

**THE UNITED WAY OF
NORTHEAST LOUISIANA, INC.**

**Financial Statements
for the Years Ended June 30, 2008 and 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/21/09

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.

YEARS ENDED JUNE 30, 2008 AND 2007

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LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

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CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditors' Report

Board of Directors The United Way of Northeast Louisiana, Inc.

We have audited the accompanying statements of financial position of **The United Way of Northeast Louisiana, Inc.** (the United Way), as of June 30, 2008 and June 30, 2007, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the United Way's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide* issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Way as of June 30, 2008 and June 30, 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2008 on our consideration of the United Way's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Luffey, Huffman, Ragsdale, & Solgnier
(A Professional Accounting Corporation)

October 28, 2008

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF FINANCIAL POSITION

	June 30,	
	2008	2007
ASSETS		
Cash and Cash Equivalents	\$ 531,342	\$ 608,904
Investments (Note 2)	665,813	395,183
Pledges Receivable, less allowances for uncollectibles of \$316,448 and \$400,113 respectively	1,408,487	1,295,813
Other Receivables	29,585	125,369
Prepaid Assets	9,415	3,193
Property and Equipment, less accumulated depreciation of \$439,968 and \$403,542 respectively (Note 3)	670,198	715,947
TOTAL ASSETS	\$ 3,314,840	\$ 3,144,409
LIABILITIES AND NET ASSETS		
Liabilities		
Allocations Payable (Note 1)	\$ 1,587,772	\$ 1,530,755
Designations Payable	192,570	153,356
Accounts Payable	9,202	17,883
Accrued Payroll, Pension, and Taxes	46,158	50,756
Agency Endowment Funds	12,927	13,228
Total Liabilities	1,848,629	1,765,978
Net Assets (Note 5)		
Unrestricted Deficit	(23,774)	(203,639)
Legacy Foundation - Donor Advised	104,240	139,102
Total Unrestricted (Deficit)	80,466	(64,537)
Temporarily Restricted		
Annual Campaign Pledges	1,366,152	1,220,808
Legacy Foundation	19,593	24,187
Private Grants	-	77,973
United Way 2-1-1	-	120,000
Total Temporarily Restricted	1,385,745	1,442,968
Total Net Assets	1,466,211	1,378,431
TOTAL LIABILITIES AND NET ASSETS	\$ 3,314,840	\$ 3,144,409

The accompanying notes are an integral part of these statements.

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF ACTIVITIES

YEAR ENDED JUNE 30, 2008

	Unrestricted		Temporarily Restricted					Total
	Designated Fund		Legacy Foundation	Legacy Foundation	Private Grants	United Way 2-1-1	Hurricane Relief	
	Donor Advised							
	Undesignated	Campaign						
PUBLIC SUPPORT & REVENUE								
Gross Campaign Results (Note 5)	\$ -	\$ -	\$ 3,273,660	\$ -	\$ -	\$ -	\$ -	\$ 3,273,660
Campaign Previously Reported	-	-	(5,581)	-	-	-	-	(5,581)
Campaign for Future Year	-	-	41,168	-	-	-	-	41,168
Legacy Transfer	-	-	(16,500)	-	-	-	-	(16,500)
Donor Designations	-	-	(350,382)	-	-	-	-	(350,382)
Temporarily restricted for United Way projects	-	-	-	-	-	-	-	-
Provision for Uncollectible	-	-	(256,811)	-	-	-	-	(256,811)
Net Campaign Revenue	-	-	2,685,554	-	-	-	-	2,685,554
Additional Pledges	85,555	-	-	-	-	-	-	85,555
In-Kind Contributions	46,300	-	-	-	-	-	-	46,300
Grants and Other Income	107,742	-	-	-	-	-	-	107,742
Other Gains (Losses)	57,786	-	-	-	-	-	-	57,786
Investment Income	40,776	(842)	-	115	-	-	-	40,049
Net Assets Released from Restrictions	2,776,912	(34,020)	(2,540,210)	(4,709)	(77,973)	(120,000)	-	-
TOTAL PUBLIC SUPPORT & REVENUE	3,115,071	(34,862)	145,344	(4,594)	(77,973)	(120,000)	-	3,022,986
EXPENSES								
Program Services								
Gross Funds Awarded/Distributed	1,968,154	-	-	-	-	-	-	1,968,154
Less: Donor Designations	(350,382)	-	-	-	-	-	-	(350,382)
Net Funds Awarded/Distributed	1,617,772	-	-	-	-	-	-	1,617,772
Childcare Counts	52,463	-	-	-	-	-	-	52,463
United Way 2-1-1	301,945	-	-	-	-	-	-	301,945
Neighborhood Collaborative	68,268	-	-	-	-	-	-	68,268
Community Investment	99,657	-	-	-	-	-	-	99,657
Community Impact	63,183	-	-	-	-	-	-	63,183
Hurricane Relief	-	-	-	-	-	-	-	-
Total Program Services	2,203,288	-	-	-	-	-	-	2,203,288
Support Services								
Organizational Administration	345,339	-	-	-	-	-	-	345,339
Fundraising	324,834	-	-	-	-	-	-	324,834
United Way of America Dues	32,408	-	-	-	-	-	-	32,408
Total Support Services	702,581	-	-	-	-	-	-	702,581
Loss on Impairment of Asset	29,337	-	-	-	-	-	-	29,337
Total Expenses	2,935,206	-	-	-	-	-	-	2,935,206
Increase (Decrease) in Net Assets	179,865	(34,862)	145,344	(4,594)	(77,973)	(120,000)	-	87,780
Net Assets (Deficit) - Beginning of Year	(203,639)	139,102	1,220,808	24,187	77,973	120,000	-	1,378,431
NET ASSETS (DEFICIT) - END OF YEAR	\$ (23,774)	\$ 104,240	\$ 1,366,152	\$ 19,593	\$ -	\$ -	\$ -	\$ 1,466,211

