

**PIKES PEAK UNITED WAY**

**Financial Statements**

**For the Years Ended June 30, 2012 and 2011**

**and**

**Independent Auditor's Report**



# PIKES PEAK UNITED WAY

## TABLE OF CONTENTS

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	<u>Page</u>
<b>LETTER FROM THE CHAIRMAN AND CEO</b>	
<b>INDEPENDENT AUDITOR'S REPORT</b>	
<b>FINANCIAL STATEMENTS</b>	
Statement of financial position	1
Statement of activities and changes in net assets	3
Statement of cash flows	4-5
Notes to the financial statements	6-17
<b>SUPPLEMENTAL INFORMATION</b>	
Statement of functional expenses	21
Schedule of gross funds awarded	22-23
<b>SUPPLEMENTAL INFORMATION PROVIDED BY MANAGEMENT</b>	
Description of other program services	26-34





Dear Pikes Peak United Way Stakeholder:

We are pleased to provide the attached 2012 Audit for your review.

For 90 years now, Pikes Peak United Way has advanced the common good by not only providing a safety net for basic needs, but by working to prevent tomorrow's problems by addressing issues today.

Although the issues have changed over time....and will likely continue to change.....our mission has remained steadfast. Today our focus is on education, family stability and safety net services - - the building blocks for a good quality of life.

One constant though throughout our 90 years of community service has been our commitment to the highest standards of stewardship, accountability, transparency, and impact. We believe this audit reflects that commitment and, equally important, our consistent fulfillment of that commitment.

We are pleased to enter our 91<sup>st</sup> year of community service and, together with each of you, look forward to continuing to improve the quality of life within the Pikes Peak region.

Respectfully,

A handwritten signature in black ink, appearing to read "Terrance McWilliams".

Terrance McWilliams  
Pikes Peak United Way Board Chair

A handwritten signature in black ink, appearing to read "JD Dallager".

JD Dallager  
Pikes Peak United Way CEO



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## INDEPENDENT AUDITOR'S REPORT

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Board of Trustees  
**Pikes Peak United Way**  
Colorado Springs, Colorado

We have audited the accompanying statement of financial position of Pikes Peak United Way as of June 30, 2012, and the related statements of activities and changes in net assets, and of cash flows for the year 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 audit. The prior year summarized information has been derived from the organization's June 30, 2011 financial statements and, in our report dated September 28, 2011, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 the 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 Pikes Peak United Way as of June 30, 2012, and the changes in its net assets and its cash flows for the year 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 9, 2012, on our consideration of Pikes Peak 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 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 considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental statements of functional expenses and gross funds awarded are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to the prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The supplemental information provided by management on pages 26 through 34 is presented for additional analysis and is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*BiggsKofford, P.C.*

Colorado Springs, Colorado  
October 9, 2012

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**PIKES PEAK UNITED WAY**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2012 (with comparative totals for 2011)**

<b><u>ASSETS</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Current assets:		
Cash and cash equivalents	\$ 1,957,258	\$ 1,676,523
Contributions receivable - net	1,637,432	1,660,738
Grants and other receivable	44,297	336,621
Investments	327,518	743,522
Prepaid expenses and other	48,603	61,639
Total current assets	4,015,108	4,479,043
Property and equipment - net	1,689,225	1,317,235
Investments - long-term	1,000,000	1,000,000
Beneficial interest in perpetual trust	102,630	113,317
Total assets	<u>\$ 6,806,963</u>	<u>\$ 6,909,595</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Current liabilities:		
Accounts payable	\$ 33,241	\$ 50,321
Accrued expenses	206,074	137,733
Current portion of note payable	192,000	52,000
Allocations and designations payable	2,284,272	2,730,487
Deferred revenue	428,067	398,973
Total current liabilities	3,143,654	3,369,514
Note payable - net of current portion	524,334	576,334
Total liabilities	<u>3,667,988</u>	<u>3,945,848</u>
Net assets:		
Unrestricted:		
Undesignated	333,905	435,790
Board Designated	750,000	750,000
Temporarily restricted	952,440	664,640
Permanently restricted	1,102,630	1,113,317
Total net assets	<u>3,138,975</u>	<u>2,963,747</u>
Total liabilities and net assets	<u>\$ 6,806,963</u>	<u>\$ 6,909,595</u>

The accompanying notes and independent auditor's report  
should be read with this financial statement.

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**PIKES PEAK UNITED WAY**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2012 (with comparative totals for 2011)**

	2012			2011	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
<b>PUBLIC SUPPORT AND REVENUE</b>					
Gross campaign results	\$ 5,644,359	\$ -	\$ -	\$ 5,644,359	\$ 5,689,495
Less donor designations	(1,812,149)	-	-	(1,812,149)	(1,746,297)
Less provision for uncollectible contributions	(329,877)	-	-	(329,877)	(411,764)
Net campaign revenue	3,502,333	-	-	3,502,333	3,531,434
Other contribution and grant revenue	-	1,046,844	-	1,046,844	919,718
Other revenue	38,105	-	-	38,105	39,360
Special events revenue, net	8,195	-	-	8,195	15,396
Legacies and bequests	34,016	-	-	34,016	43,700
Investment income	(33,786)	(67,934)	(10,687)	(112,407)	332,595
In-kind contributions	7,405	-	-	7,405	10,528
Net assets released from restrictions	691,110	(691,110)	-	-	-
<b>Total revenue</b>	<b>4,247,378</b>	<b>287,800</b>	<b>(10,687)</b>	<b>4,524,491</b>	<b>4,892,731</b>
<b>EXPENSES</b>					
Program services:					
Gross funds awarded	3,810,808	-	-	3,810,808	4,230,511
Less donor designations	(1,812,149)	-	-	(1,812,149)	(1,746,297)
Net funds awarded	1,998,659	-	-	1,998,659	2,484,214
Other program services	1,372,216	-	-	1,372,216	1,170,588
Total program services	3,370,875	-	-	3,370,875	3,654,802
Fundraising	578,895	-	-	578,895	503,307
General and administrative	399,493	-	-	399,493	426,333
Total expenses	4,349,263	-	-	4,349,263	4,584,442
<b>Change in net assets</b>	<b>(101,885)</b>	<b>287,800</b>	<b>(10,687)</b>	<b>175,228</b>	<b>308,289</b>
<b>Net assets, beginning of period</b>	<b>1,185,790</b>	<b>664,640</b>	<b>1,113,317</b>	<b>2,963,747</b>	<b>2,655,458</b>
<b>Net assets, end of period</b>	<b>\$ 1,083,905</b>	<b>\$ 952,440</b>	<b>\$ 1,102,630</b>	<b>\$ 3,138,975</b>	<b>\$ 2,963,747</b>

The accompanying notes and independent auditor's report  
should be read with this financial statement.

