United Way Worldwide and Subsidiary

Consolidated Financial Statements
Years Ended December 31, 2015 and 2014

United Way Worldwide
and Subsidiary

Consolidated Financial Statements
Years Ended December 31, 2015 and 2014

United Way Worldwide and Subsidiary

Contents

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Independent Auditor's Report

To the Board of Trustees
United Way Worldwide and Subsidiary
Alexandria, Virginia

We have audited the accompanying consolidated financial statements of **United Way Worldwide and Subsidiary** (collectively "the Organization"), which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of **United Way Worldwide and Subsidiary** as of December 31, 2015 and 2014, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BDO USA, LLP

April 26, 2016

Consolidated Financial Statements

United Way Worldwide and Subsidiary

Consolidated Statements of Financial Position

December 31,		**2015**		2014
Assets				
Current assets:				
Cash and cash equivalents	**$**	**9,772,239**	$	5,129,496
Short-term investments		**115,326**		3,429,380
Custodial funds		**2,722,799**		13,343,118
Member United Way receivables, net		**1,200,687**		1,110,033
Contributions receivable, net		**2,202,205**		2,080,905
Accounts receivable, net		**492,482**		423,427
Prepaid expenses and other current assets		**635,256**		1,301,205
Due from affiliates		**-**		203,066
Total current assets		**17,140,994**		27,020,630
Noncurrent assets:				
Custodial funds		**915,299**		1,048,264
Investments		**32,935,732**		25,051,149
Property and equipment, net		**30,079,372**		20,581,377
Contributions receivable, net		**2,198,045**		1,351,506
Other noncurrent assets		**1,144,689**		1,125,619
Total noncurrent assets		**67,273,137**		49,157,915
Total assets	**$**	**84,414,131**	$	76,178,545

See accompanying summary of significant accounting policies and notes to consolidated financial statements.

United Way Worldwide and Subsidiary

Consolidated Statements of Financial Position

December 31,	**2015**	2014
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 7,803,234**	$ 5,513,190
Distributions payable to local United Ways	**-**	2,860,964
Custodial funds	**2,722,799**	10,482,154
Current portion, liability for pension benefits	**1,395,800**	1,465,800
Current portion, postretirement benefits	**144,000**	147,000
Current portion, long term debt	**1,044,118**	-
Deferred revenue	**4,349,286**	2,779,354
Current portion of grants payable	**164,795**	131,750
Other current liabilities	**26,273**	26,231
Total current liabilities	**17,650,305**	23,406,443
Noncurrent liabilities:		
Custodial liability	**915,299**	1,048,264
Liability for pension benefits, net of current portion	**10,402,364**	10,410,052
Postretirement benefits, net of current portion	**1,855,048**	1,943,442
Long term debt, net of current portion	**6,229,906**	-
Grants payable, net of current portion	**157,466**	302,261
Deferred compensation	**388,664**	344,319
Total noncurrent liabilities	**19,948,747**	14,048,338
Total liabilities	**37,599,052**	37,454,781
Commitments and contingencies		
Net assets:		
Unrestricted	**30,736,461**	24,185,732
Temporarily restricted	**12,283,137**	10,746,945
Permanently restricted	**3,795,481**	3,791,087
Total net assets	**46,815,079**	38,723,764
Total liabilities and net assets	**$ 84,414,131**	$ 76,178,545

See accompanying summary of significant accounting policies and notes to consolidated financial statements.

United Way Worldwide and Subsidiary

Consolidated Statement of Activities

Year Ended December 31, 2015

	Unrestricted Total	Temporarily Restricted	Permanently Restricted	Total
Revenues				
Public support:				
Membership support, net	$ 28,484,286	$ -	$ -	$ 28,484,286
Contributions	45,898,040	17,607,908	4,394	63,510,342
Total public support	74,382,326	17,607,908	4,394	91,994,628
Other revenue:				
Promotional material sales	607,850	-	-	607,850
Program service fees	1,853,593	220,000	-	2,073,593
Investment income, net	199,442	(9,295)	-	190,147
Conferences	3,009,096	-	-	3,009,096
Miscellaneous and other	1,123,604	-	-	1,123,604
Total other revenue	6,793,585	210,705	-	7,004,290
Net assets released from restrictions				
Satisfaction of Program Restrictions	10,604,531	(10,604,531)	-	-
Satisfaction of Purpose Restriction - Building Renovation	5,268,890	(5,268,890)	-	-
Release of Restriction by Donor	409,000	(409,000)	-	-
Total net assets released from restrictions	16,282,421	(16,282,421)	-	-
Total revenues	97,458,332	1,536,192	4,394	98,998,918
Expenses				
Program services:				
Investor Relations	6,132,779	-	-	6,132,779
International Donor Advised Giving	36,147,157	-	-	36,147,157
International Network	5,007,597	-	-	5,007,597
U.S. Network	11,114,048	-	-	11,114,048
Impact, Strategy and Innovation	10,701,849	-	-	10,701,849
Learning, Conferencing and Talent Management	4,756,680	-	-	4,756,680
Brand Strategy and Marketing	7,164,041	-	-	7,164,041
Campaign and Public Relations	316,366	-	-	316,366
Promotional Material Sales	635,822	-	-	635,822
Total program services	81,976,339	-	-	81,976,339
Supporting services:				
General and administrative	4,367,243	-	-	4,367,243
Fundraising	3,264,614	-	-	3,264,614
Total supporting services	7,631,857	-	-	7,631,857
Total expenses	89,608,196	-	-	89,608,196
Operating excess, before transfers	7,850,136	1,536,192	4,394	9,390,722
Board designation, appropriations and transfers to/(from) operations:				
Board designated for building renovations	(5,135,341)	-	-	(5,135,341)
Board designated for Center on Aging	(401,429)	-	-	(401,429)
Board designated for International Donor Advised Giving	(4,208,540)	-	-	(4,208,540)
Board designated for Operating Reserve	4,265,000	-	-	4,265,000
Operating excess, after transfers	2,369,826	1,536,192	4,394	3,910,412
Non-operating items				
Pension-related changes other than net periodic pension cost	(1,299,407)	-	-	(1,299,407)
Board designation, appropriations and transfers to/(from) operations:				
Board designated for building rennovations	5,135,341	-	-	5,135,341
Board designated for Center on Aging	401,429	-	-	401,429
Board designated for International Donor Advised Giving	4,208,540	-	-	4,208,540
Board designated for Operating Reserve	(4,265,000)	-	-	(4,265,000)
Changes in net assets	6,550,729	1,536,192	4,394	8,091,315
Net assets, beginning of year	24,185,732	10,746,945	3,791,087	38,723,764
Net assets, end of year	$ 30,736,461	$ 12,283,137	$ 3,795,481	$ 46,815,079

See accompanying summary of significant accounting policies and notes to consolidated financial statements.

United Way Worldwide and Subsidiary

Consolidated Statement of Activities

Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues				
Public support:				
Membership support, net	$ 28,647,556	$ -	$ -	$ 28,647,556
Campaign efforts of Tri-State -				
Adjustments from prior year campaigns	(1,120,672)	-	-	(1,120,672)
Contributions	37,669,287	15,930,038	-	53,599,325
Total public support	65,196,171	15,930,038	-	81,126,209
Other revenue:				
Promotional material sales	724,806	-	-	724,806
Program service fees	2,286,621	200,000	-	2,486,621
Investment income, net	350,286	259,900	-	610,186
Conferences	2,589,705	-	-	2,589,705
Miscellaneous and other	983,508	-	-	983,508
Total other revenue	6,934,926	459,900	-	7,394,826
Net assets released from restrictions				
Satisfaction of Program Restrictions	8,400,974	(8,400,974)	-	-
Satisfaction of Purpose Restriction - Building Renovation	6,041,110	(6,041,110)	-	-
Total net assets released from restrictions	14,442,084	(14,442,084)	-	-
Total revenues	86,573,181	1,947,854	-	88,521,035
Expenses				
Program services:				
Investor Relations	4,714,610	-	-	4,714,610
International Donor Advised Giving	33,312,209	-	-	33,312,209
International Network	4,885,388	-	-	4,885,388
U.S. Network	8,924,683	-	-	8,924,683
Impact, Strategy and Innovation	9,169,716	-	-	9,169,716
Learning, Conferencing and Talent Management	4,773,346	-	-	4,773,346
Brand Strategy and Marketing	5,376,198	-	-	5,376,198
Campaign and Public Relations	1,249,195	-	-	1,249,195
Promotional Material Sales	657,707	-	-	657,707
Total program services	73,063,052	-	-	73,063,052
Supporting services:				
General and administrative	4,525,592	-	-	4,525,592
Fundraising	2,640,904	-	-	2,640,904
Total supporting services	7,166,496	-	-	7,166,496
Total expenses	80,229,548	-	-	80,229,548
Operating excess, before transfers	6,343,633	1,947,854	-	8,291,487
Board designation, appropriations and transfers to/(from) operations:				
Board designated for International Donor Advised Giving	(1,496,255)	-	-	(1,496,255)
Board designated from Operating Reserve	1,685,000	-	-	1,685,000
Operating excess, after transfers	6,532,378	1,947,854	-	8,480,232
Non-operating items				
Pension-related changes other than net periodic pension cost	(6,613,600)	-	-	(6,613,600)
Gain on sale of investment in Truist	200,562	-	-	200,562
Total non-operating items	(6,413,038)	-	-	(6,413,038)
Board designation, appropriations and transfers to/(from) operations:				
Board designated for International Donor Advised Giving	1,496,255	-	-	1,496,255
Board designated for Operating Reserve	(1,685,000)	-	-	(1,685,000)
Changes in net assets	(69,405)	1,947,854	-	1,878,449
Net assets, beginning of year	24,255,137	8,799,091	3,791,087	36,845,315
Net assets, end of year	$ 24,185,732	$ 10,746,945	$ 3,791,087	$ 38,723,764

See accompanying summary of significant accounting policies and notes to consolidated financial statements.