The accompanying notes are an integral part of these statements.

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF ACTIVITIES

	YEAR ENDED JUNE 30, 2007							Total	
	Unrestricted	Temporarily Restricted							
	Designated Fund						United Way 2-1-1		Hurricane Relief
	Donor Advised								
Undesignated	Legacy Foundation	Campaign	Legacy Foundation	Private Grants	United Way 2-1-1	Hurricane Relief	Total		
PUBLIC SUPPORT & REVENUE									
Gross Campaign Results (Note 5)	\$ -	\$ -	\$ 3,207,000	\$ -	\$ -	\$ -	\$ -	\$ 3,207,000	
Campaign Previously Reported	-	-	(13,360)	-	-	-	-	(13,360)	
Campaign for Future Year	-	-	5,581	-	-	-	-	5,581	
Legacy Transfer	-	-	(16,500)	-	-	-	-	(16,500)	
Donor Designations	-	-	(328,220)	-	-	-	-	(328,220)	
Temporarily restricted for United Way projects	-	-	(160,000)	-	40,000	120,000	-	-	
Provision for Uncollectible	-	-	(271,826)	-	-	-	-	(271,826)	
Net Campaign Revenue	-	-	2,422,675	-	40,000	120,000	-	2,582,675	
Additional Pledges	64,622	-	-	-	-	-	-	64,622	
In-Kind Contributions	44,190	-	-	-	-	-	-	44,190	
Grants and Other Income	372,550	-	-	-	-	-	-	372,550	
Other Gains (Losses)	8,231	-	-	-	-	-	-	8,231	
Investment Income	37,172	17,377	-	2,396	-	-	-	56,945	
Net Assets Released from Restrictions	2,591,976	(1,027)	(2,560,436)	(4,705)	(32,772)	-	(93,036)	-	
TOTAL PUBLIC SUPPORT & REVENUE	3,218,741	16,350	(137,761)	(2,309)	7,228	120,000	(93,036)	3,129,213	
EXPENSES									
Program Services									
Gross Funds Awarded/Distributed	1,825,888	-	-	-	-	-	-	1,825,888	
Less: Donor Designations	(328,220)	-	-	-	-	-	-	(328,220)	
Net Funds Awarded/Distributed	1,497,668	-	-	-	-	-	-	1,497,668	
Childcare Counts	22,894	-	-	-	-	-	-	22,894	
United Way 2-1-1	420,790	-	-	-	-	-	-	420,790	
Neighborhood Collaborative	74,823	-	-	-	-	-	-	74,823	
Community Investment	195,252	-	-	-	-	-	-	195,252	
Community Impact	-	-	-	-	-	-	-	-	
Hurricane Relief	93,036	-	-	-	-	-	-	93,036	
Total Program Services	2,304,463	-	-	-	-	-	-	2,304,463	
Support Services									
Organizational Administration	287,567	-	-	-	-	-	-	287,567	
Pundraising	319,437	-	-	-	-	-	-	319,437	
United Way of America Dues	34,887	-	-	-	-	-	-	34,887	
Total Support Services	641,891	-	-	-	-	-	-	641,891	
Total Expenses	2,946,354	-	-	-	-	-	-	2,946,354	
Increase (Decrease) in Net Assets	272,387	16,350	(137,761)	(2,309)	7,228	120,000	(93,036)	182,859	
Net Assets (Deficit) - Beginning of Year	(476,026)	122,752	1,358,569	26,496	70,745	-	93,036	1,195,572	
NET ASSETS (DEFICIT) - END OF YEAR	\$ (203,639)	\$ 139,102	\$ 1,220,808	\$ 24,187	\$ 77,973	\$ 120,000	\$ -	\$ 1,378,431	

The accompanying notes are an integral part of these statements.

