

**UNITED WAY OF ACADIANA, INC.**

Financial Report

Years Ended December 31, 2023 and 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
United Way of Acadiana, Inc.  
Lafayette, Louisiana

### Report on the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of United Way of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, 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 financial statements present fairly, in all material respects, the financial position of United Way of Acadiana, Inc. as of December 31, 2023 and 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 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 Acadiana, 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 Acadiana 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 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 judgement 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 Acadiana 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 Acadiana 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.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of cash account balances and schedules of grant disbursements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also 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 June 26, 2024, on our consideration of United Way of Acadiana, 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 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 Acadiana, 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 Acadiana, Inc.'s internal control over financial reporting and compliance.

***KOLDER, SLAVEN & COMPANY, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
June 26, 2024

## **FINANCIAL STATEMENTS**

UNITED WAY OF ACADIANA, INC.

Statements of Financial Position  
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,519,495	\$ 1,268,312
Investments	2,598,553	2,289,626
Pledges receivable, net (\$37,571 and \$433,726 at December 31, 2023 and 2022, respectively)	364,704	538,834
Grants receivable	307,798	246,173
Other receivables	146,532	201,643
Prepaid expenses	41,772	26,699
Total current assets	<u>4,978,854</u>	<u>4,571,287</u>
Property and equipment, net of accumulated depreciation (\$1,542,786 and \$1,459,185 at December 31, 2023 and 2022, respectively)	<u>2,422,517</u>	<u>2,506,118</u>
Other assets:		
Assets restricted for endowment- Investments	<u>713,634</u>	<u>713,634</u>
Total assets	<u>\$ 8,115,005</u>	<u>\$ 7,791,039</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 302,612	\$ 270,563
Accrued liabilities	22,699	36,735
Payable to other United Ways	30,120	44,047
Payable to other organizations	27,389	31,679
Compensated absences	8,736	24,791
Advances	225,000	51,726
Current maturities of long-term debt	<u>5,666</u>	<u>77,357</u>
Total current liabilities	622,222	536,898
Noncurrent liabilities:		
Long-term debt, less current portion	<u>45,307</u>	<u>51,438</u>
Total liabilities	<u>667,529</u>	<u>588,336</u>
Net assets:		
Without donor restrictions	4,709,484	4,572,521
With donor restrictions	<u>2,737,992</u>	<u>2,630,182</u>
Total net assets	<u>7,447,476</u>	<u>7,202,703</u>
Total liabilities and net assets	<u>\$ 8,115,005</u>	<u>\$ 7,791,039</u>

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF ACADIANA, INC.

Statement of Activities  
Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and other support:			
Contributions and pledges	\$ 1,165,234	\$ 157,707	\$ 1,322,941
Less: donor designations	(67,912)	-	(67,912)
Less: uncollectible pledges	<u>(34,529)</u>	<u>-</u>	<u>(34,529)</u>
Net contributions and pledges	1,062,793	157,707	1,220,500
Grant revenue	2,410,080	140,556	2,550,636
In-kind income	36,914	-	36,914
Lease income	223,237	-	223,237
Program income	228,937	-	228,937
Service fees	9,098	-	9,098
Other	332,769	-	332,769
Interest and dividends	84,458	54,988	139,446
Net realized and unrealized gains (losses) on investments	105,044	160,590	265,634
Net assets released from restrictions	<u>406,031</u>	<u>(406,031)</u>	<u>-</u>
Total revenues, gains, and other support	<u>4,899,361</u>	<u>107,810</u>	<u>5,007,171</u>
Expenses:			
Program services-			
Community impact	1,545,823	-	1,545,823
Disaster management	2,714	-	2,714
Early Head Start	2,125,329	-	2,125,329
Other programs	<u>500,224</u>	<u>-</u>	<u>500,224</u>
Total program services	<u>4,174,090</u>	<u>-</u>	<u>4,174,090</u>
Supporting services-			
Management and general	429,034	-	429,034
Fundraising	<u>159,274</u>	<u>-</u>	<u>159,274</u>
Total supporting services	<u>588,308</u>	<u>-</u>	<u>588,308</u>
Total expenses	<u>4,762,398</u>	<u>-</u>	<u>4,762,398</u>
Change in net assets	136,963	107,810	244,773
Net assets, beginning of year	<u>4,572,521</u>	<u>2,630,182</u>	<u>7,202,703</u>
Net assets, end of year	<u>\$ 4,709,484</u>	<u>\$ 2,737,992</u>	<u>\$ 7,447,476</u>

The accompanying notes are an integral part of these financial statements.



UNITED WAY OF ACADIANA, INC.

Statement of Activities  
Year Ended December 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and other support:			
Contributions and pledges	\$ 1,140,296	\$ 2,000,140	\$ 3,140,436
Less: donor designations	(86,628)	-	(86,628)
Less: uncollectible pledges	<u>(409,512)</u>	<u>-</u>	<u>(409,512)</u>
Net contributions and pledges	644,156	2,000,140	2,644,296
Grant revenue	1,880,370	305,110	2,185,480
In-kind income	104,068	-	104,068
Lease income	306,570	-	306,570
Program income	262,566	-	262,566
Service fees	10,902	-	10,902
Other	450,607	-	450,607
Interest and dividends	66,505	387	66,892
Net realized and unrealized gains (losses) on investments	(361,172)	-	(361,172)
Net assets released from restrictions	<u>862,665</u>	<u>(862,665)</u>	<u>-</u>
Total revenues, gains, and other support	<u>4,227,237</u>	<u>1,442,972</u>	<u>5,670,209</u>
Expenses:			
Program services-			
Community impact	1,355,775	-	1,355,775
Disaster management	33,794	-	33,794
Early Head Start	1,849,327	-	1,849,327
Other programs	<u>633,402</u>	<u>-</u>	<u>633,402</u>
Total program services	<u>3,872,298</u>	<u>-</u>	<u>3,872,298</u>
Supporting services-			
Management and general	516,954	-	516,954
Fundraising	<u>180,760</u>	<u>-</u>	<u>180,760</u>
Total supporting services	<u>697,714</u>	<u>-</u>	<u>697,714</u>
Total expenses	<u>4,570,012</u>	<u>-</u>	<u>4,570,012</u>
Change in net assets	(342,775)	1,442,972	1,100,197
Net assets, beginning of year	<u>4,915,296</u>	<u>1,187,210</u>	<u>6,102,506</u>
Net assets, end of year	<u>\$ 4,572,521</u>	<u>\$ 2,630,182</u>	<u>\$ 7,202,703</u>

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF ACADIANA, INC.

