



**UNITED WAY OF WELD COUNTY
AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

UNITED WAY OF WELD COUNTY

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Way of Weld County, which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of United Way of Weld County as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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's ability to continue as a going concern for one year after the date of the report.

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 GAAS 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 GAAS 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'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'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 audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2025 on our consideration of United Way of Weld County'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'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's internal control over financial reporting and compliance.

Pettit & Company, LLC

Indianapolis, Indiana
February 27, 2025

UNITED WAY OF WELD COUNTY
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2024 AND 2023

| | <u>2024</u> | <u>2023</u> |
|--|---------------------|---------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 1,355,647 | \$ 1,412,383 |
| Pledges receivable | 5,175 | 61,055 |
| Grants receivable | 743,059 | 869,183 |
| Other receivables | 8,913 | 17,779 |
| Prepaid expenses | 63,186 | 58,311 |
| Total current assets | 2,175,980 | 2,418,711 |
| Property and equipment | | |
| Buildings | 668,273 | 649,412 |
| Leasehold improvements | 334,454 | 334,454 |
| Furniture and fixtures | 182,771 | 182,771 |
| Total property and equipment | 1,185,498 | 1,166,637 |
| Accumulated depreciation | (576,938) | (466,774) |
| Net property and equipment | 608,560 | 699,863 |
| Other assets | | |
| Operating lease right-of-use asset | 218,584 | 299,901 |
| Investments | 2,110,443 | 1,838,452 |
| Haefeli endowment | 93,025 | 56,233 |
| Legacy endowment - beneficial interest in investments the Weld Community Foundation | 494,281 | 478,696 |
| Total other assets | 2,916,333 | 2,673,282 |
| Total assets | \$ 5,700,873 | \$ 5,791,856 |

UNITED WAY OF WELD COUNTY

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS OF JUNE 30, 2024 AND 2023**

LIABILITIES AND NET ASSETS

| | <u>2024</u> | <u>2023</u> |
|--|---------------------|---------------------|
| Current liabilities | | |
| Current portion of right-of-use operating lease liabilities | \$ 92,175 | \$ 92,175 |
| Accounts payable - operations | 159,520 | 299,238 |
| Accrued awards liability | 635,556 | 600,000 |
| Donor designations payable | 5,133 | 32,690 |
| Accrued compensated absences | 141,544 | 103,160 |
| Deferred revenue | 895,302 | 337,378 |
| Total current liabilities | 1,929,230 | 1,464,641 |
| Long-term liabilities | | |
| Right-of-use operating lease liabilities, net of current portion | 126,409 | 207,726 |
| Total long-term liabilities | 126,409 | 207,726 |
| Total liabilities | 2,055,639 | 1,672,367 |
| Net assets | | |
| Without donor restrictions | | |
| Undesignated | 44,818 | 706,394 |
| Board designated | 1,855,178 | 1,888,406 |
| With donor restrictions | | |
| Time and/or purpose restricted | 1,340,157 | 1,144,608 |
| Perpetual in nature | 405,081 | 380,081 |
| Total net assets | 3,645,234 | 4,119,489 |
| Total liabilities and net assets | \$ 5,700,873 | \$ 5,791,856 |

The accompanying notes are an integral part of these financial statements

UNITED WAY OF WELD COUNTY

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|--|---------------------------------------|------------------------------------|---------------------|
| Support and revenue | | | |
| Annual campaign proceeds | \$ 2,457,689 | \$ - | \$ 2,457,689 |
| Less | | | |
| Donor designations | (155,552) | - | (155,552) |
| Adjustment of provision for uncollectible pledges | <u>(55,778)</u> | <u>-</u> | <u>(55,778)</u> |
| Net campaign revenue | 2,246,359 | - | 2,246,359 |
| Grants and contracts | 1,742,106 | 2,868,403 | 4,610,509 |
| Investment income | 304,957 | 7,033 | 311,990 |
| In-kind contributions | 387,219 | - | 387,219 |
| Miscellaneous income | 105,544 | - | 105,544 |
| Net assets released from restrictions | | | |
| Satisfaction of program requirements | <u>2,654,887</u> | <u>(2,654,887)</u> | <u>-</u> |
| Total other revenue | <u>5,194,713</u> | <u>220,549</u> | <u>5,415,262</u> |
| Total support and revenue | <u>7,441,072</u> | <u>220,549</u> | <u>7,661,621</u> |
| Expenses | | | |
| Program services: | | | |
| Reading great by 8 | 3,000,753 | - | 3,000,753 |
| Aging well | - | - | - |
| Welds Way home | 2,482,174 | - | 2,482,174 |
| Connecting weld | 412,525 | - | 412,525 |
| Agency and community support | <u>803,004</u> | <u>-</u> | <u>803,004</u> |
| Total program expenses | <u>6,698,456</u> | <u>-</u> | <u>6,698,456</u> |
| Supporting services: | | | |
| Fundraising | 672,618 | - | 672,618 |
| General and administrative | <u>764,802</u> | <u>-</u> | <u>764,802</u> |
| Total supporting services | 1,437,420 | - | 1,437,420 |
| Total expenses | 8,135,876 | - | 8,135,876 |
| Change in net assets | <u>(694,804)</u> | <u>220,549</u> | <u>(474,255)</u> |
| Net assets - beginning of year | <u>2,594,800</u> | <u>1,524,689</u> | <u>4,119,489</u> |
| Net assets - end of year | <u>\$ 1,899,996</u> | <u>\$ 1,745,238</u> | <u>\$ 3,645,234</u> |

