

UNITED WAY IN WAUKESHA COUNTY, INC.

FINANCIAL STATEMENTS

MARCH 31, 2011 AND 2010

WITH INDEPENDENT AUDITORS' REPORT

UNITED WAY IN WAUKESHA COUNTY, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
United Way in Waukesha County, Inc.

We have audited the accompanying statements of financial position of UNITED WAY IN WAUKESHA COUNTY, INC. as of March 31, 2011 and 2010, and the related statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way in Waukesha County, Inc. as of March 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Vrakas | Blum, S.C.

Brookfield, Wisconsin
August 17, 2011

FINANCIAL STATEMENTS

UNITED WAY IN WAUKESHA COUNTY, INC.

STATEMENTS OF FINANCIAL POSITION

MARCH 31, 2011 AND 2010

	2011	2010
CASH AND CASH EQUIVALENTS	\$ 1,959,058	\$ 1,800,394
CERTIFICATES OF DEPOSIT	600,000	1,075,000
ORGANIZATION ENDOWMENT INVESTMENT	163,920	142,527
PREPAID EXPENSES	21,042	27,223
ACCOUNTS RECEIVABLE	9,606	124,154
INTEREST RECEIVABLE	6,509	6,663
RESTRICTED CERTIFICATE OF DEPOSIT	8,054	8,000
PLEDGES RECEIVABLE		
2011-2012 campaign	9,906	-
2010-2011 campaign	2,691,653	10,020
2009-2010 campaign	298,417	2,695,751
2008-2009 campaign	-	412,405
TOTAL PLEDGES RECEIVABLE	2,999,976	3,118,176
Less - allowance for uncollectible pledges	556,658	637,116
NET PLEDGES RECEIVABLE	2,443,318	2,481,060
PROPERTY AND EQUIPMENT		
Building and improvements	571,087	571,087
Furniture and fixtures	39,916	42,868
Office equipment	117,223	154,633
TOTAL PROPERTY AND EQUIPMENT	728,226	768,588
Less - accumulated depreciation	422,801	424,099
NET PROPERTY AND EQUIPMENT	305,425	344,489
TOTAL ASSETS	\$ 5,516,932	\$ 6,009,510

The accompanying notes are an integral part of these statements.

	2011	2010
ACCOUNTS PAYABLE	\$ 37,567	\$ 68,912
ALLOCATIONS PAYABLE	2,897,753	3,132,556
DESIGNATIONS PAYABLE	120,603	134,683
ORGANIZATIONS PAYABLE	165,259	85,106
SAFE AND STABLE FAMILIES GRANTS PAYABLE	-	89,740
DEFERRED PROGRAM REVENUES	18,540	25,640
TOTAL LIABILITIES	<u>3,239,722</u>	<u>3,536,637</u>
NET ASSETS		
Unrestricted		
Undesignated	1,823,537	2,004,180
Designated	394,735	406,581
Temporarily restricted	58,938	62,112
TOTAL NET ASSETS	<u>2,277,210</u>	<u>2,472,873</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 5,516,932</u></u>	<u><u>\$ 6,009,510</u></u>

UNITED WAY IN WAUKESHA COUNTY, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED MARCH 31, 2011 AND 2010

	2011	2010
UNRESTRICTED NET ASSETS		
Support and revenue		
Campaign funds raised	\$4,062,100	\$4,268,916
Funds received from United Way of Greater Milwaukee, Inc.	1,104,568	1,226,370
Funds received from other United Ways	499,288	352,802
Service fees income	29,749	25,847
Volunteer Center dues and other revenues	30,575	28,416
Bequest/planned giving income	10,000	25,675
Donated services	13,772	14,853
Less provision for uncollectible pledges	(286,159)	(352,395)
Less amounts designated by donors for specific organizations	(739,775)	(766,970)
	<hr/>	<hr/>
	4,724,118	4,823,514
Interest income	19,986	29,905
Investment gains (losses) on organization endowment investment, net of fees	10,919	30,816
Other income	6,865	4,981
Excess reserve on prior campaigns	6,616	42,084
	<hr/>	<hr/>
Total unrestricted support and revenue before net assets released from restrictions	4,768,504	4,931,300
 NET ASSETS RELEASED FROM RESTRICTIONS		
Satisfaction of program restrictions	80,598	149,511
	<hr/>	<hr/>
TOTAL SUPPORT AND REVENUE	4,849,102	5,080,811
 EXPENSES		
Allocations		
Funds allocated to agencies	4,092,605	4,305,966
Less allocations funded through donor designations	(204,107)	(232,755)
	<hr/>	<hr/>
Net allocations to agencies	3,888,498	4,073,211
Community impact expenses	7,765	7,950
Emergency program allocation from community impact fund	25,000	-
	<hr/>	<hr/>
Total allocations	3,921,263	4,081,161
Program services	277,984	372,506
	<hr/>	<hr/>
Total allocations and program services	4,199,247	4,453,667

