

TRIDENT UNITED WAY

FINANCIAL REPORT

JUNE 30, 2011

TRIDENT UNITED WAY

FINANCIAL REPORT

JUNE 30, 2011

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Trident United Way
North Charleston, South Carolina

We have audited the accompanying statements of financial position of Trident United Way 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 entity's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Trident United Way 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.

Hubbard Davis CPAs, LLP

September 12, 2011

TRIDENT UNITED WAY
STATEMENTS OF FINANCIAL POSITION
As of June 30, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 2,697,498	\$ 498,827	\$ -	\$ 3,196,325
Short term investments	670,231	-	-	670,231
Accounts receivable	16,324	55,365	-	71,689
Unconditional promises to give:				
Trident United Way 2010 Campaign (net of allowance of \$711,110)	3,230,832	-	-	3,230,832
Combined Federal 2010 Campaign (net of allowance of \$121,285)	-	668,356	-	668,356
Prepaid expenses	22,814	-	-	22,814
Restricted funds due to/due from	<u>(4,347,955)</u>	<u>4,347,955</u>	<u>-</u>	<u>-</u>
Total Current Assets	<u>2,289,744</u>	<u>5,570,503</u>	<u>-</u>	<u>7,860,247</u>
Property, Plant and Equipment				
Land	490,000	-	-	490,000
Building and improvements	1,581,675	-	-	1,581,675
Equipment and software	124,679	-	-	124,679
Vehicle	17,569	-	-	17,569
Accumulated depreciation	<u>(610,321)</u>	<u>-</u>	<u>-</u>	<u>(610,321)</u>
Total Property, Plant and Equipment	<u>1,603,602</u>	<u>-</u>	<u>-</u>	<u>1,603,602</u>
Long Term Assets:				
Investments	6,703,712	-	559,606	7,263,318
TOTAL ASSETS	<u>\$ 10,597,058</u>	<u>\$ 5,570,503</u>	<u>\$ 559,606</u>	<u>\$ 16,727,167</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 374,936	\$ 13,247	\$ -	\$ 388,183
Payroll taxes payable	31,466	-	-	31,466
Compensated absences	92,662	-	-	92,662
Deferred compensation	71,915	-	-	71,915
Employer retirement plan liability	12,053	-	-	12,053
Designations payable 2010 campaign:				
Combined Federal	-	387,182	-	387,182
Total Current Liabilities	<u>583,032</u>	<u>400,429</u>	<u>-</u>	<u>983,461</u>
NET ASSETS				
Unrestricted				
Undesignated	2,767,871	-	-	2,767,871
Designated by governing board	7,246,155	-	-	7,246,155
Temporarily restricted	-	5,170,074	-	5,170,074
Permanently restricted	-	-	559,606	559,606
TOTAL NET ASSETS	<u>10,014,026</u>	<u>5,170,074</u>	<u>559,606</u>	<u>15,743,706</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,597,058</u>	<u>\$ 5,570,503</u>	<u>\$ 559,606</u>	<u>\$ 16,727,167</u>

See accompanying notes and independent auditors' report.

TRIDENT UNITED WAY
STATEMENTS OF FINANCIAL POSITION
As of June 30, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 2,105,929	\$ 620,260	\$ -	\$ 2,726,189
Short term investments	403,369	-	-	403,369
Accounts receivable	80,716	52,424	-	133,140
Unconditional promises to give:				
Trident United Way 2009 Campaign (net of allowance of \$687,360)	3,083,062	-	-	3,083,062
Combined Federal 2009 Campaign (net of allowance of \$121,379)	-	692,818	-	692,818
Prepaid expenses	123,193	-	-	123,193
Restricted funds due to/due from	<u>(3,096,304)</u>	<u>3,096,304</u>	<u>-</u>	<u>-</u>
Total Current Assets	<u>2,699,965</u>	<u>4,461,806</u>	<u>-</u>	<u>7,161,771</u>
Property, Plant and Equipment				
Land	490,000	-	-	490,000
Building and improvements	1,554,657	-	-	1,554,657
Equipment	660,435	-	-	660,435
Vehicle	17,569	-	-	17,569
Accumulated depreciation	<u>(1,133,216)</u>	<u>-</u>	<u>-</u>	<u>(1,133,216)</u>
Total Property, Plant and Equipment	<u>1,589,445</u>	<u>-</u>	<u>-</u>	<u>1,589,445</u>
Long Term Assets:				
Investments	<u>5,022,777</u>	<u>891,012</u>	<u>467,528</u>	<u>6,381,317</u>
Total Long Term Investments	<u>5,022,777</u>	<u>891,012</u>	<u>467,528</u>	<u>6,381,317</u>
TOTAL ASSETS	<u>\$ 9,312,187</u>	<u>\$ 5,352,818</u>	<u>\$ 467,528</u>	<u>\$ 15,132,533</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 339,108	\$ 24,055	\$ -	\$ 363,163
Payroll taxes payable	5,623	-	-	5,623
Compensated absences	81,491	-	-	81,491
Deferred compensation	67,774	-	-	67,774
Employer retirement plan liability	36,299	-	-	36,299
Designations payable 2009 campaign:				
Combined Federal	-	367,786	-	367,786
Total Current Liabilities	<u>530,295</u>	<u>391,841</u>	<u>-</u>	<u>922,136</u>
NET ASSETS				
Unrestricted				
Undesignated	3,667,210	-	-	3,667,210
Designated by governing board	5,114,682	-	-	5,114,682
Temporarily restricted	-	4,960,977	-	4,960,977
Permanently restricted	-	-	467,528	467,528
TOTAL NET ASSETS	<u>8,781,892</u>	<u>4,960,977</u>	<u>467,528</u>	<u>14,210,397</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 9,312,187</u>	<u>\$ 5,352,818</u>	<u>\$ 467,528</u>	<u>\$ 15,132,533</u>

See accompanying notes and independent auditors' report.

