

CHANGE IN ACCOUNTING PERIOD

Form **990**

OMB No 1545-0047

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2005

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

Open to Public Inspection

A For the 2005 calendar year, or tax year beginning 1/01/06, and ending 3/31/06

- B** Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
United Way of Goodhue, Wabasha & Pierce Counties
 Number and street (or P O box if mail is not delivered to street address) Room/suite
413 West Third Street
 City or town, state or country, and ZIP + 4
Red Wing MN 55066

D Employer identification no.
41-6043633
E Telephone number
651-388-6309
F Accounting method: Cash Accrual Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and **I** are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates Yes No
H(c) Are all affiliates included? Yes No
 (If "No," attach a list See instr)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number

G Website: N/A

J Organization type
 (check only one) 501(c) (**3**) (insert no) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **20,083**

Part III Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a	4,534		
	b Indirect public support	1b			
	c Government contributions (grants)	1c			
	d Total (add lines 1a through 1c) (cash \$ 4,534 noncash \$ _____)	1d			4,534
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			512
	5 Dividends and interest from securities	5			
	6a Gross rents	6a			
	b Less rental expenses	6b			
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			
	7 Other investment income (describe _____)	7			
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	8a				
	8b				
	8c				
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d				
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a			
	b Less direct expenses other than fundraising expenses	9b			
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
10a Gross sales of inventory, less returns and allowances	10a				
	b Less cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			
11 Other revenue (from Part VII, line 103)	11			15,037	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			20,083	
13 Program services (from line 44, column (B))	13			18,743	
14 Management and general (from line 44, column (C))	14			15,489	
15 Fundraising (from line 44, column (D))	15			9,415	
16 Payments to affiliates (attach schedule)	16				
17 Total expenses (add lines 16 and 44, column (A))	17			43,647	
18 Excess or (deficit) for the year (subtract line 17 from line 12)	18			-23,564	
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			214,483	
20 Other changes in net assets or fund balances (attach explanation) See Statement 1	20			5,471	
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			196,390	

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.
DAA

WOP

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22	Grants and allocations (attach schedule) Stmt 2 (cash \$ <u>22</u> non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22	22	22		
23	Specific assistance to individuals (attach schedule) <input type="checkbox"/>	23				
24	Benefits paid to or for members (attach schedule)	24				
25	Compensation of officers, directors, etc	25				
26	Other salaries and wages	26	20,250	4,455	9,517	
27	Pension plan contributions	27	608	134	286	
28	Other employee benefits	28				
29	Payroll taxes	29	1,549	341	728	
30	Professional fundraising fees	30				
31	Accounting fees	31				
32	Legal fees	32	700		700	
33	Supplies	33	149	33	70	
34	Telephone	34	510	112	240	
35	Postage and shipping	35	447	98	210	
36	Occupancy	36	900	198	423	
37	Equipment rental and maintenance	37	732	161	344	
38	Printing and publications	38				
39	Travel	39				
40	Conferences, conventions, and meetings	40				
41	Interest	41				
42	Depreciation, depletion, etc (attach schedule)	42	958	211	450	
43	Other expenses not covered above (itemize): a See Statement 3 b c d e f g	43a	16,822	12,978	2,521	1,323
		43b				
		43c				
		43d				
		43e				
		43f				
		43g				
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	43,647	18,743	15,489	9,415

Joint Costs. Check if you are following SOP 98-2
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____,
 (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III **Statement of Program Service Accomplishments (See the instructions.)**

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose?

