

**UNITED WAY OF WESTCHESTER
AND PUTNAM, INC.**

**FINANCIAL STATEMENTS AND INDEPENDENT
AUDITORS' REPORT
JUNE 30, 2005**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors United Way of Westchester and Putnam, Inc.

We have audited the accompanying statements of financial position of United Way of Westchester and Putnam, Inc. ("United Way") as of June 30, 2005 and 2004, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of United Way'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 of Westchester and Putnam, Inc. as of June 30, 2005 and 2004, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedules on pages 19 through 34 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

O'Connor Davies Munro & Dobbins, LLP

Stamford, CT
November 10, 2005

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30,

	<u>2005</u>	<u>2004</u>
ASSETS		
Cash and cash equivalents	\$ 1,385,527	\$ 787,088
Pledges receivable, net	3,613,112	3,887,575
Loans receivable, net	181,650	122,850
Investments	2,336,686	2,179,152
Land, building and equipment, net	398,012	298,542
Other assets	<u>100,202</u>	<u>75,702</u>
Total assets	<u>\$ 8,015,189</u>	<u>\$ 7,350,909</u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 443,531	\$ 419,575
Due to agencies	2,781,989	2,726,001
Loan payable to bank	1,200,000	1,200,000
Westchester Nonprofit Loan Fund payable to bank	125,000	25,000
Due to United Way of Tri-State	126,512	195,053
Accrued pension cost	214,119	274,749
Other liabilities	122,923	91,879
Additional minimum pension liability	<u>140,320</u>	<u> </u>
Total liabilities	<u>5,154,394</u>	<u>4,932,257</u>
Net assets		
Unrestricted		
Current operations	(911,327)	(1,339,473)
Minimum pension liability	(140,320)	
Land, building and equipment	277,218	209,632
Designated for:		
Quasi-endowment	1,042,069	877,263
Westchester Nonprofit Loan Fund	56,287	52,827
Taconic Region 211 Project	320,385	220,385
Allocations	<u>163,667</u>	<u>278,337</u>
Total unrestricted	<u>807,979</u>	<u>298,971</u>
Temporarily restricted	701,744	768,609
Permanently restricted	<u>1,351,072</u>	<u>1,351,072</u>
Total net assets	<u>2,860,795</u>	<u>2,418,652</u>
Total liabilities and net assets	<u>\$ 8,015,189</u>	<u>\$ 7,350,909</u>

See accompanying notes to financial statements.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.

STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30,

	2005				2004			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public support								
Campaign results	\$ 11,003,254	\$ 173,369	\$ -	\$ 11,176,623	\$ 11,005,337	\$ 372,578	\$ -	\$ 11,377,915
Less: Funds raised on the behalf of others	(3,677,417)			(3,677,417)	(3,437,345)			(3,437,345)
Less: Estimated uncollectible receivables	(661,007)			(661,007)	(683,999)			(683,999)
Net campaign results	6,664,830	173,369	-	6,838,199	6,883,993	372,578		7,256,571
Gifts in Kind	952,978			952,978	649,520			649,520
Other public support	45,252	69,715		114,967	36,264			36,264
Total public support	7,663,060	243,084	-	7,906,144	7,569,777	372,578		7,942,355
Revenue								
Investment return	144,386			144,386	225,007			225,007
Other income	88,793			88,793	59,581			59,581
Fees for funds raised on behalf of others	81,770			81,770	76,077			76,077
Total revenue	314,949		-	314,949	360,665	-	-	360,665
Net assets released from restrictions	309,949	(309,949)		-	206,112	(206,112)		-
Total public support and revenue	8,287,958	(66,865)	-	8,221,093	8,136,554	166,466		8,303,020
Expenses								
Program services								
Impact grants	1,885,818			1,885,818	2,511,359			2,511,359
Community building	938,400			938,400	970,045			970,045
Community services	2,189,626			2,189,626	1,790,703			1,790,703
Total program services	5,013,844	-	-	5,013,844	5,272,107	-	-	5,272,107
Supporting services								
Management and general	864,212			864,212	831,466			831,466
Fundraising	1,760,574			1,760,574	1,923,565			1,923,565
Total supporting services	2,624,786	-	-	2,624,786	2,755,031	-	-	2,755,031
Total expenses	7,638,630	-	-	7,638,630	8,027,138	-	-	8,027,138
Excess (deficit) of public support and revenue over expenses	649,328	(66,865)	-	582,463	109,416	166,466	-	275,882
Additional minimum pension charge	140,320	-	-	140,320	-	-	-	-
Change in net assets	509,008	(66,865)	-	442,143	109,416	166,466	-	275,882
Net assets - beginning of year	298,971	768,609	1,351,072	2,418,652	189,555	602,143	1,351,072	2,142,770
Net assets - end of year	\$ 807,979	\$ 701,744	\$ 1,351,072	\$ 2,860,795	\$ 298,971	\$ 768,609	\$ 1,351,072	\$ 2,418,652

See accompanying notes to financial statements.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30,

	2005					Total
	Program Services			Supporting Services		
	Impact Grants	Special Initiatives	Constituency Services	Management and General	Fund Raising	
Allocations to agencies	\$ 1,271,204	\$ 466,625	\$ 1,076,531	\$ -	\$ -	\$ 2,814,360
Contract programs			226,908			226,908
Total allocations and grants	1,271,204	466,625	1,303,439	-	-	3,041,268
Other expenses:						
Salaries	342,692	245,760	500,207	430,710	766,771	2,286,140
Employee benefits	75,252	53,966	109,841	94,581	168,375	502,015
Payroll taxes	34,399	24,669	50,210	43,234	76,967	229,479
Total salaries and related expenses	452,343	324,395	660,258	568,525	1,012,113	3,017,634
Professional fees and contract services	4,968	3,881	47,212	50,150	11,766	117,977
Office/computer supplies	11,004	7,892	16,062	13,831	24,622	73,411
Telephone	9,887	7,090	14,431	12,427	22,122	65,957
Postage	6,119	4,389	8,932	7,692	13,692	40,824
Occupancy costs	20,434	14,654	29,826	25,682	45,720	136,316
Fundraising and communications	21,763	34,508	34,508	17,020	198,296	306,095
Local transportation	4,132	2,964	6,032	5,195	9,246	27,569
Conferences, conventions and meetings	8,878	6,367	12,959	11,157	19,865	59,226
Equipment rentals	3,837	2,752	14,170	4,822	8,586	34,167
Bonding and officers' insurance				15,779		15,779
Miscellaneous	7,244	5,195	10,573	9,104	16,207	48,323
Interest expense				42,171		42,171
Interest expense - United Way of Tri-State				15,675		15,675
Share of United Way of Tri-State expenses	38,830	19,415		38,830	291,224	388,299
National and State United Way dues	12,015	28,835	12,015	9,611	57,670	120,146
Total other expenses	601,454	462,337	866,978	847,671	1,731,129	4,509,569
Depreciation	13,160	9,438	19,209	16,541	29,445	87,793
Total	\$ 1,885,818	\$ 938,400	\$ 2,189,626	\$ 864,212	\$ 1,760,574	\$ 7,638,630

See accompanying notes to financial statements.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30,

