



UNITED WAY OF NORTHWEST LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2022 and 2021

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INDEPENDENT AUDITORS' REPORT

Board of Directors
United Way of Northwest Louisiana
Shreveport, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of United Way of Northwest Louisiana (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, 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 referred to above present fairly, in all material respects, the financial position of United Way of Northwest Louisiana as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Northwest Louisiana 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 opinion.

Responsibilities of Management for the Financial Statements

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Way of Northwest Louisiana'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 Northwest Louisiana's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented in accordance with Act 706 of the Louisiana Revised Statutes ("LRS") 24:513(A)(3) on page 30 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 30, 2023, on our consideration of United Way of Northwest Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of United Way of Northwest Louisiana'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 Northwest Louisiana's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana

June 30, 2023

United Way of Northwest Louisiana
Statements of Financial Position

<i>December 31,</i>	2022	2021
Assets		
Current assets		
Cash	\$ 76,964	\$ 141,337
Certificates of deposit	116,265	203,389
Pledges receivables, net	432,742	407,610
Grant contract receivable	146,336	141,337
Employee Retention Tax Credit receivable	253,940	-
Prepaid expenses and other assets	-	8,931
Total current assets	1,026,247	902,604
Non-current assets		
Property and equipment, net	22,963	29,440
Beneficial interest in assets of foundation	286,613	327,510
Investments in marketable securities	45,894	-
Assets held as agent	14,863	60,712
Total non-current assets	370,333	417,662
Total assets	\$ 1,396,580	\$ 1,320,266
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 29,282	\$ 20,901
Accrued expenses	46,861	66,815
Total current liabilities	76,143	87,716
Long-term liabilities		
Liabilities for assets held as agent	251,061	183,241
Total long-term liabilities	251,061	183,241
Total liabilities	327,204	270,957
Net assets		
Without donor restrictions	1,069,376	1,049,309
With donor restrictions	-	-
Total net assets	1,069,376	1,049,309
Total liabilities and net assets	\$ 1,396,580	\$ 1,320,266

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

United Way of Northwest Louisiana
Statements of Activities

<i>For the Year Ended December 31, 2022</i>	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Campaign contributions, net	\$ 786,876	\$ -	\$ 786,876
Contributions and sponsorships	1,217	54,563	55,780
Impact income	105,832	-	105,832
Grants	377,857	400,586	778,443
In-kind contributions	73,099	-	73,099
Other Revenue			
Special events	10,645	-	10,645
Investment income	4,662	-	4,662
Miscellaneous income	13,164	-	13,164
Employee Retention Tax Credit	253,941	-	253,941
Net realized and unrealized gain(loss) on endowment	(31,569)	-	(31,569)
Total revenue and other support	1,595,724	455,149	2,050,873
Total net assets released from restriction	455,149	(455,149)	-
Total support and other revenue	2,050,873	-	2,050,873
Expenses			
<i>Program services</i>			
Impact program and allocations	1,266,612	-	1,266,612
Financial Empowerment Center	316,981	-	316,981
Total program services	1,583,593	-	1,583,593
<i>Supporting services</i>			
General and administrative	160,216	-	160,216
Resource development	260,543	-	260,543
Payments to affiliated organizations	26,453	-	26,453
Total supporting services	447,213	-	447,213
Total expenses	2,030,806	-	2,030,806
Change in Net Assets	20,067	-	20,067
Net assets at beginning of year	1,049,309	-	1,049,309
Net assets at end of year	\$ 1,069,376	\$ -	\$ 1,069,376