**PIKES PEAK UNITED WAY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2012 (with comparative totals for 2011)**

	<b>2012</b>	<b>2011</b>
<b><u>OPERATING ACTIVITIES</u></b>		
Cash received from annual fundraising campaign	\$ 5,667,665	\$ 5,684,235
Cash received from other income	1,419,484	709,360
Cash paid for community fund	(1,500,000)	(1,994,231)
Cash paid for designations	(1,876,799)	(1,810,947)
Cash paid to other facilitated community programs	(1,086,431)	(1,077,755)
Cash paid for PPUW community programs and operating expenses	(2,251,820)	(1,744,937)
Cash paid for interest	(40,362)	(36,986)
Net cash provided by (used in) operating activities	331,737	(271,261)
<b><u>INVESTING ACTIVITIES</u></b>		
Purchases of property and equipment	(311,545)	(22,305)
Purchases of investments	(43,692)	(50,638)
Proceeds from the sale of investments	356,235	39,599
Net cash provided by (used in) investing activities	998	(33,344)
<b><u>FINANCING ACTIVITIES</u></b>		
Payments on note payable	(52,000)	(52,000)
Net cash used in financing activities	(52,000)	(52,000)
Net increase (decrease) in cash and cash equivalents	280,735	(356,605)
Cash and cash equivalents, beginning of period	1,676,523	2,033,128
Cash and cash equivalents, end of period	\$ 1,957,258	\$ 1,676,523

The accompanying notes and independent auditor's report  
should be read with this financial statement.

**PIKES PEAK UNITED WAY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2012 (with comparative totals for 2011)**

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	<b>2012</b>	<b>2011</b>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED IN OPERATING ACTIVITIES		
Change in net assets	\$ 175,228	\$ 308,289
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	79,555	79,580
Net realized and unrealized gains on investments	103,461	(260,317)
Gain on beneficial interest in perpetual trust	10,687	(13,137)
Changes in operating assets and liabilities:		
Contributions receivable	23,306	(5,260)
Grants and other receivable	292,324	(308,814)
Prepaid expenses and other	13,036	14,699
Accounts payable and accrued expenses	51,261	11,166
Allocations and designations payable	(446,215)	(64,650)
Deferred revenue	29,094	(32,817)
Net cash provided by (used in) operating activities	\$ 331,737	\$ (271,261)

**SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES**

The Organization purchased assets through the issuance of debt as follows:

Cost of equipment and fixtures purchased	\$ 451,545	
Less cash paid	(311,545)	
	\$ 140,000	

The accompanying notes and independent auditor's report  
should be read with this financial statement.

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Pikes Peak United Way ("PPUW" or "Organization") is a not-for-profit organization incorporated in the State of Colorado. PPUW's mission is to mobilize and grow the caring power of our community, to create the best quality of life possible for all of our citizens. PPUW operates primarily in El Paso and Teller Counties, Colorado.

In 1922, the Pikes Peak Social Welfare Fund was established. In 1924, it became the Community Chest. In 1962, the United Fund of the Pikes Peak Region was incorporated and in 1973 was renamed Pikes Peak United Way. Since 1922, the Organization's name and the needs of the community have changed, but its ability to reach out and provide a helping hand has not.

The Cornerstone Program offers companies the opportunity to help underwrite the administrative and fundraising costs of Pikes Peak United Way, allowing individual donors to contribute to their most cherished causes without the burden of a fee. In exchange, Pikes Peak United Way gives you the best cause based marketing available for the price.

**Cornerstone Members 2011-2012**

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<b>Level</b>	<b>Amount</b>	<b>Donor</b>
Summit Level	\$100,000+	El Pomar Foundation
Pinnacle Level	\$50,000 - \$99,000	Rampart Supply Anschutz Foundation
Vista Level	\$25,000 - \$49,000	Agilent Technologies Deluxe Corporation Wells Fargo
Mesa Level	\$15,000 - \$24,999	Current, Inc. Exelis Systems T. Rowe Price Associates Ent Federal Credit Union
Red Rocks Level	\$10,000 - \$14,999	Hewlett Packard Company Kinder Morgan Pipelines United Parcel Service US Bank

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cornerstone Members 2011-2012**

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<u>Level</u>	<u>Amount</u>	<u>Donor</u>
Canyon Level	\$5,000 - \$9,999	Aeroflex, Inc. American National Bank Black Hills Energy Comcast Corporation Delta Solution and Strategies Federal Express First Bank of Colorado Springs & El Paso County GE Johnson Kaiser Permanente Neumann Systems Group Northrup Grumman Wal-Mart Stores Target Corporation

**Basis of Presentation** — The accompanying financial statements have been prepared in accordance with the accounting principals generally accepted in the United States of America ("US GAAP"), and with the financial statement standards of United Way Worldwide. United Way Worldwide standards are required for membership and fully comply with US GAAP applicable for not-for-profit organizations.

**Classes of Net Assets** — All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with a donor stipulation that limits their use are reported as temporarily or permanently restricted revenue and net assets. When a donor-stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions. Gifts having donor stipulations which are satisfied in the period the gift is received are reported as unrestricted revenue and net assets.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized and reported as contribution revenue.

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents** — For purposes of the statement of cash flows, the Organization considers cash, amounts due from banks and highly liquid investments purchased with original maturities of three months or less to be cash and cash equivalents.

**Contributions Receivable** — Contributions receivable, all of which are due within one year, are unconditional and are recognized as assets and support in the period made. The Organization provides an allowance for uncollectible contributions, which is based upon management's periodic review of outstanding receivables, historical collection information and existing economic conditions. Contributions receivable are recorded net of allowance of \$329,877 and \$411,764 as of June 30, 2012 and 2011, respectively.

**Investments** — Investments in equity and fixed income mutual funds are carried at market value. Investment income, gains and losses are reflected in the statement of activities and changes in net assets as unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions.

**Property and Equipment** — Property and equipment are stated at cost or, if donated, at the fair value at the date of the donation. The Organization capitalizes purchases in excess of \$500 with lesser amounts expensed in the year purchased. Depreciation is provided using the straight-line method over the estimated useful life of the asset, which ranges from three to 40 years.