The accompanying notes are an integral part of these statements.

UNITED WAY IN WAUKESHA COUNTY, INC.

STATEMENTS OF ACTIVITIES (CONTINUED)

FOR THE YEARS ENDED MARCH 31, 2011 AND 2010

	2011	2010
Supporting services	\$ 708,480	\$ 626,770
United Way Worldwide dues	53,266	48,703
Restricted funds utilized		
Loaned executives	25,485	10,054
Sponsorship expenses	37,783	34,558
Volunteer Center	9,948	6,097
Safe and stable families expenses	7,382	98,802
	<hr/>	<hr/>
Total restricted funds utilized	80,598	149,511
	<hr/>	<hr/>
TOTAL EXPENSES	5,041,591	5,278,651
	<hr/>	<hr/>
Change in unrestricted net assets	(192,489)	(197,840)
TEMPORARILY RESTRICTED NET ASSETS		
Safe and stable families support	-	101,875
Volunteer Center	-	9,950
Sponsorship contributions	77,424	46,128
Net assets released from restrictions	(80,598)	(149,511)
	<hr/>	<hr/>
Change in temporarily restricted net assets	(3,174)	8,442
	<hr/>	<hr/>
CHANGE IN NET ASSETS	(195,663)	(189,398)
NET ASSETS		
Beginning of year	2,472,873	2,662,271
	<hr/>	<hr/>
End of year	\$ 2,277,210	\$ 2,472,873
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The accompanying notes are an integral part of these statements.

UNITED WAY IN WAUKESHA COUNTY, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED MARCH 31, 2011 AND 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (195,663)	\$ (189,398)
Add (deduct)		
Depreciation	39,064	40,439
Provision for uncollectible pledges	286,159	352,395
(Gains) losses on organization endowment investment	(10,919)	(30,816)
Increase (decrease) in cash and cash equivalents due to changes in		
Prepaid expenses	6,181	13,148
Accounts receivable	114,548	(101,558)
Interest receivable	154	14,951
Pledges receivable	(248,417)	5,005
Accounts payable	(31,345)	(80,250)
Allocations payable	(234,803)	(43,572)
Designations payable	(14,080)	10,752
Organizations payable	80,153	85,106
Community impact grants payable	-	(43,321)
Safe and stable families grants payable	(89,740)	(19,750)
Deferred program revenues	(7,100)	(2,120)
NET CASH FLOW - OPERATING ACTIVITIES	<u>(305,808)</u>	<u>11,011</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturities of certificates of deposit	475,000	300,000
Purchases of certificates of deposit	-	(275,000)
Purchases of investments	(10,528)	(20,775)
Purchases of property and equipment	-	(2,235)
NET CASH FLOW - INVESTING ACTIVITIES	<u>464,472</u>	<u>1,990</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	158,664	13,001
CASH AND CASH EQUIVALENTS		
Beginning of year	1,800,394	1,787,393
End of year	<u>\$ 1,959,058</u>	<u>\$ 1,800,394</u>

The accompanying notes are an integral part of these statements.