United Way Worldwide and Subsidiary

Consolidated Statements of Cash Flows

Years Ended December 31,	**2015**	2014
Cash flows from operating activities		
Changes in net assets	**$ 8,091,315**	$ 1,878,449
Adjustments to reconcile changes in net assets to net cash flows provided by operating activities:		
Depreciation and amortization	**1,888,063**	1,380,832
Reversal of allowance for doubtful accounts	**(16,497)**	(6,392)
Bad debt expense	**79,153**	32,910
Loss on disposal of assets	**95,664**	46,545
Realized and unrealized loss (gain) on investments	**227,186**	(235,388)
Permanently restricted contributions received	**4,394**	-
Gain on sale of investment in Truist	**-**	(200,562)
Donated stock	**(1,227,958)**	(1,613,261)
Proceeds from sales of donated stock	**1,033,011**	1,642,045
Realized loss (gain) on sales of donated stock	**9,864**	(28,784)
Changes in assets and liabilities:		
Custodial funds	**2,860,964**	-
Member United Way receivables	**(87,485)**	(306,568)
Campaign receivables	**-**	94,059
Contributions receivable	**(1,043,189)**	(133,539)
Accounts receivable	**(59,530)**	89,606
Prepaid expenses and other current assets	**665,949**	(542,457)
Due from affiliates	**203,066**	(88,196)
Other noncurrent assets	**(19,070)**	(120,606)
Accounts payable and accrued liabilities	**1,412,251**	1,460,991
Distributions payable to local United Ways	**(2,860,964)**	-
Grants payable	**(111,750)**	(223,643)
Deferred revenue	**1,569,932**	(467,861)
Liability for pension benefits	**(77,688)**	4,934,136
Postretirement benefits	**(91,394)**	(40,082)
Other liabilities	**44,387**	52,646
Net cash flows provided by operating activities	**12,589,674**	7,604,880
Cash flows from investing activities		
Purchase of property and equipment	**(10,603,928)**	(6,471,185)
Proceeds from sale of investments	**27,465,242**	29,940,298
Purchase of investments	**(32,262,958)**	(34,763,626)
Proceeds from sale of investment in Truist	**-**	444,091
Proceeds from sales of donated stock	**185,083**	-
Proceeds from collection of note receivable	**-**	580,524
Issuance of and interest on note receivable	**-**	(4,348)
Net cash flows used in investing activities	**(15,216,561)**	(10,274,246)
Cash flows from financing activities		
Principal payments on long-term debt	**(736,497)**	(500,000)
Proceeds from long-term debt	**8,010,521**	-
Permanently restricted contributions received	**(4,394)**	-
Net cash flows provided by (used in) financing activities	**7,269,630**	(500,000)
Net increase (decrease) in cash and cash equivalents	**4,642,743**	(3,169,366)
Cash and cash equivalents:		
Beginning of year	**5,129,496**	8,298,862
End of year	**$ 9,772,239**	$ 5,129,496

See accompanying summary of significant accounting policies and notes to consolidated financial statements.

United Way Worldwide and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended December 31, 2015

	Program Services										Supporting Services			
	Investor Relations	International Donor Advised Giving	International Network	U.S. Network	Impact Strategy and Innovation	Learning Conferencing and Talent Management	Brand Strategy and Marketing	Campaign and Public Relations	Promotional Material Sales	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total Expenses
Salaries	$ 3,032,705	$ 325,053	$1,402,144	$ 5,005,926	$ 3,312,357	$ 1,547,843	$ 2,606,657	$ 161,185	$ 371,137	$ 17,765,007	$ 2,180,136	$1,657,648	$ 3,837,784	$ 21,602,791
Employee benefits and taxes	589,164	51,466	177,186	1,112,799	755,091	321,626	541,992	19,847	81,063	3,650,234	507,308	279,081	786,389	4,436,623
Professional fees and contract services	735,018	87,357	1,989,265	1,258,063	4,180,536	1,058,656	1,989,413	6,979	8,651	11,313,938	715,754	374,773	1,090,527	12,404,465
Conferences and travel	722,528	25,259	575,473	745,398	485,202	1,450,138	345,943	17,104	7,043	4,374,088	104,057	302,075	406,132	4,780,220
Subscriptions, dues, and staff development	35,903	3,340	9,159	68,404	62,246	39,312	17,340	-	1,644	237,348	127,475	32,541	160,016	397,364
Scholarships, grants, and awards	365,227	35,557,544	557,604	1,704,122	1,134,726	2,427	1,178,216	-	331	40,500,197	2,067	7,925	9,992	40,510,189
Supplies	74,026	12,794	39,534	105,757	62,563	52,430	82,002	285	119,468	548,859	51,180	71,560	122,740	671,599
Telephone	144,447	11,042	54,957	335,092	117,191	51,856	53,587	6,445	6,199	780,816	42,271	94,357	136,628	917,444
Postage and shipping	12,275	1,318	5,741	17,580	7,716	6,293	6,883	1,058	771	59,635	8,098	9,998	18,096	77,731
Occupancy	125,319	19,581	63,677	160,564	86,306	67,924	82,240	8,319	11,749	625,679	70,491	129,234	199,725	825,404
Depreciation and amortization	296,167	46,276	129,573	379,463	203,615	138,828	194,359	-	27,766	1,416,047	166,594	305,422	472,016	1,888,063
Other expenses	-	6,127	3,284	220,880	294,300	19,347	65,409	95,144	-	704,491	391,812	-	391,812	1,096,303
Total expenses	$ 6,132,779	$36,147,157	$5,007,597	$ 11,114,048	$ 10,701,849	$ 4,756,680	$ 7,164,041	$ 316,366	$ 635,822	$ 81,976,339	$ 4,367,243	$3,264,614	$ 7,631,857	$ 89,608,196

See accompanying summary of significant accounting policies and notes to consolidated financial statements.

United Way Worldwide and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended December 31, 2014

	Program Services										Supporting Services			
	Investor Relations	International Donor Advised Giving	International Network	U.S. Network	Impact Strategy and Innovation	Learning Conferencing and Talent Management	Brand Strategy and Marketing	Campaign and Public Relations	Promotional Material Sales	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total Expenses
Salaries	$ 2,619,280	$ 581,130	$ 1,336,778	$ 5,003,135	$ 2,906,031	$ 1,430,662	$ 2,210,460	$ 225,654	$ 380,430	$ 16,693,560	$ 2,282,653	$ 1,189,043	$ 3,471,696	$ 20,165,256
Employee benefits and taxes	467,361	85,814	183,857	1,036,657	567,584	251,826	460,943	92,947	71,837	3,218,826	485,927	252,392	738,319	3,957,145
Professional fees and contract services	416,610	28,445	1,742,176	1,249,072	2,155,321	1,521,902	2,015,187	151,797	16,322	9,296,832	782,249	483,865	1,266,114	10,562,946
Conferences and travel	525,300	29,410	488,897	565,817	424,719	1,155,662	284,419	48,669	11,156	3,534,049	98,059	321,537	419,596	3,953,645
Subscriptions, dues, and staff development	25,097	4,388	11,887	39,482	49,392	71,867	16,559	-	1,814	220,486	113,581	50,246	163,827	384,313
Scholarships, grants, and awards	136,803	32,434,075	849,716	182,715	2,566,158	8,624	4,788	699,998	490	36,883,367	17,026	99,139	116,165	36,999,532
Supplies	75,399	20,529	44,280	121,689	86,083	49,188	69,549	5,450	121,087	593,254	62,851	46,833	109,684	702,938
Telephone	79,992	15,121	46,551	138,815	76,973	63,259	42,194	9,366	6,389	478,660	43,933	64,898	108,831	587,491
Postage and shipping	7,857	2,049	3,029	16,734	6,229	4,528	5,697	1,343	863	48,329	11,443	2,922	14,365	62,694
Occupancy	102,038	31,052	53,578	159,696	93,156	57,668	62,104	13,971	13,308	586,571	79,848	37,411	117,259	703,830
Depreciation and amortization	207,576	63,175	90,250	324,902	189,526	117,326	126,351	-	27,075	1,146,181	162,451	72,200	234,651	1,380,832
Other expenses	51,297	17,021	34,389	85,969	48,544	40,834	77,947	-	6,936	362,937	385,571	20,418	405,989	768,926
Total expenses	$ 4,714,610	$ 33,312,209	$ 4,885,388	$ 8,924,683	$ 9,169,716	$ 4,773,346	$ 5,376,198	$ 1,249,195	$ 657,707	$ 73,063,052	$ 4,525,592	$ 2,640,904	$ 7,166,496	$ 80,229,548

See accompanying summary of significant accounting policies and notes to consolidated financial statements.

Organization

United Way Worldwide (UWW) is an international organization supported primarily by member United Ways through membership dues. UWW serves the worldwide United Way movement by being a leader in philanthropy and a mobilizer of resources, helping to shape the world's health and human services agenda and create a better quality of life for all. UWW's mission is to improve lives by mobilizing the caring power of communities around the world to advance the common good.

UWW's Tri-State regional office (Tri-State) was responsible for raising charitable funds from employees and companies through United Way campaigns at a group of participating companies whose employees live and/or work in the New York Tri-State region and elect to participate in this specific regional campaign. Workplace campaigns at participating companies were organized in cooperation with member participating United Ways in the Tri-State region.