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2008

	PROGRAM SERVICES							Total
	Allocation Services	Childcare Counts	United Way 211	Neighborhood Collaborative	Community Investment	Community Impact	Hurricane Relief	
EXPENSES								
Allocation/Awards	\$ 1,968,154	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,968,154
Less: Donor Designations	(350,382)	-	-	-	-	-	-	(350,382)
Sub-Total	1,617,772	-	-	-	-	-	-	1,617,772
Salaries	-	-	177,682	30,076	32,704	27,803	-	268,265
Hospitalization Insurance	-	-	20,745	5,823	2,806	854	-	30,228
Other Payroll Expenses	-	-	28,136	6,155	5,463	3,841	-	43,595
Sub-Total	-	-	226,563	42,054	40,973	32,498	-	342,088
Auto	-	-	2,400	327	2,217	1,588	-	6,532
Awards, Recognition Banquet	-	-	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-	-	-
Building and Property Maintenance	-	-	1,181	121	2,951	332	-	4,585
Campaign Events	-	-	-	-	-	-	-	-
Campaign Supplies	-	-	-	-	-	-	-	-
Community Meetings	-	-	65	-	-	12	-	77
Depreciation	-	-	7,303	798	19,337	2,333	-	29,771
Dues, Memberships, and Subscriptions	-	-	1,390	1	137	3	-	1,531
Equipment	-	-	1,424	73	1,766	851	-	4,114
Insurance	-	-	407	43	949	125	-	1,524
Janitorial	-	-	1,202	131	2,770	349	-	4,452
Leadership Giving Recognition	-	-	-	-	-	-	-	-
Marketing	-	-	6,740	42	4,051	10,765	-	21,598
Meetings and Lunches	-	-	252	-	1,193	4,771	-	6,216
Office Rent	-	-	-	-	-	-	-	-
Office Supplies	-	-	8,166	597	1,973	1,706	-	12,442
Payments for Program Services	-	51,100	-	23,049	223	-	-	74,372
Postage	-	13	462	43	239	251	-	1,008
Professional Fees	-	1,350	13,209	300	7,672	4,174	-	26,705
Specific Assistance to Individuals	-	-	4,929	-	-	-	-	4,929
Telephone & Internet	-	-	18,876	263	4,825	246	-	24,210
Travel, Education, and Training	-	-	5,147	141	1,443	2,343	-	9,074
Utilities	-	-	2,229	285	6,938	836	-	10,288
Sub-Total	-	52,463	75,382	26,214	58,684	30,685	-	243,428
United Way of America Dues	-	-	-	-	-	-	-	-
TOTAL FUNCTIONAL EXPENSES	\$ 1,617,772	\$ 52,463	\$ 301,945	\$ 68,268	\$ 99,657	\$ 63,183	\$ -	\$ 2,203,288

The accompanying notes are an integral part of these statements.

YEAR ENDED JUNE 30, 2008

SUPPORT SERVICES

	Organizational Administration	CFC Administration	Total Organizational Administration	Fundraising			Total	UWA Dues	Total	TOTAL
				CFC	Campaign	Legacy				
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	1,968,154
	-	-	-	-	-	-	-	-	-	(350,382)
	-	-	-	-	-	-	-	-	-	1,617,772
	154,849	1,401	156,250	5,663	154,218	-	159,881	-	316,131	584,396
	19,716	185	19,901	740	12,161	-	12,901	-	32,802	63,030
	26,986	230	27,216	921	23,454	-	24,375	-	51,591	95,186
	201,551	1,816	203,367	7,324	189,833	-	197,157	-	400,524	742,612
	4,570	-	4,570	109	6,724	-	6,833	-	11,403	17,935
	3,134	-	3,134	32	3,922	-	3,954	-	7,088	7,088
	691	-	691	31	2,031	-	2,062	-	2,753	2,753
	3,280	-	3,280	37	1,467	-	1,504	-	4,784	9,369
	-	-	-	-	6,263	-	6,263	-	6,263	6,263
	-	-	-	1,761	10,780	-	12,541	-	12,541	12,541
	2,056	-	2,056	-	35	-	35	-	2,091	2,168
	21,331	-	21,331	294	8,189	-	8,483	-	29,814	59,585
	25,952	-	25,952	-	1,007	-	1,007	-	26,959	28,490
	2,633	-	2,633	26	1,414	-	1,440	-	4,073	8,187
	3,268	-	3,268	10	443	-	453	-	3,721	5,245
	3,089	-	3,089	45	1,248	-	1,293	-	4,382	8,834
	-	-	-	-	14,353	-	14,353	-	14,353	14,353
	2,590	-	2,590	851	25,737	-	26,588	-	29,178	50,776
	3,814	-	3,814	243	2,664	-	2,907	-	6,721	12,937
	-	-	-	-	4,125	-	4,125	-	4,125	4,125
	4,799	-	4,799	64	12,521	-	12,585	-	17,384	29,826
	-	-	-	-	-	-	-	-	-	74,372
	1,119	-	1,119	296	3,058	27	3,381	-	4,500	5,508
	39,746	3,596	43,342	-	5,041	1,200	6,241	-	49,583	76,288
	-	-	-	-	5	-	5	-	5	4,934
	4,721	-	4,721	69	4,359	-	4,428	-	9,149	33,359
	3,930	-	3,930	1	4,273	-	4,274	-	8,204	17,278
	7,653	-	7,653	110	2,812	-	2,922	-	10,575	20,863
	138,376	3,596	141,972	3,979	122,471	1,227	127,677	-	269,649	513,077
	-	-	-	-	-	-	-	32,408	32,408	32,408
\$	\$ 339,927	\$ 5,412	\$ 345,339	\$ 11,303	\$ 312,304	\$ 1,227	\$ 324,834	\$ 32,408	\$ 702,581	\$ 2,905,869