TRIDENT UNITED WAY
STATEMENTS OF ACTIVITIES
Year Ended June 30, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE				
Gross results for Campaigns	\$ 8,810,165	\$ 1,516,795	\$ -	\$ 10,326,960
Less donor designations	<u>(1,071,343)</u>	<u>(1,181,255)</u>	<u>-</u>	<u>(2,252,598)</u>
Campaign revenue	7,738,822	335,540	-	8,074,362
Less provision for uncollectible	<u>(658,527)</u>	<u>(64,941)</u>	<u>-</u>	<u>(723,468)</u>
Net Campaign Revenue	<u>7,080,295</u>	<u>270,599</u>	<u>-</u>	<u>7,350,894</u>
Net fall campaign for next year	141,031	28,572	-	169,603
Net Campaign Transfers	37,942	(58,504)	20,562	-
Other contributions	111,188	31,480	-	142,668
Designations from other United Ways	36,880	-	-	36,880
Service fees	211,983	-	-	211,983
Grants and contracts	745,578	-	-	745,578
Rental income	199,774	-	-	199,774
Investment earnings	982,862	2,020	102,707	1,087,589
Miscellaneous income	<u>1,886</u>	<u>-</u>	<u>-</u>	<u>1,886</u>
Subtotal	9,549,419	274,167	123,269	9,946,855
Net assets released form restrictions:				
Program restrictions satisfied	<u>96,261</u>	<u>(65,070)</u>	<u>(31,191)</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>9,645,680</u>	<u>209,097</u>	<u>92,078</u>	<u>9,946,855</u>
EXPENSES				
Program Services:				
Community investment	4,384,445	-	-	4,384,445
Health	436,339	-	-	436,339
Education	544,569	-	-	544,569
Financial stability	253,556	-	-	253,556
Connecting the community	<u>1,295,173</u>	<u>-</u>	<u>-</u>	<u>1,295,173</u>
Total Program Services	<u>6,914,082</u>	<u>-</u>	<u>-</u>	<u>6,914,082</u>
Supporting Services:				
General administrative	287,314	-	-	287,314
Building expenses	180,341	-	-	180,341
Fund raising	<u>1,031,809</u>	<u>-</u>	<u>-</u>	<u>1,031,809</u>
Total Support Services	<u>1,499,464</u>	<u>-</u>	<u>-</u>	<u>1,499,464</u>
TOTAL EXPENSES	<u>8,413,546</u>	<u>-</u>	<u>-</u>	<u>8,413,546</u>
INCREASE IN NET ASSETS	1,232,134	209,097	92,078	1,533,309
Net Assets at Beginning of Year	<u>8,781,892</u>	<u>4,960,977</u>	<u>467,528</u>	<u>14,210,397</u>
NET ASSETS AT END OF YEAR	<u>\$ 10,014,026</u>	<u>\$ 5,170,074</u>	<u>\$ 559,606</u>	<u>\$ 15,743,706</u>

See accompanying notes and independent auditors' report.

**TRIDENT UNITED WAY
STATEMENTS OF ACTIVITIES
Year Ended June 30, 2010**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE				
Gross results for Campaigns	\$ 8,334,501	\$ 1,438,761	\$ -	\$ 9,773,262
Less donor designations	<u>(1,040,045)</u>	<u>(1,241,285)</u>	<u>-</u>	<u>(2,281,330)</u>
Campaign revenue	7,294,456	197,476	-	7,491,932
Less provision for uncollectible	<u>(649,237)</u>	<u>64,941</u>	<u>-</u>	<u>(584,296)</u>
Net Campaign Revenue	<u>6,645,219</u>	<u>262,417</u>	<u>-</u>	<u>6,907,636</u>
Net fall campaign for next year	140,066	965	-	141,031
Net Campaign Transfers	108,074	(108,074)	-	-
Other contributions	245,074	92,850	-	337,924
Designations from other United Ways	60,214	-	-	60,214
Service fees	356,057	-	-	356,057
Grants and contracts	304,516	-	-	304,516
Rental income	191,272	-	-	191,272
Investment earnings	489,929	1,021	(3,220)	487,730
Miscellaneous income	36,492	-	-	36,492
Subtotal	<u>8,576,913</u>	<u>249,179</u>	<u>(3,220)</u>	<u>8,822,872</u>
Net assets released form restrictions:				
Program restrictions satisfied	<u>259,182</u>	<u>(247,182)</u>	<u>(12,000)</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>8,836,095</u>	<u>1,997</u>	<u>(15,220)</u>	<u>8,822,872</u>
EXPENSES				
Program Services:				
Community investment	4,181,007	-	-	4,181,007
Health	93,712	-	-	93,712
Education	599,074	-	-	599,074
Financial stability	164,577	-	-	164,577
Connecting the community	<u>1,450,549</u>	<u>-</u>	<u>-</u>	<u>1,450,549</u>
Total Program Services	<u>6,488,919</u>	<u>-</u>	<u>-</u>	<u>6,488,919</u>
Supporting Services:				
General administrative	348,408	-	-	348,408
Building expenses	238,649	-	-	238,649
Fund raising	<u>1,148,436</u>	<u>-</u>	<u>-</u>	<u>1,148,436</u>
Total Support Services	<u>1,735,493</u>	<u>-</u>	<u>-</u>	<u>1,735,493</u>
TOTAL EXPENSES	<u>8,224,412</u>	<u>-</u>	<u>-</u>	<u>8,224,412</u>
INCREASE/(DECREASE) IN NET ASSETS	611,683	1,997	(15,220)	598,460
Net Assets at Beginning of Year	8,170,209	5,041,012	616,784	13,828,005
Removal of box cars	-	-	(216,068)	(216,068)
Change in donor restrictions	<u>-</u>	<u>(82,032)</u>	<u>82,032</u>	<u>-</u>
NET ASSETS AT END OF YEAR	<u>\$ 8,781,892</u>	<u>\$ 4,960,977</u>	<u>\$ 467,528</u>	<u>\$ 14,210,397</u>

See accompanying notes and independent auditors' report.