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

United Way of Northwest Louisiana
Statements of Activities

<i>For the Year Ended December 31, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Campaign contributions, net	\$ 822,008	\$ -	\$ 822,008
Contributions and sponsorships	10,000	45,183	55,183
Impact income	70,121	-	70,121
Grants	557,538	437,638	995,176
In-kind contributions	90,105	-	90,105
Other Revenue			
Special events	7,917	-	7,917
Investment income	9,373	-	9,373
Miscellaneous income	97,809	-	97,809
PPP loan forgiveness	159,200	-	159,200
Net realized and unrealized gain(loss) on endowment	38,244	-	38,244
Total revenue and other support	1,862,315	482,821	2,345,136
Total net assets released from restriction	482,821	(482,821)	-
Total support and other revenue	2,345,136	-	2,345,136
Expenses			
<i>Program services</i>			
Impact program and allocations	1,476,726	-	1,476,726
Financial Empowerment Center	234,583	-	234,583
Total program services	1,711,309	-	1,711,309
<i>Supporting services</i>			
General and administrative	191,032	-	191,032
Resource development	322,641	-	322,641
Payments to affiliated organizations	18,733	-	18,733
Total supporting services	532,406	-	532,406
Total expenses	2,243,715	-	2,243,715
Change in Net Assets	101,421	-	101,421
Net assets at beginning of year	947,888	-	947,888
Net assets at end of year	\$ 1,049,309	\$ -	\$ 1,049,309

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

United Way of Northwest Louisiana Statements of Functional Expenses

For the Year Ended December 31, 2022

	Program Services		Supporting Services			Total Expenses
	Impact Program and Allocations	Financial Empowerment Center	Administrative	Resource Development	Total Supporting Services	
Salaries and related expenses						
Salaries	\$ 406,822	\$ 203,411	\$ 40,682	\$ 122,046	\$ 162,729	\$ 772,961
Insurance	41,684	20,842	4,168	12,505	16,673	79,199
Retirement	24,157	12,078	2,416	7,247	9,663	45,898
Payroll taxes	31,644	15,822	3,164	9,493	12,658	60,124
Workmen's compensation insurance	2,508	1,254	251	752	1,003	4,765
Total salaries and related expenses	506,814	253,407	50,681	152,044	202,726	962,947
Other operating expenses						
Allocations to agencies	101,843	-	-	-	-	101,843
United Way programs	507,939	-	-	-	-	507,939
Professional fees	19,132	1,275	64,087	20,616	84,703	105,110
Office supplies and expense	2,664	3,160	607	2,182	2,789	8,613
Telephone	7,318	5,123	2,856	4,242	7,098	19,539
Postage	938	592	1,151	1,105	2,256	3,786
Building	44,561	22,281	4,456	13,368	17,824	84,666
Liability insurance	2,905	-	19,567	-	19,567	22,472
Equipment rent and maintenance	4,934	3,019	5,694	6,465	12,159	20,112
Advertising	13,983	4,045	63	246	309	18,337
Printing	27,934	-	577	32,341	32,918	60,852
Awards	711	95	229	1,534	1,763	2,569
Films	-	-	-	-	-	-
Dues and subscriptions	14,014	4,942	1,981	13,874	15,855	34,811
Vehicle expenses	2,205	2	595	2,852	3,447	5,654
Meetings	1,785	537	2,237	1,234	3,471	5,793
Special events	-	5,773	-	5,773	5,773	11,546
Conferences and training	2,787	11,025	106	1,644	1,750	15,562
Depreciation expense	3,409	1,704	341	1,023	1,364	6,477
Miscellaneous	736	-	4,988	-	4,988	5,724
Total other operating expenses	759,798	63,573	109,535	108,499	218,034	1,041,405
Unallocated payments to affiliated organizations	-	-	-	-	-	26,453
Total expenses	\$ 1,266,612	\$ 316,980	\$ 160,216	\$ 260,543	\$ 420,760	\$ 2,030,805