Statement of Functional Expenses  
Year Ended December 31, 2023

	Program Services				Total Program Services	Supporting Services			Total Expenses
	Community Impact	Disaster Management	Early Head Start	Other Programs		Management and General	Fund- Raising	Total Supporting Services	
Salaries and wages	\$ 409,686	\$ 2,282	\$ 1,153,751	\$ 240,878	\$ 1,806,597	\$ 164,906	\$ 54,633	\$ 219,539	\$ 2,026,136
Payroll taxes	38,025	211	86,707	17,393	142,336	13,395	4,097	17,492	159,828
Employee benefits	38,126	187	115,668	29,116	183,097	10,866	4,870	15,736	198,833
Total payroll and related expenses	<u>485,837</u>	<u>2,680</u>	<u>1,356,126</u>	<u>287,387</u>	<u>2,132,030</u>	<u>189,167</u>	<u>63,600</u>	<u>252,767</u>	<u>2,384,797</u>
Other expenses-									
Advertising	8,334	-	7,581	-	15,915	2,622	6,255	8,877	24,792
Childcare supplies	-	-	64,171	64,589	128,760	-	-	-	128,760
Conferences and meetings	5,011	-	20,107	335	25,453	3,853	512	4,365	29,818
Contract services	41,497	-	165,443	103	207,043	55,745	10,349	66,094	273,137
Depreciation	3,195	-	38,654	29,949	71,798	9,009	2,795	11,804	83,602
Dolly Parton Imagination Library	10,924	-	-	-	10,924	-	-	-	10,924
Dues and subscriptions	6,113	-	6,721	-	12,834	5,003	948	5,951	18,785
Equipment	9,487	-	1,809	-	11,296	5,438	514	5,952	17,248
Event expenses	77,257	-	-	35	77,292	12,798	20,970	33,768	111,060
In-kind donations	-	-	36,914	-	36,914	-	-	-	36,914
Insurance	1,554	-	22,645	54,395	78,594	34,182	1,015	35,197	113,791
Interest expense	-	-	-	-	-	1,868	-	1,868	1,868
Leader in Me - Franklin Convey	225,402	-	-	-	225,402	-	-	-	225,402
Maintenance	30,314	-	83,826	18,857	132,997	25,611	5,002	30,613	163,610
Miscellaneous	9,832	18	47,785	-	57,635	26,657	9,282	35,939	93,574
Postage	-	-	352	90	442	897	289	1,186	1,628
Printing and publications	6,592	-	4,211	120	10,923	3,090	2,457	5,547	16,470
Professional fees	16,561	-	62,864	5,159	84,584	35,676	6,201	41,877	126,461
Supplies	96,458	-	58,899	167	155,524	9,979	22,808	32,787	188,311
Telephone	980	-	10,013	150	11,143	3,306	153	3,459	14,602
Travel and transportation	1,712	-	30,316	-	32,028	1,778	71	1,849	33,877
United Way Worldwide dues	8,485	16	11,666	2,745	22,912	2,355	873	3,228	26,140
Unmet needs/utility assistance	-	-	-	150	150	-	-	-	150
Utilities	8,728	-	43,993	35,993	88,714	-	2,572	2,572	91,286
Total other expenses	<u>568,436</u>	<u>34</u>	<u>769,203</u>	<u>212,837</u>	<u>1,550,510</u>	<u>239,867</u>	<u>95,674</u>	<u>335,541</u>	<u>1,886,051</u>
Grants to agencies	<u>491,550</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>491,550</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>491,550</u>
Total expenses	<u>\$ 1,545,823</u>	<u>\$ 2,714</u>	<u>\$ 2,125,329</u>	<u>\$ 500,224</u>	<u>\$ 4,174,090</u>	<u>\$ 429,034</u>	<u>\$ 159,274</u>	<u>\$ 588,308</u>	<u>\$ 4,762,398</u>

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF ACADIANA, INC.

Statement of Functional Expenses  
Year Ended December 31, 2022

	Program Services				Total Program Services	Supporting Services			Total Expenses
	Community Impact	Disaster Management	Early Head Start	Other Programs		Management and General	Fund- Raising	Total Supporting Services	
Salaries and wages	\$ 292,908	\$ 7,199	\$ 1,072,867	\$ 232,713	\$ 1,605,687	\$ 194,159	\$ 70,468	\$ 264,627	\$ 1,870,314
Payroll taxes	24,287	561	79,365	17,084	121,297	13,129	5,356	18,485	139,782
Employee benefits	40,871	628	124,525	36,759	202,783	22,525	5,646	28,171	230,954
Total payroll and related expenses	<u>358,066</u>	<u>8,388</u>	<u>1,276,757</u>	<u>286,556</u>	<u>1,929,767</u>	<u>229,813</u>	<u>81,470</u>	<u>311,283</u>	<u>2,241,050</u>
Other expenses-									
Advertising	6,074	-	3,448	195	9,717	1,638	9,388	11,026	20,743
Childcare supplies	-	-	54,860	57,715	112,575	-	-	-	112,575
Conferences and meetings	3,343	-	26,823	1,352	31,518	2,352	1,171	3,523	35,041
Contract services	17,235	-	140,146	4,692	162,073	121,439	30,885	152,324	314,397
Depreciation	3,361	-	38,654	31,509	73,524	2,731	4,411	7,142	80,666
Dolly Parton Imagination Library	6,100	-	-	-	6,100	-	-	-	6,100
Dues and subscriptions	5,626	-	8,821	-	14,447	1,274	-	1,274	15,721
Equipment	12,612	-	-	-	12,612	6,449	-	6,449	19,061
Event expenses	44,208	12	-	1,227	45,447	5,277	19,832	25,109	70,556
In-kind donations	-	-	104,068	-	104,068	-	-	-	104,068
Insurance	2,847	10	18,912	37,632	59,401	34,958	1,449	36,407	95,808
Interest expense	-	-	-	-	-	2,508	-	2,508	2,508
Leader in Me - Franklin Convey	320,224	-	-	-	320,224	-	-	-	320,224
Maintenance	1,930	-	50,370	17,442	69,742	15,544	-	15,544	85,286
Miscellaneous	2,778	24	3,737	-	6,539	7,033	24,386	31,419	37,958
Postage	-	-	271	302	573	1,755	52	1,807	2,380
Printing and publications	2,914	-	1,103	888	4,905	2,385	2,222	4,607	9,512
Professional fees	-	-	5,815	-	5,815	79,043	-	79,043	84,858
Supplies	5,714	-	22,517	4,501	32,732	(252)	3,532	3,280	36,012
Telephone	-	360	9,211	2,349	11,920	587	400	987	12,907
Travel and transportation	1,998	-	31,854	27	33,879	-	334	334	34,213
United Way Worldwide dues	15,897	-	17,401	3,158	36,456	2,420	1,228	3,648	40,104
Unmet needs/material assistance	-	-	-	107,700	107,700	-	-	-	107,700
Utilities	-	-	34,559	76,157	110,716	-	-	-	110,716
Total other expenses	<u>452,861</u>	<u>406</u>	<u>572,570</u>	<u>346,846</u>	<u>1,372,683</u>	<u>287,141</u>	<u>99,290</u>	<u>386,431</u>	<u>1,759,114</u>
Grants to agencies	544,848	25,000	-	-	569,848	-	-	-	569,848
Total expenses	<u>\$ 1,355,775</u>	<u>\$ 33,794</u>	<u>\$ 1,849,327</u>	<u>\$ 633,402</u>	<u>\$ 3,872,298</u>	<u>\$ 516,954</u>	<u>\$ 180,760</u>	<u>\$ 697,714</u>	<u>\$ 4,570,012</u>

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF ACADIANA, INC.