Tri-State, which had historically generated approximately $40 million of annual gross campaign results for United Ways in the Tri-State region, has ceased its campaign operations effective June 30, 2012 with the exception of one corporate campaign in the 2013/2014 period. The majority of the funds for the 2013/2014 campaign were distributed during 2014. A final close out of the remaining 2013/2014 Tri-State campaign funds and a final payout to the participating United Ways was made during 2015. All of the campaign responsibilities for the 2014/2015 campaign in the Tri-State region have been transferred to member United Ways in the Tri-State region. Therefore, there is no 2015/2016 or 2014/2015 campaign activity reported in the consolidated statement of activities for the year ended December 31, 2015 and 2014, respectively.

United Way Worldwide (Asia) Limited (UWW Asia) is a wholly owned subsidiary of UWW incorporated in Hong Kong on January 19, 2010. UWW Asia obtained tax exempt status on March 21, 2011. UWW Asia's mission is to support UWW in its work in the Asia Pacific Region of the world. On November 12, 2013, UWW Asia commenced its operations.

Consolidation Policy

The consolidated financial statements include the accounts of UWW and UWW Asia (collectively referred to as "the Organization"). Significant transactions between the organizations, including all intercompany balances, have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents

Cash and cash equivalents are liquid investments with original maturities at the date of purchase of three months or less and consist primarily of money market funds.

Custodial Funds – UWW

Since 1983, Congress has allocated $4.20 billion to the Department of Homeland Security's Federal Emergency Management Agency (FEMA) to provide emergency food and shelter to needy individuals throughout the country. In 1983, a national board was convened to distribute these funds through the Emergency Food and Shelter Program (EFSP), a separate congressionally authorized program of FEMA, which is not consolidated into the Organization's financial statements. UWW was appointed fiscal agent for EFSP. In addition to UWW, other members of the national board include the American Red Cross; Catholic Charities USA; the Jewish Federations of North America; the National Council of Churches of Christ in the U.S.A.; the Salvation Army; and FEMA. As fiscal agent, UWW is the custodian of the funds and is responsible for the administration and disbursement of grants as directed by the national board. UWW charged certain administrative expenses to EFSP totaling $293,000 and $291,000 for the years ended December 31, 2015 and 2014, respectively. In 2015 and 2014 approximately $112,842,300 and $96,129,000, respectively, were distributed in the form of grants to other charitable organizations. As of December 31, 2015 and 2014, undistributed balances of $2,722,799 and $10,482,154, respectively, were included in custodial funds, with a corresponding liability in the accompanying consolidated statements of financial position.

As of December 31, 2015 and 2014, UWW's custodial funds totaled $3,638,098 and $14,391,382, respectively. Short term custodial funds consist of cash and cash equivalents. Long term custodial funds consist of U.S. Government agency notes, U.S. Treasury notes, common collective trusts, corporate bonds and equity securities.

UWW acts as trustee for certain planned giving investments under two separate programs in the States of California, Washington, New York, etc. Under the Pooled Income Fund (PIF), participants are entitled to income distributions. The value of the PIF pool is $128,206 and $141,935 at December 31, 2015 and 2014, respectively. Under the Charitable Gift Annuity Program (CGA), annuity payments are made to the named annuitant(s) for life and any residual value is restricted by the donor to benefit a member United Way. The value of the CGA pool is $787,093 and $906,329 at December 31, 2015 and 2014 respectively. The net present value of the liability for future annuity payments is $681,810 and $708,601 at December 31, 2015 and 2014, respectively. UWW accrues no liability beyond the assets of the funds.

For the years ended December 31, 2015 and 2014, $915,299 and $1,048,264, respectively, is included as noncurrent custodial assets and noncurrent custodial liabilities for both programs combined.

The total custodial funds as of December 31, 2015 and 2014 also included $0 and $2,860,964, respectively, of distributions payable to member United Ways. Since all of the campaign responsibilities for the 2014/2015 campaign have been transferred to member United Ways in 2014, collections for the 2014/2015 campaign received by UWW on behalf of the member United Ways were recorded under distributions payable to member United Ways.

Member United Way Receivables

Member United Way receivables consist of amounts due from its members for the use of the name and service marks owned by UWW, registration fees for conferences and other miscellaneous charges. An allowance for uncollectible member United Way receivables is provided based on management's judgment, including such factors as prior collection history. Member United Way receivables are written off if reasonable collection efforts prove unsuccessful.

Contributions Receivable

Contributions receivable consist of unconditional promises to give and are recorded in the year the promise is made. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows.

The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discount is included in contribution revenue. The interest rate used in computing the discount of the estimated future cash flows was 3.91% for pledges received in 2015 and 2014. The discount will be recognized as contributions revenue in future fiscal years as the discount is amortized over the duration of the contributions. An allowance for uncollectible contributions receivable is provided based on management's judgment, including such factors as prior collection history, type of contribution, and nature of fundraising activity.

Conditional promises to give are not included as support until the conditions are substantially met.

Accounts Receivable

Accounts receivable consist primarily of amounts due from the sale of services or goods. The allowance method is used to determine the uncollectible amounts. An allowance for uncollectible accounts receivable is provided based on management's judgment, including such factors as prior collection history. Accounts receivable are written off if reasonable collection efforts prove unsuccessful.

Investments

Investments are reported at fair value based on quoted market prices. Investments classified as short-term are available for operations in the next fiscal year. Unrealized and realized gains and losses are included in the accompanying consolidated statements of activities. Investment expenses, such as custodial, commission, and investment advisory fees, are included in the general and administrative expenses of the consolidated statements of activities.

Property and Equipment

Property and equipment are recorded at cost. The Organization capitalizes expenditures for property and equipment in excess of certain thresholds specified below. Depreciation and amortization are calculated using the straight-line method over the following useful lives:

Building	25 - 35 years
Building improvements	5 - 15 years
Furniture, artwork, equipment, auto, and software	3 -15 years
Capitalization threshold	$ 2,500

When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts and any remaining gain or loss is included in operations. Repairs and maintenance are charged to expense when incurred. Costs associated with construction in progress are held until the asset is placed in service, at which point the asset is transferred out of construction in progress and depreciated over its estimated useful life.

UWW has art work valued at $256,450 that is not considered to be a collection as per Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958-360-25, *Works of Art, Historical Treasures and Similar Items*. The art work is included in property and equipment in the consolidated statements of financial position. The art work was appraised in 1994 and is recorded at the appraisal value. As per FASB ASC Topic 958-360-25, the art work is not depreciated.

Investment in Truist

In 2012, UWW invested $243,529 in a smaller ownership interest in Truist of 14.8%. On February 28, 2014, the investment in Truist was sold at a gain of approximately $201,000 which is reflected in the consolidated statement of activities for the year ended December 31, 2014. On June 11, 2015, UWW received additional proceeds of such sale in the amount of $72,382 and recognized as miscellaneous and other revenue, which is reflected in the consolidated statement of activities for the year ended December 31, 2015.

Noncurrent Assets

Noncurrent assets include the “Born Learning” trademark, which was initially measured based on its fair value, when it was purchased in 2008, relating to the “Born Learning” campaign which strives to help parents, care-givers and communities to create quality early learning opportunities for young children. The trademark allows UWW to brand certain products and apparel with the “Born Learning” brand. The trademark is not amortized as it has an indefinite useful life due to the fact that the “Born Learning” campaign will continue until an undeterminable date in the future.

Also included in noncurrent assets are the cash surrender value of life insurance contracts and the plan assets of UWW’s deferred compensation plan which are stated at net asset value, which approximates the fair market value.

Impairment of Long-Lived Assets

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the asset is reduced, by a charge to the consolidated statements of activities, to its current fair value.

Deferred Revenue

Deferred revenue consists of registration and underwriting fees for training programs and conferences as well as deferred service revenue. The Organization recognizes training programs and conference revenues upon the program/conference's completion. Unexpended training program, conference, and service revenues at year end, are deferred and recognized when the related expenditures occur.

Net Assets

Unrestricted Net Assets

Unrestricted net assets are available for use in general operations. Board designated net assets is a component of unrestricted net assets, which is a quasi-endowment, established by the Board of Trustees (the Board) for the purpose of securing the Organization's long-term financial viability.

The International Donor Advised Giving (IDAG) program is a component of unrestricted net assets and was established by the Board of Trustees. Companies, foundations and individuals contribute to IDAG to achieve their philanthropic goals outside of the United States. IDAG provides comprehensive grant-making services to ensure compliance with both U.S. and international laws and UWW retains variance power of all contributions to IDAG.

Temporarily Restricted Net Assets

Temporarily restricted net assets consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. The Organization is permitted to use or expend the donated assets in accordance with the donor restriction.

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. 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 consolidated statements of activities as net assets released from restrictions, see Notes 16 and 17 for details regarding the composition of temporarily restricted net assets.

Permanently Restricted Net Assets

Permanently restricted net assets consist of assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Organization. The restrictions stipulate that resources be maintained permanently but permit the Organization to expend the income generated in accordance with the provisions of the agreement, see Note 12 for additional details.

Revenue Recognition

UWW Membership Revenue

Membership revenue is recorded ratably over the calendar year membership term. Membership of UWW allows member United Ways to use the name and trademarks owned by UWW, during the period of membership. Membership support is based on a formula tied to certain types of the member's annual revenue streams. If any member does not remit its annual membership support, the member's ability to utilize the United Way name and trademarks can be revoked. Membership revenue is recognized net of training credits provided to the members.

These training credits are recorded as deferred revenue until the credit expires or is used by the member, at which time the related training revenue is recognized. As of December 31, 2015 and 2014, the amount of the deferred training credit was $2,083,068 and $2,383,200, respectively.