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

United Way of Northwest Louisiana Statements of Functional Expenses

For the Year Ended December 31, 2021

	Program Services		Supporting Services			Total Expenses
	Impact Program and Allocations	Financial Empowerment Center	Administrative	Resource Development	Total Supporting Services	
Salaries and related expenses						
Salaries	\$ 392,149	\$ 156,306	\$ 62,522	\$ 180,444	\$ 242,966	\$ 791,421
Insurance	48,062	19,157	7,663	22,115	29,778	96,996
Retirement	24,434	9,739	3,896	11,243	15,138	49,311
Payroll taxes	31,271	12,464	4,986	14,389	19,375	63,110
Workmen's compensation insurance	2,452	977	391	1,128	1,519	4,949
Total salaries and related expenses	498,367	198,643	79,457	229,319	308,777	1,005,787
Other operating expenses						
Allocations to agencies	118,308	-	-	-	-	118,308
United Way programs	743,553	-	-	-	-	743,553
Professional fees	16,257	1,592	45,666	15,707	61,373	79,222
Office supplies and expense	1,958	2,352	2,299	1,593	3,892	8,202
Telephone	6,485	5,902	3,164	4,394	7,558	19,945
Postage	643	461	989	1,018	2,007	3,111
Building	41,013	6,539	18,872	16,347	35,219	82,770
Liability insurance	225	-	13,915	-	13,915	14,140
Equipment rent and maintenance	5,738	3,993	7,423	6,671	14,094	23,825
Advertising	21,417	5,753	175	1,438	1,613	28,783
Printing	83	688	298	12,646	12,944	13,715
Awards	645	274	1,202	527	1,729	2,648
Films	-	-	-	-	-	-
Dues and subscriptions	10,919	4,798	5,445	9,302	14,747	30,464
Vehicle expenses	1,462	34	1,529	1,532	3,061	4,557
Meetings	1,661	1,677	774	2,780	3,554	6,892
Special events	160	373	113	16,239	16,352	16,885
Conferences and training	4,070	980	906	1,688	2,594	7,644
Depreciation expense	3,285	524	1,512	1,309	2,821	6,630
Miscellaneous	477	-	7,294	130	7,424	7,901
Total other operating expenses	978,359	35,940	111,575	93,322	204,897	1,219,195
Unallocated payments to affiliated organizations	-	-	-	-	-	18,733
Total expenses	\$ 1,476,726	\$ 234,583	\$ 191,032	\$ 322,641	\$ 513,673	\$ 2,243,715

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

United Way of Northwest Louisiana Statements of Cash Flows

<i>For the Years Ended December 31,</i>	2022	2021
Cash flows from operating activities		
Change in net assets	\$ 20,068	\$ 101,421
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Paycheck Protection Program loan forgiveness	-	(159,200)
Depreciation	6,477	6,630
Unrealized (gain)loss on investments	35,675	(38,244)
Changes in assets and liabilities:		
(Increase) decrease in pledges receivable	(25,132)	11,065
(Increase) decrease in grant receivable	(4,999)	42,611
(Increase) decrease in ERTC receivable	(253,941)	-
(Increase) decrease in prepaid expenses	8,931	66,347
(Increase) decrease in beneficial interest in assets of foundation	5,222	5,501
Increase (decrease) in accounts payable	8,381	(83,326)
Increase (decrease) in accrued expenses	(19,954)	(39,348)
Net change in net assets held as agent	113,669	(21,954)
Net cash provided by (used in) operating activities	(105,603)	(108,497)
Cash flows from investing activities		
Purchase of property and equipment	-	(3,027)
Redemption of certificates of deposit	87,124	50,000
Purchase of certificates of deposit	-	(51,463)
Purchase of investments	(50,000)	-
Net cash provided by (used in) investing activities	37,124	(4,490)
Cash flows from financing activities		
Net activity from line of credit	-	(150)
Net cash provided by (used in) financing activities	-	(150)
Net increase (decrease) in cash	(68,479)	(113,137)
Cash at beginning of year	141,337	254,474
Cash at end of year	\$ 72,858	\$ 141,337
Schedule of Certain Cash Flow Information		
Cash paid for interest	\$ -	\$ -
Non-Cash Investing and Financing Activities		
Paycheck Protection Program loan forgiveness	\$ -	\$ 159,200

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

United Way of Northwest Louisiana Notes to the Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

The United Way of Northwest Louisiana (“United Way” or “Organization”) is a public nonprofit organization, exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code, which was organized in 1921 to serve organizations in Caddo, Bossier, Webster, Bienville, Claiborne, DeSoto, Red River, Natchitoches, Sabine and Winn parishes. Annual, centralized workplace campaigns are conducted in the fall each year to raise support for grant allocations in the subsequent calendar year. Grants are made by United Way for charitable, educational and civic purposes based on requests from organizations seeking funding.