Statements of Cash Flows  
For The Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Change in net assets	\$ 244,773	\$ 1,100,197
Adjustments to reconcile change in net assets to net cash provided by operating activities -		
Depreciation	83,602	80,666
Net realized and unrealized (gains) losses on investments	(265,634)	361,172
Changes in assets and liabilities-		
(Increase) decrease in:		
Pledges receivable	174,130	219,785
Grants and other receivables	(6,514)	(23,672)
Prepaid expenses	(15,073)	11,594
Increase (decrease) in:		
Accounts payable	32,049	192,383
Accrued liabilities	(14,036)	32,914
Other payables	(18,217)	(95,660)
Compensated absences	(16,055)	(1,384)
Deferred revenue and advances	<u>173,274</u>	<u>1,025</u>
Net cash provided by operating activities	<u>372,299</u>	<u>1,879,020</u>
Cash flows from investing activities:		
Purchases of investments	<u>(43,294)</u>	<u>(1,944,380)</u>
Cash flows from financing activities:		
Principal payments on notes payable	<u>(77,822)</u>	<u>(23,073)</u>
Net increase (decrease) in cash and cash equivalents	251,183	(88,433)
Cash and cash equivalents, beginning of year	<u>1,268,312</u>	<u>1,356,745</u>
Cash and cash equivalents, end of year	<u>\$ 1,519,495</u>	<u>\$ 1,268,312</u>
Supplemental disclosure for the statements of cash flows:		
Interest paid	<u>\$ 1,868</u>	<u>\$ 2,508</u>

The accompanying notes are an integral part of these financial statements.

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements

(1) Nature of Organization and Significant Accounting Policies

A. Organization and Purpose

United Way of Acadiana, Inc. (Organization), a nonprofit organization, was formed on October 16, 1950 pursuant to the laws of the State of Louisiana. It is a Community Impact organization serving Acadia, Lafayette, St. Martin, and Vermilion Parishes. The objective of the Organization is to improve lives by allocating financial and volunteer resources to programs and services that provide solutions to health and human services problems in communities within the service delivery region. The Organization conducts an annual fundraising campaign for funds to be distributed to grantees in the subsequent year for community investment programs. The majority of the contributions generated in these campaigns are from the above parishes. The Organization is governed by a volunteer board of directors.

B. Basis of Accounting

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 of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net assets without donor restrictions* - Net assets that are not subject to donor-imposed stipulations.

*Net assets with donor restrictions* - Net assets subject to donor-imposed stipulations that will be met, either (1) expire by incurring expenses satisfying the restricted purpose (purpose restricted), and/or the passage of time or other events (time restricted), or (2) will never expire (perpetual in nature). When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Organization uses the following program service categories for reporting purposes:

*Community Impact* – Includes grant-making, advocacy, agency evaluation, monitoring, research and development of internal expertise on the focus areas of Education, Earnings, and Essentials, and support for the Dolly Parton Imagination Library Program, Earn Save Succeed Program, Leader in Me Program, and the United Way Readers Program.

*Disaster Management* – Support for rebuilding efforts as part of the short term and long term recovery activities set forth by the Organization related to hurricanes, tornadoes, floods, and/or other natural disasters. Additionally, facilitates disaster preparedness and response through Volunteer Organizations Active in Disaster (VOAD).

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

*Early Head Start* – Serves families with children from birth to three years of age and pregnant women residing in Vermilion Parish and Lafayette Parish, with the emphasis on the 70501, 70503, 70506, and 70507 zip code areas. The program provides high-quality early childhood education that enhances participating children’s physical, social, emotional, and intellectual development through both home-based and center-based services. The program also assists parents in moving towards self-sufficiency.

*Other Programs* – Support for system-wide programs including Multi-tenant Facility, volunteer recruitment, and referral and management.

C. Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an original maturity of three months or less at the date of acquisition to be cash equivalents.

D. Provision for Uncollectible Pledges

The provision for uncollectible pledges is computed based on a ten year average adjusted by management’s estimate of current economic factors, applied to individual campaigns, including donor designations.

E. Investments

The Organization has adopted FASB ASC subtopic 958-320, “*Not-for-Profit Entities-Investments-Debt and Equity Securities.*” Under FASB ASC Subtopic 958-320, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the statement of activities.

F. Property and Equipment

The Organization’s capitalization policy is \$5,000 for property and equipment recorded at cost, if purchased, or at estimated fair market value if donated. Donations of property and equipment are recorded as contributions at their estimated fair value. Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	15 - 39
Office equipment and furniture	2 - 5

G. Revenue and Expense Recognition

Contributions are recognized when the donor makes a commitment to give and are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions designated for future periods or restricted by the donor for specific purposes are reported as increases to net assets with donor restrictions. Pledges that are designated by the donor for specific beneficiaries are considered agency transactions, and are not considered contributions and thus are reduced from pledge revenue.

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

The Organization adopted Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606). The guidance outlines a single, comprehensive model for accounting for revenue in exchange transactions from contracts with customers. The Organization's revenue derived from exchange transactions are service fees charged to third party beneficiaries for fundraising, certain administrative functions, and the collection of funds on their behalf. Third parties receive the funds raised on their behalf by the Organization, net of service fees charged. The Organization applied Topic 606 to its revenue derived from exchange transactions as follows:

*Transaction price-* The transaction price of service fees is based on a percentage of the amount of funds raised for the third party and includes an administrative fee, a fundraising fee, and a collection fee.

*Performance obligations-* The Organization has identified the following performance obligations in exchange transactions: (1) administrative services including accounting for and processing donor pledges; (2) fundraising services to obtain donations; and (3) collection of donor pledges for third parties. The Organization applies the principles of materiality in the determination of the performance obligation.

Service fee revenues are recognized over the time in which the performance obligations are met. Expenses are recognized in the period incurred in accordance with the accrual basis of accounting.

H. Functional Allocation of Expenses

Expenses are summarized and categorized based on their functional classification as either program or supporting services. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation and occupancy, which are allocated on a square-footage basis, as well as salaries and related benefits, which are allocated on the basis of time and effort.

I. Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service (IRS) as other than a private foundation. Accounting principles generally accepted in the United States of American require the Organization's management to evaluate tax positions taken and recognize a tax liability (or asset) if the Organization has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclose in the financial statements. The Organization is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

J. Compensated Absences

The Organization allows employees paid vacation, sick days, and personal days off, depending on job classification, length of service, and other factors. Upon separation, employees that are approved carryover days are paid for any unused vacation through the date of separation at their current rate of pay. At December 31, 2023 and 2022, the accrued compensated absences amounted to \$8,736 and \$24,791, respectively.

K. Advertising

Advertising costs are expensed as incurred. Total advertising expense was \$24,792 and \$20,743 for the years ended December 31, 2023 and 2022, respectively.

L. Donated Materials and Services

The Organization receives a significant amount of donated materials and services from unpaid volunteers who assist in program services during the year. Some donated services are not reflected in the statement of activities because the criteria for recognition under professional standards have not been satisfied; however, these services are valuable to the Organization's programs. For the year ended December 31, 2023, the Organization had 838 volunteers who provided 17,008 hours of donated services valued at \$447,738. For the year ended December 31, 2022, the Organization had 377 volunteers who provided 2,307 hours of donated services valued at \$73,363. The value of these donated services was not reflected in the statement of activities.