UWW Contributions Revenue

UWW recognizes contributions received and made, including unconditional promises to give, as revenue in the period received or made. Contributions received are reported as unrestricted support, temporarily restricted support, or permanently restricted support. Temporarily restricted contributions that are used for the purpose specified by the donor in the same year as the contribution is received are recognized as temporarily restricted contributions and are reclassified as net assets released from restrictions in the same year. Promises to contribute that stipulate conditions to be met before the contribution is made are not accrued until the conditions are met.

As of December 31, 2015 and 2014, UWW had received conditional promises to give totaling $500,000 and $1,250,000, respectively, for the Underwareness program, respectively.

Temporarily restricted campaign efforts, as shown in the consolidated statement of activities for 2014, reflect the portion of the final campaign processed through Tri-State. The 2014/2015 campaign, substantially distributed during 2014, consisted of donations pledged by companies and their employees. No campaign efforts were recorded in 2015 for Tri-State. In 2014, unrestricted revenue was offset by additional expense of $1,120,672 recorded as adjustments from prior year campaigns. The amounts were losses realized from less than anticipated pledge collections and an adjustment in the liability amounts raised on behalf of others for prior Tri-State campaigns. All of the campaign responsibilities for the 2014/2015 campaign in the Tri-State region have been transferred to member United Ways in the Tri-State region.

In 2014 and prior years, campaign efforts include contributions, amounts raised on behalf of others (ARBO), and amounts raised by participating companies paid directly to recipient organizations. Contributions and pledges are recognized as revenue in the period received or promised. Pledges received where the donor designates that the gift is for a specific United Way or nonprofit agency are accounted for as agency transactions. Accordingly, while such amounts raised on behalf of others are included in total campaign efforts in the accompanying consolidated financial statements they are deducted prior to reporting net distributable contributions. Amounts paid directly are contributions raised in the Tri-State region as part of the Tri-State's annual campaign.

Expenses

Expenses are recognized by the Organization on an accrual basis. Expenses paid in advance and not yet incurred are recorded as prepaid until the applicable period.

Functional Allocation of Expenses

The costs of providing various program and supporting activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, indirect costs have been allocated among the programs and supporting services based on the full time employee equivalent method.

Donated Services and Materials

A substantial number of volunteers have donated significant amounts of time to the Organization's program services and to its fund-raising campaigns. No amounts have been recognized in the consolidated statements of activities since time contributed by Organization volunteers do not fall into the criteria established by the Financial Accounting Standards Board (FASB) in this area.

The Organization records donated professional services, which meet criteria established by FASB, at the fair market value of the services received.

Donated materials, including postage, are recorded at fair value at the date of donation.

Endowment

The Organization's endowment consists of one fund established for the purpose of providing home care and assisted living to the elderly poor, with specific reference to assisting older people to remain in their own homes. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Trustees has determined that the New York Prudent Management of Institutional Funds Act (NY-PMIFA), an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), applies to the Organization's endowment fund. UPMIFA provides guidance and authority to charitable organizations concerning the management and investment of funds held by those organizations, and UPMIFA imposes additional duties on those who manage and invest charitable funds. These duties provide additional protections for charities and also protect the interests of donors who want to see their contributions used wisely.

The Organization classifies as permanently restricted net assets the original value of the gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets, generally investment income, is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

When a donor expresses intent clearly in a written gift instrument, the Organization follows the donor's instructions. When a donor's intent is not so expressed, the Organization shall spend an amount from the fund that is prudent, consistent with the purposes of the fund, relevant economic factors, and the donor's intent that the fund continues in perpetuity. As a result of the determination that an enacted version of UPMIFA applies in accounting for endowment funds, the Organization follows ASC 958-205, *Presentation of Financial Statements for Not-For-Profit Entities*.

Investment Policy Statement

The fundamental investment objectives for investments are to ensure safety and preservation of principal, meet liquidity needs, apply diversification and risk limits appropriate to the investment pools and achieve optimal net investment returns subject to the risk tolerance, investment pool objectives and policy constraints. The asset pools in which the endowment funds are invested require current income which is the minimum needed for expenses and prudent liquidity, growth of income for planning and execution of distributions, and capital growth for long term growth and sustainability.

Spending Policy Statement

In making expenditures from endowment funds, the Board of Trustees shall first comply with any restrictions or requirements in the gift instrument as to purpose and amount. Except as otherwise provided by the gift instrument, in making expenditures from endowment funds, the Board shall take into account all relevant considerations including, but not limited to, the long and short term needs of the Organization in carrying out its purposes, its present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. The Board shall conduct an annual analysis of the historic dollar value of the endowment funds plus an inflation factor of three percent (3%) and may spend any amount in excess of inflation-adjusted historic dollar value so long as such amount is attributable to net realized gains from any property or unrealized gains attributable to marketable securities.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain 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.

Financial Instruments and Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents, custodial funds and investments held at creditworthy financial institutions. The majority of financial investments are held in trust in the name of UWW which protects against credit risk of the financial institution holding the investments. There is also limited credit risk associated with LUW, campaign, contributions and accounts receivable. The credit risk with respect to receivables is limited because the Organization deals with a large number of members, donors and customers in a wide geographic area.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, "*Revenue from Contracts with Customers*," which establishes a comprehensive revenue recognition standard for virtually all industries in U.S. GAAP, including those that previously followed industry-specific guidance. For non-public entities, the new standard was originally effective for annual periods beginning after December 15, 2017. In August 2015, the FASB issued ASU 2015-4, "*Revenue from Contracts with Customers (Topic 606) – Deferral of Effective Date,*" which deferred the effective date for one year. Accordingly, this ASU will be effective for the Organization for the year ended December 31, 2019. The Organization is currently evaluating the effect the provisions of ASU 2014-09 will have on the consolidated financial statements.

In August 2014, the FASB issued ASU 2014-15, "*Presentation of Financial Statements – Going Concern (Subtopic 205-40): Disclosures of Uncertainties about an Entity's Ability to Continue as a Going Concern*." The update provides guidance about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern. The update also provides related disclosures. The new standard applies prospectively to annual periods ending after December 15, 2016. Early adoption is permitted. Presently, the Organization does not anticipate that the adoption of this update will have a material effect on the consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03 which requires debt issuance costs related to a recognized debt liability to be presented on the statements of financial position as a direct deduction from the debt liability. The ASU 2015-03 is effective for non-public entities for fiscal years beginning after December 15, 2015 with early adoption allowed. The Organization has adopted this ASU as of December 31, 2015 with retrospective application at December 31, 2014.

In May 2015, the FASB issued ASU 2015-07, *Disclosure for Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)* which eliminates the requirement to categorize investments in the fair value hierarchy if their fair value is measured at net asset value per share (or its equivalent). ASU 2015-07 is effective for non-public entities' fiscal years beginning after December 15, 2016 with early adoption permitted. The Organization has adopted ASU 2015-07 as of December 31, 2015 with retrospective application at December 31, 2014. There is no such investment as of December 31, 2015 and 2014 and therefore this standard has no impact in the financial statements of the Organization as of such period.

In February 2016, the FASB issued ASU 2016-03 which is a highly-anticipated leasing standard for both lessees and lessors. Under its core principle, a lessee will recognize lease assets and liabilities on the statement of financial position for all leasing arrangements with terms longer than 12 months. Lessor accounting remains largely consistent with existing U.S. GAAP. The new standard takes effect in 2019 for public business entities and 2020 for all other entities. Presently, the Organization does not anticipate that the adoption of this update will have a material effect on the consolidated financial statements.

1. Uninsured Cash and Cash Equivalents

The Organization maintains its cash balances at several financial institutions which, at times, may exceed federally insured limits. At December 31, 2015 and 2014, the Organization held $9,327,792 and $3,875,218, respectively, in uninsured cash and cash equivalents. The Organization has not experienced any losses in such accounts and believes it is not exposed to significant credit risk on its cash and cash equivalents.

2. Investments

Investments, at fair value, consist of the following at:

December 31,	**2015**	2014
Corporate bonds	**$ 14,288,832**	$ 9,260,398
Government agency notes	**10,931,188**	11,541,166
Equity securities	**3,151,251**	3,139,651
Bond funds	**1,970,243**	1,987,420
U.S. Treasury notes	**2,694,206**	1,598,902
Corporate stocks	**15,338**	952,992
	33,051,058	28,480,529
Less: short-term investments	**115,326**	3,429,380
	$ 32,935,732	$ 25,051,149

Interest income for the years ended December 31, 2015 and 2014 was $417,333 and $374,798, respectively. The related investment expenses of $80,212 and $66,565 for the years ended December 31, 2015 and 2014, respectively, are included in the general and administrative expenses of the consolidated statements of activities. The realized and unrealized (loss) gain for the years ended December 31, 2015 and 2014 was ($227,186) and $235,388, respectively.

3. Custodial Funds

Custodial funds, at fair value, consist of the following at:

December 31,	**2015**	2014
Cash and cash equivalents	**$ 2,722,799**	$ 13,343,118
Equity securities	**94,270**	93,292
U.S. Government agency notes	**28,096**	30,371
U.S. Treasury notes	**50,148**	55,279
Common collective trusts	**742,785**	869,322
	3,638,098	14,391,382
Less: short-term custodial funds	**2,722,799**	13,343,118
	$ 915,299	$ 1,048,264

4. Fair Value Measurements

The following methods and assumptions were used by the Organization in estimating the fair value of other financial instruments, which consist of investments and custodial funds. As defined in FASB ASC Topic 820, *Fair Value Measurements*, 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 (exit price). The Organization utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. The Organization primarily applies the market approach for recurring fair value measurements and endeavors to utilize the best available information.

FASB ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

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 measurements involving significant unobservable inputs (Level 3 measurements). The Level 1 and 2 of fair value hierarchy are as follows:

Level 1 Inputs: Valuation based on quoted prices in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date, and where transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 Inputs: Valuation based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, that is markets in which there are few transactions, prices are not current, or prices vary substantially over time.