In addition to grant allocations, United Way operates several internal programs including a Volunteer Center for NWLA, Dolly Parton’s Imagination Library program, Bank on Northwest Louisiana, FamilyWise Prescription Assistance program, the Volunteer Income Tax Assistance program, and the Financial Empowerment Center.

United Way is a proud partner of Louisiana 211 and works closely with the Louisiana Association of United Ways to bring this service to our area and was a partner of EXIT-318, a collaborative effort between other nonprofits.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and presented in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*.

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to contributions in-kind and allocation of functional expenses.

Program Services

The Organization’s program services consist of the following:

Health – The Organization provides a prescription discount card service.

Education – The Organization free books to children under the age of five to improve kindergarten readiness and early childhood literacy.

United Way of Northwest Louisiana Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Stability – The Organization provides programs that help families become financially stability by offering free tax-preparation, financial coaching and counseling services and access to free or low cost banking services.

Essential Needs – The Organization is the regions provider of the 211 Information and Referral Helpline that connects families to community resources.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with maturities of three months or less to be cash equivalents. United Way did not have any cash equivalents at December 31, 2022 and 2021.

Pledges Receivable

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions, if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Donor restricted pledges are not recognized as revenue because the Organization acts as an intermediary between the donor and the ultimate beneficiary, only, as required by FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*. All specific donor designated donations fall under this designation. A liability is recognized as opposed to revenue as these are classified as agency transactions.

The Organization uses the allowance method to determine uncollectible unconditional pledges receivable, when material. The allowance is based on prior years' experience and management's analysis of specific promises made.

Beneficial Interest in Assets of Foundation

Transfers of its funds to the Community Foundation of North Louisiana, specifying United Way as the beneficiary, are accounted for as an asset, in accordance with generally accepted accounting principles, and presented in these statements of financial position in the caption beneficial interest in assets of foundation.

Investments

The Organization reports investments in equity securities with readily determinable fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

United Way of Northwest Louisiana Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

All acquisitions of property and equipment in excess of \$2,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and capital assets reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

United Way reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Contributions with donor restrictions that are both received and released within the same year are recorded as an increase in net assets with donor restrictions and as a satisfaction of program restrictions.

Revenue Recognition

Program service fees and payments under cost-reimbursable contracts are accounted for under ASC Topic 606, Revenue from Contracts with Customers (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied. Prior to the adoption of ASC 606, the Company recognized revenue when received or event has occurred and collectability was reasonably assured.

United Way of Northwest Louisiana Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly removed the conditions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets with donor restrictions and as a satisfaction of program restrictions.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation. Materials and event space are contributed to United Way including advertising, rentals, equipment and fundraising items. In-kind contributions recorded on the books for rent, advertising and materials to United Way for the year ended December 31, 2022 and 2021, were \$73,099 and \$90,105, respectively.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll, payroll taxes, and employee benefits are allocated based on actual percentages of time spent in each functional area. A portion of administrative costs that benefit multiple functional areas (indirect costs such as rent and depreciation expense) have been allocated across programs and other support services based on proportion of full-time employee equivalents of a program or other supporting service versus the total organizational full-time employee equivalents.

Advertising

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the years ended December 31, 2022 and 2021, advertising costs totaled \$18,337 and \$28,783, respectively.

United Way of Northwest Louisiana Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

United Way is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as a nonprofit organization in IRC Section 501(c)(3). Accordingly, there is no provision for income taxes; however, should United Way engage in activities unrelated to its exempt purpose, taxable income could result. There were no unrelated business activities for the year ended December 31, 2022 and 2021. Accordingly, no tax expense was incurred for the year ended December 31, 2022 and 2021.