	2004					Total
	Program Services			Supporting Services		
	Impact Grants	Special Initiatives	Constituency Services	Management and General	Fund Raising	
Allocations to agencies	\$ 1,903,808	\$ 535,508	\$ 779,318	\$ -	\$ -	\$ 3,218,634
Contract programs			300,489			300,489
Total allocations and grants	1,903,808	535,508	1,079,807	-	-	3,519,123
Other expenses:						
Salaries	329,794	221,529	388,709	401,319	832,637	2,173,988
Employee benefits	87,333	58,664	102,935	106,273	220,492	575,697
Payroll taxes	30,826	20,706	36,333	37,511	77,827	203,203
Total salaries and related expenses	447,953	300,899	527,977	545,103	1,130,956	2,952,888
Professional fees and contract services	13,803	11,452	50,484	51,877	26,433	154,049
Office/computer supplies	12,310	8,269	14,509	14,980	31,080	81,148
Telephone	10,219	6,864	12,045	12,436	25,801	67,365
Postage	7,162	4,811	8,441	8,714	18,081	47,209
Occupancy costs	18,367	12,337	21,648	22,349	46,371	121,072
Fundraising and communications	11,179	16,241	16,241	17,046	203,183	263,890
Local transportation	4,864	3,267	5,733	5,920	12,281	32,065
Conferences, conventions and meetings	5,565	3,738	6,559	6,770	14,049	36,681
Equipment rentals	4,810	3,231	11,427	5,853	12,144	37,465
Bonding and officers' insurance				14,848		14,848
Miscellaneous	7,445	5,001	8,775	9,058	18,796	49,075
Interest expense				30,478		30,478
Interest expense - United Way of Tri-State				22,118		22,118
Share of United Way of Tri-State expenses	38,970	19,485		38,969	292,271	389,695
National and State United Way dues	12,853	30,847	12,853	10,283	61,694	128,530
Total other expenses	595,500	426,442	696,692	816,802	1,893,140	4,428,576
Depreciation	12,051	8,095	14,204	14,664	30,425	79,439
Total	\$ 2,511,359	\$ 970,045	\$ 1,790,703	\$ 831,466	\$ 1,923,565	\$ 8,027,138

See accompanying notes to financial statements.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30,

	<u>2005</u>	<u>2004</u>
Cash flows from operating activities:		
Change in net assets	\$ 442,143	\$ 275,882
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	87,793	79,439
Gain on disposal of equipment	(5,271)	
Donated equipment		(8,213)
Provision for uncollectible receivables	(29,900)	21,737
Net appreciation of investments	(139,577)	(220,556)
Additional minimum pension charge	140,320	
Change in operating assets and liabilities:		
Pledges receivable	307,963	(54,893)
Other assets	(24,500)	14,072
Accounts payable and accrued expenses	23,956	128,982
Due to agencies	55,988	(382,855)
Accrued pension cost	(60,630)	94,470
Other liabilities	(839)	12,112
Net cash provided by (used in) operating activities	<u>797,446</u>	<u>(39,823)</u>
Cash flows from investing activities:		
Purchases of building improvements and equipment	(119,990)	(44,914)
Purchases of investments	(319,707)	(333,416)
Proceeds from sale of investments	301,750	494,500
Loans to agencies made by Westchester Nonprofit Loan Fund	(258,000)	(313,600)
Repayments made to Westchester Nonprofit Loan Fund	195,600	278,750
Net cash provided by (used in) investing activities	<u>(200,347)</u>	<u>81,320</u>
Cash flows from financing activities:		
Repayment of loan from United Way of Tri-State	(68,541)	(62,630)
Repayments of bank loans	(1,200,000)	(975,000)
Repayments of Westchester Nonprofit Loan Fund bank loans	(75,000)	(200,000)
Reduction in capital lease obligations	(24,466)	(31,188)
Reduction in auto loan obligation	(5,653)	(3,298)
Proceeds from bank loans	1,200,000	1,200,000
Proceeds from Westchester Nonprofit Loan Fund bank loans	175,000	125,000
Proceeds from auto loan	-	28,265
Net cash provided by financing activities	<u>1,340</u>	<u>81,149</u>
Increase in cash and cash equivalents	598,439	122,646
Cash and cash equivalents - beginning of year	<u>787,088</u>	<u>664,442</u>
Cash and cash equivalents - end of year	<u>\$ 1,385,527</u>	<u>\$ 787,088</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 57,846	\$ 52,596
Equipment acquired through capital lease obligation	\$ 83,523	
Disposal of fully depreciated equipment and furniture		\$ 102,085

See accompanying notes to financial statements.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE A - THE ORGANIZATION

United Way of Westchester and Putnam, Inc. ("United Way") is a not-for-profit health and human services agency exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. United Way conducts fund-raising, fund distribution and community building activities in collaboration with fifteen local affiliated United Ways in Westchester and Putnam Counties. Supporting these activities are management, communication, research, information systems, and volunteer and staff development efforts. Some local affiliated United Ways maintain separate legal status and retain non-campaign receipts and title to reserve funds which are not included in these statements.

The United Way has responsibility for soliciting, billing, and collecting all local donors' accounts. Amounts collected on behalf of other agencies are distributed as prescribed by the donor. In addition, the United Way is a participant in the United Way of Tri-State, Inc. ("Tri-State"), which is an organization formed to consolidate and coordinate fund raising for companies with employees in multiple locations, on behalf of autonomous local United Ways in New York, New Jersey and Connecticut. Tri-State has assumed solicitation and collection responsibilities for certain companies within the Tri-State area. Each participating Tri-State United Way shares in the unrestricted funds raised in accordance with the formula periodically agreed to by the Tri-State Board of Governors. The United Way assists Tri-State in the solicitation and collection of promises for certain accounts.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Under this method, revenues are recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

Net assets and revenues, expenses and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the United Way and changes therein are classified and reported as unrestricted net assets, temporarily-restricted net assets and permanently-restricted net assets.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE B - SIGNIFICANT ACCOUNTING POLICIES - continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America generally 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. The most significant estimates and assumptions relate to the determination of the allowance for uncollectible pledges, accrued expenses, accrued pension cost, and the useful lives of assets. Actual results could differ from those estimates.

Campaign Results

United Way's raises funds through the following campaigns:

- Unrestricted local campaign pledges.
- Local campaign pledges restricted by donors (donor choice).
- Share of Tri-State's Coordinated Systemwide Accounts ("CSA") as determined by agreed upon formula.
- Proportionate share of CSA pledges restricted by donors to agencies and United Ways not participating in Tri-State (donor choice).

Amounts raised on behalf of others includes United Way's share of CSA restricted pledges and local campaign restricted pledges (donor choice).

Contributions

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions received are recorded as unrestricted and temporarily-restricted support depending on the existence and/or nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Tri-State promises receivable are recorded when the United Way is notified by Tri-State of the annual Tri-State campaign results. The United Way uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Contributed Materials and Services

Contributed materials are reported as contributions at their fair value on the date of donation. For the years ended June 30, 2005 and 2004, a substantial number of volunteers have donated considerable amounts of their time to the United Way's program and supporting services; however, no contributed services met the requirements for recognition in the financial statements.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE B - SIGNIFICANT ACCOUNTING POLICIES - continued

Concentrations of Credit Risk

Financial instruments which potentially subject United Way to concentrations of credit risk include bank deposits in excess of the Federal Deposit Insurance Corporation ("FDIC") limits. United Way management believes it mitigates its risk by investing with reputable commercial institutions with satisfactory credit ratings. United Way has not experienced any losses on these financial instruments.