The accompanying notes are an integral part of these financial statements

UNITED WAY OF WELD COUNTY

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---------------------------------------|------------------------------------|---------------------|
| Support and revenue | | | |
| Annual campaign proceeds | \$ 2,844,758 | \$ - | \$ 2,844,758 |
| Less | | | |
| Donor designations | (166,126) | - | (166,126) |
| Adjustment of provision for uncollectible pledges | (99,832) | - | (99,832) |
| | 2,578,800 | - | 2,578,800 |
| Net campaign revenue | | | |
| Grants and contracts | 1,190,690 | 3,090,211 | 4,280,901 |
| Investment income | 242,746 | 16,229 | 258,975 |
| In-kind contributions | 436,578 | - | 436,578 |
| Miscellaneous income | 130,901 | - | 130,901 |
| Net assets released from restrictions | | | |
| Satisfaction of program requirements | 3,258,216 | (3,258,216) | - |
| Total other revenue | 5,259,131 | (151,776) | 5,107,355 |
| Total support and revenue | 7,837,931 | (151,776) | 7,686,155 |
| Expenses | | | |
| Program services: | | | |
| Reading great by 8 | 2,165,714 | - | 2,165,714 |
| Aging well | 55,390 | - | 55,390 |
| Welds Way home | 3,026,111 | - | 3,026,111 |
| Connecting weld | 478,763 | - | 478,763 |
| Agency and community support | 857,303 | - | 857,303 |
| | 6,583,281 | - | 6,583,281 |
| Total program expenses | | | |
| Supporting services: | | | |
| Fundraising | 598,264 | - | 598,264 |
| General and administrative | 449,696 | - | 449,696 |
| | 1,047,960 | - | 1,047,960 |
| Total supporting services | | | |
| Total expenses | 7,631,241 | - | 7,631,241 |
| Change in net assets | 206,690 | (151,776) | 54,914 |
| Net assets - beginning of year | 2,388,110 | 1,676,465 | 4,064,575 |
| Net assets - end of year | \$ 2,594,800 | \$ 1,524,689 | \$ 4,119,489 |

The accompanying notes are an integral part of these financial statements

UNITED WAY OF WELD COUNTY

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

| | <u>Reading Great by 8</u> | <u>Aging Well</u> | <u>Welds Way Home</u> | <u>Connecting Weld</u> | <u>Agency and Community Support</u> | <u>Total Program</u> |
|------------------------------------|-------------------------------|-----------------------|---------------------------|----------------------------|---|--------------------------|
| Awards | \$ 100,000 | \$ - | \$ 92,667 | \$ - | \$ 653,792 | \$ 846,459 |
| Salaries | 879,992 | - | 1,156,714 | 97,512 | 103,619 | 2,237,837 |
| Payroll taxes | 64,401 | - | 85,230 | 7,152 | 7,564 | 164,347 |
| Benefits | 75,911 | - | 101,756 | 8,317 | 8,776 | 194,760 |
| QIP/client supplies | 1,093,268 | - | 61,300 | 3,214 | 485 | 1,158,267 |
| Telephone | 11,126 | - | 20,969 | 1,186 | 1,237 | 34,518 |
| Postage | 3,473 | - | 1,774 | 218 | 166 | 5,631 |
| Advertising and printing | 102,871 | - | 28,706 | 52,921 | 3,028 | 187,526 |
| Conferences and meetings | 105,409 | - | 19,985 | 3,703 | 1,869 | 130,966 |
| Dues, fees and subscriptions | 29,417 | - | 27,859 | 4,143 | 8,145 | 69,564 |
| Insurance | 17,653 | - | 20,654 | 1,978 | 2,063 | 42,348 |
| Equipment and maintenance | 16,712 | - | 26,178 | 6,615 | 1,602 | 51,107 |
| Mileage | 7,376 | - | 778 | 1,127 | 79 | 9,360 |
| Building and occupancy | 21,400 | - | 47,151 | 2,800 | 2,645 | 73,996 |
| Contract and professional services | 252,780 | - | 422,500 | 203,965 | 6,757 | 886,002 |
| Rent | 147,031 | - | 107,575 | - | - | 254,606 |
| Other expenses | 3,970 | - | 138,327 | (56) | (59) | 142,182 |
| Shared costs | - | - | - | - | - | - |
| In-kind donations | 55,368 | - | 34,862 | 16,343 | 31 | 106,604 |
| Depreciation | 12,595 | - | 87,189 | 1,387 | 1,205 | 102,376 |
| Total expenses | \$ 3,000,753 | \$ - | \$ 2,482,174 | \$ 412,525 | \$ 803,004 | \$ 6,698,456 |

The accompanying notes are an integral part of these financial statements

UNITED WAY OF WELD COUNTY

**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

| <u>Management and General</u> | <u>Fund Raising</u> | <u>Total Support Services</u> | <u>Shared Expenses</u> | <u>Total</u> |
|-----------------------------------|-------------------------|---------------------------------------|----------------------------|---------------------|
| \$ - | \$ - | \$ - | \$ - | \$ 846,459 |
| 125,901 | 423,642 | 549,543 | - | 2,787,380 |
| 9,400 | 30,937 | 40,337 | - | 204,684 |
| 10,646 | 36,405 | 47,051 | - | 241,811 |
| 2,376 | 5,801 | 8,177 | - | 1,166,444 |
| 1,543 | 5,092 | 6,635 | - | 41,153 |
| 249 | 5,091 | 5,340 | - | 10,971 |
| 3,323 | 22,101 | 25,424 | - | 212,950 |
| 9,237 | 43,317 | 52,554 | - | 183,520 |
| 3,253 | 12,032 | 15,285 | - | 84,849 |
| 11,086 | 8,493 | 19,579 | - | 61,927 |
| 1,960 | 8,104 | 10,064 | - | 61,171 |
| 360 | 3,143 | 3,503 | - | 12,863 |
| 32,313 | 10,684 | 42,997 | - | 116,993 |
| 425,059 | 46,701 | 471,760 | - | 1,357,762 |
| - | - | - | - | 254,606 |
| (1,999) | (204) | (2,203) | - | 139,979 |
| - | - | - | - | - |
| 128,348 | 5,237 | 133,585 | - | 240,189 |
| 1,747 | 6,042 | 7,789 | - | 110,165 |
| <u>\$ 764,802</u> | <u>\$ 672,618</u> | <u>\$ 1,437,420</u> | <u>\$ -</u> | <u>\$ 8,135,876</u> |

