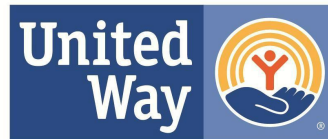


**LIVE UNITED**



**United Way of Weld County**

[UnitedWay-Weld.org](http://UnitedWay-Weld.org)

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT**

**For the Year Ended June 30, 2022  
(With Comparative Totals for the Year Ended June 30, 2021)**

**UNITED WAY OF WELD COUNTY, INC.**

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October 2023

Dear Neighbor,

The fiscal year ending June 30, 2022, is a continuing example of United Way of Weld County stepping in to respond to our community's greatest challenges.

As the COVID-19 pandemic progressed, United Way continued helping our neighbors move from relief to recovery. Most notably, the organization utilized staff time to attract millions of Federal taxpayer dollars for leading Weld County's pandemic response efforts. These grants and contracts allowed for critical services that United Way operates, such as the Covering Weld Diaper Bank and Housing Navigation Center, and were also sub-granted to partner agencies across the region. We were grateful to accept these funds on behalf of our partners so that they could respond to increased needs across Weld County and Northern Colorado.

As with many employers, United Way was impacted by the great resignation. This occurred just as we were rapidly increasing community investments. This staff turnover strained the entire organization, and particularly the finance department. Nevertheless, United Way continued on as fiscal agent for these funds. Had we not administered over \$4 million in pandemic response dollars during FY'22, United Way would not have:

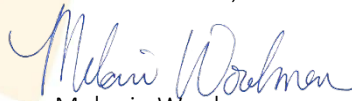
- Invested over \$1.7 million in 59 child care providers across Weld County. This led to new opportunities and higher quality child care for over 1,600 children under the age of 5. It also allowed parents and caregivers to keep jobs, and thus maintain critical household income during a tumultuous time.
- Sub-granted over \$1.3 million to eight nonprofits that serve unhoused neighbors across the region. This investment led to permanent housing for 260 people and over 350 guests accessing shelter, which ultimately kept them safe and alive during this unprecedented public health emergency.

I am proud to share that, for a second year in a row, there were no audit findings on expenditures related to these substantial federal investments. Donations were spent exactly the way our gracious donors asked that they be spent. We did have one instance of noncompliance – timely audit completion – that is directly linked to turnover in multiple finance staff positions. The executive staff and board of directors have implemented corrective measures for the present fiscal year, including increased staffing and overall resourcing for the finance department to ensure that this does not happen again. I am confident in our current structure and the ability of finance to be effective and efficient moving forward.

While it has been a year of catching up, I am so thankful for the work that we have accomplished and the lives that were saved through administering this pandemic-connected funding. We look forward to supporting the nonprofit network across Weld County long into the future by accepting, administering, and accounting for complex State and Federal funds, as well as through stewarding community donations.

Please don't hesitate to contact me at [mwoolman@unitedway-weld.org](mailto:mwoolman@unitedway-weld.org) with thoughts and questions.

With Gratitude,

  
Melanie Woolman  
President & CEO

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PO Box 1944 - Greeley, CO 80632  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
United Way of Weld County, Inc.  
Greeley, Colorado

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of United Way of Weld County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of United Way of Weld County, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the Auditing Standards Board and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Weld County, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Weld County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Way of Weld County, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Weld County, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

The accompanying President's Letter is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and relates to the underlying accounting and other records used to prepare the financial statements. The President's Letter has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2023, on our consideration of United Way of Weld County, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of United Way of Weld County, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way of Weld County, Inc.'s internal control over financial reporting and compliance.

### ***Report on Summarized Comparative Information***

We have previously audited United Way of Weld County, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 9, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in cursive script, consisting of the letters 'RLR' followed by a small 'LLP' in a separate, smaller script.

Evans, Colorado  
October 19, 2023

**STATEMENT OF FUNCTIONAL EXPENSES**

**UNITED WAY OF WELD COUNTY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2022 (With Comparative Totals for 2021)**

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 1,394,784	\$ 1,313,585
Receivables:		
Campaign pledges, net of allowance for doubtful pledges of \$128,560 in 2022 and \$149,606 in 2021	155,195	193,591
Grants	1,169,828	1,008,671
Other	15,510	38,845
Prepaid expenses, current portion	57,870	51,702
<b>Total current assets</b>	<b>2,793,187</b>	<b>2,606,394</b>
Noncurrent assets		
Prepaid expenses, net of current portion	9,451	-
Property and equipment, net	448,146	435,797
Investments	2,105,832	2,345,327
Haefeli Endowment	50,865	31,015
Legacy Endowment - beneficial interest in investments held by the Weld Community Foundation	390,874	476,654
<b>Total noncurrent assets</b>	<b>3,005,168</b>	<b>3,288,793</b>
<b>Total assets</b>	<b>\$ 5,798,355</b>	<b>\$ 5,895,187</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 635,389	\$ 381,032
Accrued community awards liability (Note 5)	600,000	527,049
Donor designations payable	126,209	88,108
Accrued compensated absences	120,921	110,208
Deferred revenue	251,261	617,095
<b>Total liabilities</b>	<b>1,733,780</b>	<b>1,723,492</b>
<b>NET ASSETS</b>		
Without donor restrictions		
Investment in property and equipment, net	448,146	435,797
Board designated:		
Legacy endowment	60,793	146,573
Operating reserve	1,879,171	2,320,135
<b>Total net assets without donor restrictions</b>	<b>2,388,110</b>	<b>2,902,505</b>
With donor restrictions		
Time and/or purpose restricted	1,296,384	914,109
Purpetual in nature	380,081	355,081
<b>Total net assets with donor restrictions</b>	<b>1,676,465</b>	<b>1,269,190</b>
<b>Total net assets</b>	<b>4,064,575</b>	<b>4,171,695</b>
<b>Total liabilities and net assets</b>	<b>\$ 5,798,355</b>	<b>\$ 5,895,187</b>

See accompanying notes to financial statements.