UNITED WAY IN WAUKESHA COUNTY, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2011**

	Program services					Supporting services		
	Labor relations	Volunteer Center	Community impact	Fund distributions	Total	Management and general	Fund-raising	Total
Salaries	\$12,357	\$ 87,649	\$27,836	\$ 35,040	\$162,882	\$185,377	\$230,206	\$415,583
Employee benefits	2,240	15,897	5,048	6,356	29,541	29,304	41,748	71,052
Payroll taxes	925	6,856	2,101	2,654	12,536	12,122	17,172	29,294
Professional fees	407	3,283	868	821	5,379	4,761	6,839	11,600
Employee recruitment	34	307	34	32	407	186	526	712
Supplies	105	850	225	213	1,393	1,233	1,772	3,005
Telephone	433	3,497	924	874	5,728	5,071	8,285	13,356
Postage/shipping	175	1,410	373	352	2,310	2,045	6,185	8,230
Occupancy	1,514	12,216	3,229	3,053	20,012	17,716	25,449	43,165
Rent/maintenance of equipment	1,093	8,822	2,332	2,204	14,451	12,793	18,376	31,169
Printing and publications	44	357	94	89	584	517	743	1,260
Travel/professional expense	222	1,790	473	447	2,932	2,595	3,728	6,323
Conferences and conventions	(11)	(87)	(23)	(22)	(143)	(126)	(181)	(307)
Depreciation	936	7,554	1,996	1,888	12,374	10,954	15,736	26,690
United Way of Wisconsin dues	152	1,229	325	307	2,013	1,782	2,560	4,342
Insurance	221	1,780	470	445	2,916	2,581	3,708	6,289
Miscellaneous	202	1,629	431	407	2,669	2,362	3,393	5,755
Campaign printing	-	-	-	-	-	-	19,183	19,183
Campaign supplies/public relations	-	-	-	-	-	-	10,986	10,986
Awards	-	-	-	-	-	-	793	793
Subtotal	21,049	155,039	46,736	55,160	277,984	291,273	417,207	708,480
United Way Worldwide dues	1,277	10,300	2,722	2,574	16,873	14,936	21,456	36,392
	<u>\$22,326</u>	<u>\$165,339</u>	<u>\$49,458</u>	<u>\$ 57,734</u>	<u>\$294,857</u>	<u>\$306,209</u>	<u>\$438,663</u>	<u>\$744,872</u>

The accompanying notes are an integral part of this statement.

UNITED WAY IN WAUKESHA COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2010

	Program services					Supporting services		
	Labor relations	Volunteer Center	Community impact	Fund distributions	Total	Management and general	Fund-raising	Total
Salaries	\$27,620	\$101,019	\$40,407	\$ 63,666	\$232,712	\$ 91,236	\$290,728	\$381,964
Employee benefits	4,343	15,883	6,354	10,011	36,591	19,440	45,714	65,154
Payroll taxes	2,013	7,361	2,945	4,643	16,962	6,649	21,188	27,837
Professional fees	609	2,354	730	1,131	4,824	1,558	5,373	6,931
Employee recruitment	-	-	-	-	-	-	-	-
Supplies	128	493	153	237	1,011	326	1,125	1,451
Telephone	895	3,457	1,072	1,661	7,085	2,288	8,891	11,179
Postage/shipping	329	1,272	394	611	2,606	842	5,134	5,976
Occupancy	2,756	10,650	3,302	5,117	21,825	7,047	24,309	31,356
Rent/maintenance of equipment	2,141	8,271	2,565	3,974	16,951	5,473	18,880	24,353
Printing and publications	109	420	130	202	861	278	958	1,236
Travel/professional expense	640	2,474	767	1,189	5,070	1,637	5,648	7,285
Conferences and conventions	57	220	68	106	451	145	502	647
Depreciation	2,096	8,098	2,511	3,891	16,596	5,359	18,484	23,843
United Way of Wisconsin dues	365	1,411	437	678	2,891	934	3,221	4,155
Insurance	462	1,785	553	858	3,658	1,181	4,074	5,255
Miscellaneous	305	1,180	360	567	2,412	3,154	2,694	5,848
Campaign printing	-	-	-	-	-	-	12,732	12,732
Campaign supplies/public relations	-	-	-	-	-	-	8,711	8,711
Awards	-	-	-	-	-	-	857	857
Subtotal	44,868	166,348	62,748	98,542	372,506	147,547	479,223	626,770
United Way Worldwide dues	2,524	9,753	3,024	4,686	19,987	6,454	22,262	28,716
	<u>\$47,392</u>	<u>\$176,101</u>	<u>\$65,772</u>	<u>\$103,228</u>	<u>\$392,493</u>	<u>\$154,001</u>	<u>\$501,485</u>	<u>\$655,486</u>

The accompanying notes are an integral part of this statement.