A summary of investments and custodial fund investments summarized by input level as of December 31, 2015 is as follows:

December 31	Level 1	Level 2	Total
Investments:			
Corporate bonds			
Large cap	$ 14,288,832	$ -	$ 14,288,832
Equity securities			
Large cap	1,877,019	-	1,877,019
Mid cap	257,324	-	257,324
Small cap	261,952	-	261,952
International	513,456	-	513,456
Emerging markets	241,500	-	241,500
Government agency notes	10,931,188	-	10,931,188
U.S. Treasury notes	2,694,206	-	2,694,207
Bond funds	1,970,243	-	1,970,243
Corporate stocks	15,338	-	15,338
Total investments	$ 33,051,058	$ -	$ 33,051,058
Custodial funds:			
Equity securities			
Large cap	$ 94,270	$ -	$ 94,270
U.S. Government agency notes	28,096	-	28,096
U.S. Treasury notes	50,148	-	50,148
Common collective trusts	-	742,785	742,785
Total custodial funds	$ 172,514	$ 742,785	$ 915,299

A summary of investments and custodial fund investments summarized by input level as of December 31, 2014 is as follows:

December 31	Level 1	Level 2	Total
Investments:			
Corporate bonds			
Large cap	$ 9,260,398	$ -	$ 9,260,398
Equity securities			
Large cap	1,913,754	-	1,913,754
Mid cap	259,337	-	259,337
Small cap	254,924	-	254,924
International	473,429	-	473,429
Emerging markets	238,207	-	238,207
Government agency notes	11,541,166	-	11,541,166
U.S. Treasury notes	1,598,902	-	1,598,902
Bond funds	1,987,420	-	1,987,420
Corporate stocks	952,992	-	952,992
Total investments	$ 28,480,529	$ -	$ 28,480,529
Custodial funds:			
Equity securities			
Large cap	$ 93,292	$ -	$ 93,292
U.S. Government agency notes	30,371	-	30,371
U.S. Treasury notes	55,279	-	55,279
Common collective trusts	-	869,322	869,322
Total custodial funds	$ 178,942	$ 869,322	$ 1,048,264

The fair market value of a financial instrument is defined in FASB ASC Topic 825, *Financial Instruments,* as "the amount at which the instrument could be exchanged in a current transaction between willing parties." The carrying amounts reported in the accompanying consolidated statements of financial position for member United Way receivables, campaign receivables, contributions receivable, accounts receivable, notes receivable and debt, approximate fair value given the short-term nature of the financial instruments or conversely are based on a non-recurring assessment of fair value.

Level 2 Valuation Process

Common Collective Trusts

The fund seeks to achieve its investment objective by investing substantially all of its assets in the portfolio, the "master fund" that has the same investment objective as, and investment policies that are substantially similar to those of, the fund. This is commonly referred to as a "master/feeder" complex, with the fund serving as the "feeder" fund and the portfolio serving as the "master" fund. The portfolio uses a passive management strategy designed to track the performance of the S&P 500.

The portfolio is not managed according to traditional methods of "active" investment management, which involve the buying and selling of securities based upon economic, financial and market analysis and investment judgment. Instead, the portfolio utilizes a "passive" or "indexing" investment approach, attempting to replicate the investment performance of the S&P 500 Index, before expenses.

The value of individual instruments held by the fund generally are valued at:

- Market value (generally determined at the closing time of the market on which they are traded);
- Fair value (when market quotations are not readily available or subsequent events suggest the market quotation no longer is reliable); and
- Amortized cost (for debt securities maturing within 60 days).

Additionally, the Organization's investment advisor performs on-going due diligence of the funds which includes benchmarking and comparing the results of the fund to certain indexes. The Organization's investment advisor meets periodically with the Organization's Investment and Pension Committee and reports the performance of the fund.

There were no changes in valuation techniques noted for the common collective trusts for 2015 and 2014.

5. Member United Way Receivables

Member United Way receivables consist of the following at:

December 31,	**2015**	2014
Member United Way receivables	**$ 1,235,138**	$ 1,219,660
Allowance for doubtful accounts	**(34,451)**	(109,627)
Member United Way receivables, net	**$ 1,200,687**	$ 1,110,033

Bad debt expense is determined based on management's judgment, including such factors as prior collection history. Bad debt (reversal) expense related to member United Way receivables totaled ($3,169) and $72,007 for the years ended December 31, 2015 and 2014, respectively.

6. Contributions Receivable

Contributions receivable consist of the following unconditional promises to give at:

December 31,	**2015**	2014
Amounts due in:		
Less than one year	**$ 2,270,314**	$ 2,145,263
One to five years	**2,361,284**	1,450,000
Total contributions receivable	**4,631,598**	3,395,263
Less: discount	**(92,401)**	(56,695)
Less: allowance for doubtful accounts	**(138,947)**	(106,157)
	4,400,250	3,432,411
Less: contributions receivable current	**2,202,205**	2,080,905
Contributions receivable – noncurrent	**$ 2,198,045**	$ 1,351,506

Bad debt reversal related to contributions receivable totaled $3,803 and $36,594 for the years ended December 31, 2015 and 2014, respectively. In addition, UWW also wrote off a certain receivable that amounted to $79,153 in 2015.

7. Accounts Receivable

Accounts receivable consist of the following at:

December 31,	**2015**	2014
Accounts receivable	**$ 504,948**	$ 436,523
Allowance for doubtful accounts	**(12,466)**	(13,096)
Total	**$ 492,482**	$ 423,427

Bad debt reversal related to accounts receivable totaled $9,525 and $8,970 for the years ended December 31, 2015 and 2014, respectively. In addition, UWW also wrote off a certain receivable that amounted to $75 in 2014.

8. Property and Equipment

Property and equipment consists of the following at:

December 31,	**2015**	2014
Land	**$ 2,102,080**	$ 2,102,080
Building and building improvements	**40,481,046**	24,955,264
Furniture, artwork, equipment, auto, and software	**11,072,484**	9,790,164
Construction in progress	**-**	5,650,810
	53,655,610	42,498,318
Less: accumulated depreciation and amortization	**(23,576,238)**	(21,916,941)
	$ 30,079,372	$ 20,581,377

Depreciation and amortization expense totaled $1,888,063 and $1,380,832 for the years ended December 31, 2015 and 2014, respectively.

9. Debt

In August 2015, UWW's line-of-credit was amended and renewed. The expiration date on the line-of-credit was extended until August 2016. Borrowing limits on the line-of-credit are a maximum of $2,000,000. The interest rate on the line-of-credit changed from LIBOR plus 2.0% to LIBOR plus 1.6% effective August 31, 2015. There were no borrowings under the line-of-credit as of December 31, 2015 and 2014. UWW incurred no interest expense on this line of credit for the years ended December 31, 2015 and 2014.

On December 18, 2009, UWW agreed to a construction loan up to $6,000,000 to partially fund the renovation of its building in Alexandria, Virginia. The interest rate on the loan is LIBOR plus 2.5%. The interest rate and interest expense was 2.67% and $2,331, respectively, for the year ended December 31, 2014. The loan balance was paid in full on January 17, 2014.

The following is a summary of the notes payable as of December 31, 2015.

	Equipment Notes			
	No. 001	**No. 002**	**No. 003**	**2015**
Original Value	$ 3,000,000	$ 4,010,521	$ 1,000,000	$ 8,010,521
Issuance Date	January 5, 2015	April 2, 2015	June 11, 2015	
Maturity Date	January 8, 2022	April 8, 2022	July 8, 2022	
Purpose	Partially fund the cost of new furniture and equipment related to the renovation of the Organization's office building in Alexandria, Virginia			
Repayment terms	84 monthly installment payments commencing February 8, 2015	84 monthly installment payments commencing May 8, 2015	84 monthly installment payments commencing August 8, 2015	
Amount outstanding, December 31, 2015				
Current	$ 393,896	$ 521,462	$ 128,761	$ 1,044,118
Noncurrent	2,258,294	3,152,557	819,054	6,229,906
Total	$ 2,652,190	$ 3,674,019	$ 947,815	$ 7,274,024
Interest basis	3.91% fixed	3.91% fixed	3.91% fixed	
Interest				
2015	$ 101,895	$ 100,722	$ 15,593	$ 218,570

Interest incurred on all of the above loans was $218,570 and $0 for the years ended December 31, 2015 and 2014, respectively. Capitalized interest payments for construction projects amounted to $88,083 and $0 for the years ended December 31, 2015 and 2014, respectively.

UWW was in compliance with all debt covenants as of December 31, 2015.

The aggregate amount of maturities for all long-term borrowings for each of the next five fiscal years and thereafter, is as follows:

Year ending December 31,	
2016	$ 1,044,118
2017	1,085,682
2018	1,128,902
2019	1,173,841
2020	1,220,570
2021-2022	1,620,911
Total	$ 7,274,024

10. Pension and Other Postretirement Benefits

The Organization sponsors the Pension Plan of the United Way Worldwide (UWW Plan), several Non-Qualified Plans (Non-Qualified Plans), and two Postretirement Benefit Plans (Postretirement Plans). The Non-Qualified Plans include the United Way of America Senior Vice President's Plan (Senior VP Plan), United Way of America 415 Replacement Plan (415 Replacement Plan), and the United Way of America Supplemental Employee Retirement Plan (SERP). The Postretirement Plans include health care and life insurance benefits and other life insurance benefits.