**UNITED WAY OF WELD COUNTY, INC.**

**STATEMENT OF ACTIVITIES**

**For the Year Ended June 30, 2022 (With Comparative Totals for 2021)**

	Without Donor Restrictions	With Donor Restrictions	Total 2022	Total 2021
<b>Revenue</b>				
Annual campaign proceeds	\$ 2,109,666	\$ 479,336	\$ 2,589,002	\$ 3,014,590
Less:				
Donor designations	(185,006)	-	(185,006)	(160,770)
Adjustment of provision for uncollectible pledges	(114,509)	-	(114,509)	(73,736)
<b>Net campaign revenue</b>	<u>1,810,151</u>	<u>479,336</u>	<u>2,289,487</u>	<u>2,780,084</u>
Other contributions	11,129	25,000	36,129	9,265
Grants and contracts	5,542,278	449	5,542,727	3,252,892
Investment income	(310,751)	-	(310,751)	443,674
In-Kind contributions	243,311	-	243,311	362,577
Miscellaneous income	31,028	-	31,028	29,267
Gain on Paycheck Protection Program loan forgiveness	-	-	-	307,842
Net assets released from restrictions	97,510	(97,510)	-	-
<b>Total other revenue</b>	<u>5,614,505</u>	<u>(72,061)</u>	<u>5,542,444</u>	<u>4,405,517</u>
<b>Total revenue</b>	<u>7,424,656</u>	<u>407,275</u>	<u>7,831,931</u>	<u>7,185,601</u>
<b>Expenses</b>				
Program services:				
Agency and Community Support	1,014,634	-	1,014,634	1,573,868
VISTA program	124,466	-	124,466	81,825
Welds Way Home	3,202,885	-	3,202,885	1,798,281
Promises for Children	2,607,994	-	2,607,994	1,235,015
2-1-1 Info Line	233,731	-	233,731	249,655
Volunteer Engagement	71,025	-	71,025	57,872
<b>Total program services</b>	<u>7,254,735</u>	<u>-</u>	<u>7,254,735</u>	<u>4,996,516</u>
Supporting services:				
Fund raising	554,471	-	554,471	777,735
General and administrative	129,845	-	129,845	135,490
<b>Total supporting services</b>	<u>684,316</u>	<u>-</u>	<u>684,316</u>	<u>913,225</u>
<b>Total expenses</b>	<u>7,939,051</u>	<u>-</u>	<u>7,939,051</u>	<u>5,909,741</u>
Change in Net Assets	(514,395)	407,275	(107,120)	1,275,860
Net Assets, Beginning of Year	2,902,505	1,269,190	4,171,695	2,895,835
Net Assets, End of Year	<u>\$ 2,388,110</u>	<u>\$ 1,676,465</u>	<u>\$ 4,064,575</u>	<u>\$ 4,171,695</u>

See accompanying notes to financial statements.

**UNITED WAY OF WELD COUNTY, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended June 30, 2022 (With Comparative Totals for 2021)**

	Program Services						Total Program Services
	Agency and Community Support	VISTA Program	Welds Way Home	Promises for Children	2-1-1 Info Line	Volunteer Engagement	
Community Award Expenses:							
Awards	\$ 806,006	\$ -	\$ 1,466,852	\$ 100,000	\$ -	\$ -	\$ 2,372,858
Less: donor designations	(185,006)	-	-	-	-	-	(185,006)
Total community award expenses	621,000	-	1,466,852	100,000	-	-	2,187,852
Personnel Expenses:							
Salaries	182,796	51,951	423,747	480,291	22,633	34,481	1,195,899
Payroll taxes and employee benefits	39,418	8,461	75,647	86,327	4,192	6,309	220,354
Total personnel expenses	222,214	60,412	499,394	566,618	26,825	40,790	1,416,253
Operating Expenses							
Supplies	10,202	1,027	17,687	58,764	-	326	88,006
QIP/client supplies	357	-	786	1,180,581	-	-	1,181,724
Telephone	88	-	5,596	131	-	-	5,815
Postage	185	14	151	1,873	2	-	2,225
Advertising and printing	37,324	1,207	1,482	55,666	39,826	601	136,106
Conferences and meetings	5,300	2,050	2,450	46,779	71	170	56,820
Dues, fees and subscriptions	100	10	1,129	11,083	2,972	20	15,314
Insurance	-	-	-	-	-	-	-
Equipment and maintenance	724	464	19,089	11,567	-	9,425	41,269
Mileage	106	538	1,189	3,271	-	93	5,197
Building and occupancy	24,267	1,828	12,640	18,702	920	1,365	59,722
Contract and professional services	20,091	34,374	789,665	131,286	151,091	-	1,126,507
Rent	-	-	117,517	147,031	-	-	264,548
Other expenses	14,109	557	61,854	25,571	-	-	102,091
Shared costs	56,416	21,869	197,121	240,572	11,691	17,718	545,387
Total operating expenses	169,269	63,938	1,228,356	1,932,877	206,573	29,718	3,630,731
Total expenses before depreciation	1,012,483	124,350	3,194,602	2,599,495	233,398	70,508	7,234,836
Depreciation	2,151	116	8,283	8,499	333	517	19,899
<b>Total expenses</b>	<b>\$ 1,014,634</b>	<b>\$ 124,466</b>	<b>\$ 3,202,885</b>	<b>\$ 2,607,994</b>	<b>\$ 233,731</b>	<b>\$ 71,025</b>	<b>\$ 7,254,735</b>

Support Services					
General and Administrative	Fund Raising	Total Support Services	Shared Expenses	Total 2022	Total 2021
\$ -	\$ -	\$ -	\$ -	\$ 2,372,858	\$ 1,503,621
-	-	-	-	(185,006)	(160,770)
-	-	-	-	2,187,852	1,342,851
56,631	270,188	326,819	182,421	1,705,139	1,550,804
10,228	49,998	60,226	50,001	330,581	310,867
66,859	320,186	387,045	232,422	2,035,720	1,861,671
510	5,762	6,272	21,525	115,803	301,660
-	195	195	-	1,181,919	109,473
-	-	-	37,912	43,727	39,148
32	4,444	4,476	4,293	10,994	22,662
282	37,401	37,683	41,202	214,991	162,671
1,135	22,313	23,448	28,460	108,728	120,380
-	545	545	72,410	88,269	70,624
-	-	-	45,863	45,863	39,908
-	3,668	3,668	26,394	71,331	82,651
-	1,047	1,047	852	7,096	6,740
2,197	10,836	13,033	(268)	72,487	66,840
23,605	5,831	29,436	199,427	1,355,370	1,260,695
-	-	-	-	264,548	235,330
5,551	-	5,551	1,546	109,188	160,763
28,871	138,924	167,795	(713,182)	-	-
62,183	230,966	293,149	(233,566)	3,690,314	2,679,545
129,042	551,152	680,194	(1,144)	7,913,886	5,884,067
803	3,319	4,122	1,144	25,165	25,674
\$ 129,845	\$ 554,471	\$ 684,316	\$ -	\$ 7,939,051	\$ 5,909,741

See accompanying notes to financial statements.

**UNITED WAY OF WELD COUNTY, INC.**

**STATEMENT OF CASH FLOWS**

**For the Year Ended June 30, 2022 (With Comparative Totals for 2021)**

	<b>2022</b>	<b>2021</b>
Cash flows from operating activities:		
Change in net assets	\$ (107,120)	\$ 1,275,860
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Adjustment of provision for uncollectible pledges	114,509	73,736
Depreciation	25,165	25,674
Unrealized/realized loss (gain) on investments	243,816	(348,208)
Change in value of beneficial interest in investments	63,161	(87,843)
Change in value of endowment	5,150	(5,853)
Gain on Paycheck Protection Program loan forgiveness	-	(307,842)
Decrease (increase) in:		
Campaign pledges receivable	(76,113)	(6,319)
Grants receivable	(161,157)	(614,576)
Other receivable	23,335	(34,225)
Prepaid expenses	(15,619)	9,438
Increase (decrease) in:		
Accounts payable	254,357	280,165
Accrued community awards liability (Note 5)	72,951	(89,028)
Donor designations payable	38,101	(5,553)
Accrued compensated absences	10,713	(13,671)
Deferred revenue	(365,834)	90,778
<b>Net cash provided by operating activities</b>	<b>125,415</b>	<b>242,533</b>
Cash flows from investing activities:		
Purchase of equipment and improvements	(37,514)	-
Transfer to beneficial interest in investments	(25,000)	(9,265)
Purchase of investments	(11,129)	(471,871)
Distribution from investments and beneficial interest in investments	29,427	18,946
<b>Net cash (used) by investing activities</b>	<b>(44,216)</b>	<b>(462,190)</b>
Net increase (decrease) in cash and cash equivalents	81,199	(219,657)
Cash and cash equivalents, beginning of year	1,313,585	1,533,242
Cash and cash equivalents, end of year	\$ 1,394,784	\$ 1,313,585
Supplemental Disclosures of Non-Cash Operating Activities:		
Contributed goods, services, and rent	\$ (243,311)	\$ (362,577)
In kind revenue	\$ 243,311	\$ 362,577