United Way utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. United Way is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2019.

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation. Net assets and changes in net assets are unchanged due to these reclassifications.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 30, 2023. See Note 20 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Issued and Implemented Accounting Pronouncements

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to bring more transparency and consistency to the presentation and disclosure of gifts-in-kind (GIKs). While many not-for-profits (NFPs) already separately report GIKs and make some of the disclosures required by ASU 2020-07, the new standard will bring presentation and disclosure consistency across NFPs. The standard is effective for fiscal years beginning after June 15, 2021. United Way adopted this standard effective January 1, 2022 and changes have been made to disclosures.

United Way of Northwest Louisiana
Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

In February 2016, the FASB issued guidance (ASC 842, *Leases*) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. United Way adopted this standard effective January 1, 2022. There were no significant impacts of implementing this standard.

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Organization maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>As of December 31,</i>	2022	2021
Financial assets, at year-end	\$ 1,327,724	\$ 1,281,895
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Board designated beneficial interest in assets of foundation	(286,613)	(327,510)
Assets held by United Way of Northwest Louisiana as an agent	(14,863)	(60,712)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,026,248	\$ 893,673

Financial assets at year-end as noted in the above schedule exclude property and equipment and prepaid expenses. Additionally, as discussed in more detail in Note 8, the Organization maintains a \$60,000 line of credit, of which \$60,000 remained available on December 31, 2022 and 2021.

United Way of Northwest Louisiana
Notes to the Financial Statements

Note 4: PLEDGES RECEIVABLE

Pledges receivable as of December 31, 2022, consist of the following:

	Pledges Receivable	Less Allowance for Uncollectibles	Net
2021 Campaign	\$ 136,090	\$ (71,547)	\$ 64,543
2022 Campaign	387,715	(19,516)	368,199
Total	\$ 523,805	\$ (91,063)	\$ 432,742

Pledges receivable as of December 31, 2021, consist of the following:

	Pledges Receivable	Less Allowance for Uncollectibles	Net
2020 Campaign	\$ 131,002	\$ (51,143)	\$ 79,859
2021 Campaign	348,947	(21,196)	327,751
Total	\$ 479,949	\$ (72,339)	\$ 407,610

Note 5: EMPLOYEE RETENTION TAX CREDIT RECEIVABLE

During fiscal year 2022, the Organization applied for the Employee Retention Tax Credit (“ERTC”) pursuant to the CARES Act. The ERTC allows for a refundable tax credit against certain employment taxes if certain eligibility requirements are met. The Organization accounts for ERTC as a conditional grant, and as all conditions have been met for qualification of the credit during the year ended December 31, 2022, the Organization recognized \$253,941 related to the ERTC as a receivable and support in fiscal 2022, which was received in full in fiscal 2023.

Note 6: INVESTMENTS

Investments in marketable securities consist of the following:

<i>December 31, 2022</i>	Cost	Market Value
Exchange-traded & closed-end funds	\$ 50,000	\$ 45,894
Total investments in marketable securities	\$ 50,000	\$ 45,894
<i>December 31, 2021</i>	Cost	Market Value
Exchange-traded & closed-end funds	\$ -	\$ -
Total investments in marketable securities	\$ -	\$ -

United Way of Northwest Louisiana Notes to the Financial Statements

Note 7: PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2022 and 2021, consist of the following:

	Estimated Useful Lives (in years)	2022	2021
Furniture and fixtures	5-10	\$ 6,006	\$ 6,006
Software	3	7,000	7,000
Equipment	5-10	47,819	47,819
Total property and equipment		60,825	60,825
Less accumulated depreciation		(37,862)	(31,385)
Property and equipment, net		\$ 22,963	\$ 29,440

Depreciation expense for the years ended December 31, 2022 and 2021 was \$6,477 and \$6,630, respectively.

Note 8: LINE OF CREDIT

The Organization maintains a line of credit agreement with a financial institution. Available borrowings related to the agreement are \$60,000 with an interest rate of 5.750%, secured by state contract with Department of Public Safety and Corrections. The credit line expires in 2023. There was no outstanding balance as of December 31, 2022 and 2021.