The accompanying notes are an integral part of these financial statements

UNITED WAY OF WELD COUNTY

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023**

| | <u>Reading Great by 8</u> | <u>Aging Well</u> | <u>Welds Way Home</u> | <u>Connecting Weld</u> | <u>Agency and Community Support</u> | <u>Total Program</u> |
|------------------------------------|-------------------------------|-----------------------|---------------------------|----------------------------|---|--------------------------|
| Awards | \$ 100,000 | \$ - | \$ 504,566 | \$ - | \$ 662,000 | \$ 1,266,566 |
| Salaries | 496,874 | 23,751 | 861,878 | 116,098 | 91,295 | 1,589,896 |
| Payroll taxes | 39,710 | 1,607 | 74,319 | 9,438 | 7,430 | 132,504 |
| Employee benefits | 42,060 | 2,681 | 66,121 | 10,491 | 8,543 | 129,896 |
| Supplies | 27,158 | - | 64,676 | 15,545 | 912 | 108,291 |
| QIP/client supplies | 671,619 | - | 2,751 | - | 362 | 674,732 |
| Telephone | 2,771 | - | 10,677 | 50 | - | 13,498 |
| Postage | 2,206 | - | 234 | 71 | 8 | 2,519 |
| Advertising and printing | 11,751 | 7,897 | 13,298 | 45,708 | 1,451 | 80,105 |
| Conferences and meetings | 44,323 | 513 | 8,333 | 2,706 | 578 | 56,453 |
| Dues, fees and subscriptions | 1,192 | - | 531 | 765 | 20 | 2,508 |
| Insurance | - | - | - | 460 | - | 460 |
| Equipment and maintenance | 3,419 | - | 72,208 | 5,181 | 1,556 | 82,364 |
| Mileage | 3,353 | - | 1,816 | 595 | - | 5,764 |
| Building and occupancy | 22,680 | 849 | 43,441 | 5,149 | 3,929 | 76,048 |
| Contract and professional services | 269,894 | 1,019 | 621,875 | 180,039 | 26,494 | 1,099,321 |
| Rent | 147,031 | - | 124,366 | - | - | 271,397 |
| Other expenses | 2,147 | - | 204,365 | 17,405 | - | 223,917 |
| Shared costs | 265,700 | 16,608 | 303,928 | 64,718 | 51,178 | 702,132 |
| In-kind donations | - | - | - | 2,000 | - | 2,000 |
| Depreciation | 11,826 | 465 | 46,728 | 2,344 | 1,547 | 62,910 |
| Total expenses | <u>\$ 2,165,714</u> | <u>\$ 55,390</u> | <u>\$ 3,026,111</u> | <u>\$ 478,763</u> | <u>\$ 857,303</u> | <u>\$ 6,583,281</u> |

The accompanying notes are an integral part of these financial statements

UNITED WAY OF WELD COUNTY

**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

| <u>Management and General</u> | <u>Fund Raising</u> | <u>Total Support Services</u> | <u>Shared Expenses</u> | <u>Total</u> |
|-----------------------------------|-------------------------|---------------------------------------|----------------------------|---------------------|
| \$ - | \$ - | \$ - | \$ - | \$ 1,266,566 |
| 29,366 | 264,037 | 293,403 | 339,670 | 1,883,299 |
| 6,144 | 21,111 | 27,255 | 9,280 | 159,759 |
| 6,709 | 22,609 | 29,318 | 21,640 | 159,214 |
| 1,383 | 2,694 | 4,077 | 13,789 | 112,368 |
| - | 1,886 | 1,886 | - | 676,618 |
| 464 | - | 464 | 33,017 | 13,962 |
| 72 | 3,924 | 3,996 | 2,226 | 6,515 |
| 257 | 51,156 | 51,413 | 77,164 | 131,518 |
| 1,670 | 63,813 | 65,483 | 23,581 | 121,936 |
| 740 | 843 | 1,583 | 63,595 | 4,091 |
| 788 | - | 788 | 34,556 | 1,248 |
| (8,462) | 1,046 | (7,416) | 38,935 | 74,948 |
| - | 293 | 293 | 295 | 6,057 |
| 21,803 | 11,170 | 32,973 | 4,785 | 109,021 |
| 58,593 | 13,347 | 71,940 | 202,220 | 1,171,261 |
| - | - | - | - | 271,397 |
| 15,795 | - | 15,795 | 326 | 239,712 |
| 25,996 | 134,450 | 160,446 | (865,079) | 862,578 |
| 287,547 | - | 287,547 | - | 289,547 |
| 831 | 5,885 | 6,716 | - | 69,626 |
| <u>\$ 449,696</u> | <u>\$ 598,264</u> | <u>\$ 1,047,960</u> | <u>\$ -</u> | <u>\$ 7,631,241</u> |

The accompanying notes are an integral part of these financial statements

UNITED WAY OF WELD COUNTY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

| | <u>2024</u> | <u>2023</u> |
|--|---------------------|---------------------|
| Cash flows from operating activities | | |
| Change in net assets | \$ (474,255) | \$ 54,914 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | | |
| Adjustment for provision of uncollectable pledges | 55,778 | 99,832 |
| Depreciation | 110,165 | 69,626 |
| Investment income | (311,990) | (252,909) |
| (Increase) decrease in assets | | |
| Pledges receivable | 12,723 | 22,872 |
| Grants receivable | 126,124 | 300,645 |
| Other receivables | 8,866 | (2,269) |
| Prepaid expenses | (4,875) | 9,673 |
| Increase (decrease) in liabilities | | |
| Accounts payable - operations | (139,718) | (336,149) |
| Donor designations payable | (27,557) | (93,519) |
| Accrued compensated absences | 38,384 | (17,761) |
| Deferred revenue | 557,924 | 86,117 |
| Net cash provided by (used in) operating activities | <u>(12,875)</u> | <u>(58,928)</u> |
| Cash from investing activities | | |
| Transfer to Legacy endowment | (25,000) | (64,250) |
| Proceeds from sale of investments | - | 462,220 |
| Purchase of property and equipment | (18,861) | (321,341) |
| Net cash provided by (used in) investing activities | <u>(43,861)</u> | <u>76,629</u> |
| Net increase (decrease) in cash and cash equivalents | (56,736) | 17,701 |
| Cash and cash equivalents, beginning of year | <u>1,412,383</u> | <u>1,394,682</u> |
| Cash and cash equivalents, end of year | <u>\$ 1,355,647</u> | <u>\$ 1,412,383</u> |

Supplemental Schedule of Cash Flow Information

| | | |
|---------------|-------------|-------------|
| Interest paid | <u>\$ -</u> | <u>\$ -</u> |
|---------------|-------------|-------------|

UNITED WAY OF WELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

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, government grants and is governed by a local volunteer Board of Directors consisting of business professionals and community leaders.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting.