Donations meeting the criteria for recognition are recorded at estimated fair value as follows:

	<u>2023</u>	<u>2022</u>
Program services:		
Early Head Start-		
Materials	\$ 21,229	\$ 74,789
Professional services	<u>15,685</u>	<u>29,279</u>
Total program services	<u>\$ 36,914</u>	<u>\$ 104,068</u>

M. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.



UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

(2) Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of December 31, reduced by amounts not available for general use because of donor-imposed regulation.

	<u>2023</u>	<u>2022</u>
Financial assets, at year-end	\$5,650,716	\$5,258,222
Less those unavailable for general expenditures within one year, due to:		
Donor-imposed restrictions-		
Restricted by donors in perpetuity	(713,634)	(713,634)
Restricted by donors with purpose restrictions	(2,306,867)	(2,044,000)
Board designations-		
Operating reserve	(200,549)	(199,215)
Specific programs	<u>(953,400)</u>	<u>(882,333)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$1,476,266</u>	<u>\$1,419,040</u>

As of December 31, 2023 and 2022, respectively, the Organization had \$1,476,266 and \$1,419,040 of financial assets available within 1 year of the statement of financial position date to meet cash needs for general expenditures consisting of cash \$714,741 and \$0, investments of \$0 and \$508,116, pledges receivable of \$307,195 and \$463,108, grants receivable of \$307,798 and \$246,173, and other receivables of \$146,532 and \$201,643. As part of the Organization's liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

(3) Pledges Receivable

Pledges receivable are due within a year from the date of the contribution. The annual campaign pledges receivable for the years ended December 31, 2023 and 2022 consists of the following:

December 31, 2023:

2023 Campaign	\$ 380,332	
Less: allowance for uncollectible pledges	<u>(34,282)</u>	
		\$ 346,050
2022 Campaign	21,943	
Less: allowance for uncollectible pledges	<u>(3,289)</u>	
		<u>18,654</u>
		<u>\$ 364,704</u>

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

December 31, 2022:

2022 Campaign	\$ 538,590	
Less: allowance for uncollectible pledges	<u>(63,431)</u>	
		\$ 475,159
2021 Campaign	433,970	
Less: allowance for uncollectible pledges	<u>(370,295)</u>	
		<u>63,675</u>
		<u>\$ 538,834</u>

(4) Investments

Investments are carried at fair value based on quoted market prices in active markets (all Level 1 Measurements) and consist of the following at December 31, 2023 and 2022:

Investment Type	2023	2022
Equities	\$ 1,857,044	\$ 1,747,493
Fixed income	<u>1,455,143</u>	<u>1,255,767</u>
	<u>\$ 3,312,187</u>	<u>\$ 3,003,260</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended December 31, 2023 and 2022:

December 31, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	\$ 84,458	\$ 54,988	\$ 139,446
Net realized gains (losses)	15,461	(12,596)	2,865
Net unrealized gains (losses)	<u>89,583</u>	<u>173,186</u>	<u>262,769</u>
Total return on investments	<u>\$ 189,502</u>	<u>\$ 215,578</u>	<u>\$ 405,080</u>

December 31, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	\$ 66,505	\$ 387	\$ 66,892
Net realized gains	13,252	-	13,252
Net unrealized gains (losses)	<u>(374,424)</u>	<u>-</u>	<u>(374,424)</u>
Total return on investments	<u>\$ (294,667)</u>	<u>\$ 387</u>	<u>\$ (294,280)</u>

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

(5) Donor-Restricted Endowments

The Organization's endowment consists of three funds established for specific purposes. These funds are donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

*Interpretation of Relevant Law* - The Board of Directors of the Organization has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

*Investment Return Objectives, Risk Parameters and Strategies* - The Organization has adopted an investment policy, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Board of Directors of the Organization has interpreted SPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. As of December 31, 2023 and 2022, the Organization did not have underwater endowments.

Endowment net asset composition by type of fund as of December 31, 2023 and 2022 is as follows:

December 31, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 803,292	\$ -	\$ 803,292
Donor-restricted endowment funds	<u>-</u>	<u>713,634</u>	<u>713,634</u>
Total funds	<u>\$ 803,292</u>	<u>\$ 713,634</u>	<u>\$ 1,516,926</u>

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

December 31, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 673,142	\$ -	\$ 673,142
Donor-restricted endowment funds	<u>-</u>	<u>713,634</u>	<u>713,634</u>
Total funds	<u>\$ 673,142</u>	<u>\$ 713,634</u>	<u>\$ 1,386,776</u>

Changes in endowment net assets for the years ended December 31, 2023 and 2022 are as follows:

December 31, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 673,142	\$ 713,634	\$ 1,386,776
Distributions	(9,890)	-	(9,890)
Investment income (net of fees)	34,995	-	34,995
Net unrealized/realized gain (loss)	<u>105,045</u>	<u>-</u>	<u>105,045</u>
Endowment net assets, end of year	<u>\$ 803,292</u>	<u>\$ 713,634</u>	<u>\$ 1,516,926</u>

December 31, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 783,795	\$ 713,634	\$ 1,497,429
Investment income (net of fees)	30,200	-	30,200
Net unrealized/realized gain (loss)	<u>(140,853)</u>	<u>-</u>	<u>(140,853)</u>
Endowment net assets, end of year	<u>\$ 673,142</u>	<u>\$ 713,634</u>	<u>\$ 1,386,776</u>

(6) Property and Equipment

Property and equipment consist of the following as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Land	\$ 585,000	\$ 585,000
Building and improvements	3,138,929	3,138,929
Office furniture and equipment	<u>241,374</u>	<u>241,374</u>
Total property and equipment	3,965,303	3,965,303
Less accumulated depreciation	<u>(1,542,786)</u>	<u>(1,459,185)</u>
Property and equipment, net	<u>\$ 2,422,517</u>	<u>\$ 2,506,118</u>

Total depreciation expense for the years ended December 31, 2023 and 2022 was \$83,602 and \$80,666, respectively.

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

Certain land and buildings, with a carrying amount of \$1,406,245 were acquired with funds received under a grant contract with the U.S. Department of Health and Human Services for an Early Head Start Expansion Program. Under federal guidelines, the real property shall be used for the originally authorized purpose as long as needed for that purpose or other federally sponsored projects or programs that have purposes consistent with those authorized for support by the Federal awarding agency. When the real property is no longer needed for federally supported programs or projects, the entity shall request disposition instructions from the agency. Depending on the outcome of the disposition, the entity may be required to compensate the awarding agency for the federal portion of the current fair market value of the property. This real property is included in the Organization's property and equipment, net of accumulated depreciation in the statement of financial position at a book value of \$957,213 and \$995,867 which represents the carrying amount less accumulated depreciation of \$449,032 and \$410,378 at December 31, 2023 and 2022, respectively. Depreciation expense for the years ended December 31, 2023 and 2022 was \$38,654.

(7) Leases

The Organization leases warehouse space to various tenants. The warehouse leases are operating lease agreements with varying terms that range from month-to-month to five years.