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF FUNCTIONAL EXPENSES

	YEAR ENDED JUNE 30, 2007							Total
	PROGRAM SERVICES							
	Allocation Services	Childcare Counts!	United Way 211	Neighborhood Collaborative	Community Investment	Community Impact	Hurricane Relief	
EXPENSES								
Allocation/Awards	\$ 1,825,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,825,888
Less: Donor Designations	(328,220)	-	-	-	-	-	-	(328,220)
Sub-Total	<u>1,497,668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,497,668</u>
Salaries	-	4,371	282,081	31,523	93,093	-	38,587	449,655
Hospitalization Insurance	-	-	27,423	2,231	7,982	-	2,730	40,366
Other Payroll Expenses	-	999	36,338	6,258	13,796	-	2,629	60,020
Sub-Total	<u>-</u>	<u>5,370</u>	<u>345,842</u>	<u>40,012</u>	<u>114,871</u>	<u>-</u>	<u>43,946</u>	<u>550,041</u>
Auto	-	52	4,513	1,935	1,597	-	215	8,312
Awards, Recognition Banquet	-	-	-	-	73	-	-	73
Bank Charges	-	-	-	20	-	-	-	20
Building and Property Maintenance	-	51	1,377	157	4,444	-	24	6,053
Campaign Events	-	-	-	-	-	-	-	-
Campaign Supplies	-	-	-	-	-	-	-	-
Community Meetings	-	-	60	-	1,237	-	-	1,297
Depreciation	-	186	6,446	722	20,480	-	-	27,834
Dues, Memberships, and Subscriptions	-	2	1,704	68	428	-	20	2,222
Equipment	-	34	1,417	140	3,452	-	39	5,082
Insurance	-	12	402	220	1,263	-	10	1,907
Janitorial	-	29	1,020	114	3,206	-	30	4,399
Leadership Giving Recognition	-	-	-	-	-	-	-	-
Marketing	-	2	7,699	1,509	8,729	-	325	18,264
Meetings and Lunches	-	-	619	117	1,814	-	-	2,550
Office Rent	-	-	5	-	1	-	-	6
Office Supplies	-	26	6,884	418	2,581	-	269	10,178
Payments for Program Services	-	4,948	-	28,199	1,052	-	-	34,199
Postage	-	(11)	563	22	665	-	-	1,239
Professional Fees	-	11,974	16,850	284	10,484	-	-	39,392
Specific Assistance to Individuals	-	-	4,599	-	-	-	47,851	52,450
Telephone & Internet	-	55	10,097	430	6,209	-	158	16,949
Travel, Education, and Training	-	89	8,151	171	4,665	-	74	13,150
Utilities	-	75	2,542	285	8,001	-	75	10,978
Sub-Total	<u>-</u>	<u>17,524</u>	<u>74,948</u>	<u>34,811</u>	<u>80,381</u>	<u>-</u>	<u>49,090</u>	<u>256,754</u>
United Way of America Dues	-	-	-	-	-	-	-	-
TOTAL FUNCTIONAL EXPENSES	<u>\$ 1,497,668</u>	<u>\$ 22,894</u>	<u>\$ 420,790</u>	<u>\$ 74,823</u>	<u>\$ 195,252</u>	<u>\$ -</u>	<u>\$ 93,036</u>	<u>\$ 2,304,463</u>

The accompanying notes are an integral part of these statements.