Basis of Presentation

These financial statements have been prepared to focus on the entity as a whole and to present transactions according to the existence or absence of donor-imposed restrictions in conformity with accounting principles generally accepted in the United States of America. This has been done by classification of fund transactions and balances into two categories of net assets:

Net assets without donor restrictions: These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net assets with donor restrictions: These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

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.

UNITED WAY OF WELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment

Fixed assets are stated at cost. United Way follows the policy of providing depreciation on the straight-line method for financial reporting purposes over the estimated useful lives of the related assets. Fixed assets with an item cost of \$5,000 or more and a useful life of one year or more are capitalized when acquired. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For assets held and used, an impairment is recognized if circumstances indicate that the carrying amount may not be recoverable. For assets held and used, an impairment charge is recognized if projected undiscounted cash flows are not adequate to cover the carrying value of the assets. For assets held for disposal, an impairment charge is recognized if the carrying value of the assets exceeds the fair value less costs to sell. No impairment losses were recognized during the years ended June 30, 2024 and 2023.

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 Weld Community Foundation on United Way's statement of financial position.

UNITED WAY OF WELD COUNTY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Investments and Beneficial Interest in Investments (Continued)

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, 2024 and 2023. United Way considers certificates of deposit with original maturities of more than three months to be investments.

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.

UNITED WAY OF WELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

Effective July 1, 2022, the United Way adopted the provisions of ASC Topic 842, Leases. The standard requires lessees to recognize most leases on their statement of financial position as a right-of-use ("ROU") asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis; however, the effect of using the discounted basis is not material to the financial statements for the year ended June 30, 2024. Topic 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the standard retains a distinction between finance leases (similar to capital leases in Topic 840, Leases) and operating leases, with classification affecting the pattern of expense recognition in the income statement. United Way adopted Topic 842, Leases, on July 1, 2022, using the optional transition method as provided by Accounting Standards Update ("ASU") No. 2018-11, which eliminates the requirement to restate the prior-period financial statements. Under this transition provision, the United Way has applied Topic 842 to reporting periods beginning on July 1, 2022, while prior periods continue to be reported and disclosed in accordance with the United Way's historical accounting treatment under ASC Topic 840, Leases.

United Way elected the "package of practical expedients" under the transition guidance within Topic 842, in which the United Way does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases, or (3) the initial direct costs for any existing leases. The United Way has not elected to adopt the "hindsight" practical expedient, and therefore will measure the ROU asset and lease liability using the remaining portion of the lease term upon adoption of ASC 842 on July 1, 2022.

The United Way determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the United Way obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The United Way also considers whether its service arrangements include the right to control the use of an asset.

The United Way made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease, or July 1, 2022, for existing leases upon the adoption of Topic 842. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. Absent an implicit rate to determine the present value of lease payments, the United Way made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date, or remaining term for leases existing upon the adoption of Topic 842, or uses an incremental borrowing rate.

UNITED WAY OF WELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The United Way has made an accounting policy election to account for lease and non-lease components in its contracts as a single lease component for its real estate asset class. The non-lease components typically represent additional services transferred to the Organization, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Adoption of Topic 842 resulted in the recording of additional ROU assets and lease liabilities related to the United Way's operating leases of approximately \$416,178 and \$416,178, respectively, at July 1, 2022. The adoption of the new lease standard did not materially impact net earnings or cash flows and did not result in a cumulative-effect adjustment to the opening balance of net assets.

In-Kind Contributed Gifts

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.

In-kind contributions consist of donated rent, advertising, laptops and IT maintenance, bus passes, products for events, and other expenses. 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 \$387,219 and \$436,578 of in-kind contributions during the years ending June 30, 2024 and 2023, respectively.

In-Kind Contributed Services

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF 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, 2024 and 2023 was \$895,302 and \$337,378, respectively.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs expensed for the years ended June 30, 2024 and 2023 were \$150,621 and \$119,844, respectfully.

Tax Status

United Way has received a determination from the U.S. Treasury Department stating that it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization. Accordingly, no accounting for federal or state income taxes is required in the accompanying financial statements.

United Way recognizes a tax benefit only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax benefit will be recorded. United Way of Weld County has examined this issue and has determined there are no material contingent tax liabilities at June 30, 2024 and 2023.

United Way files the required federal and state information returns. Whenever tax returns are filed, the filing organization must evaluate the merits of its tax positions and determine if they will be ultimately sustained. Those tax positions for the organization include maintaining their tax-exempt status and the taxability of any unrelated business income. United Way believes these positions are sustainable. Although the United Way has not incurred any interest and penalties associated with these positions, it is their policy to expense them in the statement of activities. With few exceptions, the United Way is generally no longer subject to examination by taxing authorities for years before June 30, 2021.

UNITED WAY OF WELD COUNTY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional 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.

Management’s Review of Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to June 30, 2024, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended June 30, 2024. Management has performed their analysis of subsequent events through February 27, 2025, the date the financial statements were available to be issued.