See accompanying notes to financial statements.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 1. Organization Operations and Significant Accounting Policies**

The accounting and reporting policies of United Way of Weld County, Inc. (United Way) conform to accounting principles generally accepted in the United States of America. The following summary of significant accounting policies is presented to assist the reader in evaluating United Way's financial statements.

Organization

United Way provides services and partners with other nonprofit organizations to improve the lives of people in Weld County, Colorado. United Way is supported primarily through public donations and is governed by a local volunteer Board of Directors consisting of business professionals and community leaders.

New Accounting Pronouncements

In September 2020, FASB issued ASU No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The objective of this ASU is to increase transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this ASU apply to NFPs that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. The amendments in this ASU will improve financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets for NFPs, including additional disclosure requirements for recognized contributed services. The amendments will not change the recognition and measurement requirements. United Way has implemented ASU 2020-07 and has adjusted the presentation in these consolidated financial statements accordingly. The amendments have been applied retrospectively to all periods presented. There is no effect on United Way's previously reported net assets.

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (U.S. GAAP). The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

- Net Assets Without Donor Restriction—Net assets that are not subject to or are no longer subject to donor-imposed stipulations.
- Net Assets With Donor Restriction—Net assets whose use is limited by donor-imposed time and/or purpose restrictions as well as net assets whose use is restricted in perpetuity due to donor-imposed restrictions.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 1. Organization Operations and Significant Accounting Policies (continued)**

Basis of Presentation (continued)

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

The United Way Board of Directors has directed a portion of unrestricted net assets as a board-designated endowment, specific program reserve and an operating reserve. These board-designated amounts do not represent donor restrictions.

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with United Way's audited financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Cash and Cash Equivalents

United Way considers all time and demand bank deposits and highly-liquid investments with an original maturity of three months or less to be cash equivalents. United Way maintains its cash balances in several financial institutions located in Weld County, Colorado. The balances at times exceed the insurance coverage limit provided by the Federal Deposit Insurance Corporation (FDIC). United Way has not experienced any losses in these accounts.

Receivables

Campaign contributions which have not yet been received in cash are recorded as pledges receivable at the time they are communicated to United Way. Collection of the pledges receivable is anticipated within the succeeding twelve months. An allowance for uncollectible pledges is established based on management's evaluation of pledges outstanding and other factors including historical collection experience, local economic conditions and various attributes pertaining to the donor base.

United Way considers other receivables (related to grants and other reimbursements) to be fully collectible. As such, no allowance for doubtful accounts has been established for other receivables.

Property and Equipment

Property and equipment are valued at cost or fair value at the date of donation. Depreciation of property and equipment is provided on a straight-line basis over estimated useful lives generally ranging from 4 to 39 years. Upon disposal of an item of property and equipment, the difference between the disposal proceeds and its carrying amount is recognized as gain (loss) on disposal of property and equipment in the statement of activities.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 1. Organization Operations and Significant Accounting Policies (continued)**

Investments and Beneficial Interest in Investments

All investments in marketable securities are recognized at fair value using quoted prices in active markets for identical assets or liabilities with readily determinable fair values. Investment income or loss (including gains and losses on investments, interest and dividends) is included in the statement of activities as an increase or decrease in unrestricted net assets unless the income or loss is restricted by donor or law.

United Way executed an agreement with the Weld Community Foundation (Community Foundation) in April 2001, whereby United Way transferred assets to the Community Foundation in order to establish The Legacy Endowment Fund with the Community Foundation. In accordance with the agreement, the primary purpose of the endowment fund is to provide operating and capital support to United Way to carry out its role and mission as described in its governing documents, and the principal of the fund shall be held by the Community Foundation as an endowment in support of United Way.

Distributions from the endowed portion of the endowment fund are designated to be made available to United Way at an annual rate established by the Community Foundation. The agreement states that the endowment fund is not a separate trust, and that all assets of the fund are assets of the Community Foundation. The agreement also provides that the endowment fund shall continue for as long as United Way continues as a public charity, with the exception that United Way may, upon a vote of two-thirds of its directors present at a directors' meeting at which a quorum is present, direct the distribution to itself of any part or all of the principal from the fund with the effective date of the termination being the close of the Community Foundation's fiscal year within which the Community Foundation receives a certified copy of the resolution adopted by United Way's governing board terminating the agreement. As the agreement provides an option to request the distribution of the entire endowment with a sufficient vote from its directors, United Way has accounted for the endowment fund as an asset in accordance Accounting Standards Codification (ASC) 958-605-25-33, *Transfers that Are Not Contributions Because They Are Revocable, Repayable, or Reciprocal*. The endowment fund is presented as beneficial interest in investments held by the Community Foundation Serving Greeley and Weld County on United Way's statement of financial position.

Through the Community Foundation, United Way invests in a managed portfolio that contains common stocks and bonds of publicly traded companies, U.S. Government obligations, mutual funds and money market funds. Such investments are exposed to various risks such as interest rate, credit and overall market volatility.

Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements. The fair value of investments in securities is based on the last reported sales price at June 30, 2022 and 2021. United Way considers certificates of deposit with original maturities of more than three months to be investments.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 1. Organization Operations and Significant Accounting Policies (continued)**

Fair Value

Fair value is the price that would be received from the sale of an asset or settlement of a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities which are required to be recorded at fair value, United Way considers the principal or most advantageous market in which a hypothetical sale or transfer would take place and consider assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of non-performance.

The fair value hierarchy is made up of three levels of inputs which may be used to measure fair value:

Level 1—observable inputs such as quoted prices for identical instruments in active markets.

Level 2—observable inputs such as quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, model derived valuations in which all significant inputs are observable in active markets, and where net asset value (NAV) is equal to fair value.

Level 3—unobservable inputs for which there is little or no market data and which require us to develop our own assumptions.

United Way categorizes fair value measurements within the fair value hierarchy based upon the lowest level of the most significant inputs used to determine such fair value measurement.

Revenue Recognition

Contributions, which include unconditional pledges, are recorded as revenue in the period received. Campaign contributions are considered available for unrestricted use unless specifically restricted or designated by the donor. Contributions of securities are recorded at their fair value on the date received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

In-Kind Contributed Services

United Way's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of United Way. If an asset is provided that does not allow United Way to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. See Note 12 for additional information on in-kind contributions.