STATEMENTS OF FUNCTIONAL EXPENSES
TRIDENT UNITED WAY
Year Ended June 30, 2011

	Program						Administrative Cost			Fund-raising	Total Support Expense	Total Expenses
	Community Investment	Health	Education	Financial Stability	Connecting the Community	Program Total	Admin	Building	Total Admin			
Expenses												
Salaries and benefits \$	443,871	\$ 303,449	\$ 420,211	\$ 166,990	\$ 797,103	\$ 2,131,624	\$ 163,758	\$ 21,686	\$ 185,444	\$ 705,116	\$ 890,560	\$ 3,022,184
Professional and contract services	48,505	63,003	19,122	55,190	184,830	370,650	43,180	33,736	76,916	83,058	159,974	530,624
Media	33,993	718	526	-	49,047	84,284	570	-	570	2,129	2,699	86,983
Supplies	6,106	3,327	18,518	1,812	17,327	47,090	11,879	1,689	13,568	20,096	33,664	80,754
Telephone	3,615	6,266	9,579	1,485	8,410	29,355	3,259	2,118	5,377	5,787	11,164	40,519
Postage	3,343	153	1,313	48	7,331	12,188	4,025	5	4,030	19,627	23,657	35,845
Rent	-	-	3,000	-	23,545	26,545	-	-	-	-	-	26,545
Insurance	1,015	922	1,022	385	1,952	5,296	338	14,660	14,998	1,434	16,432	21,728
Utilities	6,287	5,709	6,189	2,384	23,436	44,005	2,092	44,647	46,739	8,878	55,617	99,622
Equipment rent and maintenance	4,664	16,192	2,255	9,394	8,354	40,859	10,722	15,826	26,548	2,322	28,870	69,729
Occupancy	157	143	366	60	2,494	3,220	2,363	15,128	17,491	222	17,713	20,933
Printing	19,739	40	1,129	1,808	63,279	85,995	6,915	-	6,915	56,988	63,903	149,898
Dues, subscriptions and publications	18,183	15,994	17,642	6,643	52,049	110,511	12,349	1,232	13,581	27,018	40,599	151,110
Travel	1,594	2,120	31,462	2,287	8,024	45,487	4,681	85	4,766	19,269	24,035	69,522
Meetings and conferences	52,329	3,817	4,706	1,252	42,645	104,749	8,885	141	9,026	66,314	75,340	180,089
Training	224	-	2,777	2,042	(2,881)	2,162	2,196	-	2,196	2,685	4,881	7,043
Miscellaneous	23,573	10,760	148	-	665	35,146	507	732	1,239	(1,892)	(653)	34,493
Depreciation	5,261	3,726	4,604	1,776	7,563	22,930	1,644	28,656	30,300	7,458	37,758	60,688
Bank charges	-	-	-	-	-	-	7,951	-	7,951	5,300	13,251	13,251
Allocations-agency designations	3,711,986	-	-	-	-	3,711,986	-	-	-	-	-	3,711,986
Total Expenses	\$ 4,384,445	\$ 436,339	\$ 544,569	\$ 253,556	\$ 1,295,173	\$ 6,914,082	\$ 287,314	\$ 180,341	\$ 467,655	\$ 1,031,809	\$ 1,499,464	\$ 8,413,546
Prior year totals	\$ 4,181,007	\$ 93,712	\$ 599,074	\$ 164,577	\$ 1,450,549	\$ 6,488,919	\$ 348,408	\$ 238,649	\$ 587,057	\$ 1,148,436	\$ 1,735,493	\$ 8,224,412

See accompanying notes and independent auditors' report.

STATEMENTS OF FUNCTIONAL EXPENSES
TRIDENT UNITED WAY
Year Ended June 30, 2010

	<u>Program</u>						<u>Administrative Cost</u>				<u>Total Support Expense</u>	<u>Total Expenses</u>	
	<u>Community Investment</u>	<u>Health</u>	<u>Education</u>	<u>Financial Stability</u>	<u>Connecting the Community</u>	<u>Program Total</u>	<u>Admin</u>	<u>Building</u>	<u>Total Admin</u>	<u>Fund-raising</u>			
Expenses													
Salaries and benefits	\$ 196,814	\$ 65,755	\$ 461,907	\$ 124,301	\$ 694,761	\$ 1,543,538	\$ 184,439	\$ 64,392	\$ 248,831	\$ 774,368	\$ 1,023,199	\$ 2,566,737	
Professional and contract services	29,310	20,725	43,149	9,055	416,492	518,731	30,331	49,469	79,800	4,187	83,987	602,718	
Media	-	30	1,574	4,950	81,639	88,193	12,288	-	12,288	36,399	48,687	136,880	
Supplies	2,100	263	12,033	6,745	17,599	38,740	26,347	1,456	27,803	67,579	95,382	134,122	
Telephone	1,862	281	4,610	819	14,948	22,520	10,744	452	11,196	6,970	18,166	40,686	
Postage	231	-	1,621	107	2,460	4,419	3,515	-	3,515	15,191	18,706	23,125	
Rent	-	-	-	-	22,859	22,859	-	-	-	-	-	22,859	
Insurance	1,052	93	3,232	375	6,745	11,497	7,206	249	7,455	4,130	11,585	23,082	
Utilities	2,892	1,211	6,359	1,301	19,648	31,411	2,747	50,586	53,333	9,827	63,160	94,571	
Equipment rent and maintenance	-	-	7,010	-	1,788	8,798	15,784	1,937	17,721	-	17,721	26,519	
Occupancy	560	101	1,796	687	15,456	18,600	1,737	38,883	40,620	2,541	43,161	61,761	
Printing	1,515	8	6,322	3,725	58,328	69,898	9,560	-	9,560	76,098	85,658	155,556	
Dues, subscriptions and publications	8,284	1,667	15,954	2,487	23,056	51,448	14,646	2,333	16,979	29,543	46,522	97,970	
Travel	1,069	532	14,765	2,931	10,411	29,708	5,034	116	5,150	18,901	24,051	53,759	
Meetings and conferences	12,333	1,139	4,046	14	38,877	56,409	8,907	-	8,907	60,888	69,795	126,204	
Training	4,903	40	2,663	2,100	480	10,186	9,474	-	9,474	2,309	11,783	21,969	
Miscellaneous	14,901	1,052	6,730	2,962	14,845	40,490	2,070	1,222	3,292	16,855	20,147	60,637	
Depreciation	3,621	815	5,303	2,018	10,157	21,914	3,337	27,554	30,891	11,850	42,741	64,655	
Allocations-agency designations	3,899,560	-	-	-	-	3,899,560	242	-	242	10,800	11,042	3,910,602	
Total Expenses	\$ 4,181,007	\$ 93,712	\$ 599,074	\$ 164,577	\$ 1,450,549	\$ 6,488,919	\$ 348,408	\$ 238,649	\$ 587,057	\$ 1,148,436	\$ 1,735,493	\$ 8,224,412	
Prior year totals	\$ 3,942,415	\$ 68,748	\$ 338,717	\$ 169,818	\$ 1,547,201	\$ 6,066,899	\$ 541,329	\$ 173,066	\$ 714,395	\$ 1,081,554	\$ 1,795,949	\$ 7,862,848	

See accompanying notes and independent auditors' report.