The following is an analysis of the carrying amounts of the underlying assets related to the operating leases:

	<u>2023</u>	<u>2022</u>
Land	\$ 502,010	\$ 502,010
Building and improvements	<u>1,732,655</u>	<u>1,732,655</u>
Total cost	2,234,665	2,234,665
Less accumulated depreciation	<u>(853,122)</u>	<u>(812,543)</u>
Total cost, net	<u>\$ 1,381,543</u>	<u>\$ 1,422,122</u>

The following is an analysis of the maturity of the undiscounted operating lease payments:

Years ending December 31:	
2024	\$ 45,500
2025	45,500
2026	45,500
2027	<u>34,128</u>
Total	<u>\$ 170,628</u>

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

(8) Advances

The Organization reports advances on the statement of financial position. Advances arise when the Organization receives resources with donor-imposed conditions before the condition has been met. In subsequent periods, when the Organization has met or substantially met the condition, or the condition is explicitly waived by the donor, the liability for advances is removed from the statement of financial position and the revenue is recognized. The Organization had advances in the amount of \$225,000 and \$51,726 for the years ended December 31, 2023 and 2022, respectively.

(9) Long-term Debt

Long-term debt at December 31, 2023 and 2022 consist of the following:

	2023	2022
On June 1, 2017, the organization entered into a \$83,500 note payable, maturing on June 1, 2032, monthly payments of \$578 including interest of 2.625%, secured by a multiple indebtedness mortgage.	\$ 50,973	\$ 56,945
On December 14, 2017, the organization entered into a \$150,000 non-interest note payable, maturing on May 16, 2023, and monthly payments of \$1,500 (60% of the principal amount). Absent an event of default, payment of all monthly principal payments in the amounts set forth above will be deemed to have paid in full. The remaining 40% of the principal balance will be forgiven.	-	71,850
	50,973	128,795
Less current portion	(5,666)	(77,357)
Long-term debt	\$ 45,307	\$ 51,438

Scheduled maturities of long-term debt as of December 31, 2023 are as follows:

Years ending December 31:			
2024			\$ 5,666
2025			5,816
2026			5,971
2027			6,130
2028			6,292
Thereafter			21,098
Total			\$ 50,973

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

(10) Net Assets without Donor Restrictions

The following represents net assets without donor restrictions for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Designated by the Board-		
Reserve Fund	\$ 200,549	\$ 199,215
PACT Allocations/Agency Contracts	150,108	209,192
Endowment Fund Earnings:		
Community Fund	304,339	254,634
Operational Fund	266,897	224,546
UNOCAL Venture Grant Fund	<u>232,056</u>	<u>193,961</u>
	1,153,949	1,081,548
Undesignated	<u>3,555,535</u>	<u>3,490,973</u>
	<u>\$4,709,484</u>	<u>\$4,572,521</u>

(11) Net Assets Released from Donor Restrictions

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or other events specified by donors during the fiscal years ended December 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Purpose restrictions accomplished:		
Community Impact Support	\$ -	\$ 41,441
Leader in Me	288,345	308,130
Stuff the Bus	-	28,823
Hurricane and Disaster Relief Contributions	11,379	41,425
Hurricane Delta/Laura	-	2,550
Bank On	-	4,309
Lafayette Education Foundation	82,353	267,935
Learn United	-	6,744
Got IT	461	2,013
EITC	23,493	110,204
My Community Cares	-	45,360
COVID-19	-	3,731
Total	<u>\$ 406,031</u>	<u>\$ 862,665</u>

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

(12) Net Assets with Donor Restrictions

The following represents net assets with donor restrictions for the years ended December 31, 2023 and 2022:

	2023	2022
Subject to expenditure for specified purpose:		
Adopt a School	\$ 148	\$ 148
Earned Income Tax Credit (EITC)	-	23,493
Partners in Early Childhood Education	150	150
Got IT	-	461
Hurricane and Disaster Relief Contributions	170,868	172,328
Lafayette Education Foundation	1,853,192	1,719,968
Subject to spending policy and appropriation:		
Investments in perpetuity-		
Community Fund	243,289	243,289
Operational Fund	230,345	230,345
UNOCAL Venture Grant Fund	240,000	240,000
Total net assets with donor restrictions	\$2,737,992	\$2,630,182

(13) Retirement Benefits

Under a defined contribution 403 (b) retirement plan, the Organization matches up to 3% of eligible employee's salary. For the years ending December 31, 2023 and 2022, the Organization made contributions in the amount of \$41,599 and \$30,932, respectively.

(14) Fair Value Measurements

Professional standards require the disclosure for fair value measurements of financial assets and liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).



UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

The three levels of inputs used to measure fair value are as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b. Level 2 inputs are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- c. Level 3 inputs are unobservable inputs for the asset or liability.

The following methods and assumptions were used by the Organization in estimating fair values of financial instruments:

- a. The carrying amount reported in the statement of financial position for the following approximates fair value due to the short maturities of these instruments: cash, receivables, and payables.
- b. The fair value for investment securities are based on quoted market prices at the reporting date multiplied by the quantity held. The carrying value equals fair value.

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2023 and 2022:

Investment Type	December 31, 2023			
	Total	Level 1	Level 2	Level 3
Equities	\$ 1,857,044	\$ 1,857,044	\$ -	\$ -
Fixed income	1,455,143	1,455,143	-	-
	<u>\$ 3,312,187</u>	<u>\$ 3,312,187</u>	<u>\$ -</u>	<u>\$ -</u>

  

Investment Type	December 31, 2022			
	Total	Level 1	Level 2	Level 3
Equities	\$ 1,747,493	\$ 1,747,493	\$ -	\$ -
Fixed income	1,255,767	1,255,767	-	-
	<u>\$ 3,003,260</u>	<u>\$ 3,003,260</u>	<u>\$ -</u>	<u>\$ -</u>

(15) Concentration of Credit Risk

The Organization maintains cash balances at financial institutions, which at times may exceed federally insured limits. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2023 and 2022, the Organization's cash balances exceeded FDIC coverage by \$1,338,467 and \$992,351, respectively.

UNITED WAY OF ACADIANA, INC.

Notes to Financial Statements (Continued)

(16) Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial. Also, a liability for findings and questioned costs is not established until final disposition of such matters by the funding agency.

(17) Risk Management

The Organization is exposed to risks of loss in the areas of health care, general liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year. Insurance settlements have not exceeded insurance coverage the past three years.

(18) Compensation, Benefits, and Other Payments to Agency Head

The Organization's agency head did not receive any compensation, benefits, or other payments from public funds for the year ended December 31, 2023.

(19) Subsequent Events Review

The Organization's management has evaluated subsequent events through June 26, 2024, the date which the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

UNITED WAY OF ACADIANA, INC.