▶ **See Statement 4**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) & (4) orgs, & 4947(a)(1) trusts, but optional for others)

<p>a Program services consist of the collection and distribution of funds to various non-profit agencies approved by the Board.</p> <p>(Grants and allocations \$ 22) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	<p>18,743</p>
<p>b</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	
<p>c</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	
<p>d</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	
<p>e Other program services (attach schedule)</p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/></p>	
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶</p>	<p>18,743</p>

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A) Beginning of year		(B) End of year	
Assets	45	Cash-non-interest-bearing	63,939	45	170,737
	46	Savings and temporary cash investments	9,226	46	9,235
	47a	Accounts receivable	1,945		
	b	Less: allowance for doubtful accounts		47c	1,945
	47b		5,795		
	48a	Pledges receivable	355,982		
	b	Less: allowance for doubtful accounts	83,000	48c	272,982
	48b		410,240		
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a	Other notes and loans receivable (attach schedule)			
	b	Less: allowance for doubtful accounts		51c	
	51b				
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges	2,275	53	2,857
54	Investments-securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54		
55a	Investments-land, buildings, and equipment: basis				
b	Less: accumulated depreciation (attach schedule)		55c		
55b					
56	Investments-other (attach schedule)		56		
57a	Land, buildings, and equipment basis	28,743			
b	Less: accumulated depreciation (attach schedule) See Statement 5	12,061	57c	16,682	
57b		15,034			
58	Other assets (describe See Statement 6)	106,361	58	107,092	
59	Total assets (must equal line 74). Add lines 45 through 58.	612,870	59	581,530	
Liabilities	60	Accounts payable and accrued expenses	22,309	60	24,099
	61	Grants payable	376,078	61	361,041
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a	Tax-exempt bond liabilities (attach schedule)		64a	
	b	Mortgages and other notes payable (attach schedule)		64b	
	64b				
65	Other liabilities (describe See Statement 6)		65		
66	Total liabilities. Add lines 60 through 65	398,387	66	385,140	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67	Unrestricted	124,483	67	106,390
	68	Temporarily restricted		68	
	69	Permanently restricted	90,000	69	90,000
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74				
	70	Capital stock, trust principal, or current funds		70	
	71	Paid-in or capital surplus, or land, building, and equipment fund		71	
	72	Retained earnings, endowment, accumulated income, or other funds		72	
	73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	214,483	73	196,390
	74	Total liabilities and net assets/fund balances. Add lines 66 and 73	612,870	74	581,530

Part VII Other Information (continued)

		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)		
82b			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	N/A	
c	Dues, assessments, and similar amounts from members		
85c			
d	Section 162(e) lobbying and political expenditures		
85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
85g			
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
85h			
86	501(c)(7) orgs. Enter. a Initiation fees and capital contributions included on line 12		
86a			
b	Gross receipts, included on line 12, for public use of club facilities		
86b			
87	501(c)(12) orgs Enter a Gross income from members or shareholders		
87a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
87b			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
88			
89a	501(c)(3) organizations. Enter Amount of tax imposed on the organization during the year under: section 4911 ▶ 0 , section 4912 ▶ 0 ; section 4955 ▶ 0		
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89b			
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year sections 4912, 4955, and 4958 ▶ 0		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0		
90a	List the states with which a copy of this return is filed ▶ MN		
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions)	90b	2
91a	The books are in care of ▶ Margaret Walch 413 W 3rd St Located at ▶ Red Wing, MN	Telephone no ▶ 651-388-6309 ZIP + 4 ▶ 55066	
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts At any time during the calendar year, did the organization maintain an office outside of the United States?		
91b		X	
91c			X
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92		<input type="checkbox"/>

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by sec 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	512	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b Reduce Agency Commitments					15,037
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0		512	15,037
105 Total (add line 104, columns (B), (D), and (E))					15,549

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
N/A	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer: Meg M. Walsh Date: 2/9/07

Type or print name and title: EXECUTIVE DIRECTOR

Paid Preparer's Use Only

Preparer's signature: Kenneth J. Roufs Date: 11/29/06 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: Erickson, Rietmann, Roufs & Kiecker, LTD EIN: 41-1559248

Preparer's SSN or PTIN (See Gen Instr W): P00017310

Phone no: 651-388-2858

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)
(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust

OMB No 1545-0047

2005

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

United Way of Goodhue, Wabasha & Pierce Counties

Employer identification number

41-6043633

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Comp	(d) Contrib to empl ben plans & deferred comp	(e) Expense account & other allowances
NONE				
Total number of other employees paid over \$50,000 ▶				