Campaign results include funds raised by Tri-State which represents approximately 44% and 45% of the total for fiscal 2005 and 2004. A significant change in the relationship with Tri-State could have a material impact on United Way's operation.

Cash and Cash Equivalents

Cash includes currency on hand, demand deposits with banks or financial institutions, and other amounts that have the general characteristics of demand deposits. Cash equivalents include short-term investments with original maturities of three months or less.

Investments

Investments in debt and equity securities are reported at fair value and unrealized gains and losses are included in the statement of activities. Fair value was determined principally by quoted market prices.

Allocations and Designations to Agencies

In June 2005, the Board of Directors of United Way approved a budgeted amount of \$3,625,400 in undesignated and targeted funds for allocations and grants in fiscal 2006. No liability has been recorded in the accompanying financial statements because the distributions will be funded from the proceeds of the 2005-2006 fundraising campaign conducted in fiscal 2006.

Amounts which have been allocated to specific agencies in the current fiscal year but have not been disbursed as of June 30 are accrued and reflected in the accompanying statements of financial position as "Due to Agencies". Donor choice funds are paid separately, generally on a quarterly basis, and have also been reflected in "Due to Agencies".

During fiscal 2005, United Way modified the funding terms of allocations and grants. Agencies were assigned various starting dates during the year and awarded grants through June 30, 2005. Amounts committed for periods after June 30, 2005 are subject to further review and approval by the United Way Board and the availability of funding. Accordingly, such amounts are not reflected as a liability as of June 30, 2005.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE B - SIGNIFICANT ACCOUNTING POLICIES - continued

In fiscal years prior to June 30, 2005, allocations and grants to agencies were made for a full year and were not subject to further review and approval or the availability of funding. Accordingly, such amounts were reflected as a liability at June 30.

Land, Building and Equipment

Land, building and equipment is stated at cost at the date of acquisition or at estimated fair market value at the date of donation, less accumulated depreciation. Expenditures for land, buildings and equipment in excess of \$500 are capitalized. Depreciation is calculated on a straight-line basis over the estimated useful lives of buildings (25 years), capital improvements (5 to 10 years) and furniture, fixtures and equipment (3 to 10 years).

NOTE C - PLEDGES RECEIVABLE

Pledges receivable consisted of the following at June 30, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Total pledges receivable	\$ 4,270,519	\$ 4,578,482
Less: Allowance for uncollectible pledges	<u>(657,407)</u>	<u>(690,907)</u>
Pledges receivable, net	<u>\$ 3,613,112</u>	<u>\$ 3,887,575</u>

NOTE D - INVESTMENTS AND INVESTMENT RETURN

Investments consisted of the following at June 30, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Index 500 Mutual Fund	\$ 1,348,636	\$ 1,296,915
Money Market funds	288,804	233,890
Intermediate Term Bond Mutual Fund	<u>699,246</u>	<u>648,347</u>
Total investments	<u>\$ 2,336,686</u>	<u>\$ 2,179,152</u>

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE D - INVESTMENTS AND INVESTMENT RETURN - continued

Investment return for the years ended June 30, 2005 and 2004 consist of the following:

	<u>2005</u>	<u>2004</u>
Interest and dividends	\$ 67,489	\$ 55,788
Gain on investments	<u>76,897</u>	<u>169,219</u>
Investment return	<u>\$ 144,386</u>	<u>\$ 225,007</u>

NOTE E - LAND, BUILDING AND EQUIPMENT

Land, building and equipment consisted of the following at June 30, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Land	\$ 100,000	\$ 100,000
Building	306,128	306,128
Building improvements	280,129	208,273
Furniture, fixtures, and equipment	<u>572,085</u>	<u>515,427</u>
	1,258,342	1,129,828
Less: Accumulated depreciation and amortization	<u>(860,330)</u>	<u>(831,286)</u>
Land, building and equipment, net	<u>\$ 398,012</u>	<u>\$ 298,542</u>

Depreciation and amortization expense totaled \$87,793 and \$79,439 for the fiscal years ended June 30, 2005 and 2004, respectively.

Assets under capital lease were \$136,879, with accumulated amortization of \$40,241 and \$72,049 at June 30, 2005 and 2004, respectively.

NOTE F - LOAN PAYABLE TO BANK

On June 23, 2005, United Way borrowed \$1,200,000 from a financial institution. The loan is payable, with interest at prime in four equal monthly installments of \$300,000 commencing November 30, 2005. The loan was authorized by the United Way's Board of Directors on May 25, 2005, and is collateralized by United Way's present and future undesignated receivables and its property with a carrying amount of \$398,012 at June 30, 2005.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE G - DUE TO UNITED WAY OF TRI-STATE

United Way owed Tri-State \$126,512 and \$195,053 (net of unamortized discount of \$8,521 and \$25,271) at June 30, 2005 and 2004, respectively. Monthly payments of \$7,107 are due through January 2007. The terms of the repayment arrangement do not contain a provision for the payment of interest. Accordingly, interest was imputed at management's estimate of fair market value, 9.75%, which resulted in a reduction in Due to Tri-State of \$628,820 as of May 1994. Interest expense incurred was \$15,675 and \$22,118 in fiscal 2005 and 2004, respectively.

NOTE H - PENSION PLAN

United Way maintains a noncontributory defined benefit pension plan covering substantially all of its employees.

Pension plan information for fiscal 2005 and 2004 are as follows:

	<u>2005</u>	<u>2004</u>
Plan status at June 30, Obligations and funded status at year end		
Projected benefit obligation	\$ 3,948,973	\$ 3,223,794
Fair value of plan assets	2,913,179	2,573,441
Funded status	(1,035,794)	(650,353)
Accumulated benefit obligation	3,053,499	2,489,409
Amounts recognized in the statement of financial position:		
Accrued benefit cost	214,119	274,749
Pension liability	140,320	-
Amounts recognized in the statement of activities:		
Net periodic benefit cost	199,370	274,470
Employer contribution	260,000	180,000
Benefits paid	31,050	221,522
Assumptions		
Discount rate	5.8%	6.5%
Expected long-term return on plan assets	8.0%	8.0%

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE H - PENSION PLAN - continued

The Expected Long-Term Rate of Return on Plan Assets assumption of 8.0% was selected using the "building block" approach described by the Actuarial Standards Board in Actuarial Standards of Practice No. 27 - Selection Economic Assumptions for Measuring Pension Obligations. Based on United Way of Westchester and Putnam, Inc.'s investment policy for the pension plan in effect as of the beginning of fiscal year, a best estimate range was determined for both the real rate of return (net of inflation) and for inflation based on historical 30-year period rolling averages. An average inflation rate within the range equal to 4.0% was selected and added to the real rate of return range to arrive at a best estimate range of 7.70%-9.15%. A rate close to the midpoint of the best estimate range of 8.0% was selected.

Plan Assets

The plan assets as of June 30, 2005 by category consist of:

Equity securities	\$1,530,489	52.54%
General account	<u>1,382,690</u>	<u>47.46%</u>
	<u>\$2,913,179</u>	<u>100.00%</u>

The investment policy of the plan is to maintain an asset mix of 50% in equities and 50% in short-term bonds. The asset mix will be rebalanced on a quarterly basis if the ratio varies by more than 5%.

Contributions

United Way expects to contribute \$260,000 to its pension plan in the year ended June 30, 2006.