Schedules of Cash Account Balances  
 Years Ended December 31, 2023 and 2022

	<u>Type</u>	<u>2023</u>	<u>2022</u>
Iberia Bank (Operating Account)	Checking Account	\$ 1,041,934	\$ 754,038
Iberia Bank (Hurricane Fund/Leader In Me)	Checking Account	219,081	211,575
Iberia Bank (Reserve Fund)	Checking Account	<u>200,549</u>	<u>199,215</u>
Total Cash and Cash Equivalents in Current Assets		1,461,564	1,164,828
Cash Restricted for Endowment Fund: Summit Financial (Endowment Fund)	Money Market	<u>57,931</u>	<u>103,484</u>
Total Cash and Cash Equivalents		<u>\$ 1,519,495</u>	<u>\$ 1,268,312</u>

UNITED WAY OF ACADIANA, INC.

Schedules of Grant Disbursements  
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Acadia Council on Aging	\$ 7,500	\$ 10,000
Acadiana Outreach Center	6,500	13,000
American Red Cross	45,000	41,666
ARCH	3,750	7,500
ASSIST Agency	4,600	6,200
Big Brothers Big Sisters of Acadiana	35,000	30,000
Boys & Girls Clubs of Acadiana	20,000	45,000
CASA of SoLA	1,500	1,500
Catholic Charities of Acadiana	40,000	65,000
Clearport	17,900	12,335
Empowering the Community for Excellence	-	3,750
Escape from poverty	15,000	5,000
Faith House, Inc.	33,000	38,250
Family Service Division Program - 16th Judicial District Attorney	-	10,000
Foster The Love	250	500
Girl Scouts of Louisiana	2,500	2,500
Hearts of Hope	9,000	18,000
Hospice of Acadiana Foundation	-	3,750
Iberia Comprehensive Community Health Center	5,000	5,000
Junior Achievement	2,500	5,000
Lafayette Council on Aging	-	5,000
LAUW (pass through to 232-Help/LA 211)	-	120,000
232-Help	130,000	-
New Hope Community Development of Acadiana	5,000	5,000
Second Harvest Food Bank	32,900	25,800
St Martin Parish Access to Care/Telehealth for Tots	21,222	41,597
The Family Tree	23,750	12,500
VITA, Inc.	29,678	36,000
Total	<u>\$ 491,550</u>	<u>\$ 569,848</u>

**INTERNAL CONTROL, COMPLIANCE**

**AND**

**OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*  
Stephen J. Anderson, CPA\*  
Matthew E. Margaglio, CPA\*  
Casey L. Ardoin, CPA, CFE\*  
Wanda F. Arcement, CPA  
Bryan K. Joubert, CPA  
Nicholas Fowlkes, CPA  
Deidre L. Stock, CPA

*Of Counsel*

C. Burton Kolder, CPA\*

Victor R. Slaven, CPA\* - retired 2020  
Christine C. Doucet, CPA - retired 2022  
Gerald A. Thibodeaux, Jr., CPA\* - retired 2024

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## INDEPENDENT AUDITOR'S 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 of  
United Way of Acadiana, Inc.  
Lafayette, Louisiana

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 the United Way of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023, 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 June 26, 2024.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the United Way of Acadiana, Inc.'s (Organization) internal control over financial reporting (internal control) as a basis for designing the 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 the United Way of Acadiana, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 or significant deficiencies may exist that were not identified.

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

As part of obtaining reasonable assurance about whether the Organization'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 statement. 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*.

## **United Way of Acadiana, Inc.'s Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on United Way of Acadiana, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. United Way of Acadiana, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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 suited for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
June 26, 2024



# KOLDER, SLAVEN & COMPANY, LLC

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*Of Counsel*

C. Burton Kolder, CPA\*

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

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Victor R. Slaven, CPA\* - retired 2020  
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Gerald A. Thibodeaux, Jr., CPA\* - retired 2024

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To the Board of Directors of  
United Way of Acadiana, Inc.  
Lafayette, Louisiana

### Report on Compliance for Each Major Federal Program

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

We have audited United Way of Acadiana, Inc.'s (Organization) 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 the Organization's major federal programs for the year ended December 31, 2023. The Organization'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, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended December 31, 2023.

#### *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; 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 Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibility under those standards and the Uniform Guidance are further described in the Auditors Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of United Way of Acadiana 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 the major federal program. Our audit does not provide a legal determination of United Way of Acadiana, Inc.'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 Acadiana, 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 Acadiana, 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 about United Way of Acadiana, 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. We 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 Acadiana's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances. We obtain an understanding of United Way of Acadiana, 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 Acadiana, 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.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-003. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on United Way of Acadiana, Inc.'s response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. United Way of Acadiana, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-004 to be a material weakness.

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-005 and 2023-006 to be significant deficiencies.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on United Way of Acadiana, Inc.'s response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. United Way of Acadiana, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
June 26, 2024

UNITED WAY OF ACADIANA, INC.

Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2023

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass-through Identifying Number	Expenditures
Direct Programs:			
U. S. Department of Treasury - Volunteer Income Tax Assistance	21.009	N/A	\$ <u>52,809</u>
U.S. Department of Health and Human Services:			
Head Start Cluster:			
Head Start - COVID 19	93.600	N/A	4,561
Head Start - American Rescue Plan	93.600	N/A	85,901
Head Start	93.600	N/A	<u>1,879,687</u>
Head Start Cluster			<u>1,970,149</u>
Total Direct Awards			<u>2,022,958</u>
Pass-through Programs:			
U.S. Department of Agriculture:			
Passed through Louisiana Department of Education			
Child and Adult Care Food Program	10.558	Unknown	57,044
U.S. Department of Treasury:			
Passed through Lafayette City-Parish Consolidated Government			
	21.027	N/A	<u>86,317</u>
Total Pass-through Awards			<u>143,361</u>
TOTAL FEDERAL AWARDS			<u>\$2,166,319</u>

UNITED WAY OF ACADIANA, INC.  
Lafayette, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2023

(1) General

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of United Way of Acadiana, Inc. (a nonprofit organization). United Way of Acadiana, Inc.'s reporting entity is defined in Note 1 to the financial statements for the year ended December 31, 2023. All federal financial assistance received directly from federal agencies is included in the schedule as well as federal financial assistance passed through other government agencies.

(2) Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the accrual basis of accounting, which is described in Note 1 to United Way of Acadiana, Inc.'s financial statements for the year ended December 31, 2023. 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.

(3) Indirect Cost Rate

The Organization has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

UNITED WAY OF ACADIANA, INC.  
Lafayette, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2023

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on whether the financial statements of United Way of Acadiana, Inc. were prepared in accordance with GAAP.
2. There were no significant deficiencies or material weaknesses in internal control over financial reporting that were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of United Way of Acadiana, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, was disclosed during the audit.
4. There was two significant deficiencies in internal control over the major federal award program disclosed during the audit. One material weakness was reported.
5. The auditor's report on compliance for the major federal award program for United Way of Acadiana, Inc. expresses an unmodified opinion on the major federal program.
6. There were audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) in this schedule.
7. The program tested as a major program was: Head Start Cluster (93.600).
8. The threshold used to distinguish between Type A and Type B programs was \$750,000.
9. United Way of Acadiana, Inc. was determined to not be a low-risk auditee.

Part II. Findings – Financial Statements Audit:

A. Compliance Findings –

There were no findings reported under this section.

B. Internal Control Findings –

There were no findings reported under this section.