Reconciliation of Defined Benefit Plan Liabilities and Expenses to the Consolidated Financial Statements:

The following table presents a reconciliation of the liabilities recognized for pension benefits to the presentation in the consolidated financial statements at:

December 31,	**2015**	2014
UWW Plan	**$ 9,409,920**	$ 9,385,772
Non-qualified plans	**2,082,499**	2,164,294
UWW Make-up Plan	**305,745**	325,786
Total recognized liability	**$ 11,798,164**	$ 11,875,852
Current portion, liability for pension benefits	**$ 1,395,800**	$ 1,465,800
Noncurrent portion, liability for pension benefits	**10,402,364**	10,410,052
Total liability for pension benefits	**$ 11,798,164**	$ 11,875,852

The following table presents a reconciliation of the components of the postretirement benefit plans to the presentation in the consolidated financial statements at:

December 31,	**2015**	2014
Postretirement benefit plans	**$ 1,999,048**	$ 2,090,442
Current portion, postretirement benefits	**$ 144,000**	$ 147,000
Noncurrent portion, postretirement benefits	**1,855,048**	1,943,442
Total postretirement benefits	**$ 1,999,048**	$ 2,090,442

The following table presents a reconciliation of the change in unrecognized loss recognized apart from expenses in the consolidated financial statements:

Years ended December 31,	**2015**	2014
UWW Plan	**$ 1,512,032**	$ 6,052,748
Non-Qualified Plans	**(155,169)**	595,610
Postretirement Plans	**(57,456)**	(34,758)
Total change in unrecognized loss recognized apart from expenses	**$ 1,299,407**	$ 6,613,600

Pension Plan of United Way Worldwide

The UWW Plan (UWW Plan) is a qualified, noncontributory defined benefit pension plan, which includes UW Store and eWay, and covers employees who have reached the age of 21 and completed one year of employment. An employee's interest becomes fully vested upon the completion of three years or five years of service, depending on the date of hire, and is generally payable upon attainment of early retirement age. Contributions to the plan are based on actuarially determined amounts.

At December 31, 2015 and 2014, the benefit levels of participants in the UWW Plan are frozen and new employees are precluded from participating in the UWW Plan.

The following is a summary of the funded status of the UWW Plan as of December 31, 2015 and 2014 and the key assumptions used by the UWW Plan's actuary. The calculations are performed based on measurement dates of December 31, 2015 and 2014 for the years ended December 31, 2015 and 2014, respectively.

Obligations and Funded Status

December 31,	**2015**	2014
Accumulated benefit obligation	**$ 46,072,090**	$ 47,312,500
Projected benefit obligation	**$ 46,072,090**	$ 47,312,500
Fair value of plan assets	**36,662,170**	37,926,728
Funded status – under funded	**(9,409,920)**	(9,385,772)
Underfunded pension liability	**$ 9,409,920**	$ 9,385,772

Items not yet recognized as a component of net periodic pension cost during the year are as follows:

Years ended December 31,	**2015**	2014
Loss (gain) due to assets	**$ 3,167,378**	$ (1,742,313)
(Gain) loss due to change in discount rate and other assumptions	**(1,862,563)**	6,942,688
Loss due to participant experience	**207,217**	852,373
Total	**$ 1,512,032**	$ 6,052,748

In October 2014, the Society of Actuaries (SOA) issued new mortality tables (RP-2014) and a mortality improvement scale (MP-2014) that reflect longer life expectancies than those reflected in previously issued tables. The model allows plan sponsors and actuaries to select a different assumption set and exercise their professional judgment regarding their own "best estimate" for mortality improvement. In 2014, UWW and its actuary assessed mortality rate assumptions to determine whether the assumptions being used represented the best estimate. As a result, UWW updated the mortality assumptions which resulted in an increase of $1.9 million in the benefit obligation in 2014. The amount is included in the gain due to change in discount rate, rate of compensation increase and other assumptions which totaled to $6.9 million for the year ended December 31, 2014.

In October 2015, the Retirement Plan Experience Committee (RPEC) released an updated scale MP-2015 and updated model RPEC_2014_v2011, reflecting two additional years of data that became available since the MP-2014 creation. The emerging mortality improvements were significantly lower than predicted by MP-2014, resulting in a typical plan's liability reduction of 1.4% to 1.8% due to working in the new data and utilizing the full SOA "committee-selected" assumption set.

Based on UWW's actuary's research and analysis in late 2014 and early 2015, Principal and UWW, like many others, had documented concerns with scale the MP-2014. Accordingly, Principal created the Principal Mortality Improvement scales, by utilizing assumption sets that put less emphasis on recent years' experience. The adjustments to the tables significantly reduce volatility due to emerging data updates. As anticipated, updating the Principal scales for two additional years of data results in minor changes to accounting liabilities of a typical pension plan (0-0.3%).

Contributions and benefit payments made were as follows:

Years ended December 31,	**2015**	2014
Employer contributions	**$ 900,000**	$ 900,000
Benefits paid	**$ 1,395,151**	$ 2,725,330

Net Periodic Benefit Cost

Components of net periodic benefit cost recognized as expenses in the accompanying consolidated statements of activities for the years ended December 31, 2015 and 2014 were:

Years ended December 31,	**2015**	2014
Interest cost	**$ 1,810,087**	$ 1,880,853
Expected return on assets	**(2,397,971)**	(2,343,306)
Amortization of loss	**1,323,737**	887,685
Net periodic benefit cost	**$ 735,853**	$ 425,232

Assumptions

Weighted average assumptions used to determine the benefit obligation and net periodic pension benefit cost are as follows:

Years ended December 31,	**2015**	2014
Benefit Obligation:		
Discount rate	**4.35%**	3.90%
Rate of compensation increase	**n/a**	n/a
Net Periodic Benefit Cost:		
Discount rate	**3.90%**	4.75%
Rate of compensation increase	**n/a**	n/a
Expected return on plan assets	**7.00%**	7.25%

The expected long-term rate of return on assets assumption was 7.00% and 7.25% as of December 31, 2015 and 2014, respectively. This assumption represents the rate of return on plan assets reflecting the average rate of earnings expected on the funds invested or to be invested to provide for the benefits included in the benefit obligation. The assumption has been determined to reflect expectations regarding future rates of return for the investment portfolio, with consideration given to the distribution of investments by asset class and historical rates of return for each individual asset class.

The expected long-term rate of return was determined by multiplying the historical rate of return for an asset class by the percentage of plan assets invested in that class and then adding the result for all classes. In general, it was based on returns for the Plans' target asset allocations.

Plan Assets

The fair value of plan assets by asset class as of December 31, 2015 and 2014 were:

December 31,	**2015**	2014
Pooled separate accounts - bond funds	**$ 20,139,313**	$ 21,004,058
Pooled separate accounts - equity securities	**16,522,857**	16,922,670
Total	**$ 36,662,170**	$ 37,926,728

The fair market value of plan assets, consisting of pooled separate accounts, qualified as Level 2 investments under the FASB ASC Topic 820 hierarchy. The units held in pooled separate accounts are valued at the unit values as reported by the UWW Plan trustee as of December 31, 2015 and 2014. The unit values are based upon the market values of underlying investments as determined periodically by the UWW Plan trustee.

The UWW Plan assets are diversified to minimize risk and maximize returns. In 2012, UWW adopted a Dynamic Asset Allocation strategy. Asset allocations will change in accordance with funded attainment levels. As of December 31, 2015, the targeted asset allocation was 45% equities and 55% fixed income based upon a funded status of greater than 90% based on market value and the funding target liability on a full Internal Revenue Service (IRS) yield curve. The UWW Plan assets are managed by professional investment managers and are monitored by UWW's management, Finance Committee, and Investment and Pension Subcommittee.

Estimations of Future Activity

Expected amortization of the net actuarial loss during the year ended December 31, 2016 is $1,525,082.

The following benefit payments are expected to be paid as follows:

Years ending December 31,	
2016	$ 1,960,000
2017	$ 2,050,000
2018	$ 2,170,000
2019	$ 2,240,000
2020	$ 2,360,000
2021 – 2025	$ 13,050,000

The UWW Plan is positioned to meet the minimum funding requirement as outlined in the Pension Protection Act of 2006. As of January 1, 2015, 107.95% of the Funding Target Liability for the UWW Plan was funded. UWW continues to monitor the funded status of its defined benefit plan and to evaluate potential strategies that ensure the plan is managed in compliance with pension laws and regulations.

United Way Worldwide Non-Qualified Plans

The Non-Qualified Plans are described below by type of plan.

The 415 Replacement Plan is a non-qualified, noncontributory defined benefit pension plan established to restore the pension benefits lost under the qualified plan due to the limitations arising from Section 415 of the Tax Equity and Fiscal Responsibility Act of 1982.

The SERP is a non-qualified, noncontributory plan established in 2000. This plan was established to replace benefits in the qualified plan for participants affected by IRS salary limits, as well as benefit limits.

The following is a summary of the funded status of the Non-Qualified Plans as of December 31, 2015 and 2014 and the key assumptions used by the actuary. The calculations are performed based on measurement dates of December 31, 2015 and 2014 for the years ended December 31, 2015 and 2014, respectively.

Obligations and Funded Status

December 31,	**2015**	2014
Projected benefit obligation	**$ 2,082,499**	$ 2,164,294
Fair value of plan assets	**-**	-
Funded status – under funded	**$ (2,082,499)**	$ (2,164,294)
Unfunded pension liability	**$ 2,082,499**	$ 2,164,294

The Organization has a segregated account specifically for funding the SERP. The balance in the account was $1,345,600 and $1,694,878 as of December 31, 2015 and 2014, respectively. This account balance is not included in the calculation of the unfunded pension liability.