Estimated Future Benefit Payments

The following benefit payments which reflect expected future service, as appropriate, are expected to be paid in the years ended June 30, as follows:

2005	\$1,037,000
2006	433,000
2007	32,000
2008	105,000
2009	122,000
2010-2014	1,441,000

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE H - PENSION PLAN - continued

Effective July 1, 2005, United Way adopted a defined a contribution plan covering substantially all of its employees. Contributions to the Plan are computed as a percentage of each employee's basic compensation for all enrolled members who have completed one year of service. Eligible employees may make voluntary contributions to the Plan.

NOTE I - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of June 30, 2005 and 2004 consist of the following:

	<u>2005</u>	<u>2004</u>
Contributed for next year's campaign	\$ 11,250	\$ 700
Creative aging grant	64,028	-
Beneficial interest in charitable annuities	38,412	42,377
September 11th contributions	63,761	122,297
Taconic Region 211 Project	320,309	503,235
Intergenerational Initiative grant	198,384	100,000
Other	5,600	-
	<u>\$ 701,744</u>	<u>\$ 768,609</u>

United Way is the beneficiary of two charitable gift annuities. Upon death of the owners, United Way will receive the gifts from the annuities. The administrator of the annuities is United Way of America.

Temporarily restricted net assets released from restrictions for the years ended June 30, 2005 and 2004 consisted of the following:

	<u>2005</u>	<u>2004</u>
Contributed for next year's campaign	\$ 700	\$ 1,750
Multi-year pledge, net realizable value	-	10,000
September 11th contributions	58,536	95,053
Taconic Region 211 Project	234,231	99,309
Beneficial interest in charitable annuities	7,078	-
Intergenerational Initiative grant	1,617	-
Creative Aging grant	5,687	-
Other	2,100	-
	<u>\$ 309,949</u>	<u>\$ 206,112</u>

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE J - PERMANENTLY RESTRICTED NET ASSETS

The permanently restricted net assets at June 30, 2005 and 2004 totaled \$1,286,072 of endowment funds and \$65,000 of capital grants for the Westchester Nonprofit Loan Fund (the "Loan Fund") (See "Westchester Nonprofit Loan Fund" - Note K).

The endowment funds are subject to restriction of the gift instruments which stipulate that the principal be invested and the income only be utilized. All gains and losses arising from the sale of investments are accounted for as unrestricted net assets.

NOTE K - WESTCHESTER NONPROFIT LOAN FUND

The Loan Fund is a collaboration of United Way, The Westchester Community Foundation, The Volunteer Center of United Way and The Westchester County Banker's Association. The mission of the Loan Fund is to provide secured loans and loan-related technical assistance to nonprofit agencies which provide direct services to the residents of the County. United Way acts as fiscal agent for the Loan Fund and all assets, liabilities and activity is included in the financial statements.

The net assets of the Loan Fund at June 30, 2005 and 2004 amounted to \$121,287 and \$117,827, respectively, which consisted of \$56,287 and \$52,827 of Board-Designated net assets at June 30, 2005 and 2004, respectively, and \$65,000 of Permanently-Restricted Net Assets for Capital Grants at June 30, 2005 and 2004.

At June 30, 2005, the Loan Fund has borrowed a \$125,000 interest free recoverable grant which expires January 31, 2008.

NOTE L – 2-1-1 HUDSON VALLEY REGION FUND

United Way of Westchester and Putnam brought together the other United Ways in the Hudson Valley region (Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster and Westchester) to develop and maintain a 2-1-1 service, which enables those in need to call an easy-to-remember 3-digit telephone number to reach trained information and referral specialists who are able to connect callers to health and human services that can assist them. This service was launched in September 2005.

The foundation of this service is a regional database of health and human services that the 2-1-1 Hudson Valley Region Collaborative has established and is continuously updating. This regional database, which incorporates local databases owned and maintained by the participating United Ways, was initially compiled by FIRST, Inc. through a contractual arrangement.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE L – 2-1-1 HUDSON VALLEY REGION FUND – continued

In late April 2004, FIRST, Inc. presented United Way with a proposal for merger. FIRST, Inc.'s commitment to 2-1-1 led their Board to believe that a merger with United Way would be the most efficient and effective way to make 2-1-1 a reality in this region. As of June 30, 2005, the merger has been approved by the Attorney General and is pending final approval from the New York State Supreme Court.

United Way is the fiscal and operating agent for 2-1-1 Hudson Valley Region. 2-1-1 is being underwritten by local United Ways, governments and foundations. The net assets of the 2-1-1 Hudson Valley Region Collaborative at June 30, 2005 and 2004 amounted to \$699,883 and \$703,326, respectively.

NOTE M - OTHER TRANSACTIONS

During fiscal 2005 and 2004, United Way acted as the Principal Combined Fund Organization ("PCFO") for the Taconic Valley Combined Federal Campaign ("CFC"), which was formed by the combination of the Westchester-Putnam CFC and the Dutchess Ulster CFC. During 2005 and 2004, the CFC had expenses totaling \$41,460 and \$40,876, respectively, for campaign and administrative support provided by the United Way. The pledge receivable from the CFC was \$15,067 and \$19,635 as of June 30, 2005 and 2004, respectively.

United Way recorded dues expense for the years ended June 30, 2005 and 2004 as follows:

	<u>2005</u>	<u>2004</u>
United Way of America	\$ 90,648	\$ 88,733
United Way of New York State	26,713	26,572
Gifts in Kind America	2,785	3,125
United e-Way	-	10,100
	<u>\$ 120,146</u>	<u>\$ 128,530</u>

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE N - COMMITMENTS AND CONTINGENCIES

United Way leases certain office equipment under capital lease agreements which extend through fiscal year 2010. Future minimum lease payments under these capital leases, together with the present value of such payments at June 30, 2005, is as follows:

2006	\$ 35,200
2007	35,200
2008	26,295
2009	21,792
2010	<u>5,448</u>
Minimum lease payments	123,935
Less: Amounts representing interest	<u>22,455</u>
Present value of minimum obligations under capital leases	<u>\$ 101,480</u>

Additionally, United Way leases office space under noncancelable operating leases with terms which include utilities, property taxes and maintenance, and extend through fiscal year 2007. Annual commitments total \$6,090 and \$1,524 in fiscal 2006 and 2007, respectively. Rental expense and other equipment expenses were \$63,913 and \$81,376 in 2005 and 2004, respectively.