**Donated Services and Materials** — Donated services and materials are recorded as both a revenue and expenditure in the accompanying statement of activities and changes in net assets at their estimated fair values. Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations.

During the years ended June 30, 2012 and 2011, the Organization received in-kind professional consulting fees and supplies of \$7,405 and \$10,528, respectively.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization. The Organization received approximately 12,781 and 6,358 volunteer hours during the years ended June 30, 2012 and 2011, respectively, with an estimated fair value of \$281,565 and \$138,800, respectively. These donated services are not reflected in the accompanying financial statements since they do not meet the criteria for recognition.

See independent auditor's report



**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**United Way Worldwide** — As part of our commitment to community excellence and measurable impact, our work is guided by United Way Worldwide's Standards of Excellence. These standards are designed to enhance the effectiveness of the approximately 1,800 United Way affiliates in 41 countries through shared best practices and benchmarks. In 2010, The United Way network raised \$5.09 billion making United Way the largest private nonprofit in the world. PPUW is governed by its own volunteer Board of Trustees and pays annual dues to United Way Worldwide based upon campaign results. Annual dues to United Way Worldwide totaled \$55,420 and \$52,241 for the years ended June 30, 2012 and 2011, respectively.

**Income Taxes** — PPUW is a qualifying tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (Code) and has been classified as an organization that is not a private foundation under Section 509(a)(2) of the Code.

The Organization evaluates the effect of uncertain tax positions, if any, and provides for those positions in accordance with the provisions of FASB ASC 450, *Contingencies*. The Organization discloses any material adjustments as a result of tax examinations. The Organization reports interest and penalties resulting from these adjustments as interest expense and other expenses, as applicable. There were no tax examinations, adjustments, penalties or related interest expense for the years ended June 30, 2012 or 2011. Management believes only tax returns for the years 2009 through 2011 are subject to audit by the applicable taxing jurisdictions.

**Functional Allocation of Expense** — The costs of providing various program and supporting services have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Use of Estimates** — The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the 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. Significant estimates include the provision for uncollectible pledges, useful lives of property and equipment and allocation of functional expenses. Actual results could differ from those estimates.

**Hedge Accounting** — In order to reduce the risk to variability in interest rates relative to its variable rate note payable, the Organization entered into an interest rate swap agreement. Changes to the fair value of the interest rate swap agreement are accounted for as increases or decreases in general and administrative expense (see Note 6).

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reclassification** — Certain prior year amounts have been reclassified to conform with current year presentation.

**2. INVESTMENTS**

Investments consist of the following at June 30,:

	<u>2012</u>	<u>2011</u>
Equity mutual funds – domestic and international	\$ 1,024,328	\$ 1,456,980
Fixed income mutual funds	303,190	286,542
Beneficial interest in perpetual trust	<u>102,630</u>	<u>113,317</u>
Total	<u>\$ 1,430,148</u>	<u>\$ 1,856,839</u>

These amounts are included in the statement of financial position as follows:

Current assets – investments	\$ 327,518	\$ 743,522
Investments – long-term	1,000,000	1,000,000
Beneficial interest in perpetual trust	<u>102,630</u>	<u>113,317</u>
Total	<u>\$ 1,430,148</u>	<u>\$ 1,856,839</u>

Investment income consists of the following at June 30:

	<u>2012</u>	<u>2011</u>
Interest and dividends	\$ 35,827	\$ 44,257
Net realized and unrealized gains	(103,461)	260,317
Gain on beneficial interest in perpetual trust	(10,687)	13,137
Derivative financial instrument	<u>(34,086)</u>	<u>14,884</u>
Total	<u>\$ (112,407)</u>	<u>\$ 332,595</u>

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**3. PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at June 30:

	<u>2012</u>	<u>2011</u>
Land	\$ 511,993	\$ 156,000
Land improvements	45,151	-
Building	1,345,627	1,345,627
Furniture and equipment	<u>500,565</u>	<u>450,164</u>
Total	2,403,336	1,951,791
Accumulated depreciation	<u>(714,111)</u>	<u>(634,556)</u>
Net property and equipment	<u><u>\$ 1,689,225</u></u>	<u><u>\$ 1,317,235</u></u>

Depreciation expense was \$79,555 and \$79,580 for the years ended June 30, 2012 and 2011, respectively.

**4. ALLOCATIONS AND DESIGNATIONS PAYABLE**

Allocations approved by the Organization's Board of Trustees are recorded as an expense and a payable. Annual fundraising campaign revenue includes amounts designated by donors for specified agencies. The amounts raised on behalf of others are reflected as reductions of gross campaign results in the statement of activities and changes in net assets.

Allocations and designations consist of the following at June 30:

	<u>2012</u>	<u>2011</u>
Allocations approved by Board of Trustees	\$ 1,500,000	\$ 2,005,768
Designations payable	<u>784,272</u>	<u>724,719</u>
Total	<u><u>\$ 2,284,272</u></u>	<u><u>\$ 2,730,487</u></u>

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**5. LINE OF CREDIT**

The Organization has a commitment from a financial institution for a line of credit in the amount of \$350,000 which matures on August 30, 2013. Borrowings under the line of credit bear interest at the greater of a floating rate equal to the Index plus 1.00% or the floor rate of 5.00% per annum and is secured by personal property, pledges and grants. There is no balance due at June 30, 2012 (see note 13).

**6. NOTE PAYABLE**

The Organization has a note payable with a balance of \$576,334 and \$628,334 at June 30, 2012 and 2011, respectively, payable in monthly installments of \$4,333 plus interest. The note bears interest at the London Interbank Offered Rate (LIBOR) plus 0.08% per annum, is collateralized by real estate and is due in July of 2023.

The Organization has entered into a note payable for the purchase of real estate adjacent to the Organization's office with a unrelated party in the amount of \$140,000. The is secured by real estate and accrues interest at 5.00%. The note plus accrued interest was paid in full on August 24, 2012 (see note 13).

Aggregate annual maturities of these notes payable are as follows at June 30, 2012:

2013	\$ 192,000
2014	52,000
2015	52,000
2016	52,000
2017	52,000
Thereafter	<u>316,334</u>
Total	<u><u>\$ 716,334</u></u>

The Organization holds an interest rate swap agreement to fix the interest rate on the note at 5.59% per annum for the term of the note. The swap agreement was issued with a notional principal amount equivalent to the outstanding note. The estimated fair value of the swap agreement was a liability of \$112,222 and \$78,135 as of June 30, 2012 and 2011, respectively. The Organization incurred a loss of \$34,086 and a gain of \$14,884 due to changes in the fair value of the interest rate swap agreement during the years ended June 30, 2012 and 2011, respectively. Total interest expense for the years ended June 30, 2012 and 2011 was \$40,362 and \$36,986, respectively.