Items not yet recognized as a component of net periodic pension cost as of December 31, 2015 and 2014 are as follows:

December 31,	**2015**	2014
(Gain) loss due to change in discount rate, rate of compensation increase and other assumptions (including mortality assumption)	**$ (278,009)**	$ 444,541
Loss (gain) due to participant experience	**122,840**	(7,113)
Effect of settlement	**-**	158,182
Total	**$ (155,169)**	$ 595,610

Contributions and benefit payments made during the year were as follows:

Years ended December 31,	**2015**	2014
Employer contributions	**$ -**	$ 252,827
Benefits paid	**$ -**	$ 252,827

Net Periodic Benefit Cost

Components of net periodic benefit cost recognized as expenses in the accompanying consolidated statements of activities for the years ended December 31, were:

Years ended December 31,	**2015**	2014
Interest cost	**$ 73,374**	$ 74,449
Expected return on assets	**-**	-
Amortization of loss	**(4,006)**	(4,483)
Effect of settlement	**-**	(158,182)
Net periodic benefit cost	**$ 69,368**	$ (88,216)

Assumptions

Weighted average assumptions used to determine the benefit obligation and net periodic benefit cost are as follows:

Years ended December 31,	**2015**	2014
Benefit Obligation:		
Discount rate	**4.35%**	3.90%
Rate of compensation increase	**n/a**	n/a
Net Periodic Benefit Cost:		
Discount rate	**3.90%**	4.75%
Rate of compensation increase	**2.00%**	2.00%
Expected return on plan assets	**n/a**	n/a

Estimations of Future Activity

Expected amortization of the net actuarial gain during the year ending December 31, 2016 is $4,516.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

Years ending December 31,	
2016	$ 495,800
2017	$ 5,800
2018	$ 1,645,700
2019	$ 5,600
2020	$ 5,500
2021 – 2025	$ 25,000

The Organization does not expect to make contributions to the Non-Qualified Plans in 2016.

United Way Worldwide Postretirement Benefit Plans

Health care and life insurance benefits

UWW provides health care and life insurance benefits to certain retired employees (Post Retirement Benefit Plan). Employees become eligible for benefits in meeting certain age and service requirements. Spouses of eligible participants are also eligible if they meet certain requirements. The United Way Worldwide's policy is to fund these benefits through premium reimbursements to participants. However, in conformity with FASB ASC Topic 715-60, *Employers' Accounting for Postretirement Benefits Other Than Pensions*, the cost of providing these benefits is to be accrued over the service period of the active employee group.

Certain employees retiring from UWW on or after attaining age 55 and with five years of credited service are entitled to postretirement life insurance and medical and dental benefit coverage. These benefits are subject to deductibles, co-payment provisions, and other limitations. This plan is frozen and not open to new participants.

UWW costs are frozen at 50% of the premium rate effective when the medical and dental plans were frozen; there are no future health care costs expected, beyond this rate.

Other life insurance benefits

UWW provides a flat dollar amount of life insurance benefits to certain retired employees (Post Retirement Benefit Plan) under the legacy Tri-State division. Employees become eligible for benefits by meeting certain age and service requirements. However, in conformity with FASB ASC Topic 715-60, and as amended by FASB ASC Topic 715-30, the cost of providing these benefits are to be accrued over the average remaining lifetime of the retiree group.

Certain employees retiring from legacy Tri-State on or after attaining age 55 and with five years of credited service are entitled to postretirement life insurance coverage. The life insurance amount is generally a flat $35,000 benefit with a few individuals entitled to slightly lesser amounts. This plan is frozen and not open to new participants. There are no plan assets associated with this obligation.

The following is a summary of the funded status of the Postretirement Plans as of December 31, 2015 and 2014 and the key assumptions used by the actuary. The calculations are performed based on measurement dates of December 31, 2015 and 2014 for the years ended December 31, 2015 and 2014, respectively.

Obligations and Funded Status

December 31,	**2015**	2014
Accumulated benefit obligation	**$ 1,999,048**	$ 2,090,442
Fair value of plan assets	**-**	-
Funded status – under funded	**$ (1,999,048)**	$ (2,090,442)
Unfunded pension liability	**$ 1,999,048**	$ 2,090,442

Items not yet recognized as a component of net periodic pension cost as of December 31, 2015 and 2014 are as follows:

December 31,	**2015**	2014
(Gain) loss due to change in discount rate and other assumptions (including mortality assumption)	**$ (81,282)**	$ 137,597
Loss (gain) in participant experience	**23,826**	(172,355)
Total	**$ (57,456)**	$ (34,758)

Contributions and benefit payments made during the year were as follows:

Years ended December 31,	**2015**	2014
Employer contributions	**$ 132,964**	$ 122,118
Benefits paid	**$ 132,964**	$ 122,118

Net Periodic Benefit Cost

Components of net periodic postretirement benefit cost recognized as expenses in the accompanying consolidated statements of activities for the years ended December 31, were:

Years ended December 31,	**2015**	2014
Service cost	**$ 20,365**	$ 19,560
Interest cost	**78,661**	97,234
Net amortization		
Amortization of prior service cost	**25,272**	25,272
Amortization of net gain	**(67,403)**	(72,215)
Net periodic benefit cost	**$ 56,895**	$ 69,851

Assumptions

The weighted average assumptions were:

	2015	2014
Measurement date	**December 31, 2015**	December 31, 2014
Discount rate	**4.35%**	3.90%

Plan Assets

The Postretirement Plans are not funded. UWW makes contributions to the plans as benefit payments are made.

Estimations of Future Activity

Estimated amounts to be amortized during the year ending December 31, 2016:

	2016
Prior service cost	$ 25,272
Net actuarial gain	$ (69,420)

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

Years ending December 31,	
2016	$ 144,000
2017	$ 165,000
2018	$ 165,000
2019	$ 165,000
2020	$ 164,000
2021 – 2025	$ 760,000

UWW plans to make contributions amounting to $144,000 during 2016 to the Postretirement Plans.

UWW Make-up Plan

UWW maintains an additional non-qualified benefit plan to provide employees with the benefits they are not eligible to receive under the qualified pension plan because of limits imposed by the Employee Retirement Income Security Act (ERISA) and the Internal Revenue Code (IRC). The projected benefit is estimated to be $305,745 and $325,786, which is accrued as of December 31, 2015 and 2014, respectively. Pension expense (income) for these benefits amounted to $(20,041) and $26,806 for the years ended December 31, 2015 and 2014, respectively.

Other Employee Benefit Plans

UWW 403(b) Plan

UWW offers a contributory defined contribution pension plan (IRC Section 403(b)), that provides for employer matching contributions of the employee contributions (3.0% to 5.0% of annual salary depending on years of service) plus an additional contribution of 1.0% to 3.5% depending on years of service for those employees covered under the frozen UWW Plan. UWW's contributions to this plan were $1,238,161 and $1,185,057 for the years ended December 31, 2015 and 2014, respectively.

UWW Deferred Compensation Plans

In 2005, UWW established a 457(b) eligible deferred compensation plan to provide make up benefits to highly compensated employees that would not otherwise receive their full employer match under the 403(b) plan. As of December 31, 2015 and 2014, the assets of $388,667 and $344,319, respectively, for this plan are included in other noncurrent assets in the consolidated statements of financial position. The assets are invested in cash and cash equivalents. The matching liabilities as of December 31, 2015 and 2014 of $388,664 and $344,319, respectively, for this plan are reflected in the consolidated statements of financial position as deferred compensation liability. UWW's contributions to this plan were $44,078 and $46,637 for the years ended December 31, 2015 and 2014, respectively.

UWW has a deferred compensation agreement for certain legacy Tri-State employees for the payment of a flexible premium annuity over the beneficiary's life with any remaining benefits to be distributed to the beneficiary's estate. As of December 31, 2015 and 2014, the assets of $224,020 and $201,983, respectively, for this plan are included in other noncurrent assets in the consolidated statements of financial position. The assets are invested in cash and cash equivalents. The fair market value of the insurance policy was $654,399 and $632,362 for the years ended December 31, 2015 and 2014, respectively.

11. Grants Payable

The grants payable balance consists of a ten-year grant relationship with another organization that ends on September 30, 2017.

The future payments of the grants payable are as follows:

Years ending December 31,	
2016	$ 164,795
2017	157,466
Total grants payable	322,261
Less: current portion	(164,795)
Grants payable, noncurrent	$ 157,466

12. Endowment Funds

In accordance with FASB ASC Topic 958-205, net assets of the endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions. During 2010, UWW received a $4,617,000 contribution, net of expenses, from a trust. $1,000,000 of the contribution was used during 2010 for the creation of a center on aging adults, as a specialized training and conference resource within the Mary Gates Learning Center. The remaining contribution was put in a permanent endowment for the purpose of providing home care and assisted living to the elderly poor, with specific reference to assisting older people to remain in their own homes, as directed by the donor. During 2015 and 2014, UWW received an additional $4,394 and $0, respectively, from the trust for the same purpose. As of December 31, 2015 and 2014, UWW had permanently restricted net assets of $3,795,481 and $3,791,087, respectively. The permanently restricted endowment fund generated a net investment loss of $89,507 and net investment gain of $172,595, for the years ended December 31, 2015 and 2014, respectively, which was included in temporarily restricted net assets. During 2015, the donor's legal representative authorized UWW to utilize $409,000 from the accumulated net investment income of the trust, to provide additional resources for the Center on Aging.

13. Board Designated Funds

UWW has a board designated, quasi-endowment fund, established for the purpose of securing the Organization's long-term financial viability and continuing to meet the needs of the Organization. UWW's unrestricted board designated quasi-endowment funds totaled $940,040 and $925,643 at December 31, 2015 and 2014, respectively. The board designated funds generated $14,398 and $32,856 of additional contributions and net interest for the years ended December 31, 2015 and 2014, respectively.