UNITED WAY IN WAUKESHA COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2011 AND 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of organization - United Way in Waukesha County, Inc. (the organization) is a Wisconsin nonstock, not-for-profit corporation organized to meet the human-service needs of Waukesha County. It is organized exclusively for charitable purposes and qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The organization's federal tax returns (Form 990) and state tax returns for 2008, 2009 and 2010 are subject to examination by taxing authorities, generally for three years after they were filed.

On July 23, 2007, the Volunteer Center of Waukesha County, Inc. a Wisconsin non-stock corporation, gifted its organization and certain assets to United Way in Waukesha County, Inc. The Volunteer Center operations from August 2007 forward are included in the accompanying financial statements.

Basis of presentation - All financial statements are prepared using the accrual basis of accounting.

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

Subsequent events - The preparation of these financial statements includes management's evaluation of events and transactions occurring subsequent to March 31, 2011 through August 17, 2011, which is the date the financial statements were available to be issued.

Cash, cash equivalents and investments - The organization considers its highly liquid bank repurchase account and money market accounts to be cash equivalents. As of March 31, 2011 and 2010, respectively, \$1,217,000 and \$1,500,000 was invested in this repurchase account. Securities that are direct obligations of the United States government or its agencies are pledged as collateral for the investment in the repurchase account. As of March 31, 2011 \$476,000 was invested in money market accounts. No amounts were invested in money market accounts as of March 31, 2010.

Certificates of deposit have original maturities of greater than three months. These certificates earn interest ranging from .46% to 2.32% as of March 31, 2011. Certificates that mature were frequently reinvested in new certificates of deposit at the same institution; beginning in November 2010, the maturing certificates were transferred to a money market account.

The organization has an "organization endowment" fund with the Waukesha County Community Foundation which consists of various mutual funds and common stocks and is classified as an organization endowment investment. The carrying amounts reported in the statements of financial position for financial instruments approximate their fair values.

United Way in Waukesha County, Inc. maintains bank accounts and certificates of deposit in which the account balances exceed the amount insured by federal insurance agencies by approximately \$24,000 and \$58,000 as of March 31, 2011 and 2010, respectively. The Federal Deposit Insurance Corporation (FDIC) provides limited insurance on cash deposits. At times, the organization's cash deposits may exceed the FDIC insurance limit; however, the organization does not expect to experience any losses on its cash deposits. The bank repurchase account is not insured by the FDIC.

Fair value measurements - Generally accepted accounting principles establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical investments (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows.

- Level 1 - Valuation is based upon quoted prices in active markets for identical investments.
- Level 2 - Valuation is based upon other significant observable inputs (including quoted prices for similar investments).
- Level 3 - Valuation is based upon significant unobservable inputs (including the plan's assumptions in determining the fair value of investments).

Following is a description of the valuation methodologies used for assets measured at fair value.

Certificates of deposit - Valued based on cost, which closely approximates fair value.

Organization endowment investment - Valued at the net asset value ("NAV") of shares held by the organization at year-end.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The organization determines by level, within the fair value hierarchy, the organization's investments at fair value as of March 31, 2011 and 2010 and has categorized the certificates of deposit and organization endowment investment, which invests in mutual funds, as level 1.

Allowance for uncollectible pledges - The allowance for uncollectible pledges is computed as a percentage of the campaign funds raised. As of March 31, 2011 and 2010, nearly 100% of the oldest campaign year's pledges receivable was reserved for as uncollectible. In addition, an allowance of 7.0% of the original campaign pledges was recorded as of March 31, 2011 and 2010. There is no allowance provided on funds received from United Way of Greater Milwaukee, Inc.