YEAR ENDED JUNE 30, 2007

SUPPORT SERVICES

Organizational Administration	CFC Administration	Total Organizational Administration	Fundraising				UWA Dues	Total	TOTAL
			CFC	Campaign	Legacy	Total			
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,825,888
-	-	-	-	-	-	-	-	-	(328,220)
-	-	-	-	-	-	-	-	-	1,497,668
126,570	729	127,299	3,367	151,926	-	155,293	-	282,592	732,247
15,828	121	15,949	486	15,860	-	16,346	-	32,295	72,661
21,522	156	21,678	626	16,576	-	17,202	-	38,880	98,900
163,920	1,006	164,926	4,479	184,362	-	188,841	-	353,767	903,808
3,710	-	3,710	56	4,740	-	4,796	-	8,506	16,818
8,359	-	8,359	67	14,486	-	14,553	-	22,912	22,985
955	-	955	-	1,127	-	1,127	-	2,082	2,102
4,392	-	4,392	65	5,358	-	5,423	-	9,815	15,868
-	-	-	-	5,711	-	5,711	-	5,711	5,711
-	-	-	1,081	4,134	-	5,215	-	5,215	5,215
380	-	380	-	55	-	55	-	435	1,732
20,155	-	20,155	274	8,178	-	8,452	-	28,607	56,441
2,096	-	2,096	14	648	-	662	-	2,758	4,980
3,443	-	3,443	55	1,525	-	1,580	-	5,023	10,105
3,840	-	3,840	19	645	-	664	-	4,504	6,411
3,190	-	3,190	47	1,294	-	1,341	-	4,531	8,930
-	-	-	-	13,630	-	13,630	-	13,630	13,630
9,248	-	9,248	818	22,197	-	23,015	-	32,263	50,527
3,653	-	3,653	195	1,464	-	1,659	-	5,312	7,862
2	-	2	-	3,977	-	3,977	-	3,979	3,985
4,369	502	4,871	-	11,433	-	11,433	-	16,304	26,482
-	-	-	-	-	-	-	-	-	34,199
914	-	914	324	5,005	17	5,346	-	6,260	7,499
31,739	3,268	35,007	-	9,208	1,232	10,440	-	45,447	85,039
130	-	130	-	120	-	120	-	250	52,700
6,310	-	6,310	86	3,866	-	3,952	-	10,262	27,211
4,044	-	4,044	1,172	2,355	-	3,527	-	7,571	20,721
7,942	-	7,942	118	3,800	-	3,918	-	11,860	22,838
118,871	3,770	122,641	4,391	124,956	1,249	130,596	-	253,237	509,991
-	-	-	-	-	-	-	34,887	34,887	34,887
\$ 282,791	\$ 4,776	\$ 287,567	\$ 8,870	\$ 309,318	\$ 1,249	\$ 319,437	\$ 34,887	\$ 641,891	\$ 2,946,354

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
STATEMENTS OF CASH FLOWS

	Years Ended June 30,	
	2008	2007
Cash from operating activities:		
Increase in net assets	\$ 87,780	\$ 182,859
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities:		
Depreciation	59,585	56,441
Loss on disposal of property and equipment	1,604	263
Loss on impairment of property and equipment	29,337	-
Donated securities included in contributions	(65,324)	(39,286)
(Gain) Loss on market value of investments	14,569	(11,434)
Gain on sale of investments	(8,636)	(2,888)
Change in allowance for uncollectible pledges	(38,182)	(7,945)
Changes in assets and liabilities:		
Pledges receivable	(74,492)	110,944
Other receivables	95,784	(96,306)
Prepaid assets	(6,222)	(412)
Other assets	-	469
Allocations payable	57,019	(250,666)
Designations payable	39,214	(24,267)
Accounts payable	(8,683)	(973)
Accrued payroll, pension, and taxes	(4,598)	7,299
Agency funds escrow payable	(302)	1,395
Net cash provided (used) by operating activities	178,453	(74,507)
Cash flows from investing activities:		
Proceeds from sale of investments	610,108	42,276
Purchase of investments	(821,347)	(199,991)
Purchase of property and equipment	(44,776)	(56,201)
Net cash used by investing activities	(256,015)	(213,916)
Net decrease in cash and cash equivalents	(77,562)	(288,423)
Cash and cash equivalents at beginning of year	608,904	897,327
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 531,342	\$ 608,904

The accompanying notes are an integral part of these statements.

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

Note 1 - Summary of Significant Accounting Policies

A. Organization

The United Way of Northeast Louisiana, Inc.'s (the United Way) purpose is to help people and improve the community. The primary source of funding is the annual campaign, which supports twenty-five not-for-profit agencies (partner agencies) throughout Northeastern Louisiana. The Legacy Foundation was established in 1999 as a Standing Committee of the Board of Directors of the United Way to provide a new and exciting way for people to make a significant and long-lasting improvement in the quality of life for future generations through planned giving and endowment building.

B. Basis of Presentation

The United Way maintains its accounting records in accordance with *Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations*. The financial statements comply with the provisions of Statements of Financial Accounting Standards (SFAS) 116 *Accounting for Contributions Received and Contributions Made* and SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*.

C. Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the United Way considers demand deposits, time deposits and certificates of deposits with an original maturity of three months or less to be cash equivalents.

D. Pledges Receivable

The United Way's policy is to record pledge receivables when the pledges are received and represent amounts due during the next calendar year. The United Way uses the allowance method to determine uncollectible pledge receivables. The allowance is based on prior years' experience and management's analysis of specific pledges.

E. Property and Equipment

Purchases of fixed assets and major improvements in excess of \$600 are capitalized at cost. Maintenance and repairs are charged to expense as incurred. The cost and related accumulated depreciation of assets sold or retired are eliminated from the accounts in the year of disposal, and any resulting gain or loss is included in operations.