In-kind contributions consist of donated professional services, supplies, and property and equipment. United Way recognizes contribution revenue for certain services received at the fair value of those services provided when those services create or enhance non-financial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Materials are recorded at fair value at the date of donation using Level 3 inputs of the fair value hierarchy. United Way recognized \$243,311 and \$362,577 of in-kind contributions during the years ending June 30, 2022 and 2021, respectively.

No amounts have been reflected in the accompanying financial statements for campaign volunteer services since no objective basis is available to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time to United Way's program services and its fund-raising campaigns.



**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 1. Organization Operations and Significant Accounting Policies (continued)**

Donor Designations

United Way allows donors to designate their contributions to specific nonprofit organizations. Donor designations are reported as a liability rather than as revenue. In the accompanying statement of activities, the designated funds provided by donors are included in gross campaign proceeds, but are excluded from net campaign revenue. Similarly, the payments to the designated organizations are included as community awards, but excluded from community awards expense.

Accrued Awards Liability

The liability for community awards is recognized when the awards are approved by United Way's Board of Directors, provided they are not contingent on future campaign results for funding.

Deferred Revenue

United Way considers payments received on grant agreements and conditional contributions in advance of the service being performed or conditions being satisfied to be deferred revenue. Revenue relating to service contracts and grants is recognized as the terms of grant agreements are met or as services outlined in contracts are performed. Deferred revenue as of June 30, 2022 and 2021 was \$267,209 and \$617,095, respectively.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The allowance for uncollectible campaign pledges is a significant estimate. Actual financial results could differ from the estimates, and any adjustment could be significant.

Functional Allocation of Expenses

United Way allocates its expenses on a functional basis among its various programs including fundraising activities and support services by estimating the relative attention and effort exerted towards specific functional areas. The expenses include personnel, building and occupancy, and certain other expenses. Other expenses and support services that can be identified with a specific function are allocated directly according to their natural expenditure classification.

Income Taxes

United Way is a nonprofit corporation and qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision is made in these financial statements for income taxes.

United Way has adopted the recognition requirements for uncertainty in income taxes as required by ASC 740-10. The standard prescribes a comprehensive model for how an organization should recognize, measure, present and disclose in the financial statements uncertainty in income taxes United Way has taken or expects to take on a tax return.

In evaluating United Way's tax provisions and accruals, interpretations and tax planning strategies are considered. United Way believes their estimates are appropriate based on current facts and circumstances and have not recorded any reserves or related accruals for interest and penalties for uncertainty in income taxes at June 30, 2022 and 2021.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 1. Organization Operations and Significant Accounting Policies (continued)**

Advertising

Advertising costs are expensed as incurred. Advertising expense for the years ended June 30, 2022 and 2021 was \$136,345 and \$90,334, respectively. Of those expenses, approximately \$14,000 and \$9,000, respectively, was in-kind advertising expense.

Reclassification

Certain reclassifications have been made to conform to current year presentation. These reclassifications have no effect on previously reported results of operations or net assets.

Subsequent Events

Management has evaluated subsequent events through October 19, 2023 the date on which the financial statements were available to be issued.

**Note 2. Annual Campaign Pledges and Revenue Concentration**

A summary of annual campaign pledges, annual campaign pledges receivable, and allowance for uncollectible pledges is as follows:

June 30, 2022				
Campaign	Campaign Proceeds in 2021-22	Pledges Receivable Outstanding	Allowance for Uncollectible Pledges	Net Pledges Receivable
2022-2023	\$ 49,140	\$ 10,408	\$ -	\$ 10,408
2021-2022	2,501,510	273,347	(128,560)	144,787
Prior years	38,352	-	-	-
	\$ 2,589,002	\$ 283,755	\$ (128,560)	\$ 155,195
June 30, 2021				
Campaign	Campaign Proceeds in 2020-21	Pledges Receivable Outstanding	Allowance for Uncollectible Pledges	Net Pledges Receivable
2021-2022	\$ 63,280	\$ 5,688	\$ (3,164)	\$ 2,524
2020-2021	2,928,845	337,509	(146,442)	191,067
Prior years	22,465	-	-	-
	\$ 3,014,590	\$ 343,197	\$ (149,606)	\$ 193,691

Contributions from one donor represented 19% and 15% of the contributions received during the years ended June 30, 2022 and 2021, respectively.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 3. Property and Equipment**

At June 30, 2022 and 2021, property and equipment consisted of the following:

	2022	2021
Land	\$ 96,645	\$ 96,645
Building and improvements	529,906	529,906
Equipment and furniture	182,771	181,266
Construction in progress	35,974	-
	845,296	807,817
Less: accumulated depreciation	(397,150)	(372,020)
Total property and equipment	\$ 448,146	\$ 435,797

**Note 4. Endowment Funds and Investments**

Legacy Endowment Fund

The United Way Board of Directors has established the United Way of Weld County Legacy Endowment with the Weld Community Foundation (Community Foundation). The fund consists of donor-restricted gifts, primarily bequests. In accordance with ASC 958-205-20, *Endowments and Board Designated Endowments*, the principal portion of the Legacy Endowment Fund is comprised of permanently restricted donor gifts and invested as a permanent endowment, which is to provide a permanent source of income. The investment earnings of the Legacy Endowment Fund are not externally restricted, and are therefore classified as unrestricted net assets. The Board of Directors have designated the earnings of the fund to remain invested in the Legacy Endowment Fund with the Community Foundation, until future distributions are necessary.

At June 30, 2022 and 2021, the Legacy Endowment Fund consisted of \$390,874 and \$476,654, respectively, in investments held by the Community Foundation. The endowment investments are presented as beneficial interest in investments held by the Community Foundation Serving Greeley and Weld County on the statement of financial position, as more fully described in Note 1.

Management of endowment funds in Colorado are governed by the Uniform Prudent Management of Institutional Funds Act (UPMIFA). United Way has interpreted UPMIFA as generally requiring the preservation of the fair value of the original gift as of the gift date of the donor gift instrument at the time the accumulation is added to the fund.

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

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

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 4. Endowment Funds and Investments (continued)**

Legacy Endowment Fund (continued)

United Way’s investment policy goal is to provide a reasonable, predictable, and sustainable amount of funds available for the uses intended by the original endowment. Given United Way’s commitment to support both current needs and to provide for future needs, United Way advocates to support both current needs and to provide for future distribution. The long-term investment focus is to meet needs for both distributions in the present and to provide growth in assets and income over time through investment of excess income and capital appreciation.