Property and equipment - Donated property and equipment are recorded at fair value on the date of the donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Major additions and improvements are capitalized. Maintenance and repairs are expensed currently.

Depreciation is computed using the straight-line method over the following estimated useful lives of the assets.

Building and improvements	31.5 years
Furniture and fixtures	5 - 10 years
Office equipment	3 - 10 years

Long-lived assets - The organization annually considers whether indicators of impairment of long-lived assets held for use are present. If such indicators are present, the organization determines whether the sum of the estimated undiscounted future cash flow attributable to such assets is less than their carrying amounts, and if so, the organization would recognize an impairment loss based on the excess of the carrying amount of the assets over their fair value. Management has determined that no such impairment was present as of March 31, 2011 and 2010.

Temporarily restricted net assets - Temporarily restricted net assets represent unspent contributions which are donor-restricted for a specific purpose. As the monies are spent for the purpose intended, the net assets are transferred to unrestricted.

Expense allocation - Expenses are allocated to various functional activities using the United Way Worldwide's (UWW) full-time equivalents method of allocation, which is based on actual time spent in each area by the organization's employees.

Donated materials and services - Donated materials are reflected as contributions in the accompanying statements at their estimated values at date of receipt. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the organization. In 2011 and 2010, respectively, there were donated services of \$13,772 and \$14,853 primarily related to advertising expense in both years. In 2011 and 2010, a substantial number of volunteers have donated significant amounts of their time in the organization's program services and in its fund-raising

campaigns. The organization receives more than 8,300 volunteer hours per year. These volunteer services are not recognized as contributions in the financial statements since the recognition criteria under generally accepted accounting principles have not been met.

Reclassification - Certain 2010 amounts have been reclassified to conform to the 2011 presentation.

2. AGENCY ALLOCATIONS

Agency allocations for the upcoming calendar year are recognized as an expense in the current year when the organization's board of directors approves the allocations and the agencies are notified. Any subsequent modifications made to these allocations are recorded in the year they are approved. Agency initial allocations approved in 2011 and 2010 are presented below.

All allocations to agencies fund specific programs. A description of these programs can be found on the website "<http://www.unitedwaywaukesha.org/>".

	2011	2010
Adaptive Community Approach	\$ 18,028	\$ 18,977
American Red Cross	88,709	93,378
Association for the Rights of Citizens with Handicaps	105,995	111,574
Big Brothers & Big Sisters of Metro Milwaukee and Waukesha	33,060	34,800
Boy Scouts of America	176,368	185,650
Catholic Charities	275,239	289,725
Community Outreach Center	7,505	7,900
Curative Rehabilitation Services	9,500	10,000
Donna Lexa Community Art Centers	47,500	50,000
Easter Seals of Southeastern Wisconsin	163,613	172,224
Energy Services of Waukesha County	15,200	16,000
Family Service of Waukesha County	325,497	342,628
Girl Scouts of Wisconsin Southeast	102,985	108,405
Healthy Families in Waukesha County	47,385	49,879
Hebron House of Hospitality	308,840	325,095
Interfaith Senior Programs - other programs	78,779	82,925
Interfaith Senior Programs - Transportation Initiative	24,323	25,603
Interfaith Senior Programs - Caregiver Support	113,186	119,143
La Casa de Esperanza - other programs	210,422	221,497
La Casa de Esperanza - Clinic Services	-	2,250
La Casa de Esperanza - Financial Stability	122,962	129,962
Lutheran Social Services - other programs	119,938	126,250
Lutheran Social Services - Child Care Early Intervention	-	14,200