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**7. FAIR VALUE OF FINANCIAL INSTRUMENTS**

US GAAP defines fair value as 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. Therefore, the term "price" refers to the exit price as opposed to the entry price, which is the price paid to acquire the asset or received to assume the liability. US GAAP also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

**Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

**Level 2:** Prices determined using significant other observable inputs. Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3:** Prices determined using significant unobservable inputs.

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

**7. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

The investment's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The following table sets forth, by level within the fair value hierarchy, the Organization's financial instruments at fair value as of June 30,:

	<b>2012</b>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>ASSETS</b>				
Equity and fixed income mutual funds	\$ 1,327,518	\$ 1,327,518	\$ -	\$ -
Beneficial interest in perpetual	102,630	-	102,630	-
	<u>\$ 1,430,148</u>	<u>\$ 1,327,518</u>	<u>\$ 102,630</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Interest rate swap (Note 6)	<u>\$ 112,222</u>	<u>\$ -</u>	<u>\$ 112,222</u>	<u>\$ -</u>
	<b>2011</b>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>ASSETS</b>				
Equity and fixed income mutual funds	\$ 1,743,522	\$ 1,743,522	\$ -	\$ -
Beneficial interest in perpetual	113,317	-	113,317	-
	<u>\$ 1,856,839</u>	<u>\$ 1,743,522</u>	<u>\$ 113,317</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Interest rate swap (Note 6)	<u>\$ 78,135</u>	<u>\$ -</u>	<u>\$ 78,135</u>	<u>\$ -</u>

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**8. BOARD DESIGNATED UNRESTRICTED NET ASSETS**

To be good stewards with donor dollars, the Board of Trustees adopted a cash reserve policy to maintain a cash reserve of not less than Seven Hundred Fifty Thousand dollars (\$750,000). The purpose of this reserve is for emergency cash flows for operating expenses. These board designated reserves are separately accounted for in the general ledger as a cash balance and separately reported in its internal financial statements. No monies held as reserves may be transferred from the reserve account or used for any purpose other than as reserves without the approval of the Board of Trustees of PPUW. Nor shall the reserve balance be less than Seven Hundred and Fifty Thousand Dollars (\$750,000) without the approval of the Board of Trustees. The Board of Trustees reserves the right to make withdrawals should the circumstances warrant such action.

**9. TEMPORARILY RESTRICTED NET ASSETS**

As of June 30, 2012 and 2011, temporarily restricted net assets are available for the following purposes:

	<u>2012</u>	<u>2011</u>
El Pomar Emergency Fund	\$ 330,307	\$ 428,240
Colorado Springs Housing and Community Development	371,879	123,537
2-1-1 contracts	5,624	52,654
Women's Leadership Council	23,120	22,204
Military Family Assistance Program	51,107	20,808
Community Information Systems contracts	20,908	17,197
Waldo Canyon Fire Assistance Fund	149,495	-
Total	<u>\$ 952,440</u>	<u>\$ 664,640</u>

**10. PERMANENTLY RESTRICTED NET ASSETS**

Permanently restricted net assets consist of investments in perpetuity, the income from which is expendable to support the Organization's programs as follows:

	<u>2012</u>	<u>2011</u>
Emergency relief	\$ 1,000,000	\$ 1,000,000
Beneficial interest in perpetual trust	102,630	113,317
Total	<u>\$ 1,102,630</u>	<u>\$ 1,113,317</u>

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**10. PERMANENTLY RESTRICTED NET ASSETS (CONTINUED)**

In a previous year, a donor established an irrevocable, perpetual trust with a bank, naming the Organization as one of its beneficiaries. Under the terms of the trust agreement, the Organization is to receive a stated percentage of the interest earned on the corpus of the trust assets, at the date of the donor's death, in perpetuity for its unrestricted use. The Organization's percentage of the assets held in the trust totaled \$102,630 and \$113,317 as of June 30, 2012 and 2011, respectively, and is reported at fair market value in the Organization's statement of financial position.

**11. ENDOWMENT FUNDS**

The Organization's endowment consists of two individual funds established for a variety of purposes. Its endowment includes both donor-related endowment funds and funds designated by the Board of Trustees to function as endowments. As required by US GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

During 2008, the State of Colorado adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Organization has interpreted UPMIFA as requiring the preservation of the original fair value of the gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, and (b) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets 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.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund
- 2) The purposes of the Organization and the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible affect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of the Organization
- 7) The investment policies of the Organization.

See independent auditor's report



**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**11. ENDOWMENT FUNDS (CONTINUED)**

Endowment net asset composition by type of fund as of June 30, 2012, is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 327,518	\$ 1,000,000	\$ 1,327,518
Board-designated endowment funds	<u>538,558</u>	<u>-</u>	<u>-</u>	<u>538,558</u>
Total funds	<u>\$ 538,558</u>	<u>\$ 327,518</u>	<u>\$ 1,000,000</u>	<u>\$ 1,866,076</u>

Changes in endowment net assets for the year ended June 30, 2012, are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 536,384	\$ 422,267	\$ 1,000,000	\$ 1,958,651
Investment return:				
Investment income	-	(10,687)	-	(10,687)
Net depreciation (realized and unrealized)	<u>-</u>	<u>(103,461)</u>	<u>-</u>	<u>(103,461)</u>
Total investment return	<u>-</u>	<u>(114,148)</u>	<u>-</u>	<u>(114,148)</u>
Contributions	29,338	-	-	29,338
Appreciation of endowment	<u>(27,164)</u>	<u>19,399</u>	<u>-</u>	<u>(7,765)</u>
Endowment net assets, end of year	<u>\$ 538,558</u>	<u>\$ 327,518</u>	<u>\$ 1,000,000</u>	<u>\$ 1,866,076</u>

**Permanently Restricted Net Assets**

The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation or by UPMIFA

\$ 1,000,000

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**11. ENDOWMENT FUNDS (CONTINUED)**

**Temporarily Restricted Net Assets**

The portion of perpetual endowment funds subject to a time restriction under UPMIFA:

With purpose restriction	<u>\$ 327,518</u>
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From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with US GAAP, deficiencies of this nature are reported in unrestricted net assets. There were no such deficiencies as of June 30, 2012 and 2011.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, the endowment assets are invested in a manner that is intended to produce maximum results while assuming a moderate level of investment risk. The Organization expects its endowment funds, over time, to provide an average rate of return of approximately the sum of 5.00% plus the Consumer Price Index (CPI) annually. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a great emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The Organization has a policy of appropriating for distribution each year 5.00% of its board-designated endowment fund's end-of-year fair value. The Organization also has a policy that suspends distribution from its donor-restricted funds to allow the fund to grow to a critical mass. In establishing these policies, the Organization considered the long-term expected return on its endowment. This is consistent with the Organization's objective to maintain the original fair value of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

See independent auditor's report

**PIKES PEAK UNITED WAY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

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**12. PENSION PLAN**

The Organization has a defined contribution pension plan (403(b) Thrift Plan) covering all full-time regular employees, who are eligible after one year of service. The Organization's base contribution consists of 6.00% of eligible employee gross salaries with an additional 2.00% matching contribution based on participating employee individual contributions. Due to the economy, employer contributions were suspended and there was no contributions in either 2012 or 2011. Employer contributions to the plan were \$-0- for the year ended June 30, 2012.

**13. SUBSEQUENT EVENTS**

Waldo Canyon Fire - The Waldo Canyon Fire Assistance Fund was established with a seed grant of \$125,000 from El Pomar Foundation in the aftermath of the most destructive wildfire in Colorado history. More than 32,000 people were displaced, 18,247 acres were burnt and 346 homes have been destroyed resulting in two deaths. Tremendous support from the community grew, a telethon featuring the Colorado Springs Philharmonic, Michael Martin Murphy and other local celebrities was aired live on the 4th of July. At the call center, nearly \$300,000 was pledged in the first four hours of the telethon. Subsequently, the fund grew to more than \$900,000 by the end of August of 2012. In keeping with PPUW's high standards of stewardship, accountability, transparency, and impact, PPUW purposefully selected a Community Advisory Board comprised of Teller and El Paso County individuals who were both experienced in the difficult and critical responsibility of fund allocations and intimate with the needs of those impacted by the Waldo Canyon Fire. The allocation of these funds will go directly to El Paso and Teller County non-profit organizations working in the relief and recovery efforts for families and individuals affected by the fire and for the community as a whole. Grant applications are available on our website. We anticipate expending all of the funds within the year to meet near and intermediate-term needs. No fees have or will be charged by PPUW to either the donors or the funded agencies. As always, reports regarding fund allocations will be made public on a regular basis.

On August 24, 2012, the Organization drew down \$200,000 of its line of credit to payoff the note payable related to the land purchase (see note 6).

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See independent auditor's report

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**PIKES PEAK UNITED WAY**

**SUPPLEMENTAL INFORMATION**

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**PIKES PEAK UNITED WAY  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2012**

	PROGRAM SERVICES								SUPPORTING SERVICES			2012 Totals	
	Net Funds Awarded	2-1-1 Info and Referral	Allocation Services	Community Impact	Community Information Systems	Success By 6 - School Readiness	Quality of Life Indicators	Other Programs	Total	Fundraising	Organizational Administration		Total
Net funds awarded	\$ 1,998,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,998,659	\$ -	\$ -	\$ -	\$ 1,998,659
Salaries	-	171,230	43,480	154,346	165,629	58,432	17,145	80,702	690,964	356,841	288,487	645,328	1,336,292
Payroll taxes	-	12,281	3,119	11,070	11,879	4,191	1,230	5,788	49,558	25,594	20,691	46,285	95,843
Employee benefits	-	25,137	6,383	22,658	24,315	8,578	2,517	11,847	101,435	52,386	42,351	94,737	196,172
<b>Total</b>	<b>1,998,659</b>	<b>208,648</b>	<b>52,982</b>	<b>188,074</b>	<b>201,823</b>	<b>71,201</b>	<b>20,892</b>	<b>98,337</b>	<b>2,840,616</b>	<b>434,821</b>	<b>351,529</b>	<b>786,350</b>	<b>3,626,966</b>
Occupancy	-	48,441	2,229	8,085	74,366	10,001	7,906	76,639	227,667	19,596	9,694	29,290	256,957
Contract services	-	109,432	3,279	14,235	49,883	6,407	1,440	6,113	190,789	30,551	18,382	48,933	239,722
United Way Worldwide dues	-	7,347	1,866	6,623	7,107	2,507	736	3,463	29,649	15,312	10,459	25,771	55,420
Printing	-	1,568	57	201	282	362	13,705	268	16,443	25,476	318	25,794	42,237
Supplies	-	171	125	372	2,043	18,008	122	420	21,261	13,200	2,493	15,693	36,954
Staff development	-	783	54	9,117	3,038	1,037	21	2,758	16,808	9,066	476	9,542	26,350
Insurance	-	2,720	691	2,452	2,631	928	272	2,658	12,352	5,669	3,872	9,541	21,893
Postage and shipping	-	374	84	309	322	113	33	472	1,707	15,469	470	15,939	17,646
Meeting expense	-	827	1,198	885	539	243	229	4,108	8,029	3,343	776	4,119	12,148
Travel	-	1,250	234	1,092	427	981	99	189	4,272	5,825	801	6,626	10,898
Miscellaneous	-	157	39	141	152	337	46	410	1,282	567	223	790	2,072
<b>Total</b>	<b>-</b>	<b>173,070</b>	<b>9,856</b>	<b>43,512</b>	<b>140,790</b>	<b>40,924</b>	<b>24,609</b>	<b>97,498</b>	<b>530,259</b>	<b>144,074</b>	<b>47,964</b>	<b>192,038</b>	<b>722,297</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,998,659</b>	<b>\$ 381,718</b>	<b>\$ 62,838</b>	<b>\$ 231,586</b>	<b>\$ 342,613</b>	<b>\$ 112,125</b>	<b>\$ 45,501</b>	<b>\$ 195,835</b>	<b>\$ 3,370,875</b>	<b>\$ 578,895</b>	<b>\$ 399,493</b>	<b>\$ 978,388</b>	<b>\$ 4,349,263</b>

See independent auditor's report.