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

Depreciation is calculated on the straight-line method over estimated useful lives ranging from three to thirty years.

F. Allocations Payable

During the year ended June 30, 2008, the United Way approved allocations to its partner agencies and notified them as to what their allocations will be through June 30, 2009. Therefore, the appropriate payable and expenses related to those allocations have been recorded and recognized in the accompanying financial statements as of June 30, 2008.

G. Compensated Absences

Subject to management approval, unused vacation days may be carried over to the following year. Sick days may be accumulated to a maximum of 90 days depending on years of service. However, employees are not paid for any unused sick days upon termination. Accordingly, the financial statements do not include any accrual for sick pay.

H. Net Asset Categories

Annual campaigns are conducted each fall to raise support for agency allocations paid in the subsequent fiscal year. In accordance with SFAS No. 116, campaign contributions, including unconditional promises to give, are recognized as support when made. Because campaign contributions are for the following year, they are reported as temporarily restricted support in the campaign year.

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor for specific United Way use are reported as increases in unrestricted net assets when the restrictions expire in the same year in which the contributions are received. All other donor-restricted contributions for specific United Way use are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. Temporarily restricted net assets are reclassified to unrestricted net assets when the restriction expires. Revenue from restricted sources which is received during the year and for which the restrictions are satisfied within the same year, is represented in the changes in unrestricted net assets.

Donor-designated contributions for United Way's partner agencies or other agencies are considered agency transactions because the United Way does not have discretion over the distribution of these funds. Pass-through transactions do not result in contribution revenue or expense in the accompanying financial statements. When the

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

United Way receives the assets, a corresponding liability is recorded to reflect amounts due to third-party beneficiaries.

I. *Donated Securities, Materials, and Services*

Donated marketable securities are recorded as support at their estimated market value on the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Capital items are recorded at their fair market value on the date of donation.

The value of contributed services and miscellaneous incidental materials meeting the requirements for recognition in the financial statements are recognized as revenues and related expenses for gifts-in-kind.

J. *Functional Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Directly identifiable expenses are charged to programs and supporting services on the basis of periodic time and expense studies. Organizational Administration expenses and Combined Federal Campaign (CFC) administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the United Way. Costs associated with the annual campaign, CFC and the Legacy Foundation are included in fundraising expenses.

K. *Income Taxes*

The United Way is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

L. *Estimates*

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

M. *Reclassifications*

Minor reclassifications have been made to the 2007 financial statements to make them comparable with the 2008 presentation.

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

Note 2 - Investments

Investments at June 30, 2008 and June 30, 2007 include certificates of deposit and publicly traded mutual funds. Investments held were as follows:

	June 30, 2008		June 30, 2007	
	Market Value	Cost	Market Value	Cost
Certificates of deposit	\$ 550,000	\$ 550,000	\$ 249,991	\$ 249,991
Equity securities	110,511	95,661	138,531	108,393
Fixed income securities	5,302	4,634	6,661	5,764
	<u>\$ 665,813</u>	<u>\$ 650,295</u>	<u>\$ 395,183</u>	<u>\$ 364,148</u>

Note 3 - Property and Equipment

Property and Equipment are summarized by major classifications as follows:

	June 30, 2008	June 30, 2007
Land	\$ 100,000	\$ 100,000
Building	500,000	500,000
Furniture and Fixtures	\$ 417,210	\$ 430,629
Leasehold Improvements	79,510	75,414
Leased Equipment	13,446	13,446
	<u>1,110,166</u>	<u>1,119,489</u>
Less Accumulated depreciation	(439,968)	(403,542)
	<u>\$ 670,198</u>	<u>\$ 715,947</u>

Depreciation charged to expense is \$59,585 and \$56,441 for the periods ended June 30, 2008 and June 30, 2007 respectively.

For the year ended June 30, 2008, the United Way received a new telephone system from the Louisiana Association of United Ways, paid for by a grant from United Way of America Hurricane Recovery Fund. This system allows all of the United Ways within the state to be interconnected for a seamless transfer of calls during emergency situations. This upgrade required the removal of the United Way's telephone system that had been purchased during fiscal year 2005 for \$82,098 and had a book value of \$58,837. When an asset is impaired, its value is reduced to its estimated value which was determined by appraisal to be \$29,500 which is reflected in Furniture and Fixtures. Therefore, United Way recorded a loss on impairment of an asset of \$29,337. The carrying value of the system reflected in Furniture and Fixtures after the loss is \$29,500.

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

Note 4 - Financing Arrangements

The United Way renewed a \$200,000 line of credit on October 18, 2007. The line of credit is unsecured and had not been used as of June 30, 2008. It will expire on November 1, 2009.