The following are the changes in the Legacy Endowment Fund net assets for the years ended June 30, 2022 and 2021:

	Board Designated	With Donor Restrictions	Total
Balance, June 30, 2020	\$ 77,676	\$ 320,816	\$ 398,492
Contributions	-	9,265	9,265
Investment income	95,862	-	95,862
Administrative fees	(8,019)	-	(8,019)
Distributions	(18,946)	-	(18,946)
Balance, June 30, 2021	146,573	330,081	476,654
Investment (loss)	(54,784)	-	(54,784)
Administrative fees	(8,377)	-	(8,377)
Distributions	(22,619)	-	(22,619)
Balance, June 30, 2022	<u>\$ 60,793</u>	<u>\$ 330,081</u>	<u>\$ 390,874</u>

The fair value of beneficial interest in investments held in the Legacy Endowment Fund as of June 30, 2022 and 2021 were determined using the following inputs of the fair value hierarchy:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Level 1	Level 2	Level 3
June 30, 2022	\$ 390,874	\$ -	\$ -	\$ 390,874
June 30, 2021	<u>\$ 476,654</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 476,654</u>

The fair value of Level 3 beneficial interest in investments held in the Legacy Endowment Fund is determined by assuming a hypothetical transaction at the measurement date, as there is currently no market in which beneficial interests are traded and no observable exit price exists for a beneficial interest. United Way has determined the fair value of the beneficial interest by using the fair value of the assets contributed to the fund, adjusted by the changes in fair value and distribution of the assets held in the fund, as reported to United Way by the Community Foundation.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 4. Endowment Funds and Investments (continued)**

Haefeli Endowment for Youth

In accordance with ASC 958-205-20, *Endowments and Board Designated Endowments*, the principal portion of the Haefeli Endowment for Youth is comprised of permanently restricted donor gifts and invested as a permanent endowment, which is to provide a permanent source of income. The investment earnings of the Haefeli Endowment for Youth are externally restricted for the Boys and Girls Club of Weld County. Therefore, the earnings are classified as net assets with restrictions.

At June 30, 2022 and 2021, the balance of the Haefeli Endowment for Youth was \$50,865 and \$31,015, respectively, and is presented as Haefeli Endowment on the statement of financial position.

The following are the changes in the Haefeli Endowment for Youth net assets for the year ended June 30, 2022 and 2021:

	With Donor Restrictions
Balance, June 30, 2020	\$ 25,162
Investment income	5,853
Balance, June 30, 2021	31,015
Contributions	25,000
Investment (loss)	(5,150)
Balance, June 30, 2022	\$ 50,865

The fair value of the Haefeli Endowment for Youth as of June 30, 2022 and 2021 was determined using Level 2 inputs of the fair value hierarchy.

Unrestricted Investments

Investments at June 30, 2022 are presented in the statements of financial position at fair value and composed of the following:

Investments	Fair Value Measurement at Reporting Date		Unrealized Gain (Loss)
	Fair Value	Cost	
Domestic corporate equities	\$ 910,152	\$ 397,706	\$ 512,446
Domestic mutual funds	888,036	1,010,534	(122,498)
International mutual funds	307,644	295,052	12,592
	\$ 2,105,832	\$ 1,703,292	\$ 402,540

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 4. Legacy Endowment Fund and Investments (continued)**

The fair value of investments as of June 30, 2022 and 2021 were determined using the following inputs of the fair value hierarchy:

Investments	Fair Value Measurement at Reporting Date		2022	2021
	Level 1	Level 2	Total	Total
Domestic corporate bonds	\$ -	\$ -	\$ -	\$ 761,870
Domestic corporate equities	910,152	-	910,152	1,035,878
Domestic mutual funds	-	307,644	307,644	262,193
International pooled equity funds	-	888,036	888,036	285,386
	<u>\$ 910,152</u>	<u>\$ 1,195,680</u>	<u>\$ 2,105,832</u>	<u>\$ 2,345,327</u>

The fair value of United Way's investments are determined using Level 1 and Level 2 inputs of the fair value hierarchy because they are comprised of corporate equities traded on an exchange, and open-end and closed-end equity mutual funds with readily determinable fair values based on daily redemption values and quoted market prices. The values of corporate bonds and certificates of deposit are estimated by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions. The fair value of these investments are determined using Level 2 inputs of the fair value hierarchy. United Way has determined that the bond pricing models utilized by the custodians provide reasonable estimations of the fair values of the securities. There were no unrestricted investments classified as Level 3 investments as of June 30, 2022 and 2021.

**Investment Income**

Earnings on investments and bank accounts, net of related fees, consist of the following:

	2022	2021
Investment (loss) on unrestricted funds	\$ (243,816)	\$ 348,208
Change in endowment and beneficial interest	(68,311)	93,696
Interest on bank accounts	1,376	1,770
Total investment income (loss)	<u>\$ (310,751)</u>	<u>\$ 443,674</u>

**Note 5. Community Awards**

Each year, the Board of Directors approves community funding, and allocates the individual awards to community agencies. From time to time, the approved individual awards are not fully paid out due to an agency closing or deny the additional funding.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 5. Community Awards (continued)**

The community awards accrued during the years ended June 30, 2022 and 2021 consisted of the following:

	2022	2021
Initiatives:		
Early childhood	\$ 78,500	\$ 72,419
Youth development	184,000	163,205
Household stability	207,500	192,575
Older adults and healthy aging	130,000	98,850
Total community awards	<u>\$ 600,000</u>	<u>\$ 527,049</u>

**Note 6. Net Assets**

At June 30, 2022 and 2021, the board designated and net assets with donor restrictions were as follows:

	2022	2021
Board Designated		
Legacy endowment	\$ 60,793	\$ 146,573
Operating reserve	1,869,720	2,320,135
Total board designated	<u>\$ 1,930,513</u>	<u>\$ 2,466,708</u>
Time and/or Purpose Restricted		
Child tax credit	\$ 481,805	\$ 227,413
Best Start for Babies	-	2,041
CAHPS	-	2,438
Diaper Bank	60,962	-
Community Health Workers	33,188	-
Navigation Center	11,309	61,843
Navigation Center Laundry	11,713	2,860
Weld Project Connect	-	9,259
Weld Recovers	56,591	56,141
Cold Weather Shelter	525,005	491,558
NoCo Continuum of Care	92,491	29,544
Haefeli Endowment Interest	865	6,015
COVID-19	22,455	24,997
Total time and/or purpose restricted	<u>\$ 1,296,384</u>	<u>\$ 914,109</u>
Perpetual in Nature Restricted – Endowments	<u>\$ 380,081</u>	<u>\$ 355,081</u>

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 7. Note Payable, Line of Credit and Subsequent Event**

United Way received funds from the Federal Paycheck Protection Program through the CARES Act in the amount of \$307,842. The Act provided initial funds as an unsecured loan agreement that bore interest of 1% per year. During the year ended June 30, 2021, United Way applied for loan forgiveness in accordance with the terms of the Paycheck Protection Program, which required the review and approval by the Small Business Administration and the financial institution. The fully forgiven loan is presented as Gain on Paycheck Protection Program loan on the statement of activities.

United Way opened a \$800,000 line of credit that is collateralized by investments. Advances made on the line of credit carry a variable interest rate of the Wall Street Journal U.S. Prime Rate less 0.50%. The line of credit matured on September 11, 2022, at which time all unpaid principal and interest were due. At June 30, 2022, there was no balance on the line of credit.

Subsequent to June 30, 2022, United Way entered into a new line of credit agreement for \$800,000 that is collateralized by investments. Advances made on the line of credit carry a variable interest rate of the Wall Street Journal U.S. Prime Rate less 0.50%. The agreement matures on November 15, 2023, at which time all unpaid principal and interest are due.