NOTE 2 – 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:

| | <u>2024</u> | <u>2023</u> |
|--|------------------|------------------|
| Cash and cash equivalents | \$ 1,355,647 | \$ 1,412,383 |
| Pledges receivable, net | 5,175 | 61,055 |
| Grants receivable | 743,059 | 869,183 |
| Other receivables | 8,913 | 17,779 |
| Investments | 2,110,443 | 1,838,452 |
| Haefeli endowment | 93,025 | 56,233 |
| Legacy endowment - beneficial interest in investments the Weld Community Foundation | <u>494,281</u> | <u>478,696</u> |
| Total financial assets | <u>4,819,741</u> | <u>4,737,654</u> |

UNITED WAY OF WELD COUNTY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

NOTE 2 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)

| | <u>2024</u> | <u>2023</u> |
|--|---------------------|---------------------|
| Less amounts not available to be used within one year: | | |
| Board designated restrictions | (1,855,878) | (1,888,406) |
| Investments held for donor restricted endowment | (405,081) | (380,081) |
| Donor imposed restrictions | <u>(1,202,465)</u> | <u>(1,144,608)</u> |
| Total financial assets without donor restrictions | <u>\$ 1,356,317</u> | <u>\$ 1,324,559</u> |

NOTE 3 – ANNUAL CAMPAIGN PLEDGES AND REVENUE CONCENTRATION

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

| | Pledges Receivable Outstanding | June 30, 2024 Allowance for Uncollectible Pledges | Net Pledges Receivable |
|-----------|--------------------------------------|--|------------------------------|
| Campaign | | | |
| 2023-2024 | \$ 224,038 | \$ (218,870) | \$ 5,168 |
| 2022-2023 | <u>32,703</u> | <u>(32,696)</u> | <u>7</u> |
| | <u>\$ 256,741</u> | <u>\$ (251,566)</u> | <u>\$ 5,175</u> |

Contributions from one donor represented 17% and 15% of the contributions received during the years ended June 30, 2024 and 2023, respectively.

| | Pledges Receivable Outstanding | June 30, 2023 Allowance for Uncollectible Pledges | Net Pledges Receivable |
|-----------|--------------------------------------|--|------------------------------|
| Campaign | | | |
| 2023-2024 | \$ 925 | \$ - | \$ 925 |
| 2022-2023 | <u>251,380</u> | <u>(191,250)</u> | <u>60,130</u> |
| | <u>\$ 252,305</u> | <u>\$ (191,250)</u> | <u>\$ 61,055</u> |

UNITED WAY OF WELD COUNTY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

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 Weld Community Foundation, until future distributions are necessary.

At June 30, 2024 and 2023, the Legacy Endowment Fund consisted of \$494,281 and \$478,696, respectively, in investments held by the Weld 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'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.

UNITED WAY OF WELD COUNTY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

NOTE 4 - ENDOWMENT FUNDS AND INVESTMENTS (CONTINUED)

The following are the changes in the Legacy Endowment Fund net assets for the years ended June 30, 2024 and 2023:

| | <u>Board Designated</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|-----------------------------|--|-------------------|
| Balance, June 30, 2022 | \$ 60,793 | \$ 330,081 | \$ 390,874 |
| Contributions | 64,250 | - | 64,250 |
| Investment income, net of fees of \$7,289 | 1,186 | - | 1,186 |
| Unrealized gain | <u>22,386</u> | <u>-</u> | <u>22,386</u> |
| Balance, June 30, 2023 | 148,615 | 330,081 | 478,696 |
| Withdrawals | (22,183) | - | (22,183) |
| Investment income, net of fees of \$7,623 | 3,558 | - | 3,558 |
| Unrealized gain | <u>34,210</u> | <u>-</u> | <u>34,210</u> |
| Balance, June 30, 2024 | <u>\$ 164,200</u> | <u>\$ 330,081</u> | <u>\$ 494,281</u> |

The fair value of beneficial interest in investments held in the Legacy Endowment Fund as of June 30, 2024 and 2023 were determined using the following inputs of the fair value hierarchy:

| | <u>Fair Value</u> | <u>June 30, 2024</u> | | |
|-----------------------|-------------------|----------------------|----------------|-------------------|
| | | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| Legacy Endowment Fund | <u>\$ 494,281</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 494,281</u> |

| | <u>Fair Value</u> | <u>June 30, 2023</u> | | |
|-----------------------|-------------------|----------------------|----------------|-------------------|
| | | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| Legacy Endowment Fund | <u>\$ 478,696</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 478,696</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.

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 donor restrictions.

UNITED WAY OF WELD COUNTY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

NOTE 4 - ENDOWMENT FUNDS AND INVESTMENTS (CONTINUED)

Haefeli Endowment for Youth (Continued)

At June 30, 2024 and 2023, the balance of the Haefeli Endowment for Youth was \$93,025 and \$56,233, 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 years ended June 30, 2024 and 2023:

| | |
|------------------------|-------------------------|
| Balance, June 30, 2022 | \$ 50,864 |
| Investment income | 2,537 |
| Unrealized gain | <u>2,832</u> |
| Balance, June 30, 2023 | 56,233 |
| Contributions | 29,759 |
| Investment income | 2,810 |
| Unrealized gain | <u>4,223</u> |
| Balance, June 30, 2024 | <u><u>\$ 93,025</u></u> |

The fair value of the Haefeli Endowment for Youth as of June 30, 2024 and 2023 was determined using Level 2 inputs of the fair value hierarchy.

Unrestricted Investments

Investments at June 30, 2024 and 2023 are presented in the statements of financial position at fair value and composed of the following:

| | |
|--|----------------------------|
| Balance, June 30, 2022 | \$ 2,105,933 |
| Distributions | (491,449) |
| Investment income, net of fees of \$13,256 | 31,999 |
| Unrealized gain | <u>191,969</u> |
| Balance, June 30, 2023 | 1,838,452 |
| Distributions | - |
| Investment income, net of fees of \$14,498 | 32,627 |
| Unrealized gain | <u>224,797</u> |
| Balance, June 30, 2024 | <u><u>\$ 2,110,443</u></u> |

The fair value of investments as of June 30, 2024 and 2023 were determined using the following inputs of the fair value hierarchy

| <u>Investments</u> | <u>Fair Value</u> | <u>June 30, 2024</u> | | |
|-----------------------------|----------------------------|--------------------------|----------------------------|--------------------|
| | | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| Domestic corporate equities | \$ 928,799 | \$ 928,799 | \$ - | \$ - |
| Domestic mutual funds | 974,226 | - | 974,226 | - |
| Exchange traded products | 55,164 | - | 55,164 | - |
| Alternative investments | <u>152,254</u> | <u>-</u> | <u>152,254</u> | <u>-</u> |
| | <u><u>\$ 2,110,443</u></u> | <u><u>\$ 928,799</u></u> | <u><u>\$ 1,181,644</u></u> | <u><u>\$ -</u></u> |

UNITED WAY OF WELD COUNTY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

NOTE 4 - ENDOWMENT FUNDS AND INVESTMENTS (CONTINUED)

| <u>Investments</u> | <u>Fair Value</u> | <u>June 30, 2023</u> | | |
|-----------------------------|---------------------|----------------------|-------------------|----------------|
| | | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| Domestic corporate equities | \$ 861,156 | \$ 861,156 | \$ - | \$ - |
| Domestic mutual funds | 823,990 | - | 823,990 | - |
| Alternative investments | <u>153,306</u> | <u>-</u> | <u>153,306</u> | <u>-</u> |
| | <u>\$ 1,838,452</u> | <u>\$ 861,156</u> | <u>\$ 977,196</u> | <u>\$ -</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, 2024 and 2023.