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ▶		

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2005

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
<p>1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)</p> <p>Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities</p>		X
<p>2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)</p>		
<p>a Sale, exchange, or leasing of property?</p>		X
<p>b Lending of money or other extension of credit?</p>		X
<p>c Furnishing of goods, services, or facilities?</p>		X
<p>d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See Part V, Form 990</p>	X	
<p>e Transfer of any part of its income or assets?</p>		X
<p>3a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)</p>		X
<p>b Do you have a section 403(b) annuity plan for your employees?</p>		X
<p>c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?</p>		X
<p>4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?</p>		X
<p>b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?</p>		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is (Please check only **ONE** applicable box)

- 5** A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6** A school Section 170(b)(1)(A)(ii) (Also complete Part V.)
- 7** A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii).
- 8** A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9** A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ►
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A)
- 11b** A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12** An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions-subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) Check the box that describes the type of supporting organization ► Type 1 Type 2 Type 3

Provide the following information about the supported organizations (See page 6 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** An organization organized and operated to test for public safety Section 509(a)(4) (See page 6 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	557,615	459,924	423,498	569,964	2,011,001
16 Membership fees received					0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					0
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	5,351	5,271	5,749	10,492	26,863
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					0
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets	16,986	17,166			34,152
23 Total of lines 15 through 22	579,952	482,361	429,247	580,456	2,072,016
24 Line 23 minus line 17	579,952	482,361	429,247	580,456	2,072,016
25 Enter 1% of line 23	5,800	4,824	4,292	5,805	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	26a	0
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a Do not file this list with your return. Enter the total of all these excess amounts	26b	
c Total support for section 509(a)(1) test Enter line 24, column (e)	26c	
d Add Amounts from column (e) for lines. 18 _____ 19 _____ 22 _____ 26b _____	26d	
e Public support (line 26c minus line 26d total)	26e	
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	%

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " Do not file this list with your return. Enter the sum of such amounts for each year (2004) 0 (2003) 0 (2002) 0 (2001) 0	27c	2,011,001
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (Include in the list organizations described in lines 5 through 11b, as well as individuals) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year (2004) 0 (2003) 0 (2002) 0 (2001) 0	27d	
c Add Amounts from column (e) for lines 15 2,011,001 16 _____ 17 _____ 20 _____ 21 _____	27e	2,011,001
d Add. Line 27a total _____ and line 27b total _____	27f	2,072,016
e Public support (line 27c total minus line 27d total)	27g	97.0553 %
f Total support for section 509(a)(2) test Enter amount from line 23, column (e)	27h	1.2965 %
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))		

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not file this list with your return. Do not include these grants in line 15

Part IV Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	N/A	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
32 Does the organization maintain the following:			
a Records indicating the racial composition of the student body, faculty, and administrative staff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
33 Does the organization discriminate by race in any way with respect to:			
a Students' rights or privileges?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b Admissions policies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c Employment of faculty or administrative staff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d Scholarships or other financial assistance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e Educational policies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f Use of facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g Athletic programs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34a Does the organization receive any financial aid or assistance from a governmental agency?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768) **N/A**

Check **a** if the organization belongs to an affiliated group Check **b** if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred)

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table-		
If the amount on line 40 is-	The lobbying nontaxable amount is-	
Not over \$500,000	20% of the amount on line 40	
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000	\$1,000,000	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below

See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.) **N/A**

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines through c h.)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (Add lines through c h.)