Note 9: NET ASSETS

Net assets with donor restrictions would consist of grants and contributions that have been restricted for use by the grantors and contributors. The purpose of the donor restrictions are for economic self-sufficiency programs, initiatives to benefit children and families, training programs, and research projects. The net assets with donor restrictions are \$0 as of December 31, 2022 and 2021.

As discussed in Note 18, United Way of Northwest Louisiana has a board-designated beneficial interest in assets of the Community Foundation of North Louisiana in the amount of \$286,613 that is included in net assets without donor restrictions.

Note 10: REVENUE RECOGNITION

The Organization is recognizing revenue in accordance with FASB ASC 958-605, *Revenue Recognition of Not-for-Profit Entities* and FASB ASC 606, *Revenue from Contracts with Customers*. Revenue related to the Financial Empowerment Center, EXIT-318, Louisiana 211, Dolly Parton Imagination Library, and other grants shown in the table below is recognized in accordance with FASB ASC 606 at the point in time when United Way meets its performance obligations under the respective grants. All other revenue of the Organization is recognized in accordance with FASB ASC 958-605. As of December 31, 2022 and 2021, there are no performance obligations to be satisfied. Grant contracts are billed monthly and payment is due upon presentation.

United Way of Northwest Louisiana
Notes to the Financial Statements

Note 10: REVENUE RECOGNITION (Continued)

Disaggregated Revenue

A summary of grant disaggregated revenue recognized in accordance with FASB ASC 606 follows:

<i>For the year ended December 31,</i>	2022	2021
EXIT-318	\$ 191,174	\$ 501,860
Louisiana 211	239,474	303,500
Financial Empower Center	241,045	189,816
Dolly Parton Imagination Library	76,700	-
Capital One Vita	15,000	-
Bank On	12,550	-
BCBS	2,500	-
Total revenue recognized in accordance with FASB ASC 606	\$ 778,443	\$ 995,176

As of September 2022, the Exit-318 program with Caddo and Bossier ended and was not be renewed for another contract year.

Contract assets included in grant contract receivables on the Statement of Financial Position were:

<i>December 31,</i>	2022	2021
Grant contract receivable, beginning of year	\$ 141,337	\$ 105,451
Grant contract receivable, end of year	\$ 146,336	\$ 141,337

Note 11: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
 - observable; or
 - can be corroborated by observable market data.

United Way of Northwest Louisiana Notes to the Financial Statements

Note 11: FAIR VALUE MEASUREMENTS (Continued)

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Assets and liabilities measured at fair value on a recurring basis are summarized for the years ended December 31, 2022 and 2021:

<i>December 31, 2022</i>	Level 1	Level 2	Level 3	Total
Beneficial interest in assets of foundation	\$ -	\$ -	\$ 286,613	\$ 286,613
Exchange-traded & closed end funds	45,894	-	-	45,894
Total investments at fair value	\$ 45,894	\$ -	\$ 286,613	\$ 332,507

<i>December 31, 2021</i>	Level 1	Level 2	Level 3	Total
Beneficial interest in assets of foundation	\$ -	\$ -	\$ 327,510	\$ 327,510
Exchange-traded & closed end funds	-	-	-	-
Total investments at fair value	\$ -	\$ -	\$ 327,510	\$ 327,510

There were no changes in valuation techniques during the current year.

Note 12: CONCENTRATIONS OF RISK

Financial instruments that subject United Way to concentrations of credit risk consist principally of cash and cash equivalents. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC), up to certain limits. At December 31, 2022, United Way had no cash deposits with financial institutions in excess of federally insured limits.

Credit risk with respect to contract receivables and promises to give is limited due to the number and credit worthiness of the corporations, governmental entities, and individuals who comprise the contributor base. Substantially all contributors are located in Louisiana.