	2011	2010
Mental Health Association in Waukesha County	\$ 198,865	\$ 209,332
National Alliance for the Mentally Ill	30,125	31,710
Nonprofit Management Fund	11,400	12,000
Pregnancy Support Connection	80,502	84,739
Prevention and Protection of Abused Children - Born Learning	96,760	107,511
Prevention and Protection of Abused Children - other programs	26,760	28,168
Richard's Place	37,050	39,000
St. Aemilian's - Lakeside, Inc.	28,741	30,254
St. Joseph's Medical and Dental Clinic	115,619	121,704
Salvation Army - Waukesha	131,273	138,182
Stillwaters Center	38,598	40,629
The Caring Place	59,442	62,570
Waukesha County Literacy Council	24,451	25,738
Waukesha Family YMCA	190,049	200,052
Wisconsin Community Services	246,931	264,653
Women's Center	265,969	279,967
YMCA at Pabst Farms	115,036	121,090
Interfaith Senior Programs - Caregiver Support	-	(32,398)
Other	-	3,000
	<u>\$4,092,605</u>	<u>\$4,305,966</u>
	<u>\$4,092,605</u>	<u>\$4,305,966</u>

3. UNITED WAY OF GREATER MILWAUKEE, INC. ALLOCATIONS

United Way of Greater Milwaukee, Inc. partially reimburses United Way in Waukesha County, Inc. for the campaign contributions from the eastern tier of Waukesha County and for Waukesha County residents who work in Milwaukee County. These contributions are paid as allocations to Waukesha County agencies by the United Way in Waukesha County, Inc. in accordance with donor designation policy and the allocation distributions approved by the United Way in Waukesha County, Inc. board of directors.

4. UNEMPLOYMENT COMPENSATION FUND

United Way in Waukesha County, Inc. has elected reimbursement financing whereby it is required to maintain an \$8,000 certificate of deposit to cover potential unemployment compensation claims.

5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following unspent contributions which are donor-restricted for specific purposes as of March 31.

	2011	2010
Sponsor's program fund	\$ 22,505	\$ 8,349
Safe and stable families fund	-	7,382
Volunteer Center fund	36,433	46,381
	<u>\$ 58,938</u>	<u>\$ 62,112</u>

6. BOARD DESIGNATED NET ASSETS

Board designated net assets consist of the following unspent contributions, which are board-designated for specific purposes, as of March 31.

	2011	2010
Bequest/planned giving fund	\$163,920	\$143,001
Impact council fund	1,467	1,957
Community impact fund	229,348	261,623
	<u>\$394,735</u>	<u>\$406,581</u>

7. SIMPLIFIED EMPLOYEE PENSION PLAN

The organization has a simplified employee pension plan. Under the plan the organization has contributed a discretionary amount of each participating employee's salary (3% for the years ended March 31, 2011 and 2010). Employees are eligible to participate beginning January 1 following their date of hire. All contributions and earnings are 100% vested. Contributions for the years ended March 31, 2011 and 2010 were \$15,752 and \$18,201, respectively.

8. OVERHEAD RATIO

The overhead ratio as prescribed by UWW is equal to supporting services and UWW dues divided by total unrestricted revenue and support as reported on the organization's federal form 990.

		2011	2010
Numerator:	Supporting services	\$ 744,872	\$ 655,486
		<u><u> </u></u>	<u><u> </u></u>
Denominator:	Total unrestricted revenue and support	\$4,849,102	\$5,080,811
	Less restricted funds utilized on loaned executives and sponsorship expenses	63,268	44,612
		<u> </u>	<u> </u>
		<u><u>\$4,785,834</u></u>	<u><u>\$5,036,199</u></u>
		<u><u> </u></u>	<u><u> </u></u>
Numerator/denominator expressed as a percent		15.16%	13.02%
		<u><u> </u></u>	<u><u> </u></u>

Based on the IRS Form 990 most closely corresponding to campaign 2008 - 2009, the most recent survey conducted, UWW announced that the average overhead rate for all United Ways was 14.9% and the average overhead rate for "Metro 2", the category that United Way in Waukesha County, Inc. is included, was 16%.

9. TERM NOTE GUARANTY

The organization has a limited guaranty of 52% of the \$20,000 term note provided to Moreland Commons Condominium Inc. by its bank. The organization owns the building in which it and the condominium association have their offices. The balance on the term note as of March 31, 2011 is \$12,202. The note calls for 36 monthly principal and interest (at 6%) payments of \$372 beginning April 30, 2011, ending March 31, 2014.