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Yes	No	Amount

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return United Way of Goodhue, Wabasha & Pierce Counties	Identifying number 41-6043633
--	---

Business or activity to which this form relates

Part II Election To Expense Certain Property Under Section 179
Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount See the instructions for a higher limit for certain businesses	1	105,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	420,000
4 Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instr	5	

(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
6			
7 Listed property Enter the amount from line 29	7		
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7		8	
9 Tentative deduction Enter the smaller of line 5 or line 8		9	
10 Carryover of disallowed deduction from line 13 of your 2004 Form 4562		10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)		11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11		12	
13 Carryover of disallowed deduction to 2006 Add lines 9 and 10, less line 12	▶ 13		

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part III Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14 Special allowance for certain aircraft, certain property with a long production period, and qualified NYL or GO Zone property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	929

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2005	17	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ <input type="checkbox"/>		

Section B-Assets Placed in Service During 2005 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property		2,606	3.0	MM	S/L	29
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property				25 yrs		S/L
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	

Section C-Assets Placed in Service During 2005 Tax Year Using the Alternative Depreciation System

20a Class life						
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions)

21 Listed property Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr	22	958
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Federal Statements

Statement 1 - Form 990, Line 20 - Other Changes in Net Assets or Fund Balances

<u>Description</u>	<u>Amount</u>
Net Unrealized Gains on Investments	\$ 5,471
Total	\$ 5,471

Federal Statements

Statement 2 - Form 990, Part II, Line 22 - Grants, Allocations and Contributions

Name Address	Date of Gift	Description of Property	Relationship to Org	Class of Activity	Cash Contrib	NonCash Contrib	Book Value	BV Explantn	FMV Explantn
		Community initiative payments			\$ 22	\$	\$		
		Total			<u>\$ 22</u>	<u>\$ 0</u>	<u>\$ 0</u>		

Federal Statements

Statement 3 - Form 990, Part II, Line 43 - Other Functional Expenses

<u>Description</u>	<u>Total Expenses</u>	<u>Program Service</u>	<u>Mgt & General</u>	<u>Fund-Raising</u>
	\$	\$	\$	\$
Expenses				
Campaign expenses	100			100
Insurance and bond	610	134	287	189
Membership and dues	652	143	307	202
Education	1,822	401	856	565
Miscellaneous	971	300	404	267
Administration Fees	667		667	
Doubtful Pledges	12,000	12,000		
Total	\$ 16,822	\$ 12,978	\$ 2,521	\$ 1,323

Statement 4 - Form 990, Part III - Organization's Primary Exempt Purpose

Raising and distributing funds to various non-profit organizations approved by Board.

Statement 5 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

<u>Description</u>	<u>Beginning of Year</u>	<u>Accum Deprec</u>	<u>End of Year</u>	<u>Accum Deprec</u>
Office Equipment	\$ 26,137	\$ 11,103	\$ 28,743	\$ 12,061
Total	\$ 26,137	\$ 11,103	\$ 28,743	\$ 12,061

Statement 6 - Form 990, Part IV, Line 58 - Other Assets

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
Interest in assets held by others.	\$ 106,361	\$ 107,092
Total	\$ 106,361	\$ 107,092

Federal Statements

Statement 7 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees

Name	Address	City, State, Zip	Title	Average Hours	Compensation	Benefits	Expenses
Tris Danielson			Board Direct	1	0	0	0
Joyce Chitty			Secretary	1	0	0	0
Jay Tauer			Board Direct	1	0	0	0
Neela Mollgaard			Board Direct	1	0	0	0
Kay Kuhlmann			Past Preiden	1	0	0	0
Jerry Plein			Board Direct	1	0	0	0
Karen Main			Board Direct	1	0	0	0
Scott Wordelman			Board Direct	1	0	0	0
Diane Hallstrom			Board Direct	1	0	0	0
Laura Blair			Board Direct	1	0	0	0
Rich Bodensteiner			Treasurer	1	0	0	0
Pam Horlitz			President	1	0	0	0
Amy Nelson			Vice Preside	1	0	0	0
Paul Kramp			Board Direct	1	0	0	0
Fred Rucker			Board Direct	1	0	0	0
Mary Plein			Executive Di	40	11,250	338	0
Meg Walch			Campaign Dir	40	9,000	270	0

Federal Statements

Statement 7 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees (continued)