NOTE O - EMERGENCY FOOD AND SHELTER PROGRAM

Each year, the United States Congress appropriates funds for an emergency food and shelter program which is administered by a national board involving nine major not-for-profit organizations, including the United Way of America. In turn, local emergency food and shelter boards, involving local representatives of the nine organizations, including local United Ways and other local public and community leaders, recommend how local shares of the total appropriation, based on several needs-oriented factors, should be distributed among those local 501(c)(3) agencies requesting funds to expand their capacity to serve the hungry and homeless. The United Way administers the program in Westchester and Putnam, supports the local Board's decision-making process, and monitors the use of all funds allocated. In fiscal year 2005 and 2004, a total (unaudited) of \$363,170 and \$353,680, respectively, was granted in Westchester and Putnam. These amounts are not included in the Statement of Activities of the United Way.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005 AND 2004**

NOTE P - ADMINISTRATIVE COST RATIO

United Way calculates its Administrative Cost Ratio as total supporting services expenses divided by total public support and revenue plus certain additional funds raised which are not included in the accompanying financial statements. The following presents the United Way's Administrative Cost Ratio:

	<u>2005</u>	<u>2004</u>
Total public support and revenue as reported in the accompanying Statement of Activities	\$ 8,221,093	\$ 8,303,021
Add:		
Provision for uncollectible pledges receivables	661,007	683,998
Amounts raised on behalf of others, net of fees	3,677,417	3,361,268
Emergency Food and Shelter Program (see Note O)	<u>363,170</u>	<u>353,680</u>
Total	<u>\$ 12,922,687</u>	<u>\$ 12,701,967</u>
Supporting services expenses		
United Way of Westchester and Putnam, Inc.	\$ 2,231,488	\$ 2,423,791
Share of United Way of Tri-State's	<u>388,298</u>	<u>331,240</u>
Total supporting services expense, including share of United Way of Tri-State's expenses	<u>\$ 2,619,786</u>	<u>\$ 2,755,031</u>
Administrative cost ratios, including September 11th grants		
United Way of Westchester and Putnam, Inc. expenses	17.27%	19.08%
Share of United Way of Tri-State expenses	<u>3.00%</u>	<u>2.61%</u>
Total administrative cost ratio	<u>20.27%</u>	<u>21.69%</u>

NOTE R - SUBSEQUENT EVENT

In 2003, United Way of America and the 31 participating United Ways in the tri-state region established a process to review changing corporate and United Way dynamics and restructure the United Way system in the tri-state area to strengthen its capacity to produce greater growth and impact. The plan, which is now being implemented, calls for participating United Ways, including the United Way of Westchester and Putnam, to assume a more direct role in resource development activities with over 40 companies headquartered in the tri-state area. United Way of America will establish a lean regional office to facilitate this tri-state activity. The formula for sharing proceeds raised regionally with the participating United Ways will remain in place.

**SUMMARY OF SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2005**

Detail is provided on the following pages for select line items from the:

Statement of Activities (page 3)

Details related to Campaign Results (page 20)

Details related to Funds Raised on Behalf of Others (page 38)

Statement of Functional Expenses (page 4)

Details related to Total Program Impact and Community Impact Grants (page 32)

Details related to Total Special Initiatives Grants (page 33)

Details related to Total Constituency Services Grants (page 35)

Details related to Total Constituency Contract Programs (page 35)

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF CAMPAIGN RESULTS
FOR THE YEAR ENDED JUNE 30, 2005**

Coordinated Systemwide Accounts		\$ 5,558,339
Local Corporate and Employee contributions		2,873,152
Amounts collected and received directly from United Way of:		
Bronxville - Eastchester - Tuckahoe	\$ 25,495	
Harrison and Purchase	197,360	
Larchmont-Mamaroneck	513,244	
Mid-Hudson	79,338	
Mount Vernon	7,115	
New Rochelle	156,396	
Northern Westchester	509,547	
Pelham	121,810	
Town of Rye, Port Chester, Rye Brook	22,145	
Scarsdale - Edgemont	642,847	
Rye	183,585	
The Tarrytowns	39,804	
Greater White Plains	82,480	
Yonkers	10,054	
Putnam	<u>23,076</u>	
Total Community United Ways		2,614,296
Taconic Valley Combined Federal Campaign		258,543
State Employees Federated Appeal		131,879
Westchester County Charitable Contributions Campaign		48,852
Challenge grant recorded in prior year		(100,293)
Health Walk 2005		95,356
Special Events		84,159
Community Leadership Dinners		40,303
2-1-1 Hudson Valley Region		128,637
Legacies and bequests		16,457
Other grants		133,531
Charitable annuities		7,285
Low interest loans to the Westchester Nonprofit Loan Fund		<u>310,000</u>
Total Campaign Funds Raised		12,200,496
Less: Amounts included in reported campaign that are classified differently for financial statement purposes:		
Grants included in "Other Public Support"		(114,967)
Sponsorships included in "Other Income"		(88,787)
Anticipated grant		(60,579)
Low interest loans to the Westchester Nonprofit Loan Fund		(310,000)
Donors to community campaigns that work at CSA companies		(158,491)
Difference between funds raised in Westchester and Putnam and the formula share of United Way of Tri-State campaign		<u>(291,049)</u>
Total Campaign Results		<u>\$ 11,176,623</u>

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.

**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

**Board
Allocated**

The fiscal year ended June 30, 2005 was a year of transition. A distribution process focusing on program impact was completed and a new distribution strategy focusing on community impact was initiated.

Program Impact - Westchester

An agency may be listed in more than one impact area, depending upon the nature of the specific programs supported. The final quarter of the Program Impact process was completed on September 30, 2004.

Embracing Diversity

Community Planning Council of Yonkers	\$	3,417
Family Service of Westchester		4,500
HOPE Community Services		2,500
Northern Westchester Hospital Center		1,250
The Salvation Army		3,750
Spanish Community Progress Foundation		2,500
Student Advocacy		10,000
United Cerebral Palsy Association		7,043
Urban League of Westchester		12,500
Westchester Hispanic Coalition		5,000
Westchester Jewish Community Services		1,875
Total Embracing Diversity		<u>54,335</u>

Fostering Independence for Seniors

Donald R. Reed Speech & Hearing Center		1,000
Family Services of Westchester		13,127
Family Service Society of Yonkers		4,625
Food PATCH		5,750
Hospice Care in Westchester and Putnam		1,500
JCC of Mid-Westchester		625
Jewish Community Center on the Hudson		500
Lawrence Community Health Services		5,250
The Mental Health Association of Westchester		4,825
Mount Vernon Council of Community Services		375
Scarsdale-Edgemont Family Counseling Service		2,125
Mount Vernon Neighborhood Health Center		675
The Salvation Army		1,625

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Senior Personnel Placement Bureau	\$ 625
Town of Rye/Port Chester/Rye Brook Council of Community Services	1,500
Visiting Nurse Association of Hudson Valley	2,875
Visiting Nurse Services in Westchester	14,000
Youth Employment Service of Larchmont-Mamaroneck	50
YM-YWHA of Southern Westchester	3,750
YWCA of Yonkers	500
Total Fostering Independence for Seniors	<u>65,302</u>
Increasing Self-Sufficiency	
A-HOME	4,875
American Red Cross in Westchester County	42,553
Family Service of Westchester	3,500
Family YMCA at Tarrytown	3,000
Grace Church Community Center	2,500
The Guidance Center	2,000
HOPE Community Services	2,250
Housing Action Council	3,000
The Mental Health Association of Westchester	2,000
Port Chester Carver Center	4,250
The Salvation Army	16,250
Student Advocacy	750
United Cerebral Palsy of Westchester	7,000
Urban League of Westchester	10,500
Youth Employment Service of Larchmont-Mamaroneck	100
Westchester/Putnam Legal Services	2,000
Westchester Community Opportunity Program	1,250
Westchester Hispanic Coalition	3,000
Westchester Jewish Community Services	2,500
Westchester Residential Opportunities	3,500
YMCA of Yonkers	1,000
YWCA of White Plains & Central Westchester	4,500
YWCA of Yonkers	2,500
Total Increasing Self-Sufficiency	<u>124,778</u>