14. International Donor Advised Giving (IDAG) Funds

Unrestricted contributions include $39,379,091 and $33,897,065 of IDAG contributions for the years ended December 31, 2015 and 2014, respectively. There were $35,140,165 and $32,434,075 of IDAG grants for the years ended December 31, 2015 and 2014, respectively, included in International Donor Advised Giving program service expenses in the consolidated statements of activities. Unrestricted IDAG resulted in $4,208,540 and $1,496,255 change in net assets, as of December 31, 2015 and 2014, respectively.

15. Unrestricted Net Assets

Unrestricted net assets consist of:

December 31,	**2015**	2014
Unrestricted	**$ 11,964,634**	$ 12,738,436
Board Designated quasi-endowment fund	**940,040**	925,643
Board Designated for Building Renovations	**5,135,341**	-
Board Designated for Center on Aging	**401,429**	-
Board Designated for Operating Reserve	**2,007,000**	4,442,176
Unrestricted - IDAG	**10,288,017**	6,079,477
Total unrestricted net assets	**$ 30,736,461**	$ 24,185,732

Unrestricted net assets by entity were as follows at:

December 31,	**2015**	2014
United Way Worldwide	**$ 30,726,986**	$ 24,104,979
United Way Asia	**9,475**	80,753
Total unrestricted net assets	**$ 30,736,461**	$ 24,185,732

16. Temporarily Restricted Net Assets

Temporarily restricted net assets were restricted for the following purposes at:

December 31,	**2015**	2014
Training and research	**$ 5,806,362**	$ 1,033,784
Economic self-sufficiency	**3,105,017**	2,895,410
Initiative to benefit children and families	**1,411,399**	1,850,116
International support	**962,001**	419,311
Leadership coalition	**354,874**	282,383
Global initiative	**253,160**	602,099
Sponsorships to UWW events	**183,783**	255,000
Initiative to fight human trafficking	**113,044**	125,075
Network advocacy support	**72,960**	495,000
Disaster response and recovery	**19,648**	42,908
Scholarships	**889**	2,811
Campaign, public relations and network support	**-**	40,000
Building initiative	**-**	2,702,195
Other	**-**	853
Total temporarily restricted net assets	**$ 12,283,137**	$ 10,746,945

17. Net Assets Released from Restrictions

Temporarily restricted net assets released from restrictions were:

Years ended December 31,	**2015**	2014
Building initiative	**$ 5,268,890**	$ 6,041,110
Economic self-sufficiency	**3,584,300**	3,211,109
Initiative to benefit children and families	**3,100,157**	982,090
Training and research	**2,348,175**	1,741,904
Global initiative	**508,939**	743,739
Network advocacy support	**422,040**	-
Sponsorships to UWW Events	**408,717**	277,500
International support	**307,168**	798,767
Leadership coalition	**151,009**	284,368
Initiative to fight human trafficking	**115,211**	-
Campaign, public relations and network support	**40,000**	200,000
Disaster response and recovery	**25,000**	159,650
Scholarships	**1,922**	1,847
Other	**893**	-
Net assets released from restrictions	**$ 16,282,421**	$ 14,442,084

18. Description of Program and Supporting Services

The following program and supporting services are included in the accompanying consolidated statements of activities:

Program Services

Investor Relations

The United Way Worldwide Investor Relations team provides support for United Way Member Organizations and United Way network-wide programs including Global Corporate Leadership, international activities, major gifts, Alexis de Tocqueville program, planned giving, and community and public sector campaigns.

International Donor Advised Giving

The United Way Worldwide International Donor Advised Giving Program (IDAG) facilitates grants to international organizations of a donor's choosing or can propose opportunities that meet programmatic or geographic interests. Through IDAG, donors can provide grants to a variety of charitable organizations, such as schools, orphanages, hospitals, community development and research centers and a network of United Ways around the world. Grants can be used for charitable purposes in a particular country, region or field of interest and support a specific charitable organization outside the United States.

International Network

The United Way Worldwide International Network team provides governance, resource development, program and capacity building support to United Way members throughout the worldwide network. With regional offices in Colombia, Ghana and Switzerland, network staff works closely with member United Way staff and volunteer board members.

U.S. Network

The United Way Worldwide U.S. Network team provides support for grant distribution services, community building, national agencies' support, volunteer development, early childhood development, financial stability, 2-1-1® initiative and Born Learning®. It also provides regional and technical consultative support to member United Ways, coordination of national activities at the regional level, and crisis response.

Impact, Strategy and Innovation

The United Way Worldwide Impact, Strategy and Innovation team provides expansion opportunities and support for community impact and program solutions and products through the execution of the business model. It also develops a strategic plan based on an impact growth imperative, manages strategic initiatives, and creates a capacity to scale innovation across the United Way network.

Learning, Conferencing and Talent Management

The United Way Worldwide Learning and Conferencing team; and Talent Management team produce and provide training programs and learning opportunities for United Way volunteers, staff and partners through national conferences, regional meetings, webinars, social media platforms, virtual trainings, in-person organizational trainings and other opportunities.

Brand Strategy and Marketing

The United Way Worldwide Brand Strategy and Marketing team provides support in all brand identity and consistency matters including marketing, advertising and other promotional opportunities designed to build and strengthen trust for the United Way brand around the world. It also promotes media and public relations; manages the LIVE UNITED® campaign through production of videos, radio spots and other collateral materials; maintains the United Way/National Football League partnership including television spots; and promotes strong internal communications for the leadership organization and the network.

Campaign and Public Relations

Tri-State United Ways are responsible for solicitation of donors working in their respective communities while UWW was responsible for collecting and distributing pledges received in the campaigns from participating companies and their employees. Campaign and public relations expense also included distributions to participating member United Ways for the close out of prior Tri-State campaigns in the amount of $0 and $699,998 for the years ended December 31, 2015 and 2014, respectively. The distributions were made and recorded when the Tri-State distribution formula was finalized and approved by the Finance Committee of the UWW Board of Trustees. Member United Ways administered campaigns in connection with other companies and such companies were not part of the campaign income of Tri-State or considered in the Tri-State distribution formula. UWW involvement in management of the Tri-State campaign operations were discontinued effective December 31, 2014.

UWW Campaign operations were limited to management of workplace fundraising campaigns at a select number of participating companies on behalf of and in cooperation with twenty one member participating United Ways in the New York – New Jersey – Connecticut Tri-State region.

Public Relations is the element of the Tri-State campaign structure that is responsible for creating and overseeing United Way's internal communications strategy and plan. The primary focus is on maintaining a communications program that is a two-way partnership between the Tri-State United Ways and Tri-State participating companies.

Promotional Material Sales

In 2013, United Way Worldwide obtained a new primary vendor to replace the UW Store and began to provide licensing rights to other vendors to sell United Way promotional products. The United Way Worldwide Licensing team also sells some United Way products that are not available from alternative vendors.

Supporting Services

General and Administrative

This supporting service category includes the functions necessary to secure proper administrative functioning of the Organization's governing board, maintain an adequate working environment, and manage financial responsibilities of the Organization.

Fundraising

This supporting service category includes expenditures which provide the structure necessary to encourage and secure private financial support for UWW.

19. Commitments and Contingencies

Operating Leases

UWW has entered into operating lease arrangements for office space and office equipment. Office space rentals include leases for its regional offices and local storage in Alexandria, Virginia. UWW entered into a lease for office space in New York City that expired on June 30, 2015. Leased office equipment includes the telephone system and computer components.

Rent expense for the years ended December 31, 2015 and 2014 was $160,056 and $164,577, respectively.

Future minimum lease payments under the operating leases amounted to $77,976 for 2016.

20. Donated Services and Materials

The Organization recognizes contribution revenue for certain donated services and materials received at the fair value of those items. The donations include postage and other materials and amount to $110,526 and $120,166 for the years ended December 31, 2015 and 2014, respectively. These donations are reflected in the consolidated statements of activities.

UWW maintains relationships with the Ad Council and other organizations on behalf of the member United Ways. UWW underwrites the cost to produce Public Service Announcements (PSAs) that promote education, financial stability, and healthy living that features individuals who are involved in various member united way community volunteer activities. The NFL, the Ad Council, and other organizations furnish the media space (television and radio airtime, newspaper and magazine print space, billboards, etc.) throughout the year at no cost to United Way Worldwide. The combined value of the donated media was estimated to be $69,359,255 and $59,979,505 for 2015 and 2014, respectively.

UWW does not record the value of the donated media mentioned above because the donations are received on behalf of and for the benefit of the member united ways. UWW records in-kind donations of media space for which it receives the future economic benefit.

21. Supplemental Disclosure of Cash Flows Information

	2015	2014
Cash paid during the year for interest	**$ 218,570**	$ 2,331
Property and equipment included in accounts payable	**$ 877,793**	$ -

22. Income Taxes

UWW has received an exemption from the IRS from Federal income taxes under Section 501(a), as an entity described in Section 501(c)(3) of the Internal Revenue Code. UWW is required to make the appropriate tax payments on any income considered unrelated to its exempt purpose. UWW did not incur Federal and Virginia State income tax expense related to unrelated business income for the years ended December 31, 2015 and 2014, respectively.

The Organization follows the provisions of FASB ASC Topic 740-10, *Accounting for Income Taxes,* and management believes it has no material uncertain tax positions or any related penalties and interest to accrue for the years ended December 31, 2015 and 2014, and, accordingly, there is no liability for unrecognized tax benefits.

The Organization files IRS Form 990 annually with the Federal Government and is still open to examination by taxing authorities for fiscal year 2012 and later.

23. Subsequent Events

The Organization has evaluated subsequent events through April 26, 2016, which is the date the consolidated financial statements were available to be issued. There were no events that require adjustments to or disclosure in the Organization's consolidated financial statements for the year ended December 31, 2015.