TRIDENT UNITED WAY
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 1,533,309	\$ 598,460
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	60,688	64,655
Realized/unrealized (gain) loss on sale of assets	(906,557)	(323,788)
Cash restricted by donors or time	92,078	17,217
Bad debt	723,468	584,296
(Increase) decrease in operating assets		
Accounts receivable	61,451	(20,207)
Unconditional promise to give:		
Trident United Way Campaign	(147,770)	263,206
Combined Federal Campaign	24,462	(101,877)
Prepaid expenses	100,379	(123,193)
Increase (decrease) in operating liabilities		
Accounts payable	25,020	(36,522)
Payroll taxes payable	25,843	(84,922)
Compensated absences	11,171	15,819
Deferred compensation	4,141	38,186
Employer retirement plan liability	(24,246)	(5,560)
Designations payable:		
Combined Federal Campaign	19,396	(29,778)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,602,833</u>	<u>855,992</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Equipment and software purchase	(74,845)	(15,344)
Sale of box cars	-	54,044
Sale/purchase of investments, net	(1,057,852)	(1,590,916)
NET CASH USED BY INVESTING ACTIVITIES	<u>(1,132,697)</u>	<u>(1,552,216)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	470,136	(696,224)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,726,189</u>	<u>3,422,413</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 3,196,325</u>	<u>\$ 2,726,189</u>
Interest expense	\$ <u>-</u>	\$ <u>-</u>
Income taxes	\$ <u>-</u>	\$ <u>-</u>

See accompanying notes and independent auditors' report.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Trident United Way (the Organization or TUW) is seen and valued by the community as a central convener establishing the community's strategic social services agenda and facilitation of the development and implementation of that agenda within five (5) program areas: Education, Income (Financial Stability), Health, Safety Net and Connecting the Community. In addition, financial support to programs providing health and human services directly aligned to the agenda are distributed through the Community Investments process. The Organization is supported primarily through an annual campaign with local employers, individuals, federal and state grants, fees for services, and the other United Way organizations. The following is a brief description of the program areas:

Community Investments

Community Investment is the process by which Trident United Way, guided by hundreds of volunteers, determines how best to invest the financial resources contributed by donors in programs that help people in need in the tri-county community.

Trident United Way is focused on the issues of education, financial stability and health. These are the building blocks of a good life, a quality education that leads to a stable job that provides enough income to raise a family and maintain good health.

Hundreds of volunteers and partner organizations from throughout Berkeley, Charleston and Dorchester counties worked with Trident United Way this year to re-focus our efforts around broad community goals. These goals are to slash the dropout rate by 60%, reduce the number of people at or near poverty by 30% and boost the number of people living healthy by 25%, all by 2020 that form the bedrock of TUW's work going forward.

Trident United Way has an unwavering commitment to two principles that underlie all community investments: fiscal responsibility and measurable results. Volunteers are trained by staff to invest community dollars in programs that measurably improve people's lives.

Trident United Way invests about \$7 million in programs measurably helping people in need in our community. The Organization also forwards roughly \$2.2 million in gifts designated by donors to other organizations.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Education

Trident United Way's Education initiatives are aimed at helping young children prepare to succeed in school and graduate high school. These twin goals are the first step in becoming healthy, happy and productive citizens.

Trident United Way invested \$2.2 million in education programs, including nearly \$1 million in its innovative Links to Success, a research-backed, school-based academic success initiative that brings academic and non-academic programs into low-performing schools. The initiative has produced impressive results of 87% of the children in the programs have improved their reading test scores and 83% improved their math test scores because multiple partner organizations work closely with the schools themselves to deliver specific services directly to at-risk children.

A special service provided by Trident United Way for the last decade is Child Care Resource & Referral (CCR&R), which helps thousands of families find the child care that's right for them and works with child care providers to improve the quality of their services. CCR&R has helped local child care providers earn national accreditation.

Our partners achieved notable quantifiable results. At the Big Brother Big Sisters program, operated by Carolina Youth Development Center, 73% of at-risk "littles" abstained from anti-social behavior. Nearly all of the girls at Florence Crittenton's Residential Program improved both their math and reading scores. All of the women in MUSC's Family Literacy program increased the amount of time they spent reading with their babies.

Financial Stability

Trident United Way's Financial Stability initiatives are aimed at helping families become financially stable and begin to build financial assets.

Trident United Way invested nearly \$1 million dollars in programs that help people build financial assets. Among these is a partnership among TUW, Trident Urban League and the IRS to provide free tax preparation services to hard-working low- and moderate-income families. The Volunteer Income Tax Assistance (VITA) program helped 2,700 families claim \$3 million in credits and refunds, and avoid unscrupulous tax preparers that charge outrageous fees and push unnecessary and expensive "rapid refund" loans.

Trident United Way also works to create efficiency in the provision of emergency assistance, like food, clothing and shelter, and to avoid duplication of services. Nowhere is this more evident than in TUW's partnership with Human Needs Network to bring to the community Charity Tracker, a web-based tracking system that helps streamline services by connecting all area providers of basic needs to one online system. Agencies and churches have partnered to help 20,000 families claim nearly \$3 million in emergency aid for rent, utilities and medications.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Financial Stability - Continued

Trident United Way also helped to bring The Benefit Bank to the Lowcountry. Partnering with the state Office of Rural Health and dozens of agencies that provide food, clothing and shelter, Benefit Bank is a web-based service that helps people determine their eligibility for work supports and complete applications for them all at once. Benefit Bank now serves people at dozens of sites in the three counties with the help of eight AmeriCorps members selected for duty by TUW.

To ensure its services are available throughout the tri-county area's 2,500 square miles, TUW operates services centers in Berkeley and Dorchester Counties. The Dorchester Service Center in downtown Summerville houses 13 programs serving 26,000 clients in 2009. The Berkeley Service Center in downtown Moncks Corner houses 18 programs serving 17,000 clients in 2009.

Our funded partners have produced some impressive results. Ninety-five percent of developmentally disabled clients of the Berkeley Industries Skills Transition program at Berkeley Citizens, Inc. held jobs and 93% of them improved their vocational skills. Eighty-six percent of the clients in Crisis Ministries' Transitional program gained the resources, usually through employment, to move into community housing. Of the 61 clients of Trident Literacy Association's Adult Education program who took the GED exam, 53 passed.

Health

Trident United Way's Health initiatives focus on helping people get the right care in the right place at the right time. Specifically, TUW is working to improve access to health care and to help reduce the incidence of preventable chronic diseases in our community.

Most notable is TUW's work convening an unprecedented collaboration of area health care providers in an effort to provide care to low-income uninsured people in a more comprehensive and cost-effective way. Known as AccessHealth and funded by TUW, area hospitals and a three-year \$750,000 Duke Endowment grant, AccessHealth has already begun connecting people to the care they need. Because the cost of care for uninsured patients is ultimately borne by everyone else, AccessHealth could eventually help slow the increase in your health care costs.