<u>Name</u>	<u>Address</u>	<u>City, State, Zip</u>	<u>Title</u>	<u>Average Hours</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Expenses</u>
Keith Meyers			Board Direct 1	0	0	0	0
Krista Early			Board Direct 1	0	0	0	0

**UNITED WAY OF GOODHUE,
WABASHA & PIERCE COUNTIES**

FINANCIAL STATEMENTS

**THREE MONTHS ENDED
MARCH 31, 2006**

UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES

A MINNESOTA NON-PROFIT ORGANIZATION

FINANCIAL STATEMENTS

Three Months Ended March 31, 2006

**ERICKSON, RIETMANN, ROUFS & KIECKER, LTD.
Certified Public Accountants
Red Wing, Minnesota**



Erickson, Rietmann, Roufs & Kiecker, Ltd.

519 Bush Street • P.O. Box 72 • Red Wing, Minnesota 55066 • (651) 388-2858 • Fax 388-6414

Certified Public Accountants

DAVID L. ERICKSON, C.P.A. • EUGENE T. RIETMANN, C.P.A. • KENNETH J. ROUFS, C.P.A. • CHRIS J. KIECKER, C.P.A.

CERTIFIED IN
Minnesota
Wisconsin

Members of
American Institution of C P A 's
Minnesota Society of C P A 's
Wisconsin Society of C P A 's

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS
UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES

We have audited the accompanying statement of financial position of United Way of Goodhue, Wabasha & Pierce Counties (a non-profit organization) as of March 31, 2006, and the related statements of activities, cash flows, and functional expenses for the three months 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.

We conducted our audit 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Way of Goodhue, Wabasha & Pierce Counties, as of March 31, 2006, and the changes in its net assets and its cash flows for the three months then ended in conformity with accounting principles generally accepted in the United States of America.

Erickson, Rietmann, Roufs & Kiecker, Ltd.

ERICKSON, RIETMANN, ROUFS & KIECKER, LTD.

November 30, 2006

UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES
STATEMENT OF FINANCIAL POSITION
March 31, 2006

ASSETS

CURRENT ASSETS

Petty Cash	\$	100
Cash in Checking		170,637
Cash in Money Market Savings		9,235
Pledges Receivable - 2004-2005 campaign		62,034
Allowance for doubtful pledges		(50,000)
Pledges Receivable - 2005-2006 campaign		293,948
Allowance for doubtful pledges		(33,000)
Special events accounts receivable		1,945
Prepaid insurance		1,228
Prepaid maintenance		1,329
Prepaid rent		300
Total Current Assets	<u>\$</u>	<u>457,756</u>

PROPERTY AND EQUIPMENT

Office and computer equipment	\$	28,743
Accumulated depreciation		(12,061)
Net Property and Equipment	<u>\$</u>	<u>16,682</u>

OTHER ASSETS

Beneficial interest in assets held by others	\$	107,092
TOTAL ASSETS	<u>\$</u>	<u>581,530</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Commitments to charitable agencies	\$	361,041
Designated donations payable		9,671
Make the Move Initiative payable		14,428
Total Current Liabilities	<u>\$</u>	<u>385,140</u>

NET ASSETS

Unrestricted	\$	106,390
Permanently restricted		90,000
Total Net Assets	<u>\$</u>	<u>196,390</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$</u>	<u>581,530</u>

See Notes to the Financial Statement

UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES
STATEMENT OF ACTIVITIES
Three Months Ended March 31, 2006

UNRESTRICTED NET ASSETS:

Support:

Prior year campaign revenues	\$ 21,361
Less: Designations by donors for specific organizations	(1,935)
Doubtful Pledges	(12,000)
Net Campaign Revenue	<u>\$ 7,426</u>

Other Support:

Administrative fees retained on amounts designated by donors for specific organizations	\$ 145
Interest and dividend income	512
Unrealized capital gains	5,471
Total Other Support	<u>\$ 6,128</u>
TOTAL UNRESTRICTED SUPPORT	<u>\$ 13,554</u>

