results from which the amounts are then deducted to arrive at campaign revenue.

Donor designated pledges are assessed a processing fee based on actual historical costs in accordance with United Way of America membership standards as outlined in their publication titled *United Way of America Implementation Requirements for Membership Standard M (cost deductions for designated Funds)*

Contributed Services

The amount of contributed services received in 2018 and 2017 was not material and therefore has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization.

Contributions

Contributions received are recorded as support with or without restriction depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the statement of activities and changes in net assets as net assets released from restrictions. All contributions are considered to be available for without donor restrictions use unless specifically restricted by the donor

Advertising costs

Advertising costs are expensed as incurred and amounted to \$13,046 in 2018 and \$12,206 in 2017.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, except on income derived from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

UNITED WAY OF GALVESTON, INC.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

B. Summary of Significant Accounting Policies – continued

Income Taxes – continued

The Organization's federal Exempt Organization Business Tax Returns (Form 990) for 2017, 2016, and 2015 are subject to examination by the IRS, generally for three years after they are filed.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

Concentrations

All of a depositor's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, are insured by the Federal Deposit Insurance Corporation ("FDIC") up to the standard maximum deposit insurance amount (\$250,000), for each deposit insurance ownership category. Additionally, cash and securities held by a customer at a Security Investor Protection Corporation ("SIPC") member brokerage firm are protected up to \$500,000, which includes a limit of \$250,000 for cash.

The Organization maintains cash and certificate of deposits at a financial institution. At December 31, 2018 and 2017, the Organization had approximately \$360,066 and \$64,751, respectively of cash balances that were not insured by FDIC. The Organization has not experienced any losses in such accounts and believe the future loss is mitigated by monitoring the balances and the financial institutions where the cash is deposited.

In addition, the Organization maintains cash and certificates of deposits held at a brokerage firm. At December 31, 2018 and 2017, the Organization had approximately \$281,466 and \$21,085, respectively in cash and certificate of deposit balances that were not insured.

Financial instruments also include pledges receivable amounting to \$493,851 and \$427,435 in 2018 and 2017 respectively, which, by their nature, are not collateralized. These receivables are due primarily from employees of the University of Texas Medical Branch ("UTMB") and other local businesses (Note B).

UNITED WAY OF GALVESTON, INC.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

B. Summary of Significant Accounting Policies – continued

Fair Values of Financial Instruments

Generally accepted accounting principles require that certain assets and liabilities be reported at fair value and establish a hierarchy that prioritizes inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2: Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The Organization had no level 3 assets or liabilities at December 31, 2018 and 2017.

The Organization has investments in Certificates of Deposit which are considered a Level 1.

The asset's 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.

New Accounting Pronouncement

During the year ended December 31, 2018, the Organization adopted Accounting Standards Update 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly.

UNITED WAY OF GALVESTON, INC.

NOTES TO THE FINANCIAL STATEMENTS (continued)

C. Pledges Receivable and Allowance for Uncollectible Pledges

Pledges receivable consist of pledges to be used to fund the subsequent years operating budgets including allocations to participating agencies. The current amount of \$30,000 and \$70,000 for uncollectible pledges is considered sufficient based on historical data and expectations at December 31, 2018 and 2017. The pledges are reported at fair value because of the short term nature of the receivables. The pledges are due within one year as follows.

	<u>2018</u>	<u>2017</u>
Pledges receivable 2016/2017	\$ -	\$ 116,139
Pledges receivable 2017/2018	112,230	381,206
Pledges receivable 2018/2019	411,621	-
Allowance for uncollectible	(30,000)	(70,000)
Net	<u>\$ 493,851</u>	<u>\$ 427,345</u>

D. Designated Net Assets Without Donor Restriction

The Board of Directors has designated net assets without donor restriction as follows:

Inventory – the reserve is made up of inventory of campaign and promotional items that remain at year-end and are accounted for in the asset area as inventory and in the net asset area as a component of net assets without donor restriction based on their value at year-end.

Board Appropriated – The reserve in the amount of \$50,000 used to fund a disaster relief fund as part of a Memo of Understanding between the Organization and The Galveston County Recovery Fund. These funds would be utilized in the event of a federally declared disaster in Galveston or Galveston County. The funds would be used to meet immediate needs of residents in the event of a disaster.

Net assets without donor restriction are illustrated on page 3 of the financial statements.

E. Net Assets With Donor Restriction

The restrictions on net assets at the end of 2018 and 2017 relate to pledges receivable for the subsequent years' allocations to participating agencies and its operating budget. The amount with donor restrictions at December 31, 2018 and 2017 is \$184,205 and \$409,045, respectively.

F. Employee Benefits Plan

The Organization offered health and dental care coverage for all full time employees. The Organization paid 100% of the premium for both health and dental coverage. Total premiums paid for 2018 and 2017 were \$20,199 and \$15,906, respectively.

UNITED WAY OF GALVESTON, INC.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

G. Functional Allocation of Expenses

The costs of providing the programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

H. Commitments and Contingencies

Leases

Subsequent to their lease agreement ending on June 30, 2019, the Organization signed an additional two-year lease agreement commencing on July 1, 2019, and continuing through June 30, 2021, for approximately 903 square feet of office space with the Waverly Holding Company. The lease calls for monthly rental payments on or before the first of the month. Monthly payments beginning on July 1, 2019, increased to \$1,625 from \$1,580. Total lease obligations excluding parking for 2019, 2020, and 2021 are \$19,230, \$19,500, and \$9,750 respectively.