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Nurturing Children & Youth	
Boys' & Girls' Club of Mount Vernon	\$ 3,375
Boys' & Girls' Club of New Rochelle	1,875
Boys' & Girls' Club of Northern Westchester	8,000
Child Care Council of Westchester	8,500
The Children's Village Westchester Youth Services	1,250
Community Planning Council of Yonkers	750
Country Children's Center	1,250
Don Bosco Community Center	1,500
Elizabeth Mascia Child Care Center	1,000
Family & Community Services	6,250
Family Service of Westchester	7,500
Family YMCA at Tarrytown	4,250
Girl Scouts of Westchester & Putnam	19,180
The Guidance Center	2,500
Happy Harbor Child Care Center	1,250
Harrison Children's Center	750
HOPE Community Services	375
JCC of Mid Westchester	750
Jewish Community Center on the Hudson	1,750
Larchmont-Mamaroneck Community Counseling Center	3,000
Learning for Life	6,250
The Mental Health Association of Westchester	1,875
Mount Kisco Day Care Center	1,500
Mount Vernon Day Care Center	4,250
Mount Vernon Neighborhood Health Center	750
My Sister's Place	2,750
Nepperhan Community Center	4,875
New Rochelle Day Nursery	1,750
Ossining Children's Center	8,750
Open Door Family Medical Center	3,500
Pelham Children's Center	500
Port Chester Carver Center	7,125
Richard G. Rosenthal JCC	2,000
The Salvation Army	500
Sound Shore Medical Center of Westchester	1,000
St. Peter's Child Care Center	1,625

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Student Advocacy	\$ 3,750
Thomas H. Slater Center	1,375
Union Child Day Care Center	6,250
United Cerebral Palsy Association	8,000
United Negro College Fund	2,000
Urban League of Westchester	3,750
Westchester ARC	12,454
Westchester Community Opportunity Program	3,375
Westchester Jewish Community Services	3,250
Westchester Medical Center	1,250
White Plains Hospital Medical Center	5,750
YMCA of Central and Northern Westchester	11,250
YMCA of New Rochelle	2,750
YMCA of Rye	5,000
YMCA of Yonkers	3,750
YM-YWHA of Southern Westchester	1,250
Yonkers Residential Center/Yonkers Youth Connection	1,000
Youth Theatre Interactions	3,250
YWCA of White Plains & Central Westchester	7,500
YWCA of Yonkers	5,500
Total Nurturing Children & Youth	<u>216,509</u>
 Promoting Health & Wellness	
American Cancer Society-Eastern Division	29,924
American Heart Association-Westchester/Putnam Region	22,783
American Red Cross in Westchester County	4,250
Family & Community Services	1,000
Family Service of Westchester	14,750
Hospice Care in Westchester and Putnam	2,625
The Mental Health Association of Westchester	4,375
Mount Vernon Neighborhood Health Center	1,000
Northern Westchester Hospital Center	250
Phelps Memorial Hospital Center Behavioral Health Services	3,250
Richard G. Rosenthal JCC	250
St. John's Riverside Hospital - Park Care Pavilion	1,250
Scarsdale-Edgemont Family Counseling Service	3,750
Sound Shore Medical Center of Westchester	452

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Spanish Community Progress Foundation	\$ 250
Urban League of Westchester	1,250
Visiting Nurse Association of Hudson Valley	1,500
Visiting Nurse Services in Westchester	750
Westchester Jewish Community Services	1,250
Total Promoting Health & Wellness	<u>94,909</u>
Strengthening Families	
American Red Cross in Westchester County	11,750
The Center for Preventive Psychiatry	1,750
Family Service of Westchester	1,250
Family Service Society of Yonkers	1,000
The Mental Health Association of Westchester	1,875
My Sisters' Place	1,500
The New York United Hospital Medical Center	500
Northern Westchester Shelter, Inc.	3,875
Student Advocacy	1,250
Urban League of Westchester	3,750
Westchester Jewish Community Services	1,250
Westchester/Putnam Legal Services	1,500
Westchester Residential Opportunities	1,266
Total Strengthening Families	<u>32,516</u>
American Cancer Society - Eastern Division (funding for twelve months)	100,000
Program Impact - Putnam	
Embracing Diversity	
Putnam Family & Community Service	4,667
Fostering Independence for Seniors	
The Salvation Army	496
Increasing Self-Sufficiency	
American Red Cross - Putnam County Chapter	1,380
The Salvation Army	1,380
Nurturing Children & Youth	
Girl Scouts of Westchester*Putnam	750
Green Chimneys Children's Services	1,500
Putnam Associated Resource Center	1,250

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.

**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Putnam County Child Care Council	\$ 1,000
Putnam Hospital Center	682
Promoting Health & Wellness	
Putnam/Northern Westchester Women's Resource Center	2,936
Strengthening Families	
Green Chimneys Children's Services	966
Putnam Hospital Center	375
Putnam Recreation Program for the Handicapped	1,250
Total Program Impact Distribution	<u>706,981</u>

The new Community Impact Strategy was implemented in phases during the year ended June 30, 2005. At the beginning of each quarter, start-up funding for initiative addressing the major human care issues identified by United Way were allocated. The following awards represent funding levels for no less than three months nor more than nine months, depending on whether they were allocated at the beginning of October, January or April.

Community Impact- Westchester

Behavioral Problems Among Children and Teens	
The Center for Preventive Psychiatry	2,000
Children's Village	1,250
Family & Community Services	1,750
Family Services of Westchester	2,000
Family YMCA at Tarrytown	1,750
Girl Scouts of Westchester & Putnam	2,250
Guidance Center	1,250
Larchmont-Mamaroneck Community Counseling Center	2,000
Learning for Life	750
Mental Health Association of Westchester County	1,250
Nepperhan Community Center	1,750
Port Chester Carver Center	2,500
Scarsdale-Edgemont Family Counseling Service	1,750
Spanish Community Progress Foundation	2,000
Student Advocacy	1,500
Urban League of Westchester County	1,750

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
YMCA of Central & Northern Westchester	\$ 1,750
YWCA of White Plains and Central Westchester	2,000
Total Behavioral Problems Among Children and Teens	<u>31,250</u>
Discrimination and Intolerance	
Mental Health Association of Westchester County	4,250
Student Advocacy	2,500
Today's Students, Tomorrow's Teachers	5,000
Urban League of Westchester County	3,250
YWCA of White Plains and Central Westchester	4,250
Total Discrimination and Intolerance	<u>19,250</u>
Drug Abuse and its Affect on the Community	
Open Door Family Medical Center	3,750
Phelps Memorial Hospital Center	2,250
St. John's Riverside Hospital	2,750
Westchester Jewish Community Services	2,500
Yonkers Residential Center	5,000
Total Drug Abuse and its Affect on the Community	<u>16,250</u>
Growing Pressures Affecting Daily Living in Uncertain Times	
American Red Cross	58,010
Family Services of Westchester	17,738
Food - PATCH	7,700
HOPE Community Services	7,800
Mental Health Association of Westchester County	21,507
My Sister's Place	9,206
Northern Westchester Shelter	9,206
Salvation Army of Westchester	15,039
Total Growing Pressures Affecting Daily Living in Uncertain Times	<u>146,206</u>
Lack of Affordable & Accessible Assistance for the Frail Elderly, Adults with Disabilities and their Families	
A-Home	4,625
Family Service Society of Yonkers	4,125
Family Services of Westchester	3,750
Hospice Care in Westchester and Putnam	3,625