UNITED WAY OF ACADIANA, INC.  
Lafayette, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 2023

Part III. Findings and questioned costs – Major Federal Award Program Audit:

Compliance Findings -

U.S. Department of Health and Human Services:

2023-001 Controls Over Allowable Costs

Fiscal year finding initially occurred: 2021

Head Start Cluster (93.600)

CRITERIA: In accordance with the Uniform Guidance, the Organization should have internal controls over some or all of the compliance requirements for major federal programs.

CONDITION: The Organization's internal controls over activities allowed/allowable costs were determined to be ineffective during the performance of internal control testing over the major federal program.

CAUSE: The Organization did not adhere to their established controls and procedures over activities allowed/allowable costs.

EFFECT: The Organization may have included costs that were not allowable in their cost of assistance. A sample of 63 transactions totaling \$126,316 was selected for testing. There was one disbursement transaction that was not approved by two employees and three transactions were not properly allocated between federal grant employees and nonfederal grant employees in accordance with the Organization's policy. As a result, the Organization had questioned costs totaling \$7,660. Our sample was a non-statistical sample.

RECOMMENDATION: The Organization should review their established policies and procedures for effectiveness and ensure all employees adhere to all established procedures. Additionally, management should ensure all costs charged to the program are allowable under the grant guidelines.

MANAGEMENT'S CORRECTIVE ACTION PLAN: United Way onboarded a new Finance Director with expertise in developing internal controls for Federal grant programs as of August 2023. We have successfully implemented robust internal controls that have significantly enhanced our operational efficiency. We are confident that as of 2024, this issue has been effectively addressed.

UNITED WAY OF ACADIANA, INC.  
Lafayette, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 2023

2023-002 Controls Over Reporting

Fiscal year finding initially occurred: 2021

Head Start Cluster (93.600)

CRITERIA: In accordance with the federal program guidelines, the Organization is required to file the SF-429 Real Property Status Report, SF-429A General Reporting, and the SF-425 Federal Financial Report. The Organization should have internal controls over the preparation and timely submission of these required reports.

CONDITION: The Organization did not have adequate internal controls over the preparation and timely submission of the required reports for their major federal program.

CAUSE: The Organization has established controls and procedures over reporting; however, the controls are not operating effectively.

EFFECT: The Organization's SF-429 was filed approximately 45 days after the prescribed due date. The Organizations SF-425 was filed with inaccurate information.

RECOMMENDATION: The Organization should review their established policies and procedures and ensure that the required federal program reporting is submitted within the prescribed timelines with accurate information.

MANAGEMENT'S CORRECTIVE ACTION PLAN: United Way of Acadiana has engaged in fiscal integrity training through the EHS program and has established internal controls for financial reporting. We have designated staff and established timelines to ensure timely completion of reporting.

2023-003 Special Tests and Provisions

Fiscal year finding initially occurred: 2023

Head Start Cluster (93.600)

CRITERIA: In accordance with the federal program guidelines, the Organization is required to share accurate and regular financial information with the governing body and the policy council, including monthly financial statements.

CONDITION: The Organization did not provide financial statements related to the federal programs on a monthly basis.

CAUSE: The Organization shares bimonthly financial statements; however, the financial statements are required to be shared on a monthly basis.

EFFECT: The Organization did not share monthly financial statements with the governing bodies; therefore, it was not in compliance with the regulation.



UNITED WAY OF ACADIANA, INC.  
Lafayette, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 2023

RECOMMENDATION: The Organization should ensure the sharing of accurate and regular information for use by the governing body and the policy council, about program planning, policies, and Head Start agency operations, including-- (A) monthly financial statements, including credit card expenditures; (B) monthly program information summaries; (C) program enrollment reports, including attendance reports for children whose care is partially subsidized by another public agency; (D) monthly reports of meals and snacks provided through programs of the Department of Agriculture; (E) the financial audit; (F) the annual self-assessment, including any findings related to such assessment; (G) the communitywide strategic planning and needs assessment of the Head Start agency, including any applicable updates; (H) communication and guidance from the Secretary; and (I) the program information reports.

MANAGEMENT'S CORRECTIVE ACTION PLAN: United Way of Acadiana acknowledges the recommendation and is dedicated to improving our procedures to guarantee the accurate and timely dissemination of information to the governing body and policy council. Beginning Q4 2023, we have consistently provided monthly financial reports to the governing body, and we are committed to maintaining this practice going forward.

Internal Control Findings -

*Material Weaknesses*

U.S. Department of Health and Human Services:

2023-004 Controls Over Allowable Costs

Fiscal year finding initially occurred: 2021

Head Start Cluster (93.600)

See compliance finding 2023-001.

*Significant deficiencies*

2023-005 Controls Over Reporting

Fiscal year finding initially occurred: 2021

Head Start Cluster (93.600)

See compliance finding 2023-002.

2023-006 Special Tests and Provisions

Fiscal year finding initially occurred: 2023

Head Start Cluster (93.600)

See compliance finding 2023-003.



**United Way of Acadiana**

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**Corrective Action Plan  
June 26, 2024**

U.S. Department of Health and Human Services

The United Way of Acadiana, Inc. respectfully submits the following corrective action plan for the year ended December 31, 2023.

**Audit conducted by:**  
Kolder, Slaven & Company, LLC  
183 S. Beadle Road  
Lafayette, Louisiana 70508

**Audit Period:** January 1, 2023- December 31, 2023

The findings from the December 31, 2023 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**FINDINGS- FEDERAL AWARD PROGRAMS AUDIT**

Compliance:

**U.S. Department of Health and Human Services**

Head Start Cluster – Assistance Listing No. 93.600

**2023-001 Controls Over Allowable Costs**

**Recommendation:** The Organization should review their established policies and procedures for effectiveness and ensure all employees adhere to all established procedures. Additionally, management should ensure all costs charged to the program are allowable under the grant guidelines.

**Corrective Action Plan:** United Way of Acadiana onboarded a new Finance Director with expertise in developing internal controls for Federal grant programs as of August 2023. We have successfully implemented robust internal controls that have significantly enhanced our operational efficiency. We are confident that as of 2024, this issue has been effectively addressed.

**2023-002 Controls Over Reporting**

**Recommendation:** The Organization should review their established policies and procedures and ensure that the required federal program reporting is submitted within the prescribed timelines with accurate information.



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Corrective Action Plan: United Way of Acadiana has engaged in fiscal integrity training through the EHS program and has established internal controls for financial reporting. We have designated staff and established timelines to ensure timely completion of reporting.

We are committed to consistently submitting accurate and timely reports, demonstrating our commitment to transparency and accountability.

### **2023-003 Special Tests and Provisions**

Recommendation: The Organization should ensure the sharing of accurate and regular information for use by the governing body and the policy council, about program planning, policies, and Head Start agency operations, including-- (A) monthly financial statements, including credit card expenditures; (B) monthly program information summaries; (C) program enrollment reports, including attendance reports for children whose care is partially subsidized by another public agency; (D) monthly reports of meals and snacks provided through programs of the Department of Agriculture; (E) the financial audit; (F) the annual self-assessment, including any findings related to such assessment; (G) the communitywide strategic planning and needs assessment of the Head Start agency, including any applicable updates; (H) communication and guidance from the Secretary; and (I) the program information reports.