Rental expenses amounted to \$20,120 in 2018 and \$19,752 in 2017.

I. Related Parties

The Organization performs fundraising and administrative functions for the area State Employees Charitable Campaign (“SECC”) and is reimbursed for expenses based on actual expenditures incurred relative to the campaign.

The results of the SECC campaign are then included in results of the corresponding United Way campaign and amounts designated by donors to member or non-member agencies are included in donor designations. Accordingly, only amounts pledged through the SECC campaign, which are available to the Organization for general allocations and costs, are included in the net campaign results.

J. Donor Designations

Designations payable include amounts held in custody by the Organization and pledges receivable which are payable to donor specific agencies as a result of campaigns run by the Organization for the State Employee Charitable Campaign (“Custodial Funds”). The United Way acts as an agent for this campaign and in accordance with Financial Accounting Standards Board Accounting Standards Codification 958-905 (formally SFAS 116 paragraph 9) does not record contribution revenue or allocation expense on the Statement of Activities. Any undistributed custodial funds as of the end of the period are recorded on the statement of financial position. In addition, designations payable includes campaign contributions from donors that have designated all or part of their contributions to specific agencies. For accounting purposes, these specific donor designations are not considered to be part of the total public support and are deducted from the campaign amount available to the Organization.

UNITED WAY OF GALVESTON, INC.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

J. Donor Designations – continued

Donor designations at December 31, 2018 and 2017, amounted to \$265,809 and \$248,140. This amount consists of donor designations made through the State Employees Charitable Contribution Campaign.

K. Liquidity and Availability of Resources

The Organization has \$1,472,094 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure consisting of cash and cash equivalents of \$978,243 and accounts receivable of \$493,851. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date.

L. Subsequent Events

Management has evaluated all subsequent events and transactions for potential recognition or disclosure through August 9, 2019, the date the financial statements were available for issuance.

ADDITIONAL FINANCIAL INFORMATION

UNITED WAY OF GALVESTON, INC.

SCHEDULE OF ALLOCATIONS AND DESIGNATIONS TO AGENCIES

For the Year Ended December 31, 2018

(with comparative totals for the Year Ended December 31, 2017)

	2018	2017
	<u> </u>	<u> </u>
Member Agencies Designations		
Access Care of Coastal Texas	\$ 2,785	\$ 3,777
ADA Womens Center	29,318	19,127
American Red Cross	8,249	1,576
Boy Scouts of America	28,566	19,448
Boys & Girls Club of Greater Houston	10,581	1,290
CASA of Galveston County	14,000	-
Catholic Charities	114,579	24,088
Child Advocacy Center of Galveston	19,502	26,186
Children's Center	9,047	9,091
Communities in Schools	1,241	1,923
Family Service Center	44,285	39,892
Galveston College Foundation	11,808	8,477
Galveston County - Big Brothers & Big Sister	19,248	15,093
Galveston County Food Bank	51,674	50,976
Galveston Island Meals on Wheels	23,858	21,832
GISD Education Foundation	24,745	18,425
Libbie's Place	14,366	19,341
Lone Star Legal Aid	10,520	-
Moody Early Childhood Center	35,760	-
NAMI Gulf Coast	15,166	8,349
Resource & Crisis Center	33,260	48,707
Salvation Army	40,175	36,659
St. Vincent's House	5,047	25,736
Sunshine Center, Inc.	24,570	19,307
Teen Health Center	14,929	12,680
Y.M.C.A. - Galveston Family	4,755	13,521
Total Member Designations	<u>612,034</u>	<u>445,501</u>
 Non-Member Designations	 <u>4,926</u>	 <u>9,786</u>
 Total Member and Non-Member Designations	 <u><u>\$ 616,960</u></u>	 <u><u>\$ 455,287</u></u>

UNITED WAY OF GALVESTON, INC.

SCHEDULE OF OVERHEAD RATE

For the Year Ended December 31, 2018

(with comparative totals for the Year Ended December 31, 2017)

	United Way of Galveston, Inc.	Custodial Funds	Eliminations	Adjusted Total	2017
Functional Expenses					
Management and general	\$ 33,930	\$ -	\$ -	\$ 33,930	\$ 55,464
Fundraising	24,903	-	-	24,903	29,871
Total Expenses	\$ 58,833	\$ -	\$ -	\$ 58,833	\$ 85,335
Revenue					
2017-2018 Campaign	\$ 375,874	\$ 564,475	\$ (336,637)	\$ 603,712	\$ 579,685
Other revenue	1,516,717	-	-	1,516,717	1,403,832
Investment income	13,957	-	-	13,957	9,043
Total Revenue	\$ 1,906,548	\$ 564,475	\$ (336,637)	\$ 2,134,386	\$ 1,992,560
				2.76%	4.28%

Note: The overhead rate is equal to functional expenses less program cost divided by total revenues, including the custodian funds. The Organization has calculated its overhead rate using the Gross Method, as established by a committee of Chief Financial Officers of United Ways from throughout the country, under which functional expenses less program costs are divided by total public support and other revenues without deductions of an allowance for uncollectible pledges and donor designated pledges. Program costs include an allocation of 40% of administrative expenses based on the Full-Time Equivalent Employee Method.