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.

The community awards accrued during the years ended June 30, 2024 and 2023 consisted of the following:

| | <u>2024</u> | <u>2023</u> |
|--------------------------------|-------------------|-------------------|
| Initiatives: | | |
| Early childhood | \$ 78,500 | \$ 78,500 |
| Youth development | 184,000 | 184,000 |
| Household stability | 207,500 | 207,500 |
| Older adults and healthy aging | 130,000 | 130,000 |
| Other awards | <u>35,556</u> | <u>-</u> |
| | <u>\$ 635,556</u> | <u>\$ 600,000</u> |

NOTE 6 – LINE OF CREDIT

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, 2025, at which time all unpaid principal and interest are due. As of June 30, 2024 and 2023, there was no balance on the line of credit.

UNITED WAY OF WELD COUNTY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

NOTE 7 – 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, 2024 and 2023, United Way has accrued a liability in the amount of \$30,200 and \$26,354, respectively, for its contribution to the plan.

NOTE 8 – LEASE AND REIMBURSEMENT AGREEMENTS

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 years ended June 30, 2024 and 2023.

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. 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. Rent expense for this lease was \$87,544 during the year ended June 30, 2024. The lease assets and liabilities were calculated utilizing the risk-free discount rate, according to the Organization's elected policy.

The total right-of-use assets and liabilities at June 30, 2024 and 2023 are classified as follows in the statement of financial position:

| | <u>2024</u> | <u>2023</u> |
|-------------------------------------|-------------------|-------------------|
| Lease assets - | | |
| Operating lease right-of-use assets | <u>\$ 218,584</u> | <u>\$ 299,901</u> |
| Lease liabilities - | | |
| Operating lease liabilities | <u>\$ 218,584</u> | <u>\$ 299,901</u> |

Total lease costs for the years ended June 30, 2024 and 2023 are as follows:

| | | |
|-----------------------|-----------|-----------|
| Operating lease costs | \$ 92,175 | \$ 92,175 |
|-----------------------|-----------|-----------|

The following summarizes the weighted-average discount rate as of June 30, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> |
|---------------------------------------|-------------|-------------|
| Weighted Average Remaining Lease Term | 2.5 Years | 3.5 Years |
| Weighted Average Discount Rate | 4.13% | 4.13% |

UNITED WAY OF WELD COUNTY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

NOTE 8 – LEASE AND REIMBURSEMENT AGREEMENTS (CONTINUED)

The following summarizes the remaining lease terms:

| | |
|-------------------------|-------------------|
| 2025 | \$ 92,175 |
| 2026 | 92,175 |
| 2027 | <u>46,088</u> |
| Total lease | 230,438 |
| Less imputed interest | <u>(11,854)</u> |
| Total lease obligations | <u>\$ 218,584</u> |

NOTE 9 – 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. During the year ended June 30, 2024, United Way extended the services through June 30, 2026. The extended agreement requires annual fees ranging from \$192,047 to \$207,718 to be paid in quarterly installments. For the years ended June 30, 2024 and 2023, United Way recognized expense under this service agreement of \$192,047 and \$155,353, respectively.

NOTE 10 - 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, 2024 and 2023.

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.

During the years ended in 2024 and 2023, United Way received revenue from two major grantors, each contributing over 10% of the total revenue. Approximately 50% of total revenue for the year ended in 2023 came from one specific grantor. If funding is not renewed, the current level of operations and program services at United Way may be adversely affected.

UNITED WAY OF WELD COUNTY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

NOTE 11 – IN-KIND CONTRIBUTIONS

For the year ended June 30, 2024, contributions of nonfinancial assets recognized within the statement of activities included the following:

| | <u>2024</u> | <u>2023</u> |
|----------------------------|-------------------|-------------------|
| Rent | \$ 147,031 | \$ 147,031 |
| Laptops and IT maintenance | 40,800 | 52,000 |
| Advertising | 69,680 | 99,080 |
| Bus passes | - | 68,400 |
| Products for events | 89,728 | 37,951 |
| Other expenses | <u>39,980</u> | <u>32,116</u> |
| | <u>\$ 387,219</u> | <u>\$ 436,578</u> |

NOTE 12 – NET ASSETS WITHOUT DONOR RESTRICTIONS WITH BOARD DESIGNATIONS

Net assets with board designation at June 30, 2024 and 2023 consist of the following:

| | <u>2024</u> | <u>2023</u> |
|-------------------|---------------------|---------------------|
| Legacy endowment | \$ 22,183 | \$ 55,411 |
| Operating reserve | <u>1,832,995</u> | <u>1,832,995</u> |
| | <u>\$ 1,855,178</u> | <u>\$ 1,888,406</u> |

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, 2024 and 2023 are available for the following purposes:

| | <u>2024</u> | <u>2023</u> |
|-----------------------------------|---------------------|---------------------|
| Purpose or time restricted: | | |
| Child tax credit | \$ 581,034 | \$ 549,288 |
| Diaper bank | 205,844 | 121,245 |
| Community health workers | 33,040 | 33,041 |
| Navigation center | - | 50,555 |
| Navigation center laundry | 11,712 | 19,300 |
| Disaster response | 56,856 | 56,701 |
| Cold weather shelter | - | 24,739 |
| Weideman trust – cws | 82,730 | 82,731 |
| Noco continuum of care | 333,219 | 178,320 |
| Haefeli endowment invest activity | 13,267 | 6,233 |
| COVID-19 | 22,455 | 22,455 |
| Perpetual in nature: | | |
| Endowments | <u>405,081</u> | <u>380,081</u> |
| | <u>\$ 1,745,238</u> | <u>\$ 1,524,689</u> |