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Lawrence Community Health Services	\$ 2,875
Legal Services of Hudson Valley	4,625
Mental Health Association of Westchester County	4,843
Visiting Nurse Association of Hudson Valley	4,375
Visiting Nurse Service in Westchester	4,625
Westchester Independent Living Center	3,875
Total Lack of Affordable & Accessible Assistance for the Frail Elderly, Adults with Disabilities and their Families	<u>41,343</u>
Lack of Accessible and Affordable Medical Care	
American Red Cross	15,000
Hudson River Health Care	6,375
Mount Vernon Neighborhood Health Center	7,625
Open Door Family Medical Center	6,711
Westchester Children's Association	2,500
Westchester Hispanic Coalition	2,500
Westchester Medical Center	4,750
White Plains Hospital Medical Center	3,000
Total Lack of Accessible and Affordable Medical Care	<u>48,461</u>
Lack of Employment Opportunities	
Careers for People with Disabilities	2,500
Community Planning Council of Yonkers	1,750
Family Service of Westchester	2,500
Port Chester Carver Center	2,250
United Cerebral Palsy of Westchester County	2,500
Urban League of Westchester County	6,500
Westchester ARC	2,500
Westchester Community Opportunity Program	4,000
Youth Employment Service of Larchmont-Mamaroneck	500
Total Lack of Employment Opportunities	<u>25,000</u>
Limited Recreational Opportunities	
Boys & Girls Club of New Rochelle	2,000
Boys & Girls Club of Mt. Vernon	1,250
Boys & Girls Clubs of Northern Westchester	2,250
Catholic Youth Program	3,125

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.

**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
JCC of Mid-Westchester	\$ 1,625
JCC on the Hudson	2,000
Nepperhan Community Center	1,750
Richard G. Rosenthal JCC	1,750
Thomas Slater Center	2,000
YMCA of New Rochelle	1,875
YMCA of Rye	1,875
YMCA of Yonkers	2,325
YM-YWHA of Southern Westchester	1,675
Youth Theatre Interactions	1,750
Total Limited Recreational Opportunities	<u>27,250</u>
Shortage of Accessible and Affordable Child Care	
Child Care Council of Westchester - Scholarships for Special Populations	90,415
Total Shortage of Accessible and Affordable Child Care	<u>90,415</u>
Shortage of Affordable Housing	
Housing Action Council	6,900
Mount Vernon United Tenants	6,900
Town of Rye/Port Chester/Rye Brook Council of Community Services	2,500
Westchester Residential Opportunities	4,822
YMCA of Central & Northern Westchester	10,000
YMCA of Yonkers	6,934
Total Shortage of Affordable Housing	<u>38,056</u>
 Community Impact Strategy- Putnam	
Behavior Problems Among Children and Teens	
Girl Scouts of Westchester & Putnam	500
Green Chimney's Children's Services	1,250
Cornell Cooperative Extension of Putnam County	500
Putnam Family and Community Services	1,250
Putnam Hospital Center	500
Lack of Sufficient Public Transportation	
Friends of the Senior Citizens of Putnam County, Inc.	14,000
Shortage of Affordable Housing	
Putnam County Housing Corporation	6,375

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Lack Range of Child Care Options	
Putnam County Child Care Council, Inc.	\$ 4,500
Challenges Facing Residents	
Putnam Community Action Program	1,625
Putnam Family and Community Services	1,500
Literacy Volunteers of Putnam	1,000
Social Isolation	
Green Chimneys Children's Services	1,425
Putnam Associated Resource Center	1,425
Putnam/Northern Westchester Women's Resource Center	1,400
Lack of Affordable & Accessible Assistance for the Frail Elderly, Adults with Disabilities and their Families	
Putnam Family and Community Services	3,492
Putnam Associated Resource Center	<u>3,000</u>
 Total Community Impact Strategy - Westchester and Putnam	 <u>527,223</u>

**The following amounts were distributed at the beginning of
fiscal year ended June 30, 2005****Local Presence Community Grants**

Bronxville/Eastchester/Tuckahoe	
Meals On Wheels 10708	500
Harrison and Purchase	
Harrison Youth Council	1,660
Meals On Wheels of Harrison	600
Larchmont-Mamaroneck	
Cancer Support Team	500
Interfaith Council for Affordable Residence (I CARE)	1,470
The Children's Corner of Larchmont - Mamaroneck, Inc.	1,000
The Washingtonville Housing Alliance	1,000
Larchmont-Mamaroneck Hunger	2,000
Mamaroneck Child Development	500
Mid-Hudson	
Volunteer Ambulance Dobbs Ferry	680
Mount Vernon	
Greater Centennial Community Development Corp	500

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
New Rochelle	
Providence House, Inc.	\$ 1,315
Northern Westchester	
The Family Resource Center of Peekskill	1,900
Welfare to Work FDT/Career Closet	1,900
Neighbors Link Corp	1,900
SPCA of Westchester County	765
Pelham	
Community Service Associates	1,020
Pelham Guidance Council	1,020
Rye	
Rye Youth Council	1,630
Scarsdale/Edgemont	
Cluster, Inc.	750
Edgemont Scholarship Council	500
HERO	500
Human Development Services of Westchester	1,000
Parents Place, Inc	700
Scarsdale High School PTA Scholarship Fund	500
Scarsdale Meals on Wheels	500
The Bridge Fund of Westchester	1,000
The Center for Human Options	700
Tarrytowns	
RSHM Life Center	500
Town of Rye, Port Chester and Rye Brook	
Human Development Services of Westchester	500
Greater White Plains	
Meals On Wheels of White Plains	990
Yonkers	
Leake & Watts Services	500
Total Local Presence Grants	<u>30,500</u>
Endowment fund Grants	
Margaret Muir Endowment Fund Grants - New Rochelle	
Meals On Wheels of New Rochelle	2,500

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Howard W. Page Endowment Fund Grants - Mamaroneck	
Friends of the Community	\$ 1,000
Mamaroneck Community Action Program	1,500
Mamaroneck Child Development Center	500
Larchmont-Mamaroneck Community Counseling Center	1,000
Total Page Fund Grants	<u>4,000</u>
Total Program Impact and Community Impact Grants	<u>\$ 1,271,204</u>
Special Initiatives Grants	
Affordable Housing Initiative - Community Housing Resource Center	
Housing Action Council	75,000
MLK Youth Legacy Initiative	
African American Men of Westchester	8,000
Arts and Human Services Initiative	
Westchester Arts Council	8,000
Intergenerational Initiatives (in collaboration with Helen Andrus Benedict Foundation)	
Intergenerational Grants - strengthening existing and building new intergenerational activities	5,687
Westchester Center for Creative Aging	1,618
Hunger and Homelessness Coalition Building	
Westchester Coalition for the Hungry and Homeless	6,000
Community Schools Initiative	
Mount Vernon - A. B. Davis Community School	
Westchester Community Opportunity Program	135,000
Sleepy Hollow - Sleepy Hollow Middle School	
Westchester Jewish Community Services	117,555
Day Laborer Initiative	
Westchester Hispanic Coalition	15,000