**PIKES PEAK UNITED WAY**  
**SCHEDULE OF FUNDS AWARDED**  
**FOR THE YEAR ENDED JUNE 30, 2012 AND 2011**

<b>Allocations to Partner Agencies and Affiliates</b>	<b>2012</b>	<b>2011</b>
American Cancer Society	\$ -	\$ 2,200
American Red Cross Pikes Peak Chapter	4,499	13,238
AspenPointe Health Services	39,667	41,011
AspenPointe Youth Directions	15,617	6,250
BethHaven, Incorporated	16,449	25,000
Big Brothers Big Sisters of Colorado, Inc. - Pikes Peak	31,812	69,657
Boys & Girls Club of the Pikes Peak Region	25,479	150,000
Care and Share Food Bank for Southern Colorado	39,736	55,000
* CASA of the Pikes Peak Region	56,374	-
Catholic Charities of Central Colorado	126,731	85,210
Cerebral Palsy Association of Colorado Springs	-	8,000
Cheyenne Village, Inc.	60,131	160,000
* Child Care Connections	13,536	-
Colorado Legal Services	14,848	20,000
Community Partnership for Child Development / Head Start	139,290	153,375
Consumer Credit Counseling Service	-	5,000
* Diakonia	7,498	-
Disability Services, Inc.	32,069	15,000
Early Connection Learning Centers	167,197	209,775
Energy Resource Center	29,005	35,550
Franciscan Community Counseling, Inc.	6,980	12,300
Girl Scouts of Colorado – Pikes Peak Region	-	7,305
Griffith Centers for Children / CHINS UP	1,634	2,000
* Joint Initiatives for Youth and Families / Alliance for Kids	10,263	-
LULAC National Education Service Centers, Inc.	3,420	22,552
Lutheran Family Services - Rocky Mountains	16,617	57,500
Mental Health America of the Pikes Peak Region	-	7,500
Multiple Sclerosis Alliance of Southern Colorado	-	9,705
Partners in Housing	33,226	94,000
Peak Vista Community Health Centers	100,112	130,976
Pikes Peak Community Action Agency, Inc.	49,926	25,000
Pikes Peak Habitat for Humanity, Inc.	16,114	6,250
* Pikes Peak Library District Foundation	9,689	-
Rocky Mountain Health Care Services	-	11,250
Silver Key Senior Services, Inc.	35,784	71,275
Southern Colorado AIDS Project	11,424	13,700
TESSA	78,420	75,091
The ARC of the Pikes Peak Region	10,460	31,900
The Center for Hearing, Speech and Language	4,945	5,000
The Resource Exchange, Inc.	47,002	81,255
The Salvation Army, El Paso County	189,241	223,200
Tri-Lakes Cares	35,762	15,000

See independent auditor's report.



**PIKES PEAK UNITED WAY**  
**SCHEDULE OF FUNDS AWARDED**  
**FOR THE YEAR ENDED JUNE 30, 2012 AND 2011**

<b>Allocations to Partner Agencies and Affiliates (continued)</b>	<u><b>2012</b></u>	<u><b>2011</b></u>
Urban League of the Pikes Peak Region, Inc.	-	17,306
Women's Resource Agency, Inc.	<u>19,043</u>	<u>19,900</u>
 Total Partner and Affiliates Allocations	 1,500,000	 1,994,231
 <b>Other Gross Funds Awarded</b>		
Designations, Partner Agencies	872,798	884,362
Designations, Non-Partner Agencies	939,351	861,935
Colorado Springs Housing and Community Development	394,959	380,293
El Pomar Emergency Grants	30,000	16,000
Military Family Assistance	69,700	91,090
Sponsorships	<u>4,000</u>	<u>2,600</u>
 Total Gross Funding to Agencies	 <u>3,810,808</u>	 <u>4,230,511</u>
 Less Designation	 <u>(1,812,149)</u>	 <u>(1,746,297)</u>
 Net Funds Awarded	 <u><u>\$ 1,998,659</u></u>	 <u><u>\$ 2,484,214</u></u>

\* Affiliates

See independent auditor's report.



**PIKES PEAK UNITED WAY**

**SUPPLEMENTAL INFORMATION  
PROVIDED BY MANAGEMENT**

**PIKES PEAK UNITED WAY**  
**DESCRIPTION OF OTHER PROGRAM SERVICES**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
2-1-1 Information and Referral	\$ 381,718	\$ 328,667
Community Information Systems	342,613	259,108
Community Impact	231,586	206,013
Success by 6	112,125	108,758
Community Events	67,482	52,801
Community Investment / Allocation Services	62,836	47,481
Quality of Life Indicators	45,501	60,663
Volunteer Center	45,330	35,045
Community Rooms	35,932	33,667
Center for Nonprofit Excellence	26,096	20,552
Homeward Pikes Peak	18,454	16,645
Federal Emergency Management Agency	<u>2,543</u>	<u>1,187</u>
<b>Total</b>	<u><u>\$ 1,372,216</u></u>	<u><u>\$ 1,170,587</u></u>

**2-1-1 Information and Referral**

Pikes Peak United Way 2-1-1 is a free, confidential, and easy to remember number available 24 hours a day, seven days a week that offers information and referral for basic health and human service needs. The program serves six counties: Chafee, Cheyenne, Lincoln, Park, Teller, El Paso and portions of the San Luis Valley. 2-1-1 community specialists assess the critical needs and potential eligibility of each caller to provide referrals to appropriate agencies and services. Callers are provided with detailed information including hours of operation, intake/document requirements, directions and more. By directing people to the right resources and preparing them for their visit, 2-1-1 promotes higher assistance success and decreases frustrations. Last year, 2-1-1 provided life changing information and referrals to 28,336 residents in crisis.

During the last fiscal year, 2-1-1 entered into a partnership with the Calhan Community Outreach Coalition to bring health and human services referral information to our neighbors in Eastern El Paso County. Additionally, 2-1-1 launched a Community Calendar that provides details about community meetings, support groups, health fairs, and other events that may be relevant to 2-1-1 callers.

See independent auditor's report.

### **2-1-1 Information and Referral (continued)**

Finally, working in tandem with the City and County Offices of Emergency Management, 2-1-1 staffed the County Emergency Operations Center during the Waldo Canyon fire, ensuring the public received up-to-date information and freeing up the 9-1-1 system, which allowed 9-1-1 to focus on true emergency calls. 2-1-1 also produced the Relief and Recovery Guide used throughout the region by fire victims. Pikes Peak United Way has formal memoranda of understanding with the City of Colorado Springs and El Paso County Offices of Emergency Management to use 2-1-1 as a resource for emergency preparedness and response. The benefit to citizens is a single source of information on evacuation routes, road closures, and shelters for people and their animals.