**Note 8. Retirement Plan**

United Way employees who are 21 years of age, have completed one year of service and meet other eligibility requirements are eligible to participate in a defined contribution retirement plan. Actual contribution percentages may change annually with Board action. At June 30, 2022 and 2021, United Way has accrued a liability in the amount of \$25,246 and \$58,640, respectively, for its contribution to the plan.

**Note 9. Lease, Reimbursement Agreements, and Subsequent Event**

United Way has a lease for a building which will operate as a year round navigation center and a temporary cold weather shelter as part of the Weld's Way Home initiative. The lease required monthly payments of \$5,173 through April 2021. Upon expiration of the lease, the agreement continued on a verbal month to month basis with the same terms. Rent expense related to this lease for the year ended June 30, 2022 was \$51,730.

United Way entered into a funding agreement with the City of Greeley to assist in monthly lease payments noted above. The agreement offers monthly lease reimbursements from January 2018 through April 2018 at \$5,173, monthly lease reimbursements from May 2018 through April 2019 at \$2,587, and monthly lease reimbursements from May 2019 through April 2021 at \$5,173. Accordingly, the lease reimbursements from the City of Greeley have been presented net of lease expenses in the statement of functional expenses.

During the year ended June 30, 2021, United Way entered into a new lease agreement for additional cold weather shelter facility space. The agreement requires six monthly payments of \$24,751 through April 2021. During the year ended June 30, 2021, United Way also secured additional funding to offset the cost of the additional lease expense. United Way did not renew the lease upon expiration.

During the year ended June 30, 2022, United Way entered into a verbal month-to-month agreement to lease a storage facility, which does not require United Way to pay rent. As such, United Way recognized an in-kind contribution of \$147,031 for the year ended June 30, 2022.

During the year ended June 30, 2022, United Way entered into a five year lease agreement for a year round navigation center. The lease requires a \$9,451 security deposit. Annual rent begins at \$86,250 and escalates 3% at the beginning of each year. United Way is also required to pay triple net expenses each month which is estimated to be \$2,263.



**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**Note 9. Lease, Reimbursement Agreements, and Subsequent Event (continued)**

The lease includes an option to purchase the premise with a 60 day written notice. United Way has not exercised its purchase option as of the date these financial statements were available to be issued. Subsequent to June 30, 2022, United Way amended the terms of the agreement to cover the cost of security surveillance on exterior cameras at the property, requiring a monthly rental fee of \$50 per camera. Rent expense for this lease was \$56,703 during the year ended June 30, 2022.

Future minimum commitments, excluding the subsequently amended lease, due subsequent to June 30, 2022 are as follows:

Fiscal year ended June 30,	Amount
2023	\$ 88,406
2024	91,058
2025	93,790
2026	96,604
2027	16,179
	\$ 386,037

**Note 10. Service Agreement**

United Way entered into a service agreement with Mile High United Way, Inc. to share delivery associated with the 2-1-1 Program and services provided for the community. Under the service agreement, the 2-1-1 Program information will continue to be updated by the local United Way for the Weld County area. Mile High United Way, Inc. will answer calls for the 2-1-1 Program, and assist callers using the information updated by the local United Way. The original service agreement was effective to June 30, 2020 and required quarterly payments from United Way to Mile High United Way of \$35,387. During the year ended June 30, 2021, United Way extended the services through June 30, 2023. The extended agreement requires annual fees ranging from \$146,435 to \$155,353 to be paid in quarterly installments. For the years ended June 30, 2022 and 2021, United Way recognized expense under this service agreement of \$150,828 and \$146,435, respectively.

United Way's obligations for this service contract are \$155,353 due during the year ending June 30, 2023. Subsequent to June 30, 2022, United Way entered into a new service agreement with Mile High United Way, Inc. which obligates United Way to annual fees ranging from \$192,047 to \$207,718, due in quarterly installments, for the years ending June 30, 2024, 2025 and 2026.

**Note 11. Grant Contingencies and Concentrations**

United Way receives financial assistance from various governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with term and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such an audit could become a liability of United Way. However, in the opinion of United Way, any such disallowed claims will not have a material effect on the financial statements or on the overall financial position of United Way at June 30, 2022.

A major grantor or vendor is defined as accounting for 10% or more of United Way's revenue or expenses, respectively. Due to the nature of United Way's operations, the major sources of revenue and expenses may change from year to year.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**Note 11. Grant Contingencies and Concentrations (continued)**

During the years ended June 30, 2022 and 2021, United Way had revenues with one major grantor in excess of 10% of total revenues. Approximately 48% and 13% of total revenue was received from the grantor during the years ended June 30, 2022 and 2021, respectively. At June 30, 2022 and 2021, 87% and 81% of total grants receivable was outstanding from the grantor. The current level of United Way's operations and program services may be impacted if the funding is not renewed.

United Way did not comply with the timely submission requirement of its June 30, 2022 audited financials and reporting package to the Federal Audit Clearinghouse. If the noncompliance with this requirement were to result in a reduction of funding from grantors, United Way's operations and program services may be adversely impacted. As of the date these financial statements were available to be issued, United Way was not aware of any reduction in funding due to the untimely submission of the financial statements.

**Note 12. In-Kind Contributions**

For the years ended June 30, 2022 and 2021, contributions of nonfinancial assets recognized within the statement of activities included the following:

	2022	2021
Other expenses	\$ 23,218	\$ 84,378
Equipment and maintenance	5,200	7,382
Conference and meetings	19,087	75,637
Supplies	17,811	186,180
Contract and professional fees	16,964	-
Rent	147,031	-
Advertising and printing	14,000	9,000
	<u>\$ 243,311</u>	<u>\$ 362,577</u>

**Note 13. Liquidity and Availability of Financial Assets**

United Way monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. United Way has the following financial assets that could readily be made available within one year of the statement of financial position date to fund expenses without limitations:

	2022	2021
Cash and cash equivalents	\$ 1,394,784	\$ 1,313,585
Pledges receivable, net	155,195	193,591
Grant receivables	1,169,828	1,008,671
Other receivables	15,510	38,845
	<u>\$ 2,735,317</u>	<u>\$ 2,554,692</u>

In addition to the liquid balances above, United Way also has a board designated endowment with available funds of \$60,793 and \$146,573 held by the Community Foundation, and additional funds of \$2,105,832 and \$2,345,327 in long term investments to satisfy up to six months of operating expenses that may be drawn from the investment portfolio if necessary for the years ending June 30, 2022 and 2021, respectively. These resources are invested for long-term appreciation and current income, but may be spent at the discretion of the Board. See Note 4 for further information about United Way's investments and endowment funds.

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 (With Comparative Totals for 2021)**

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**Note 13. Liquidity and Availability of Financial Assets**

In addition to financial assets available to meet general expenditures over the year, United Way operates with a balanced budget and uses and anticipates covering its general expenditures by collecting sufficient campaign pledges and other revenues, by utilizing donor-restricted resources from current and prior years gifts, and by appropriating the investment return on its board-designated endowment, as needed. The statement of cash flows identifies the sources and uses of United Way's cash, and shows net cash and cash equivalents provided by operations of \$125,415 and \$242,533 for fiscal years ending June 30, 2022 and 2021, respectively. As part of the liquidity management plans, the Organization expects cash and cash equivalents, short-term investments, and cash flows from operations to continue to be sufficient to fund ongoing operating activities.