Funded partners working to improve people's health have demonstrated measurable results. Wellvista's Smiles for a Lifetime program taught 99% of the 339 children they saw how to properly brush their teeth. Two-thirds of them improved their oral hygiene. Clients of Tri-County Project Care reduced their ER visits by half. Nearly half of the diabetes patients seen through Palmetto Project's AccessNET implemented self-care plans to avoid complications and hospitalization.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Basic Needs

Through its Safety Net program area, Trident United Way funds 25 programs offering safety net services with more than \$1.5 million. In addition, TUV administered federal grants to roughly 40 agencies helping people in the direst need.

Connecting the Community

Trident United Way creates systems to inform and mobilize the community, with particular emphasis on promoting volunteerism in the tri-county region. The Connecting the Community program area is anchored by 2-1-1 Hotline, which allows residents of the Lowcountry to get or give help 24-hours-a-day. Employing the state's most comprehensive and up-to-date database of community resources, 2-1-1 Hotline is free and confidential, and served more than 56,000 callers in 2010. Most of the calls are for help with basic needs, but 2-1-1 also answers calls about child abuse, suicide and other crises.

The volunteer aspect of 2-1-1 Hotline's work starts with Trident United Way's Day of Caring, consistently the largest Day of Caring in the nation. In 2010, 7,100 people volunteered on Sept. 11 at 400 projects around the three counties. That outpouring of support is worth \$1 million in labor and supplies and has been documented to incite further volunteerism throughout the year by both companies and individuals. Those interested in other volunteer opportunities can dial 2-1-1, search online, or consult the Go Volunteer guide, a comprehensive volunteer opportunity compendium published annually by TUV.

Trident United Way also organizes Tri-county Youth Service Day, a Day of Caring for teens, in April. Roughly 2,000 youth participated in 2010. Research shows that children who volunteer in their community are significantly more likely to continue volunteering into adulthood.

Begun just this past year, Trident United Way Corporate Volunteer Council (CVC) already comprises 40 company representatives and boasts a national award from the Points of Light Foundation. CVC is a robust effort to help local companies make community service part of their corporate culture.

Funded partners working to connect people to resources have demonstrated measurable results. The Red Cross's Retired & Senior Volunteer Program (RSVP) connected more than 1,700 volunteers to non-profit agencies, helping 73% of them increase their volunteer base. More than half of the participants in the Red Cross's Volunteer Services program decided to volunteer elsewhere as well.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Communication

Most of Trident United Way's work involves developing and funding programs that achieve measurable results, fostering collaborations, and strengthening systems that lead to greater effectiveness and efficiency. However, the organization also dedicates resources to educating the community about human service issues and potential solutions. TUV dedicates one percent of revenues to communicating with the community and reporting to donors about the measurable difference their contributions are making in people's lives. In 2010, TUV partnered with area media for nearly a quarter of a million dollars-worth of time, space, visits and views at a cost of roughly \$50,000, a payoff of roughly \$5 for every dollar spent.

Communication with donors is a year-round effort, starting with monthly email newsletter, the One Minute Update. TUV updates its website (tuw.org) daily and posts new information even more frequently on its Facebook (facebook.com/TridentUnitedWay) and Twitter (twitter.com/TridentUWay) pages. Through these various tools, TUV aims to report on its work to donors, potential donors and the community-at-large and to raise awareness of the myriad community resources available to those in need and seeking the support of those who have the ability to help.

Trident United Way also provides limited technical PR and marketing assistance to funded partners. TUV has helped partner organizations access free advertising, engage the probono services of marketing communications agencies, develop marketing plans for fundraising events and connect with news media. In the past year, United Way marketing support helped the Food Bank double the size of its largest food drive and win a national competition for \$100,000 in WalMart contributions, \$70,000 of which went to the Food Bank and \$30,000 of which went to The Benefit Bank.

Finance

Uniquely in the non-profit sector, United Way allows its donors to self-direct their gifts to the 501(c)(3) charities of their choosing. After accounting for its administrative costs, Trident United Way distributes every designated dollar it collects.

Combined Federal Campaign

Trident United Way serves the community by administering the Combined Federal Campaign (CFC), the charity fundraising campaign of federal government employees. Built on the "donor choice" model, CFC provides thousands of local military and non-military federal employees contribute to any of 3,000 local, national and international charities of their choice. In 2010, federal employees contributed \$1.5 million through the local Coastal Carolina CFC.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Basis of Presentation

The Organization prepares financial statements in accordance with FASB Accounting Standards Codification (ASC) 958-205; the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

In accordance with FASB ASC 958-205, Endowments of Not-for-Profit Organizations: net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds), the Organization has determined it is subject to the Uniform Prudent Management of Institutional Funds Act of 2006, which requires the Organization to classify a portion of a donor-restricted endowment fund of perpetual duration as permanently restricted net assets, unless stated otherwise in the gift instrument by the donor. These gift instruments are donor-restricted assets until appropriated for expenditure by the Organization.

Revenue Recognition

In accordance with Standards FASB ASC 958-50, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the absence or existence and nature of any donor restrictions. Contributions received and unconditional promises to give are measured at their fair value and are reported as increases in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions.

Estimates

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

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash equivalents include money market funds and certificates of deposit valued equally with cash.

Donated Materials and Services

Donated land, buildings, equipment, investments, and other noncash donations are recorded as contributions at their fair market value at their date of donation. The Organization reports the donations as unrestricted support, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets must be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Donated Materials and Services - Continued

donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Investments

Investments consist primarily of assets invested in marketable equity and debt securities, alternative investments, commodities, and money-market accounts. The Organization accounts for investments in accordance with FASB ASC 958-320 and subsections. This standard requires that investments in equity securities with readily determinable fair values and all investments in debt securities be measured at fair value in the Statements of Financial Position. Fair value of marketable equity and debt securities is based on quoted market prices. Alternative investments are stated at the fair value of their underlying assets and allocated to the investors in proportion to the investor's ownership percentage. The realized and unrealized gain or loss on investments is reflected in the changes in net assets.

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Financial Position.

Investment Policy

The Organization's investment policy intends for the Organization to invest in assets that would produce results exceeding the investment's purchase price and incur a significant yield of return, while assuming a moderate level of investment risk. The Organization expects its Endowment Fund, over time, to provide a reasonable rate of return. To satisfy the long-term rate-of-return objective, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on marketable equity and debt securities and money-market accounts to achieve its long-term return objectives within prudent risk constraints.

Inter-fund Loans

The Inter-fund loans at June 30, 2011 and 2010, result from some Temporarily Restricted investments being held in the unrestricted investment account, transfers are made annually.