EXPENSES:

Program Services:

Community Initiative expenses	\$ 22
Program expenses	6,721

Support Services:

Management and general expenses	15,489
Fundraising expenses	9,415
Total Expenses	<u>\$ 31,647</u>

INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	<u>\$ (18,093)</u>
---	---------------------------

Net Assets - Beginning of Period	214,483
NET ASSETS - END OF PERIOD	<u>\$ 196,390</u>

UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES
STATEMENT OF CASH FLOWS
Three Months Ended March 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (Decrease) in Total Net Assets	\$	(18,093)
Adjustments to reconcile changes in unrestricted net assets to net cash provided by operating activities:		
Depreciation		958
Decrease (Increase) in pledges receivable		137,258
Decrease (Increase) in accounts receivable		3,850
Decrease (Increase) in prepaid insurance		410
Decrease (Increase) in prepaid maintenance		(992)
Decrease (Increase) in beneficial interest in assets held by others		(731)
Increase (Decrease) in commitments to agencies		(13,247)
Net cash provided from (used by) Operating Activities	<u>\$</u>	<u>109,413</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of equipment	<u>\$</u>	<u>(2,606)</u>
Net cash provided from (used by) Investing Activities	<u>\$</u>	<u>(2,606)</u>

Net Increase (Decrease) in cash 106,807

CASH BALANCE - January 1 73,165

CASH BALANCE - March 31 \$ 179,972

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the year for:	
Interest	0
Income taxes	0

UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES
STATEMENT OF FUNCTIONAL EXPENSES
Three Months Ended March 31, 2006

	Program Services	Management & General	Fundraising	Marketing	UWA Dues	TOTAL
Payments to Agencies.						
Charitable agency commitments	0	0	0	0	0	0
Additional agency payments	0	0	0	0	0	0
Community initiative payments	22	0	0	0	0	22
Compensation & Related Expenses:						
Salaries	4,455	9,517	6,278	0	0	20,250
Payroll taxes	341	728	480	0	0	1,549
Employee benefits	134	286	188	0	0	608
Advertising	0	0	0	0	0	0
Community needs assessment	0	0	0	0	0	0
Occupancy	198	423	279	0	0	900
Telephone	112	240	158	0	0	510
Office supplies	33	70	46	0	0	149
Professional fees	0	1,367	0	0	0	1,367
Consulting fees	0	0	0	0	0	0
Campaign expenses	0	0	100	0	0	100
Postage	98	210	139	0	0	447
Insurance & bond	134	287	189	0	0	610
Membership & dues	143	307	202	0	0	652
Education	401	856	565	0	0	1,822
Miscellaneous	300	404	267	0	0	971
Repairs & maintenance	161	344	227	0	0	732
Depreciation	211	450	297	0	0	958
UWA dues	0	0	0	0	0	0
TOTALS	<u>6,743</u>	<u>15,489</u>	<u>9,415</u>	<u>0</u>	<u>0</u>	<u>31,647</u>

See Notes to the Financial Statements

UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2006

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

The United Way of Goodhue, Wabasha & Pierce Counties (the "Corporation") is a Minnesota non-profit organization incorporated for the purpose of raising community funds to distribute to various non-profit agencies each year. The Corporation conducts an annual fund raising campaign during the months of September through November. The Corporation obtains pledges which are to be paid in full by December 31 of the following year. The Corporation distributes the funds collected to the various agencies on a quarterly basis during the following year payable on March 31, June 30, September 30, and December 31. The Corporation budgets on an annual basis for the campaign and administrative costs.

Promises to Give (Pledges Receivable):

Contributions are recognized when the donor makes a pledge to give to the organization, that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. All the pledges receivable are from individuals or companies located in Goodhue, Wabasha and Pierce Counties.

Contributed Services:

During the three month period ended March 31, 2006, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Methods of Accounting:

The financial statements of the United Way of Goodhue, Wabasha & Pierce Counties have been prepared using the accrual basis of accounting.