**UNITED WAY OF WELD COUNTY, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2022**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Sub- recipients	Total Federal Expenditures
<b><u>U.S. Department of Housing and Urban Development</u></b>				
Passed through the Colorado Department of Local Affairs				
COVID-19 Emergency Solutions Grants Program	14.231	DOLA - ESG '20 - CoC	\$ 98,406	\$ 106,294
COVID-19 Emergency Solutions Grants Program	14.231	DOLA - ESG '20 - UWWC	-	80,472
COVID-19 Emergency Solutions Grants Program	14.231	DOLA - ESG CV1 - CoC	575,072	575,496
COVID-19 Emergency Solutions Grants Program	14.231	DOLA - ESG CV2 - CoC	596,173	617,194
COVID-19 Emergency Solutions Grants Program	14.231	DOLA - ESG CV2 - UWWC	-	94,635
COVID-19 Emergency Solutions Grants Program	14.231	DOLA - ESG CV2.2 - UWWC	-	127,935
COVID-19 Emergency Solutions Grants Program	14.231	DOLA - ESG CV2.3 CoC	95,000	95,000
COVID-19 Emergency Solutions Grants Program	14.231	DOLA ESG '21 NoCo CoC	12,000	12,000
COVID-19 Emergency Solutions Grants Program	14.231	DOLA ESG CV2 NoCO CoC	-	397,490
Passed through the City of Greeley				
COVID-19 Emergency Solutions Grants Program	14.231	CDBG-CV 21-22	-	31,389
			<u>1,376,651</u>	<u>2,137,905</u>
Passed through the City of Greeley				
Continuum of Care Program	14.267	None Listed	-	23,966
Indian Community Development Block Grant	14.862	None Listed	-	20,000
<b>Total U.S. Department of Housing and Urban Development</b>			<u>1,376,651</u>	<u>2,181,871</u>
<b><u>U.S. Department of Health and Human Services</u></b>				
Passed through the Weld County Department of Human Services				
Temporary Assistance for Needy Families	93.558	None Listed	-	89,925
Low Income Home Energy Assistance Program	93.568	None Listed	-	48,843
<b><u>Child Care and Development Fund Cluster</u></b>				
Passed through the Colorado Department of Human Services				
Child Care and Development Block Grant	93.575	None Listed	-	36,300
Child Care and Development Block Grant	93.575	None Listed	-	44,628
Child Care and Development Block Grant	93.575	None Listed	-	84,016
Child Care and Development Block Grant	93.575	None Listed	-	63,524
Child Care and Development Block Grant	93.575	None Listed	-	242,771
Child Care and Development Block Grant	93.575	None Listed	-	868,114
Child Care and Development Block Grant	93.575	None Listed	-	31,194
Child Care and Development Block Grant	93.575	None Listed	-	140,852
Child Care and Development Block Grant	93.575	None Listed	-	44,904
Child Care and Development Block Grant	93.575	None Listed	-	131,527
Passed through the Weld County Department of Human Services				
Child Care and Development Block Grant	93.575	None Listed	-	84,546
Subtotal Child Care and Development Cluster			-	1,772,376
<b>Total U.S. Department of Health and Human Services</b>			-	1,911,144
<b><u>Corporation for National and Community Service</u></b>				
Direct from Corporation For National and Community Service				
Volunteers in Service to America	94.013	None Listed	-	40,000
Volunteers in Service to America	94.013	None Listed	-	40,000
<b>Total Corporation for National and Community Service</b>			-	80,000
<b><u>U.S. Department of Homeland Security</u></b>				
Direct from U.S. Department of Homeland Security				
Emergency Food and Shelter National Board Program	97.024	None Listed	-	2,305
<b>Total Expenditures of Federal Awards</b>			<u>\$ 1,376,651</u>	<u>\$ 4,175,320</u>

**UNITED WAY OF WELD COUNTY, INC.**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**June 30, 2022**

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**General**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of United Way of Weld County, Inc. All federal financial assistance received by the reporting entity directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included on the schedule.

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards is presented using the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. As the schedule presents only a selected portion of the operations of United Way of Weld County, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of United Way of Weld County.

**Indirect Cost Rate Election**

United Way of Weld County, Inc. elected to utilize the 10% de minimis indirect cost rate during the year ended June 30, 2022.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors  
United Way of Weld County, Inc.  
Greeley, Colorado

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited United Way of Weld County, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each United Way of Weld County, Inc.'s major federal programs for the year ended June 30, 2022. United Way of Weld County, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, United Way of Weld County, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***Basis for Qualified Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the United Way of Weld County, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of United Way of Weld County, Inc.'s compliance with the compliance requirements referred to above.

***Matter Giving Rise to Qualified Opinion on All Major Programs***

As described in the accompanying schedule of findings and questioned costs, United Way of Weld County, Inc. did not comply with requirements for all major programs as described in finding number 2022-04 for the timely submission of audit, data collection form and reporting package to the Federal Audit Clearinghouse.

Compliance with the requirement is necessary, in our opinion, for United Way of Weld County, Inc. to comply with the requirements applicable to the major programs.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable United Way of Weld County, Inc.'s federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on United Way of Weld County, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance applicable United Way of Weld County, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding United Way of Weld County, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of United Way of Weld County, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of United Way of Weld County, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control over Compliance***

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

***Report on Internal Control over Compliance (continued)***

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script, appearing to read "RLR" with a small flourish at the end.

Evans, Colorado

October 19, 2023





**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
United Way of Weld County, Inc.  
Greeley, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of United Way of Weld County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 19, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered United Way of Weld County, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of United Way of Weld County, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of United Way of Weld County, Inc.'s internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2022-01, and 2022-02 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2022-03 to be a significant deficiency.

## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "RLR, LLP". The letters are fluid and connected, with a small "LLP" at the end.

Evans, Colorado

October 19, 2023

**UNITED WAY OF WELD COUNTY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**June 30, 2022**

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A. As required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the following is a summary of the results of our audit:

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified?  Yes  No
- Significant deficiencies identified?  Yes  None Reported

Noncompliance material to financial statements noted?  Yes  No

Federal Awards

Type of auditors' report issued on compliance for major programs: Modified

Internal control over major programs:

- Material weaknesses identified?  Yes  No
- Significant deficiencies identified?  Yes  None Reported

Any audit findings disclosed that are required to be reported in accordance with section 516(a) of the Uniform Guidance?  Yes  No

The following programs were tested as major programs:

<u>Federal Grantor/Program Name</u>	<u>CFDA Number</u>
U.S. Department of Housing and Urban Development	
Emergency Solutions Grant	14.231
Child Care and Development Block Grant (Child Care and Development Cluster)	93.575

- The threshold for distinguishing Types A and B programs was \$750,000.
- The auditee did not qualify as low-risk.

B. Findings – Financial Statement Audit

Current Year Audit Findings:

**2022-01: Audit Adjustments**

**Criteria:** An internal control structure should be designed to identify the adjusting journal entries that are significant to United Way's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

**Condition/Context:** Various audit adjustments were identified, proposed and recorded in order for the financial statements to be presented in accordance with U.S. GAAP. The audit adjustments identified were material, both individually and in the aggregate, to the financial statements as a whole.