Accounts Receivable

All other accounts receivable are considered by management to be fully collectible, based on experience. Accordingly, no allowance has been established for these accounts because it is deemed immaterial.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Land, Buildings, and Equipment

Land, buildings, and equipment purchased are recorded at cost. The Organization capitalizes all expenditures for property and equipment in excess of \$1,000. Donated land, buildings, and equipment are recorded at the approximate fair market value of the asset on the date of donation. Improvements or betterments of a permanent nature are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. The costs of assets retired or otherwise disposed of, and the related accumulated depreciation, are eliminated from the accounts in the year of disposal. Gains or losses resulting from property disposals are credited or charged to operations currently. Land, buildings, and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, from 3 to 40 years.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by Trident United Way has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by Trident United Way in perpetuity.

Public Support and Pledges

Annual campaigns are conducted to raise support for operations and allocations to participating agencies. Contributions received are recorded as unrestricted, temporarily restricted, and permanently restricted net assets depending on the existence or nature of any donor restrictions.

Pledges are recorded when the agency is notified of the pledge, and allowances are provided for amounts estimated to be uncollectible. Bequests are recorded as income at the time the agency has an established right to the bequest and the proceeds are measurable. An allowance for doubtful accounts is recorded based on management's historical collection information. Management uses a five year historical trend and then adjusts judgmentally.

Advertising

Advertising costs are charged to operations in the period in which the advertisement is placed. Advertising for 2011 and 2010 amounted to approximately \$86,983 and \$136,880, respectively. Advertising costs for 2011 and 2010 include in-kind contribution totaling approximately \$20,000 for advertising services performed for the Organization annually.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Statements of Functional Expenses. Costs that are not directly associated with providing specific services have been allocated based upon the relative time spent by employees of the Organization providing those services.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law as a charitable organization whereby only unrelated business income, as defined by Section 509(a)(1) of the Code is subject to federal income tax.

The Financial Accounting Standards Board issued new guidance on accounting for uncertainty in income taxes. Management evaluated the Organization's tax positions and concluded that the Organization had maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

Fair Value of Financial Instrument

The carrying amount of cash, accounts receivable, unconditional promises to give, accounts payable, and accrued expenses approximates fair value at June 30, 2011 and 2010, because of the terms and relatively short maturity of those instruments.

Reclassifications

Certain reclassifications have been made to the prior years' financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported results of operations or retained earnings.

NOTE B - INVESTMENTS

Investments consist mostly of board designated, temporarily and permanently restricted assets managed by Bank of America Trust. The Organization also has an account in which donated stock is deposited and then liquidated shortly after receiving. All investments are stated at fair value. Investments were comprised of the following as of June 30:

	<u>As of June 30, 2011</u>		<u>As of June 30, 2010</u>	
	<u>FMV</u>	<u>Cost</u>	<u>FMV</u>	<u>Cost</u>
Certificates of deposit	\$ 1,233,850	\$ 1,233,850	\$ 2,510,442	\$ 2,510,442
Money market	409,982	409,982	156,362	156,362
Government money market	181,585	181,585	151,108	151,108
Bonds	294,680	279,572	320,899	320,899
Mutual fund – corp. bond	1,145,666	1,091,068	1,251,668	1,184,730
Mutual fund – mortgage backed bonds	595,079	593,685	-	-
Securities and security portfolios	<u>4,072,707</u>	<u>3,301,982</u>	<u>2,394,207</u>	<u>2,441,310</u>
	<u>\$ 7,933,549</u>	<u>\$ 7,091,724</u>	<u>\$ 6,784,686</u>	<u>\$ 6,764,851</u>

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

NOTE B – INVESTMENTS - Continued

Investment earnings are listed below for the years ending June 30:

	<u>2011</u>	<u>2010</u>
Dividends and interest income	\$ 228,515	\$ 214,354
Investment fees	(47,483)	(50,412)
Gross realized gains (losses) from sale of trading securities	87,411	83,213
Net unrealized holding gains (losses)	819,146	240,575
Net investment income	<u>\$ 1,087,589</u>	<u>\$ 487,730</u>

NOTE C – UNCONDITIONAL PROMISES TO GIVE AND ALLOWANCE

Promises to give have not been discounted as the campaign runs for only one year. Total unconditional promises to give consist of the following for the Trident United Way Campaign and Combined Federal Campaign as of June 30:

	<u>Trident United Way Campaign</u>	
	<u>2011</u>	<u>2010</u>
Beginning balance	\$ 3,083,062	\$ 3,346,268
Commitments made	5,965,481	5,349,376
Payments made	(5,106,601)	(4,925,222)
Balance before allowance	3,941,942	3,770,422
Allowance for uncollectible	(711,110)	(687,360)
Ending balance	<u>\$ 3,230,832</u>	<u>\$ 3,083,062</u>

	<u>Combined Federal Campaign</u>	
	<u>2011</u>	<u>2010</u>
Beginning balance	\$ 692,818	\$ 590,941
Commitments made	823,244	926,587
Payments made	(726,421)	(703,331)
Balance before allowance	789,641	814,197
Allowance for uncollectible	(121,285)	(121,379)
Ending balance	<u>\$ 668,356</u>	<u>\$ 692,818</u>

An allowance for doubtful accounts is maintained based on management's internal reserve policies. For the years ended June 30, 2011 and 2010 management estimate of pledges that would not be collected is 8% and 7%, respectively.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE D - SUMMARY OF FAIR VALUE EXPOSURE

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1: Quoted prices in active markets for identical securities.
- Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spreads, credit risk, etc.).
- Level 3: Significant unobservable inputs (including the Organization's own assumptions in determining the fair value of investments).