UNITED WAY OF WELD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

| Federal Grantor / Pass-Through Grantor / Program or Cluster Title | Federal Assistance Listing Number | Pass-Through Entity Identifying Number | Ref | Fund # | Passed Through to Sub-recipients | Total Federal Expenditures |
|--|-----------------------------------|--|-----|--------|----------------------------------|----------------------------|
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | | | |
| Continuum of Care Program (Planning Grant) | 14.267 | CO0183L8T052100 | | 8841 | | \$ 36,043.00 |
| Continuum of Care Program (Coordinated Entry) | 14.267 | CO0185D8T052100 | | 8881 | \$ 28,677.00 | \$ 77,222.00 |
| Continuum of Care Program (Coordinated Entry) | 14.267 | CO0185D8T052201 | | 8882 | \$ 35,556.00 | \$ 80,256.00 |
| Total Direct from U.S. Department of Housing and Urban Development | | | | | | \$ 193,521.00 |
| Passed through the State of Colorado Department of Local Affairs | | | | | | |
| COVID-19 Emergency Solutions Grants Program (DOLA - ESG CV2.2 - UWWC) | 14.231 | H1ESG91266, CMS#198722 | | 8513 | | \$ 1,973.00 |
| COVID-19 Emergency Solutions Grants Program (DOLA ESG CV2.3 UWWC) | 14.231 | H1ESG91221, CMS#173580 | | 8553 | | \$ 620.00 |
| COVID-19 Emergency Solutions Grants Program (DOLA - ESG CV2 - CoC) | 14.231 | H1ESG91221, CMS# 166404 | | 8902 | \$ 12,728.00 | \$ 12,728.00 |
| COVID-19 Emergency Solutions Grants Program (DOLA - ESG CV2.3 CoC) | 14.231 | H1ESG91221, CMS# 173580 | | 8904 | \$ 10,424.00 | \$ 39,499.00 |
| COVID-19 Emergency Solutions Grants Program (DOLA - CDBG CV '22) | 14.228 | H3CDB33162, CMS# 181203 | | 8414 | | \$ 135,000.00 |
| Total Passed Through the State Colorado Department of Local Affairs | | | | | | \$ 189,820.00 |
| Passed through the City of Greeley: | | | | | | |
| Community Development Block Grants Program (City of Greeley CDBG-CV 21-22) | 14.218 | Not Provided | | 8212 | | \$ 44,534.00 |
| Community Development Block Grants Program (City of Greeley CDBG-CV 21-22) | 14.218 | Not Provided | | 8214 | | \$ 20,110.00 |
| Total Passed through the City of Greeley: | | | | | | \$ 64,644.00 |
| Passed through the Greeley Urban Renewal Authority | | | | | | |
| Community Development Block Grants Program (GURA CDBG) | 14.218 | Not Provided | | 8934 | | \$ 132,000.00 |
| TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | | | \$ 579,985.00 |
| U.S. DEPARTMENT OF TREASURY | | | | | | |
| Passed through the State of Colorado Department of Local Affairs | | | | | | |
| American Rescue Plan Program SLFRP (CDOLA THR Phase I) | 21.027 | H4HRG23173, CMS# 185357 | | 8514 | | \$ 303,438.00 |
| American Rescue Plan Program SLFRP (CDOLA THR Phase II) | 21.027 | H4HRGP23179, CMS# 186578 | | 8515 | | \$ 18,659.00 |
| Total Passed through the State of Colorado Department of Local Affairs | | | | | | \$ 322,097.00 |
| Passed through the State of Colorado, Colorado Department of Early Childhood | | | | | | |
| Coronavirus State and Local Fiscal Recovery Funds Program (CDEC Emerging and Expanding Base) | 21.027 | 23 QAAA 178800 GAE QAAA | | 8434 | | \$ 5,684.00 |
| Coronavirus State and Local Fiscal Recovery Funds Program (CDEC Emerging and Expanding GAE) | 21.027 | 2023000000002675 | | 8444 | | \$ 498,739.00 |
| Total Passed through the State of Colorado, Colorado Department of Early Childhood | | | | | | \$ 504,423.00 |
| Passed through City of Ft. Collins | | | | | | |
| Coronavirus State and Local Fiscal Recovery Funds Program (ARPA) | 21.027 | Not Provided | | 8474 | | \$ 1,016.00 |
| Coronavirus State and Local Fiscal Recovery Funds Program (ARPA) | 21.027 | Not Provided | | 8194 | | \$ 10,876.00 |
| Total Passed through the City of Ft. Collins | | | | | | \$ 11,892.00 |
| Passed through City of Greeley | | | | | | |
| Coronavirus State and Local Fiscal Recovery Funds Program (ARPA) | 21.027 | Not Provided | | 8935 | | \$ 8,416.00 |
| Coronavirus State and Local Fiscal Recovery Funds Program (ARPA) | 21.027 | Not Provided | | 9410 | | \$ 258,033.00 |
| Total Passed through the City of Greeley | | | | | | \$ 266,449.00 |
| Passed through Larimer County | | | | | | |
| Emergency Rental Assistance Program II | 21.023 | Not Provided | | 9103 | | \$ 3,750.00 |
| TOTAL U.S. DEPARTMENT OF THE TREASURY | | | | | | \$ 1,108,611.00 |