Note 5 - Board Designated and Restricted Funds

Board designated net assets are comprised of the following:

Legacy Foundation – Donor Advised

The Legacy Foundation agreements allow donors to make outright charitable contributions to a fund that is used to provide charitable donations to qualified organizations. These funds are under the complete control of the United Way, but donors are allowed to make recommendations as to their distribution. These funds are classified as either unrestricted or temporarily restricted. The unrestricted Legacy Foundation is comprised of the following:

	June 30,	
	2008	2007
Unrestricted Legacy Foundation	\$ 104,240	\$ 139,102

Temporarily restricted net assets are comprised of the following:

Annual Campaign Pledges

Net campaign contributions received for future periods are considered to be temporarily restricted net assets. The campaign for the future year pledges represent the initial pledges received for that campaign and will be available for unrestricted use during the following calendar year. The following schedule recaps Annual Campaign pledges at victory to the amounts recorded as temporarily restricted net assets for the annual campaign pledges.

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	June 30,	
	2008	2007
Gross campaign results	\$ 3,273,660	\$ 3,207,000
Donor designations to United Way agencies	(99,744)	(91,888)
Donor designations to non-United Way agencies	(133,716)	(125,722)
Designations paid direct by other United Ways	(42,673)	(17,360)
Legacy Transfers	(16,500)	(16,500)
Major gift donor designations	(74,250)	(93,250)
Temporarily restricted for United Way projects	-	(160,000)
Allowance for uncollectible pledges	(256,811)	(271,826)
Campaign revenue	2,649,966	2,430,454
Less amounts released from restriction (50%)	(1,324,983)	(1,215,227)
Plus pledges for future campaign (100%)	41,168	5,581
Campaign - temporarily restricted net assets	\$ 1,366,151	\$ 1,220,808

Legacy Foundation

The temporarily restricted Legacy Foundation is comprised of the following:

	June 30,	
	2008	2007
Kitty DeGree Designated Fund	\$ 19,593	\$ 24,187

Private Grants

As of June 30, 2008 and June 30, 2007, the balance in temporarily restricted private grants consisted of the following:

	June 30,	
	2008	2007
Northeast LA Child Care Loan Guarantee Fund	\$ -	\$ 50,000
Neighborhood Collaborative	-	25,300
Frost Grant for Child Care Counts	-	2,450
Mid South Delta Leaders	-	223
Total Private Grants	\$ -	\$ 77,973

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

United Way 2-1-1

The telephone number 2-1-1 is a national abbreviated dialing code for free access to health and human service information and referral, making it possible for people in need to navigate the complex and ever growing maze of human service agencies and programs. The United Way's First Call for Help was designated as Northeast Louisiana's 2-1-1 in July, 2004. As of June 30, 2008 and June 30, 2007, the balance of the temporarily restricted United Way 2-1-1 funds was \$0 and \$120,000 respectively.

The United Way of America (UWA) also provided a Phase III 2-1-1 Grant for \$215,000 to reimburse the United Way for some of the 2-1-1 costs. These funds are included in "Grants and Other Income" for the year ended June 30, 2007. The costs associated with these funds were expensed in the fiscal year ended June 30, 2007.

Hurricane Relief

In the aftermath of Hurricanes Katrina and Rita, the United Way of America through its \$200,000 Phase I grant as well as local donations totaling \$76,790 granted monies for use in the 2-1-1 program for providing assistance to people in need due to the devastating effects of the hurricanes. Of the \$200,000, United Way used \$89,740 of the Phase I funds to expand its 2-1-1 call center to handle the additional volume brought about by its call center going from an average of 45 calls per day to a one day high of 7,358 calls. The remaining \$110,260 was paid to local United Way Agencies in handling their increased efforts.

The United Way of America also provided a Phase II Long Term Recovery Grant for \$150,000. These funds were used during the 2006 and 2007 fiscal years by the United Way in collaboration with other local Agencies in working to further assist families and individuals displaced by Katrina and Rita providing assistance with housing, utilities and transportation.

The local donations were used to further expand the efforts of the call center. The remaining \$14,674 was used during the 2007 fiscal year. A summary of the activity described above is as follows:

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	UWA Phase I	UWA Phase II	Public Donations	Total
Activity for the year ended June 30, 2006				
Support	\$ 200,000	\$ 150,000	\$ 76,790	\$ 426,790
Expenses	<u>(200,000)</u>	<u>(71,638)</u>	<u>(62,116)</u>	<u>(333,754)</u>
Temporarily Restricted at June 30, 2006	-	78,362	14,674	93,036
Activity for the year ended June 30, 2007				
Expenses	-	(78,362)	(14,674)	(93,036)
Temporarily Restricted at June 30, 2007	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note 6 - History of Uncollectibles

Generally, pledges that are uncollected after two years are deemed to be bad debts and are written off. The actual write-off percentages for the preceding years are presented in the following table. These percentages are based on total contributions pledged.