The inputs and methodology used for valuing the Organization's financial assets and liabilities are not indicators of the risks associated with those instruments. The following table provides fair value measurement information for financial assets and liabilities measured at fair value on a recurring basis as of June 30, 2011 and 2010:

Description	June 30, 2011			
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 1,233,850	\$ -	\$ 1,233,850
Money Market	409,982	-	-	409,982
Government Money Market	294,680	-	-	294,680
Bonds	-	181,585	-	181,585
Mutual Fund –Corporate Bond	1,145,666	-	-	1,145,666
Mutual Fund- Asset Backed	595,079	-	-	595,079
Securities and security portfolios:				
Banking	68,053	-	-	68,053
Consumer Discretionary	353,358	-	-	353,358
Consumer Staples	164,533	-	-	164,533
Energy	217,555	-	-	217,555
Financials	216,793	-	-	216,793
Health Care	413,248	-	-	413,248
Industrials	244,570	-	-	244,570
Information Technology	530,002	-	-	530,002
Materials	91,583	-	-	91,583
Telecommunications	50,763	-	-	50,763
Utilities	47,090	-	-	47,090
Other equities	1,675,159	-	-	1,675,159
Total Securities and security portfolios	<u>4,072,707</u>	<u>-</u>	<u>-</u>	<u>4,072,707</u>
Total fair value	\$ <u>6,518,114</u>	\$ <u>1,415,435</u>	\$ <u>-</u>	\$ <u>7,933,549</u>

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE D - SUMMARY OF FAIR VALUE EXPOSURE - Continued

Description	June 30, 2010			
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 2,510,442	\$ -	\$ 2,510,442
Money Market	156,352	-	-	156,352
Government Money Market	151,108	-	-	151,108
Bonds	-	320,899	-	320,899
Mutual Fund - Corporate Bond	1,251,668	-	-	1,251,668
Securities and security portfolios:				
Banking	58,332	-	-	58,332
Consumer Discretionary	171,655	-	-	171,655
Consumer Staples	119,339	-	-	119,339
Energy	113,690	-	-	113,690
Financials	154,423	-	-	154,423
Health Care	226,777	-	-	226,777
Industrials	88,113	-	-	88,113
Information Technology	258,796	-	-	258,796
Materials	53,737	-	-	53,737
Telecommunications	51,246	-	-	51,246
Utilities	49,197	-	-	49,197
Other equities	1,048,912	-	-	1,048,912
Total Securities and security portfolios	2,394,217	-	-	2,394,217
Total fair value	\$ 3,953,345	\$ 2,831,341	\$ -	\$ 6,784,686

NOTE E - LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment for the years ended June 30, 2011 and 2010 consist of the following:

	Beginning			Ending
	Balance			Balance
	June 30,	Additions	Disposition	June 30,
Land	\$ 490,000	\$ -	\$ -	\$ 490,000
Building and improvements	1,554,657	27,978	(960)	1,581,675
Equipment and software	660,435	46,873	(582,629)	124,679
Vehicle	17,569	-	-	17,569
	<u>2,722,661</u>	<u>74,851</u>	<u>(583,589)</u>	<u>2,213,923</u>
Less accumulated depreciation	<u>(1,133,216)</u>	<u>(60,694)</u>	<u>583,589</u>	<u>(610,321)</u>
	<u>\$ 1,589,445</u>	<u>\$ 14,157</u>	<u>\$ -</u>	<u>\$ 1,603,602</u>

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

NOTE E – LAND, BUILDING AND EQUIPMENT – Continued

	Beginning Balance June 30,	Additions	Disposition	Ending Balance June 30,
Land	\$ 490,000	\$ -	\$ -	\$ 490,000
Building and improvements	1,546,140	8,517	-	1,554,657
Box cars	309,269	-	(309,269)	-
Equipment and software	653,608	6,827	-	660,435
Vehicle	17,569	-	-	17,569
	<u>3,016,586</u>	<u>15,344</u>	<u>(309,269)</u>	<u>2,722,661</u>
Less accumulated depreciation	<u>(1,377,831)</u>	<u>(64,654)</u>	<u>309,269</u>	<u>(1,133,216)</u>
	<u>\$ 1,638,755</u>	<u>\$ (49,310)</u>	<u>\$ -</u>	<u>\$ 1,589,445</u>

NOTE F - EMPLOYEE BENEFIT PLANS

401K Plan

The Organization has established a 401K Plan covering substantially all of the employees of the Organization. Participants in the 401K Plan may elect to make voluntary before-tax contributions based on a percentage of their pay, subject to certain limitations set forth in the Internal Revenue Code of 1986, as amended. The Organization has elected to match employee contributions to the 401K Plan up to 50 percent of contributions from each participant, limited to 2 percent of each employee's gross pay.

The Organization contributed approximately \$20,646 and \$21,604 to the 401K Plan in June 30, 2011 and 2010, respectively.

Additionally, the Organization may make a discretionary Profit Sharing/Safe Harbor contribution into a separate account on behalf of all eligible employees. This contribution will be a percentage of the employee's annual compensation and vests over a three year period. Effective January 1, 2010, the Profit Sharing portion vests in three years and the Safe Harbor Portion vests immediately. During the years ended June 30, 2011 and 2010 total Profit Sharing/Safe Harbor contributions expense was approximately \$187,099 and \$167,795 respectively.

Healthcare Plan

The Organization's employees participate in a healthcare plan provided by Trident United Way. The Organization pays a portion of the cost for the employees, and the employees pay the remaining portion and the cost for any of their dependents participating in the plan. During the year ended June 30, 2011 and 2010, the Organization remitted approximately \$248,000 and \$218,944, respectively, on behalf of its employees to the healthcare plan.

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

NOTE F - EMPLOYEE BENEFIT PLANS – Continued

Compensated Absences

The Organization allows employees to accumulate unused personal leave benefits up to a maximum of 30 days. Employees earn up to 20 days of personal leave per year. The Organization has accrued a liability at June 30, 2011 and 2010, of \$92,662 and \$81,491, unused personal leave benefits. This amount represents leave benefits that the employees are entitled to receive upon retirement or termination.

Deferred Compensation

The Organization provides deferred compensation to key employees. The assets are owned by the Organization until certain provisions of the plan are met by the employee. Deferred compensation for the years ended June 30, 2011 and 2010 were \$71,915 and \$67,774.

NOTE G – BOARD DESIGNATED NET ASSETS

The Board of Directors has designated certain net assets and set aside an amount of cash equal to these designations. These accounts are reported at the funded amounts designated as of June 30, 2011 and 2010 are as follows:

Designated Purposes	Balance as of June 30, 2011	Balance as of June 30, 2010	
Land, building and equipment	\$ 1,603,602	\$ 1,589,445	
Building reserve	497,242	445,483	
Emergency reserve	1,853,160	1,515,031	**
Endowment	3,292,151	1,564,723	
Total	<u>\$ 7,246,155</u>	<u>\$ 5,114,682</u>	

** Emergency reserve target represents three months of total expense less designated pledges, \$2,134,892. It may exceed this amount by \$500,000. Under-funding has occurred due to the stock market decline; Board has elected to wait for a recovery.