**UNITED WAY OF WELD COUNTY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**June 30, 2022**

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**2022-01: Audit Adjustments (continued)**

**Cause:** It is our understanding United Way continued to experience significant turnover of key positions in the accounting department during the period under audit.

**Effect:** Various audit adjustments were identified and required to be recorded in order for the financial statements to be presented in accordance with U.S. GAAP.

**Recommendations:** We recommend United Way continually evaluate its internal controls to ensure that complete and accurate information is available in a timely manner to properly record transactions in accordance with U.S. GAAP.

**View of Responsible Official and Planned Corrective Action:** Management concurs with the finding, and has implemented procedures to ensure that all transactions are recorded in accordance with U.S. GAAP for future periods.

**Contact Person:** Melanie Woolman, President

**Anticipated Date of Completion:** December 31, 2023

**2022-02: Tracking of Federal and Non-Federal Award Expenditures and Inaccurate Preparation of the Schedule of Expenditures of Federal Awards**

**Criteria:** An internal control structure should be designed to accurately track federal award expenditures on the accrual basis and ensure accurate and timely preparation for the schedule of expenditures of federal awards.

**Condition/Context:** During our audit procedures we noted the schedule of expenditures of federal awards was not accurately prepared.

**Cause:** It is our understanding United Way continued to experience significant turnover of key positions in the accounting department during the period under audit.

**Effect:** The condition required significant assistance from us for the inclusion of all federal expenditures, including the accrual of federal award expenditures.

**Recommendations:** We recommend United Way implement procedures to accurately track all federal expenditures on a regular and timely basis.

**View of Responsible Official and Planned Corrective Action:** Management concurs with the finding, and has implemented procedures, including the hiring of an additional grants manager and contract accounting firm, to ensure that all federal expenditures are accurately tracked on a regular and timely basis for future periods.

**Contact Person:** Melanie Woolman, President

**Anticipated Date of Completion:** October 31, 2023

**2022-03: Segregation of Duties**

**Criteria:** The basic premise of a strong system of internal controls is that no one employee should have full user access to all aspects of the accounting system and related records.

**Condition/Context:** Although United Way has developed a system of internal controls that includes policies and procedures to address segregation of duties within the organization, the Vice President of Finance and Administration has full access to all aspects of the accounting system and related records.

**UNITED WAY OF WELD COUNTY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**June 30, 2022**

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**2022-03: Segregation of Duties (continued)**

**Cause:** The structure of United Way’s accounting department limits the ability to isolate certain individuals from applying proper segregation of duties relating to accounting records and software.

**Effect:** The effectiveness of United Way’s separation of duties is limited by the Vice President of Finance and Administration’s full access to the accounting system and related records.

**Recommendations:** We recommend United Way continue to evaluate potential procedures to implement for improved separation of duties in this area.

**View of Responsible Official and Planned Corrective Action:** Segregation of duties in a local nonprofit with limited resources is difficult, at best. The Board and Directors and Finance Committee monitor the financial activities of the organization because of the limitations of United Way’s staff size and ability to fully separate the accounting duties and access of the position. While aware of the significant deficiency, hiring additional staff to overcome the deficiency is not possible at this time. The Board of Directors will continue to monitor financial activities with this lack of segregation of duties in mind. We believe the increased oversight mitigates the risk arising from the lack of segregation of duties.

**Contact Person:** Melanie Woolman, President

**Anticipated Date of Completion:** Already Implemented.

C. Findings and Questions Costs – Major Federal Awards Programs Audit

Current Year Audit Findings:

**2022-04: Late Submission of Audit to the Federal Audit Clearinghouse**

**Criteria:** The Uniform Guidance requires the audit must be completed and the data collection form and reporting package must be submitted within the earlier of 30 calendars after receipt of the auditors’ report(s), or nine months after the end of the audit period.

**Condition/Context:** United Way’s June 30, 2022 audit, data collection form and reporting package were not submitted to the Federal Audit Clearinghouse within nine months after the end of the period under audit.

**Cause:** It is our understanding United Way continued to experience significant turnover of key positions in the accounting department during the period under audit.

**Effect:** The condition caused significant delays in the completion of the accounting records and did not allow for completion of the audit before the required date of submission.

**Recommendations:** We recommend United Way implement procedures to allow for timely completion and submission of the audit by the required submission date.

**View of Responsible Official and Planned Corrective Action:** Management concurs with the finding, and has implemented procedures, including the hiring of an additional grants manager, to ensure timely completion and submission of the audit by the required submission date.

**Contact Person:** Melanie Woolman, President

**Anticipated Date of Completion:** March 31, 2024

**UNITED WAY OF WELD COUNTY, INC.**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**June 30, 2022**

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The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year. The prior year audit period was July 1, 2020 through June 30, 2021.

**Prior Findings – Financial Statement Audit**

**2021-01: Improper Cash Reconciliations, Other Balances and Supporting Schedules**

**Condition/Context:** During our initial audit procedures, we noted cash balances were not properly reconciled. Upon the correction of the reconciliations, it was discovered that the prior year cash balances had become unreconciled through the process of correcting the current year reconciliations. In addition, we also identified several other asset and liability balances that did not have accurate supporting schedules.

**Status:** The corrective action was implemented and the finding was not repeated during the current year.

**2021-02: Audit Adjustments**

**Condition/Context:** Various audit adjustments were identified, proposed and recorded in order for the financial statements to be presented in accordance with accounting principles generally accepted in the United States of America.

**Status:** The finding was repeated during the current year. United Way has continued to experience significant turnover of key positions in its accounting department during the current year. United Way has contracted with an accounting firm to assist with the implementation of procedures to ensure that all transactions are recorded in accordance with U.S. GAAP for future periods.

**2021-03: Tracking of Federal Award Expenditures and Inaccurate Preparation of the Schedule of Expenditures of Federal Awards**

**Condition/Context:** During our audit procedures we noted the schedule of expenditures of federal awards was not accurately prepared.

**Status:** The finding was repeated during the current year. United Way has continued to experience significant turnover of key positions in its accounting department during the current year. United Way has hired an additional grants manager and contracted with an accounting firm to assist with the implementation of procedures to ensure all federal expenditures are accurately tracked on a regular and timely basis for future periods, and the schedule of expenditures of federal awards is accurately prepared.

**2021-04: Segregation of Duties**

**Condition/Context:** Although United Way has developed a system of internal controls that includes policies and procedures to address segregation of duties within the organization, the Vice President of Finance and Administration has full access to all aspects of the accounting system and related records.

**Status:** The finding was repeated during the current year. United Way has continued to experience significant turnover of key positions in its accounting department during the current year, and the hiring of additional staff has not been possible to overcome the deficiency. The Board of Directors will continue to monitor financial activities with this lack of segregation of duties in mind. We believe the increased oversight mitigates the risk arising from the lack of segregation of duties.

**HOMeward ALLIANCE, INC.**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**December 31, 2022**

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**Prior Findings – Major Federal Awards Programs Audit**

There were no findings or questioned costs identified in the prior year major federal awards programs audit.