Campaign Year	Budget Year	Actual Write-Off
2006	2007	6.53%
2005	2006	7.57%
2004	2005	7.89%
2003	2004	9.15%
2002	2003	9.15%
2001	2002	10.16%
2000	2001	11.12%
1999	2000	11.26%
1998	1999	10.52%
1997	1998	9.93%

Note 7 - Programs

A. Allocation Services

The United Way allocates funding to various partner agencies to support programs throughout northeast Louisiana.

B. All Other Programs

Various community initiatives are conducted directly by the United Way. The United Way is focused on creating lasting change in community conditions to improve people's lives through community initiatives such as:

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

Childcare Counts! - works to provide solutions for childcare issues facing working parents and is working to insure that parents in Northeast Louisiana are afforded developmentally appropriate childcare for their children.

United Way 2-1-1 - is a free, easy to remember, three-digit telephone number that gives people a fast, easy way to get connected to available services.

The Neighborhood Collaborative - is a broad group of organizations that has joined forces to work toward comprehensively revitalizing a 15 block south Monroe neighborhood.

Community Investment - is a program of volunteers and staff of United Way who work with the partner agencies to ensure that United Way dollars are invested to produce the most effective results. They make site visits, gather information and evaluate programs year-round.

Community Impact - strategically engages and builds relationships with diverse community stakeholders, contributors and partners to identify community goals then to choose some critical issue, and develop impact strategies that change community conditions to improve lives. It also implements these impact strategies in partnership with others. The purpose is to improve lives by mobilizing the caring power of communities.

Hurricane Relief - This program expanded the United Way's reach to encompass the entire State of Louisiana during the 2005 hurricane season by providing people with assistance through its 2-1-1 call center during the immediate time of crisis and through its ongoing efforts in providing assistance with housing, utilities and transportation.

C. Agency Endowment Funds

Our House, a United Way partner agency, opened a \$10,000 Agency Endowment Fund in a prior year with the Legacy Foundation, a division of the United Way of Northeast Louisiana. The Agency Endowment Fund is a vehicle for any community 501(c)(3) organization to develop a planned giving program to benefit their agency. The United Way charges the Agency Fund a one percent (1%) annual management fee to administer the fund. Agency Endowment Funds of \$12,927 and \$13,228 are reflected in investments and agency endowment funds in the accompanying Statements of Financial Position as of June 30, 2008 and June 30, 2007, respectively

THE UNITED WAY OF NORTHEAST LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

Note 8 - Pension Plan

The United Way has adopted a deferred compensation plan pursuant to IRC Section 401(k). This plan covers employees who have reached 21 years of age and have completed one full year of eligibility service. Employer contributions to the plan are discretionary and are allocated to each participant who either completes 1000 hours of service during the plan year or who is employed on the last day of the plan year. The basis for allocation of forfeitures for terminated employees with unvested balances is the ratio a participant's compensation bears to the compensation of all participants. The total pension cost to the United Way for the periods ended June 30, 2008 and June 30, 2007 was \$32,778 and \$25,744, respectively.

Note 9 - Disclosures About Concentrations

Funding Sources

Support from the most recent annual campaign represents approximately 89% of the United Way's total revenue. The United Way's annual campaign covers 12 parishes in northeast Louisiana with the largest concentration being Ouachita Parish and Lincoln Parish. The annual campaign in these two parishes represents a concentration of risk by geographic region and by the nature of the fund-raising activity. Failure of the community to respond to the campaign or to fulfill their obligation could impact the United Way's ability to collect approximately \$1.4 million in pledges and other receivables. No collateralization is required by the United Way.

Cash Deposits

The United Way maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At June 30, 2008, the United Way had \$1,185,797 in total deposits of which \$691,646 was insured by FDIC and \$494,151 was in excess of FDIC coverage.

For the accounts that exceeded the FDIC coverage (all at one bank), the United Way obtained an agreement to ensure that these deposits are safeguarded by other means. Specifically, the bank with these deposits provides the United Way a program to permit these funds to be treated as borrowings and are secured by a pledge of specific U. S. Securities and U. S. Agency Securities. This agreement is arranged through an automatic sweep between the checking account and a retail repurchase agreement account in such a manner that the checking account balance will maintain an approximate collected balance of \$1,000.

LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
The United Way of Northeast Louisiana, Inc.
Monroe, Louisiana

We have audited the financial statements of **The United Way of Northeast Louisiana, Inc.**, (the United Way) (a not-for-profit organization), as of and for the year ended June 30, 2008 and have issued our report thereon dated October 28, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the United Way's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the United Way's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the United Way's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the United Way's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the United Way's financial statements that is more than inconsequential will not be prevented or detected by the United Way's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the United Way's internal control.

**United Way of Northeast Louisiana, Inc.
Monroe, Louisiana**

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the United Way's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of management of the United Way, Federal and State awarding agencies and other entities granting funds to the United Way, and the Legislative Auditor for the state of Louisiana and is not intended to be used and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Huffman, Huffman, Reynolds, & Simpson

(A Professional Accounting Corporation)

October 28, 2008