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE H - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes and years as of June 30, 2011 and 2010:

Temporarily Restricted Purposes	Beginning Balance June 30, 2010	Contributions Income & Receipts	Released from Restrictions	Ending Balance June 30, 2011
TUW Campaign	\$ 3,935,122	\$ 149,190	\$ -	\$ 4,084,312
TUW Fall Campaign - next year	141,031	28,572	-	169,603
Combined Federal Campaign	698,062	(673)	-	697,389
CFC Funds	(36,998)	63,578	-	26,580
Success by Six	87,278	-	(50,000)	37,278
Natural Disaster	70,680	21,480	-	92,160
Derrick Fund	7,489	1,823	(1,000)	8,312
Winthrop Family Fund	-	10,000	(70)	9,930
SACOMA Fund	58,313	197	(14,000)	44,510
Total	\$ 4,960,977	\$ 274,167	\$ (65,070)	\$ 5,170,074

Temporarily Restricted Purposes	Beginning Balance June 30,	Contributions Income & Receipts	Released from Restrictions	Ending Balance June 30,
TUW Campaign	\$ 3,936,629	\$ (1,507)	\$ -	\$ 3,935,122
TUW Fall Campaign - next year	140,066	965	-	141,031
Combined Federal Campaign	625,598	72,464	-	698,062
CFC Funds	(38,352)	1,354	-	(36,998)
Emergency/Disaster	82,032	-	(82,032)	-
Success by Six	187,278	-	(100,000)	87,278
Natural Disaster	50,110	20,570	-	70,680
Derrick Fund	7,651	838	(1,000)	7,489
SACOMA Fund	-	72,463	(14,150)	58,313
Charleston Regional	50,000	-	(50,000)	-
Total	\$ 5,041,012	\$ 167,147	\$ (247,182)	\$ 4,960,977

**TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

NOTE I - PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are available for the following purposes:

Permanently Restricted Purposes	Beginning Balance June 30, 2010	Contributions Income & Receipts	Released from Restrictions	Beginning Balance June 30, 2011
Lane Tocoqueville Legacy Circle- Transfer	\$ 467,528	\$ 123,269	\$ (31,191)	\$ 559,606 ***
Total	<u>\$ 467,528</u>	<u>\$ 123,269</u>	<u>\$ (31,191)</u>	<u>\$ 559,606</u>

Permanently Restricted Purposes	Beginning Balance June 30, 2009	Contributions Income & Receipts	Released from Restrictions	Beginning Balance June 30, 2010
The Hugh Lane Emergency and Disaster Fund	\$ 616,784	\$ (3,220)	\$ (613,564)	-
Lane Tocoqueville Legacy Circle- Transfer	-	-	467,528	467,528 ***
Total	<u>\$ 616,784</u>	<u>\$ (3,220)</u>	<u>\$ (146,036)</u>	<u>\$ 467,528</u>

***The Hugh Lane Family requested the corpus of their endowment after the sale of all box cars be recharacterized as a Tocoqueville Legacy Circle gift.

NOTE J - LEASES

The Organization rents out part of the building under long- term lease contracts. Total rent collected was \$199,774 and \$191,272 for the years ended June 30, 2011 and 2010.

Estimated rental income under the current leases as of June 30, 2011:

Year Ended June 30:	
2012	\$137,697
2013	\$68,504
2014	\$45,372

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE K - CREDIT RISK

Financial instruments that potentially subject the Organization to credit risk consist principally of cash at financial institutions and investments. At times, the balances in cash accounts may be in excess of FDIC insurance limits. Management continuously monitors the Organization's balances at financial institutions and invests excess operating cash in short-term investments.

TUW maintains its cash accounts at various local banks. The cash in these accounts is guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank at June 30, 2011 and 2010 for interest bearing accounts and unlimited for non-interest bearing beginning December 31, 2010. At June 30, 2011 and 2010, total cash held by the bank was \$3,196,325 and \$2,726,189 of which \$ -0- and \$147,441 respectively was unsecured.

Cash (money market fund) in an investment account is held in safekeeping at Bank of America (the Firm). The cash in this account is held in the trust department of Bank of America and is not insured by the Securities Investor Protection Corporation (SIPC) or FDIC coverage. The Firm is insured under the enterprise-wide insurance program of Bank of America. These programs include insurance coverage under a fidelity bond and errors and omissions policies. These policies each have limitations of \$100 million per occurrence. At June 30, 2011 and 2010, the total cash held by the Firm for TUW was \$409,982 and \$156,352, respectively.

In summary, there are three categories of credit risk that apply to the Organization's cash balance:

1. Insured by the FDIC up to \$250,000 of interest bearing balances
2. Insured by the Dodd-Frank Wall Street Plan, effective December 31, 2010, for non-interest bearing balances
3. Collateralized with securities held by TUW's bank, pledged for the benefit of TUW or
4. Uninsured

2011			
Description	Cash per Banks	Cash Held by Others	Total
Total cash in all accounts	\$ 3,196,325	\$ 409,982	\$ 3,606,307
FDIC insured	(724,466)	-	(724,466)
Dodd-Frank Wall Street insured	(2,187,938)	-	(2,187,938)
Bank pledged securities	(283,921)	(409,982)	(693,903)
Uninsured cash balance	\$ -	\$ -	\$ -
2010			
Description	Cash per Banks	Cash Held by Others	Total
Total cash in all accounts	\$ 2,683,433	\$ 156,352	\$ 2,839,785
FDIC insured	(750,000)	-	(750,000)
Bank pledged securities	(1,785,992)	(156,352)	(1,942,344)
Uninsured cash balance	\$ 147,441	\$ -	\$ 147,441

TRIDENT UNITED WAY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

NOTE K - CREDIT RISK - Continued

Major Grantor

Over 90% of the Organization's revenues are funded through the annual campaign. Such support is dependent upon the generosity of donors located in Charleston, Berkeley and Dorchester counties in South Carolina.

NOTE L — RELATED PARTY TRANSACTIONS

The Organization has a practice of disclosing all related party transactions. The following is a description of the more significant relationships.

- A Board of Directors and Finance Committee member works for the real estate company that handles the rental of excess building space to the public. The Board member may receive a commission when new leases are signed.
- A Board of Directors and Finance Committee member and Trident United Way's Treasurer manages an Ameritrade investment account and receives quarterly management fees based on a percent of the assets managed. The Director's term expired as of June 30, 2010. Fees paid for the years ended June 30, 2010 were \$21,632.
- A Board of Directors member is also the Chief Financial Officer of a program provider. The Board member receives no personal benefits from Trident United Way. The programs that are run through the other organization are Children's Care and Born to Read.
- A Board of Director member's company rents from Trident United Way. The rents are considered at market value.

NOTE M – SUBSEQUENT EVENTS

In accordance with ASC 855, the Organization evaluated subsequent events through September 12, 2011, the date these financial statements were issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.