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Bank of America/Fleet Tutoring Initiative Tutoring Center at the Boys' & Girls' Club of New Rochelle	\$ 10,000
Community Issues Identification Initiative Issues and Resource Assessment Project	27,865
Latino Summer Initiative Westchester Hispanic Coalition	10,000
Just Solutions Initiative YWCA of White Plains and Central Westchester	10,000
Tsunami Relief United Way International	3,500
International Red Cross	2,000
American Red Cross of Westchester	2,000
Opportunity Fund - Conference Co-sponsorships Education Forum: Strategies for Improving Public Education African American Men of Westchester	1,000
Annual Eviction Prevention and Housing Resource Conference The Bridge Fund of Westchester	(100)
Sarah Neuman Center for Healthcare	1,000
Health Care Disparity Symposium Westchester Public/Private Partnership - Aging Services	<u>2,500</u>
Total Opportunity Fund Grants	<u>4,400</u>
Strategic Alliance Fund	
Pro Bono Partnership - Capacity Strengthening Grant	10,000
Strategic Partnership/ Child Care initiative - Child Care Council	10,000
Not for Profit Leadership Summit III	<u>5,000</u>
Total Strategic Alliance Fund Grants	<u>25,000</u>
Total Special Initiatives Grants	<u>\$ 466,625</u>

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	<u>Board Allocated</u>
Constituency Services Grants	
Not-for-Profit Leadership Summit II Co-convened with the Westchester Community Foundation and Sponsored by JP Morgan Chase, Verizon, Pace University and Manhattanville College	\$ 85,195
Crisis Fund Individuals and Families in Need Administered by Westchester Community Opportunity Program	5,000
Gifts in Kind Program Distribution of local product donations and product donations received from Gifts in Kind International	892,399
Health and Human Services Directory - Westchester	9,065
Health and Human Services Directory - Putnam	5,321
FIRST File	3,199
Web Database	2,100
IBM Equipment Donation	
Family and Community Services	4,298
Greyston Family Inn	6,447
Harrison Children's Center	2,149
JCC on the Hudson	4,298
Mamaroneck Child Development	4,298
Mount Vernon Day Care Center	6,447
Apropos Housing Opportunities & Management Enterprises	1,899
Boys & Girls Clubs of New Rochelle	843
Careers for People with Disabilities	1,686
Community Schools Initiative	1,899
Cornell Cooperative Extension Association of Putnam County	1,686
The Family Resource Center of Peekskill	2,529
Hillside Food Outreach	1,899
Housing Action Council	1,686

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Board Allocated
Juvenile Law Education project	\$ 843
Putnam ARC	7,659
Putnam/No. Westchester Women's Resource Center	1,686
SER of Westchester	7,484
Westchester Housing Fund	843
Total IBM Equipment Donation	<u>60,579</u>
2-1-1 Hudson Valley Region Implementation	100,000
Adjustment for reporting purposes to reflect United Way's role as Fiscal Agent for the 2-1-1 Hudson Valley Region	(100,000)
United Way/Pace University Not-for-Profit Management Center	13,673
Westchester Nonprofit Loan Fund	9,000
Adjustment for reporting purposes to reflect United Way's role as Fiscal Agent for the Westchester Nonprofit Loan Fund	<u>(9,000)</u>
Total Constituency Services Grants	<u>\$ 1,076,531</u>
Constituency Services Contract Programs	
Volunteer Center of United Way	223,000
InfoBase Collaborative of Westchester and Putnam - FIRST, Inc.	<u>3,908</u>
Total Constituency Services Contract Programs	<u>\$ 226,908</u>

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.

**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	<u>Donor Choice</u>
United Way of Westchester and Putnam supported agencies	
A-HOME	\$ 2,740
American Cancer Society-Eastern Division	25,854
American Heart Association-Westchester/Putnam Region	59,744
American Red Cross in Westchester County	46,476
Aunt Bessie's Open Door Day Care	1,808
Boys' and Girls' Club of Mount Vernon	7,988
Boys' and Girls' Club of New Rochelle	7,465
Boys' and Girls' Club of Northern Westchester	32,395
Child Care Council of Westchester	4,887
The Children's Village Sanctuary Program	2,341
Country Children's Center	2,497
Don Bosco Community Center	834
Donald R. Reed Speech & Hearing Center	300
Elizabeth Mascia Child Care Center	2,084
Family and Community Services	2,754
Family Service of Westchester	4,575
Family Service Society of Yonkers	590
Family YMCA at Tarrytown	117
Food-PATCH	24,354
Girl Scouts of Westchester & Putnam	11,705
Grace Church Community Center	14,912
Green Chimney Children's Services	28,013
The Guidance Center	3,230
Happy Harbor Child Care Center	1,906
Harrison Children's Center	4,121
HOPE Community Service	4,226
Hospice Care in Westchester and Putnam	8,468
JCC of Mid Westchester	7,951
Jewish Community Center on the Hudson	1,090
Larchmont-Mamaroneck Community Counseling Center	5,610
The Mental Health Association of Westchester	7,498
Mount Kisco Day Care Center	15,582
Mount Vernon Council of Community Services	807
Mount Vernon Day Care Center	1,523
Mount Vernon Neighborhood Health Center	\$ 1,741
My Sisters' Place	33,501
Nepperhan Community Center	1,288
New Rochelle Day Nursery	266

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UNITED WAY OF WESTCHESTER AND PUTNAM, INC.

**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Donor Choice
Northern Westchester Hospital Center	15,578
The Northern Westchester Shelter	14,712
Open Door Family Medical Center	8,333
Ossining Children's Center	7,289
Pelham Children's Center	4,557
Phelps Memorial Hospital Center Behavioral Health Services	236
Port Chester Carver Center	5,781
Putnam Associated Resource Center	920
Putnam County Child Care Council	1,015
Putnam Family & Community Services	1,373
Putnam Hospital Center	9,664
Putnam/Northern Westchester Women's Resource Center	4,987
Putnam Recreation Program for the Handicapped	982
Richard G. Rosenthal JCC	2,301
The Salvation Army	11,221
Scarsdale-Edgemont Family Counseling Service	2,468
Sound Shore Medical Center of Westchester	1,184
St. Peter's Child Care Center	2,192
Student Advocacy	914
Thomas H. Slater Center	1,963
Town of Rye/Port Chester/Rye Brook Council of Community Services	704
Union Child Day Care Center	4,300
United Cerebral Palsy Association	1,302
Urban League of Westchester	2,201
Visiting Nurse Association of Hudson Valley	1,943
Visiting Nurse Services in Westchester	5,733
Westchester ARC	7,722
Westchester Community Opportunity Program	2,818
Westchester Hispanic Coalition	504
Westchester Jewish Community Services	28,566
Westchester Medical Center	1,126
Westchester Putnam Legal Services	5,844
Westchester Residential Opportunities	1,900
White Plains Hospital Medical Center	\$ 535
YMCA of Central and Northern Westchester	4,440
YMCA of Mount Vernon	104
YMCA of New Rochelle	643
YMCA of Rye	6,293
YMCA of Yonkers	1,858
Yonkers Residential Center/Yonkers Youth Connection	18
Youth Theatre Interactions	188

See independent auditors' report.

UNITED WAY OF WESTCHESTER AND PUTNAM, INC.**SCHEDULE OF FUNDS DISTRIBUTED TO SUPPORTED AGENCIES
FOR THE YEAR ENDED JUNE 30, 2005**

	Donor Choice
YWCA of White Plains & Central Westchester	4,721
YWCA of Yonkers	<u>2,540</u>
Total	566,914
2004-05 Designations to Non-Funded Organizations: Includes United Ways participating in Tri-State System and their Supported Agencies, Non-Member Agencies and United Ways not participating in the Tri-State System	
	<u>3,110,503</u>
Total Funds Raised On Behalf Of Others	<u><u>\$ 3,677,417</u></u>

See independent auditors' report.