UNITED WAY OF WELD COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Passed through the Colorado Department of Human Services

| | | | | | |
|---|--------|-------------------------|------|----|-------------------|
| | | 21 IHIA 159854, 24 QAAA | | | |
| Child Care and Development Block Grant (CDHS Systems Building 23-24) | 93.575 | 182965 | 8344 | \$ | 156,445.00 |
| | | 21 IHIA 159854, 24 QAAA | | | |
| Child Care and Development Block Grant (CDHS Colorado Shines CSQI 23-24) | 93.575 | 182965 | 8354 | \$ | 28,775.00 |
| | | 21 IHIA 159854, 24 QAAA | | | |
| Child Care and Development Block Grant (CDHS Colorado Shines GAE CSQI 23-24) | 93.575 | 182965 | 8364 | \$ | 191,505.00 |
| | | 21 IHIA 159854, 24 QAAA | | | |
| Child Care and Development Block Grant (CDHS CCR&R 23-24) | 93.575 | 182965 | 8224 | \$ | 93,283.00 |
| | | 21 IHIA 159854, 24 QAAA | | | |
| Child Care and Development Block Grant (CDHS FCCH 23-24) | 93.575 | 182965 | 8454 | \$ | 122,917.00 |
| | | 23 QAAA 178550; 24QAAA | | | |
| Child Care and Development Block Grant (CDEC UPK Local Coordinating Organization) | 93.575 | 182339 | 8534 | \$ | 189,396.00 |
| | | 21 IHIA 159854, 24 QAAA | | | |
| Child Care and Development Block Grant (CDEC EQIT 23-24) | 93.575 | 182965 | 8374 | \$ | 40,659.00 |
| | | PO, QAAA, 202400004797 | | | |
| Child Care and Development Block Grant (CDEC Language Support 23-24) | 93.575 | | 8264 | \$ | 42,105.00 |
| Preschool Development Grant | 93.434 | Not Provided | 8294 | \$ | 4,417.00 |
| Total passed through Colorado Department of Human Services | | | | \$ | <u>869,502.00</u> |

Passed through the Weld County Department of Human Services

| | | | | | |
|---|--------|-----------|------|----|-------------------|
| Child Care and Development Block Grant (Weld DHS Child Care Provider Recruitment) | 93.575 | 2022-1789 | 8144 | \$ | 53,658.00 |
| Child Care Mandatory & Matching Funds of the Child Care and Development Fund (Weld DHS Child Care Provider Recruitment) | 93.596 | 2022-1789 | 8144 | \$ | 53,658.00 |
| Low-Income Home Energy Assistance Program (Weld DHS LEAP 23-24) | 93.568 | 2022-3409 | 8184 | \$ | 44,202.00 |
| Community Services Block Grant Cares Act (Weld DHS Contract Covering Weld Diaper Bank) | 93.569 | 2022-1456 | 8563 | \$ | 7,194.00 |
| Total Passed through Weld County Department of Human Services | | | | \$ | <u>158,712.00</u> |

Passed through the Weld County Department of Health and Environment 93.317

\$ -

TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

\$ 1,028,214.00

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

| | | | | | |
|---|--------|-----------|------|----|----------|
| Americorps Volunteers in Service to America | 94.013 | 20VSWC003 | 8233 | \$ | 5,469.00 |
|---|--------|-----------|------|----|----------|

U.S. DEPARTMENT OF HOMELAND SECURITY

Direct from U.S. Department of Homeland Security

| | | | | | |
|--|--------|-------------------|------|----|-----------|
| Emergency Food and Shelter National Board Program (Phase 39) | 97.024 | LRO Phase 39 - 18 | 8463 | \$ | 9,476.00 |
| Emergency Food and Shelter National Board Program (Phase ARPA) | 97.024 | LRO ARPA - 18 | 8473 | \$ | 23,534.00 |
| Emergency Food and Shelter National Board Program (Phase 40) | 97.024 | Phase 40 | 8466 | \$ | 28,318.00 |

TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY

\$ 61,328.00

TOTAL EXPENDITURES OF FEDERAL AWARDS

\$ 2,783,607.00

UNITED WAY OF WELD COUNTY

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "SEFA") includes the federal award activity of United Way of Weld County (the "Organization") under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the 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"). Because the SEFA 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 the Organization.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the SEFA represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST RATE

United Way of Weld County has elected use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

UNITED WAY OF WELD COUNTY

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION II: FINANCIAL STATEMENT FINDING

No matters were reported for the year ended June 30, 2023.

SECTION III: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported for the year ended June 30, 2023.



**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**

INDEPENDENT AUDITOR'S REPORT

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

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of United Way of Weld County, which comprise the statement of financial position as of June 30, 2024, 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 February 27, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered United Way of Weld County's internal control over financial reporting (internal control) as a basis for designing 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's internal control. Accordingly, we do not express an opinion on the effectiveness of United Way of Weld County's internal control.

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. 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.

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. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether United Way of Weld County'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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pettit & Company, LLC

Indianapolis, Indiana
February 27, 2025



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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited United Way of Weld County'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 of United Way of Weld County's major federal programs for the year ended June 30, 2024. United Way of Weld County'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, United Way of Weld County 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, 2024.

Basis for 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 United Way of Weld County 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's compliance with the compliance requirements referred to above.

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 to United Way of Weld County'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'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 GAAS, *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 about United Way of Weld County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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'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'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'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.

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.

Pettit & Company, LLC

Indianapolis, Indiana
February 27, 2025

UNITED WAY OF WELD COUNTY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditor’s Results

Financial Statements

| | |
|---|---------------|
| Type of auditor’s report issued: | Unmodified |
| Going concern explanatory paragraph included? | No |
| Internal control over financial reporting: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified that are not considered to be material weaknesses? | None Reported |
| Noncompliance material to financial statements noted? | No |

Federal Awards

| | |
|---|---------------|
| Internal control over major federal programs: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified that are not considered to be material weaknesses? | None Reported |
| Type of auditor’s report issued on compliance for major federal programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of OMB Uniform Guidance? | No |

Identification of major programs tested:

| <u>Federal Assistance Listing Number</u> | <u>Name of Federal Program or Cluster</u> |
|--|---|
| 21.027 | American Rescue Plan Program |
| 14.267 | Continuum of Care Program |

| | |
|---|-----------|
| Dollar threshold used to distinguish between Type A and Type B programs | \$750,000 |
| Auditee qualified as low-risk auditee? | No |

UNITED WAY OF WELD COUNTY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

Section II Financial Statement Findings

No financial statement findings for the year ended June 30, 2024.

Section III Federal Award Findings

No federal award findings for the year ended June 30, 2024.