Property and Equipment:

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Corporation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Corporation reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment consists of office equipment owned by the Corporation. These assets are stated at cost, or estimated historical cost if the actual cost was unavailable. Fixed assets are being depreciated over a three to ten year life using the straight line method of depreciation. Depreciation for the periods applies 100% to assets carried at historical cost. It is the policy of the Corporation to expense small equipment items costing under \$100.00.

UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2006

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, cont.
Property and Equipment: cont.

Using the above valuation and depreciation methods, the following disclosures are made:

	March 31, <u>2006</u>
Major classes of depreciable assets:	
Computer equipment	\$ 15,361
Office equipment	<u>13,382</u>
	28,743
Accumulated depreciation	<u>-12,061</u>
Net property and equipment	<u>\$ 16,682</u>
Current period depreciation	<u>\$ 958</u>

Cash and Cash Equivalents:

Cash consists of petty cash, cash in checking, and cash in a money market savings account. All accounts are stated at cost which equals market. For purposes of the statement of cash flows, the Corporation considers the money market savings account to be cash.

Beneficial Interest in Assets Held by Others:

During 2001, the Corporation received a bequest of \$90,000 from a donor. The proceeds were used to establish the Red Wing Area United Way Endowment Fund (the "Fund") with the St. Paul Foundation (the "Foundation"), St. Paul, Minnesota. All contributions to the Fund are irrevocable. The Foundation has ultimate authority and control over the Fund and all distributions from the Fund. The Foundation will distribute to the Corporation such amounts of the Fund's net income or principal or both as determined by the spending policy adopted by the Foundation and amended from time to time, at such times as the Foundation deems appropriate.

Distributions are made to the Company from the Fund annually in March. The Foundation has adopted a method for the distribution from permanent endowment funds by using a spending policy factor to convert the current market value into a 16 quarter average market value. The payout calculation seeks to provide a consistent and predictable flow of income for charitable distribution while protecting principal.

As of March 31, 2006, the Corporation recognized an asset of \$107,092 as a beneficial interest in assets held by others. This included the initial donation of \$90,000, less realized gains paid to the Corporation, and a market adjustment for unrealized gains and losses. Investment income of \$6,051 from the Endowment Fund is reported net of investment expenses (\$78).

Commitments to Charitable Agencies.

Commitments to charitable agencies represent the commitments made by the Corporation to agencies as of March 31, but actual payment will occur during the following fiscal year.

UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2006

NOTE 1-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, cont.

Net Assets:

Net assets represent the excess of assets of the Corporation on March 31 including pledges receivable, over liabilities. The Corporation maintains the net assets as a reserve to meet all charitable agency payments, and administrative costs. At March 31, 2006, net assets consisted of \$106,390 in unrestricted funds and \$90,000 in permanently restricted funds. The Corporation bylaws state that net assets shall be maintained at no lower than 15% of the current fiscal year's budget of expenditures.

Income Taxes:

The Corporation is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. All non-profit organization returns have been filed with the Internal Revenue Service (Form 990) and with the State of Minnesota. The Corporation has been classified as a publicly supported organization that is not a private foundation under IRC Section 509(a).

Use of Estimates:

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

Financial Instruments:

The fair values of the United Way of Goodhue, Wabasha & Pierce Counties's financial instruments approximates carrying values.

Allocation of Costs:

In the "Statement of Functional Expenses," joint costs for the three month period for Program Services, Management and General, and Fundraising have been allocated twenty-two percent (22%) to Program Services, forty-seven percent (47%) to Management and General, thirty-one percent (31%) to Fundraising. These allocations are based on time studies of staff. This has resulted in an allocation of joint costs as follows:

	<u>Program Services</u>	<u>Fund- raising</u>	<u>Mgmt. & General</u>	<u>Total</u>
Three months ending March 31, 2006	\$ 6,721	\$ 9,415	\$ 15,489	\$ 31,625

The total cost of fundraising activities was \$ 9,415.