2-1-1 offers information and referrals from a call center staffed with experienced multilingual operators. Additional access to translation services ensures that all callers can receive assistance. The following types of referral services are provided:

- Basic human needs resources: food, clothing, shelters, rent assistance, utility assistance and housing.
- Physical and mental health resources: medical information lines, crisis intervention services, support groups, counseling, drug and alcohol intervention, rehabilitation, health insurance programs, Medicaid and Medicare, maternal health, children's health insurance programs, health and immunization fairs and screenings.
- Employment support: unemployment benefits, financial assistance, job training, transportation assistance, employment assistance and education programs.
- Support for older adults and persons with disabilities: Area Agencies on Aging, caregiver support, in-home health care, adult day care, congregate meals, Meals on Wheels, respite care, transportation and homemaker services.
- Support for children, youth and families: quality childcare, preschool programs, family resources, mentoring, tutoring, protective services and school supplies.
- Earned Income Tax Credit (EITC) Volunteer Income Tax Assistance (VITA) outreach: eligibility criteria for the EITC, location and hours of tax assistance sites, language(s) in which tax preparation services are offered and a list of documents needed.
- Office of Emergency Management: emergency evacuation registry, as well as serving to expand capacity of the emergency management response system, reassuring callers, mobilizing and managing volunteers, serving as intake for service providers, freeing up the 9-1-1 system for non-emergency calls and sustaining crucial connection to citizens during an emergency.

See independent auditor's report.

## **2-1-1 Information and Referral (continued)**

Funding partners include:

- Pikes Peak Area Council of Governments Area Agency on Aging for the handling of senior and adult disability calls;
- Piton Foundation for ongoing support for tax related calls; and
- Colorado Springs Utilities for requests for assistance with utility bills.

## **Community Information Systems**

The Community Information Systems program manages a computerized data collection application designed to capture client-level information on the characteristics of program and service needs of adults and children experiencing homelessness or at risk of homelessness. The U.S. Department of Housing and Urban Development (HUD) requires communities receiving federal funding to have a local system which they refer to as Homeless Management Information System (HMIS). In El Paso County, we call this our Client Management System (CMS). It provides the required reporting tool for 18 agencies and 85 programs, and covers several entitlement programs: Continuum of Care Homeless Assistance Program (CoC), Emergency Solutions Grants (ESG), Supportive Services for Veterans with Families (SSVF), and Homeless Prevention and Rapid Rehousing Programs (HPRP).

CMS implementation presents the community with an opportunity to re-examine how homeless services are provided, to make informed decisions and to develop appropriate action steps. CMS also allows community stakeholders to build new alliances, strengthen services, meet consumer needs in a more streamlined manner and obtain information to guide future planning. CMS is used for the Homeless Persons Point in Time and Housing/Bed Inventory surveys, two more HUD requirements. CMS is also used to generate required agency-specific and community wide reports such as the Quarterly Performance Report, Annual Performance Report, and Annual Homeless Assessment Report.

In 2011-2012, we added the first non-HMIS agency into our system, which continues to serve at-risk populations. Over time, adding similar agencies will allow us to expand and take a broader view of community outcomes and provide greater measurement and monitoring of program performance.

Without this program, our community would forfeit \$2 million annually in CoC funding, \$280,000 in City and State ESG funds, \$1 million annually in SSVF funds, and \$1.8 million in Homeless Prevention and Rapid Re-Housing Program funds for 2009-2012.

See independent auditor's report.

## **Community Impact**

In all that Pikes Peak United Way undertakes, collaboration is critical. Community Impact is responsible for strengthening relationships with Partner Agencies by meeting with their executive directors during quarterly lunches where relevant subjects can be discussed and agency updates are made. Last July, a “new executive director meeting” was initiated where best practices and veteran executive director perspectives could be shared with newer community leadership. Typically, when new staff join PPUW Partner Agencies, we meet and review all the resources available to them as a result of our partnership – be it funding revenues or training options. PPUW also tries to have a presence at Partner events (fundraisers, volunteer activities, promotional happenings) to show our support not just to the Partner but to the community as well.

Additionally, Community Impact works to create awareness and provide similar resources to other community agencies. This happens either when PPUW convenes community conversations on a variety of issues or when it participates in such conversations.

Community Impact also ensures that all PPUW-based community programs and projects are streamlined within the organization and their leadership supported. This support comes in the form of professional development and regular group or one-on-one meetings. By streamlining internally, it sets up PPUW well to have a succinct message and more effective presence throughout the community with all of the initiatives or collaborations we participate in.

None of our programs would have the impact that they do without collaborative partners. Critical community initiatives and collaborations in the last fiscal year have included:

- Alliance for Kids
- Balance of State Continuum of Care
- Calhan Coalition
- Center for Nonprofit Excellence
- City of Colorado Springs and El Paso County Offices of Emergency Management
- City of Colorado Springs Programs
- Colorado Coalition for the Homeless
- Colorado College
- Colorado Springs Chamber of Commerce
- Colorado Springs School District 11 Service Learning Advisory
- Colorado Springs Diversity Forum
- Colorado Springs Rising Professionals
- Colorado Volunteer Center Network
- Colorado Volunteer Organizations Active in Disasters (CO-VOAD)
- Colorado 2-1-1 Collaborative
- Community Roundtable Luncheon
- Comprehensive Homeless Assistance Providers
- Cultural Office of the Pikes Peak Region (COPPeR)
- Discover Goodwill Possibilities, Volunteer Subcommittee
- Educating Children of Color Conference
- El Paso County Department of Health

See independent auditor's report.

### **Community Impact (continued)**

- El Pomar - Emerging Leaders Development Program
- Executives Partnering to Invest in Children (EPIC)
- Federal Emergency Management Agency
- Fine Arts Center
- Hanifen Center
- Homeward Pikes Peak
- Imagination Celebration Leadership Council
- Indy Give! Executive Committee
- Joint Initiatives For Youth and Families
- Leadership Pikes Peak, Human Services Day
- Leadership Pikes Peak Volunteer Day
- Leadership Pikes Peak, Women's Community Leadership Initiative
- Live Well Colorado Springs
- Metro Denver Homeless Initiative
- Military Family Support
- Network of Care
- "Not One More" Initiative
- Pikes Peak Area Agency on Aging
- Pikes Peak Area Council on Government Initiatives
- Pikes Peak Organizations Active in Disasters
- Pikes Peak Safe Schools Coalition
- Piton Foundation Tax Initiative
- Professional Volunteer Roundtable, CNE
- University of Colorado at Colorado Springs
- University of Colorado at Colorado Springs - Chancellor's Leadership Class

### **Success By 6**

Pikes Peak United Way's Success By 6 program was established in 2008 with the goal that every child in our community is prepared to succeed when he/she starts school. This initiative is rooted in the understanding that the earliest years of life are critical to human development. Ensuring that all of our children are prepared for school requires a long-term commitment from families, service providers, policymakers, business, educators and civic leaders. Success By 6 provides a structure to encourage people and organizations to work together for the benefit of children. The unique opportunities for collaboration and partnerships among the public and private sectors that this initiative offers represent our collective commitment to doing what it takes to help the youngest members of our community achieve success. Working with community experts and stakeholders, we narrowed our focus this year to specific objectives that will have a more immediate and direct impact: Early Literacy and Education, Parent Education and Home Visitation programs in the geographic area of Harrison School District 2 and Colorado Springs School District 11. These school districts were identified as strategic priorities for our current two-year funding cycle due to our ability to reach the highest number of impoverished children and families in the Pikes Peak region. Beginning in July 2012, 13 programs that are focused on Success By 6's new strategic imperatives will be allocated \$510,000 (per year) from the Pikes Peak United Way Community Fund through our volunteer-directed allocation process.