Corrective Action Plan: United Way of Acadiana acknowledges the recommendation and is dedicated to improving our procedures to guarantee the accurate and timely dissemination of information to the governing body and policy council. Beginning Q4 2023, we have consistently provided monthly financial reports to the governing body, and we are committed to maintaining this practice going forward.

Internal Control:

### **U.S. Department of Health and Human Services**

Head Start Cluster – Assistance Listing No. 93.600

Material weakness-

### **2023-004 Controls Over Allowable Costs**

See compliance finding 2023-001

Significant Deficiencies:

### **2023-005 Controls Over Reporting**

See Internal Control finding 2023-002.



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**2023-006 Special Tests and Provisions**

See Compliance finding 2023-003.

We will review the findings mentioned above and take appropriate corrective actions as outlined for each specific finding. If there are any inquiries from federal or state pass-through agencies regarding this plan, please feel free to reach out to us.

DocuSigned by:  
*Heather Blanchard*  
47AD47DA6D8743A...  
Heather Blanchard, President/CEO

DocuSigned by:  
*Tiffany Handford*  
E6EE1811901D4A5...  
Tiffany Handford, Director of Finance



United Way of Acadiana

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United Way of Acadiana, Inc.  
Summary Schedule of Prior Year Audit Findings  
For the Year Ended December 31, 2023

**FINDINGS - FINANCIAL STATEMENT AUDIT:**

Internal Control Findings –

**2022-001 Inadequate Controls Over the Recordation of Transactions and Reconciliations of Account Balances**

Condition

The Organization does not have adequate controls over the recordation of transactions and the monthly reconciliations of account balances. Specific areas involved the following – (1) banking and bank reconciliations (2) pledges, grants, and other receivables (3) allowance for doubtful accounts/bad debt expense - pledges (4) deferred revenues (5) pledge revenues.

Recommendation

The Organization should adhere to their policies and procedures to ascertain that transactions are properly recorded, and account balances are reconciled on a timely basis.

Current Status:

The finding was resolved.

Compliance Finding:

**2022-002 Failure to File Audited Financial Statements Timely**

Condition

The Organization's annual audited financial statements were not filed timely for the fiscal year ended December 31, 2022.

Recommendation



United Way of Acadiana

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The Organization should take necessary actions to ensure their annual financial statement audit is completed and submitted within six months of the close of their fiscal year.

Current Status:

The finding was resolved.

**FINDINGS – FEDERAL AWARD PROGRAMS AUDIT:**

Internal Control Findings –

U.S. Department of Health and Human Services:

**2022-003 Controls Over Activities Allowed/Allowable Costs**

Head Start Cluster (93.600)

Condition

The Organization's internal controls over activities allowed/allowable costs were determined to be ineffective during the performance of internal control testing over the major federal program.

Recommendation

The Organization should review their established policies and procedures for effectiveness and ensure all employees adhere to all established procedures. Additionally, management should ensure all costs charged to the program are allowable under the grant guidelines.

Current Status:

United Way of Acadiana acknowledges the recommendation and is dedicated to improving our procedures to guarantee the accurate and timely dissemination of information to the governing body and policy council. Beginning Q4 2023, we have consistently provided monthly financial reports to the governing body, and we are committed to maintaining this practice going forward.

**2022-004 Controls Over Reporting**

Condition



United Way of Acadiana

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The Organization did not have adequate internal controls over the preparation and timely submission of the required reports for their major federal program.

Recommendation

The Organization should review their established policies and procedures and ensure that the required federal program reporting is submitted within the prescribed timelines.

Current Status:

United Way of Acadiana has engaged in fiscal integrity training through the EHS program and has established internal controls for financial reporting. We have designated staff and established timelines to ensure timely completion of reporting.

We are committed to consistently submitting accurate and timely reports, demonstrating our commitment to transparency and accountability.

Compliance Findings --

U.S. Department of Health and Human Services:

**2022-005 Controls Over Activities Allowed/Allowable Costs**

Head Start Cluster (93.600)

See Internal Control Finding 2022-003

**2022-006 Controls Over Reporting**

See Internal Control Finding 2022-004

Sincerely,

A handwritten signature in black ink that reads "Tiffany Handford". The signature is written in a cursive, flowing style.

Tiffany Handford  
Director of Finance

**United Way of Acadiana, Inc.**  
Lafayette, Louisiana

Agreed-Upon Procedures Report

Year Ended December 31, 2023



# KOLDER, SLAVEN & COMPANY, LLC

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

\* A Professional Accounting Corporation

United Way of Acadiana, Inc.  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2023 through December 31, 2023. United Way of Acadiana, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

United Way of Acadiana, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### *Written Policies and Procedures*

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the operations:
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) **Disbursements**, including processing, reviewing, and approving.
  - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
  - e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

### ***Board or Finance Committee***

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- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the General Fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.
  - d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

### ***Bank Reconciliations***

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- 3. Obtain a listing of the entity's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if

less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected accounts, and observe that:

- a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
- b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

### ***Collections (excluding electronic fund transfers)***

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4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was in force during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

- e) Trace the actual deposit per the bank statement to the general ledger.

***Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)***

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- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
  - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
  - b) Observe that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
- 11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

***Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)***

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- 12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- 13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:
  - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports

for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

- b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### ***Contracts***

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16. Obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval).
  - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

### ***Payroll and Personnel***

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17. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

### ***Ethics***

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21. Using the 5 randomly select employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and:
  - a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - b) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

### ***Debt Service***

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23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

24. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

### ***Fraud Notice***

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25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
26. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

### ***Information Technology Disaster Recovery/Business Continuity***

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27. Perform the following procedures, **verbally discussed the results with management, and reported "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, then inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on entity's local server or network, and (c) was encrypted.

***We performed the procedure and discussed the results with management.***

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

***We performed the procedure and discussed the results with management.***

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

***We performed the procedure and discussed the results with management.***

28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.
29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtained cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
  - a) Hired before June 9, 2020 – completed the training; and
  - b) Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

## ***Prevention of Sexual Harassment***

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30. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
31. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
32. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
  1. Number and percentage of public servants in the agency who have completed the training requirements;
  2. Number of sexual harassment complaints received by the agency;
  3. Number of complaints which resulted in a finding that sexual harassment occurred;
  4. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  5. Amount of time it took to resolve each complaint.

## **Exceptions:**

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No exceptions were found as a result of applying the procedures listed above except:

### **Written Policies and Procedures**

1. Written policies and procedures did not address managements actions to determine the completeness of all collections for each type of revenue; allowable expenses for travel and expense reimbursements; and Information Technology Disaster Recovery and Business Continuity relating to; storage of backups in a separate physical location, periodic testing that backups can be restored, timely applications of all available system and software updates, and identification of personnel, processes and tools needed to recover operations after a critical event.

## **Management's Response:**

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Management of United Way of Acadiana, Inc. concurs with the exceptions and are working to address the deficiencies identified.



We were engaged by United Way of Acadiana, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of United Way of Acadiana, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
June 26, 2024