UNITED WAY OF GOODHUE, WABASHA & PIERCE COUNTIES
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2006

NOTE 2 - PROMISES TO GIVE (PLEDGES RECEIVABLE)

The amount due from Pledges Receivable consists of the following:

2004-05 Campaign	\$ 62,034
Allowance for doubtful pledges	<u>-50,000</u>
Net Pledges Receivable	<u>\$ 12,034</u>
2005-06 Campaign	\$ 293,948
Allowance for doubtful pledges	<u>-33,000</u>
Net Pledges Receivable	<u>\$ 260,948</u>
Total Campaigns	\$ 355,982
Total Allowance	<u>-83,000</u>
Total Net Pledges Receivable	<u>\$ 272,982</u>

Donor designated pledges were recorded as Designated Donations Payable.

All pledges receivable at March 31, 2006 are due in less than twelve months. The Corporation maintains an allowance for doubtful pledges, the amount of which is based on past history of pledge collections. The fair value of the promises to give (pledges receivable) is considered to be the net values shown above at March 31, 2006.

NOTE 3 - CLAIMS AND JUDGMENTS

The United Way of Goodhue, Wabasha & Pierce Counties had no outstanding claims, litigation or judgments at March 31, 2006.

NOTE 4 – CONCENTRATIONS OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS

The Corporation maintains cash balances at the Associated Bank of Red Wing, Minnesota. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000. At March 31, 2006, the Corporation had uninsured cash balances totaling \$85,547.

NOTE 5 – OPERATING LEASE

The Corporation leases its office space located at 413 West Third Street, Red Wing, Minnesota. As of March 31, 2006, either party to the lease for the year 2006 can cancel the agreement by giving a 90-day notice of cancellation.

The following is a schedule of future minimum lease payments required under the above operating lease as of March 31, 2006:

<u>Year Ending</u>	<u>Amount</u>
3/31/07	\$1,000.00

Office lease costs for the three months ending March 31, 2006 was \$900.00.

NOTE 6 – DEFINED CONTRIBUTION PLAN

The Corporation sponsors a saving incentive match plan (SIMPLE) for employees covering substantially all of its employees. Contributions are determined by a 3% company matching of participating employees compensation, and totaled \$608 for the three month period.

0603

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only Part II and check this box
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time-Must File Original and One Copy.

Type or print Name of the filer by the extended due date for filing the return See instructions	Name of Exempt Organization United Way of Goodhue, Wabasha & Pierce Counties	Employer identification number 41-6043633
	Number, street, and room or suite no. If a P.O. box, see instructions. 413 West Third Street	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Red Wing MN 55066	

Check type of return to be filed (File a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 4720	

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **Margaret Walch**
Telephone No **651-388-6309** FAX No. **651-385-8104**
- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the **whole** group, check this box . If it is for **part** of the group, check this box and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until **2/15/07**.

5 For calendar year _____, or other tax year beginning **1/01/06**, and ending **3/31/06**

6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

7 State in detail why you need the extension
See Statement 1

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ _____

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions. \$ _____

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature **Kenneth J. Roufs** Title **CPA** Date **11/14/06**

Notice to Applicant-To Be Completed by the IRS

We have approved this application. Please attach this form to the organization's return.

We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions) This grace period is considered to be a valid extension of time for elections otherwise required to be made by a timely return. Please attach this form to the organization's return

We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.

We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested

Other **OGDEN, UT**

By _____ Date **EXTENSION APPROVED**

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above

DEC 01 2006

Type or print	Name Erickson Rietmann Roufs & Kiecker Ltd
	Number and street (include suite, room, or apt. no.) or a P.O. box number 519 Bush Street
	City or town, province or state, and country (including postal or ZIP code) Red Wing MN 55066

FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

Federal Statements

Statement 1 - Form 8868, Page 2, Line 7 - Explanation for Extension

Description

Organization is currently undergoing an audit of its financial records for its stub period. Audit has not been completed. Organization would like to use the audited numbers to complete its Form 990.