See independent auditor's report.



### **Success By 6 (continued)**

Over the next two years, Pikes Peak United Way will support those programs with training, networking opportunities and collaboration possibilities. We are directing our Success By 6 advocacy efforts towards business relationships, harnessing the political and financial capital of Colorado's business sector to ensure that all children develop into healthy, educated and productive citizens. And we are developing a public awareness campaign that emphasizes the importance of quality early childhood care and education to get all of our children off to a strong and healthy start.

### **Community Events**

Pikes Peak United Way provides opportunities for members of the community to get involved through a myriad of events. One such event is Make a Difference Month, part of a nation-wide initiative that brings millions of Americans together to improve their communities and help those in need. Activities may include reclamation of community parks, reading to children or weatherizing the homes of seniors and individuals with disabilities.

Pikes Peak United Way hosted a Volunteer Symposium in conjunction with the Center for Nonprofit Excellence and the Leighty Foundation that brought together executive directors, volunteer managers and board members from more than 25 local nonprofits to create a capacity-building plan for their organizations. Additionally, PPUW coordinates or collaborates with the Center for Nonprofit Excellence on a number of other events, including Volunteer Day, an annual event recognizing outstanding volunteers, and Nonprofit Day, which convenes community nonprofits around a day of educational workshops and seminars related to their sector.

### **Community Investment / Allocation Services**

Pikes Peak United Way staff and volunteers spend thousands of hours annually to understand the ever-changing health and human service needs in our community. Every other year, we invite our nonprofit partner agencies and affiliates to submit two-year funding requests to the PPUW Community Fund. In 2011, each funded agency had a mid cycle review. In 2012, new allocations were awarded to programs in both Safety Net Services and Success By 6. See page 22 of the audit; Schedule of Funds Awarded for the years ended June 30, 2012 and 2011. More than 100 high-level volunteers representing businesses and organizations from throughout the community receive extensive training to participate on one of three committees that scrutinize these grant requests: Stewardship, Community Impact and Fund Allocations. These committees provide insight and recommendations regarding the agencies' and/or programs' financial viability and stability, the fund allocations process and the distribution of funds.

In addition to the PPUW Community Fund, volunteer committees also distribute monies from the: El Pomar Emergency Grant Fund, City of Colorado Springs and Community Development Block Grant (CDBG) funds, and PPUW Women's Leadership Council Jewel Fund. PPUW, in conjunction with El Pomar Foundation, also distributes funds through the Military Family Assistance Program to military families in need.

See independent auditor's report.

### **Quality of Life Indicators**

The annual *Quality of Life Indicators Report for the Pikes Peak Region* was released in 2011 and, now in its fifth year, certain community trends became more evident. More than 200 community volunteers convened to create the report, which quantitatively measures several aspects of the quality of life in our community. Three themes were identified as significant: the local economy's impact on our region, the need for increased infill and redevelopment, and the need for continued community conversations and more collaboration between public, private, nonprofit, governmental and educational entities to prioritize investment of resources.

It was decided soon after the release of this year's publication that the Quality of Life Indicators Report would become a biennial publication (every two years). This will allow for more solutions-based conversation about identified themes or "red flags," and will aid various local and regional entities with strategic planning processes as well as the development of community initiatives and/or tools.

### **Volunteer Center**

Pikes Peak United Way's Volunteer Center is the one-stop-shop for volunteerism in the Pikes Peak region. It plays the critical role of encouraging professional development and promoting community service by connecting individuals and groups with volunteer opportunities that utilize a wide-range of skills and interests. The impact is mutually beneficial to the volunteers, nonprofits, corporate sector, and the community at large. The Center fills a significant gap that exists between the needs of the community and the resources available to meet them. Volunteers looking for ongoing opportunities and/or date specific projects can visit the Volunteer Center website at [www.ppuwvolunteercenter.org](http://www.ppuwvolunteercenter.org), while agencies are provided ongoing volunteer recruitment and support, training and best practices to effectively manage their volunteer programs and opportunities. In FY 2011-2012, nearly 3,000 citizens contributed 24,681 hours of volunteer time to more than 100 community projects, equating to \$543,722 in manpower service.

### **Community Rooms**

The Pikes Peak United Way building has become a gathering place for community groups. The Community Room and the Cornerstone Room are popular meeting places for nonprofit boards and committees, networking events and community task forces. Our central downtown location, ample parking and availability of meeting rooms at no cost create opportunities for people coming together to help others.

### **Center for Nonprofit Excellence**

The Center for Nonprofit Excellence, which is housed at Pikes Peak United Way, is a membership organization of nonprofits in the Pikes Peak region. Its mission is to strengthen the nonprofit sector through leadership and resource development, advocacy and collaboration primarily through workshops, training, consulting and networking. The Center is a recognized leader in promoting operational effectiveness through Standards for Excellence, a licensed program of the nationally acclaimed Standards for Excellence Institute.

See independent auditor's report.

**Homeward Pikes Peak**

Pikes Peak United Way is the host for Homeward Pikes Peak. This organization is the coordinating agency for homeless services in the Pikes Peak region. Homeward Pikes Peak works with community agencies and homeless advocates to efficiently and effectively help those in need by coordinating, facilitating and monitoring a Continuum of Care for homeless services and resource utilization.

**Federal Emergency Management Agency (FEMA) Emergency Food and Shelter Program**

This program provides for emergency food, shelter and homelessness prevention for people in need in El Paso and Teller Counties. Pikes Peak United Way administers these funds for the federal government, managing the local board, the allocations process and follow-up accountability.

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See independent auditor's report.