Geographic Concentration

United Way conducts its operations solely in Northwest Louisiana, and, therefore, is subject to risks from changes in local economic conditions. A downturn in the local economy could cause a decrease in funding in contributions and grants.

United Way of Northwest Louisiana Notes to the Financial Statements

Note 13: COMMITMENTS

United Way entered into a lease agreement in March 2014 with Willis-Knighton Medical Center for office space in Shreveport, Louisiana that expired in February 2016. The agreement is now a month-to-month lease for monthly rent of \$5,000, which is forgiven as an act of donation.

United Way entered into lease agreement in October 2019 with Willis-Knighton Medical Center for additional office space in Shreveport, Louisiana. The lease was not renewed, but continues on a monthly basis. The agreement is for monthly rental expense of \$1,898, which is shown as building expenses on the statement of functional expenses.

Building rent expenses for the years ended December 31, 2022 and 2021, was \$84,666 and \$82,770, respectively.

Note 14: RETIREMENT PLAN

The Organization sponsors a defined contribution retirement plan, established June 1, 1995, and is required to contribute seven percent (7%) of the employee's compensation to the plan. Thereafter, United Way may match, dependent on funding, up to 3% of an employee's voluntary contributions to the plan. Employees are eligible to participate in the plan after one year of employment. Employees are fully vested after three years of participation. Employee contributions are limited by federal tax legislation. The statutory limit for 2022 for employee contributions is \$19,500. Participants who have attained age 50 by the end of the calendar year are eligible to contribute an additional \$6,500 as catch-up contributions. Employer contributions to the plan in 2022 and 2021, were \$45,898 and \$49,311, respectively.

Note 15: SUMMARY OF ALLOCATIONS TO AGENCIES

Annual grants to programs and local agencies are established after the completion of the capital campaign and amounts are approved by the Board. A summary of the disbursements to the participating agencies (presented alphabetically) of the United Way of Northwest Louisiana for the year ended December 31, 2022 and 2021, is as follows:

**United Way of Northwest Louisiana
Notes to the Financial Statements**

Note 15: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)

Agency	2022	2021
All Souls Unitarian Universalist Church	\$ 71	\$ 47
Alzheimer's Foundation	5	5
American Diabetes Association	-	15
American Heart Association	-	53
American Red Cross	157	379
Arkansas Children's Hospital	55	119
ASPCA	-	48
Beat the Streets	-	42
Bethesda Missionary Baptist Church	-	16
Betty & Leonard Phillips Deaf Action Center	36	67
Booker T Washington High School	-	281
Bossier Arts Council	-	16
Bossier Council on Aging	358	4,271
Bossier Kids, Inc.	19	19
Bossier Parish Community College Foundation	-	159
Broadmoor Baptist Church	24	24
Broadmoor STEM Academy Middle Laboratory Jobs	-	63
Broadmoor STEM Middle Laboratory School Fund	-	16
Broadmoor United Methodist Church	83	114
Brookwood Baptist Church	24	58
Bryant Temple Church of God in Christ	-	25
C. E. Byrd Foundation	-	199
C. E. Byrd High School French Club	-	16
C. E. Byrd High School Wet Lab	-	63
C. Wright Pink Ribbon Project	-	77
Caddo Career & Technology Center Foundation	3,350	13,415
Caddo Council on Aging	1,185	5,770
Caddo Council on Aging - Meals	329	353
Caddo Heights Math and Science Elementary	47	47
Caddo Parish School Board Homeless Department	47	47
Caddo Parish Special Education Preschool	94	94
Camp Rainman	111	332
Campti Community Development Center	-	1,625
Capital Area United Way	-	153
Care Pregnancy Center	14	33

United Way of Northwest Louisiana
Notes to the Financial Statements

Note 15: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)

Agency	2022	2021
Catholic Charities of North Louisiana	857	2,732
Catholic Charities of Shreveport	-	1,078
Charge Syndrome Foundation	-	16
Cherokee Park Elementary	629	918
Children's Miracle Network	14	46
Chris Kyle Foundation	-	266
Christ Fit Gym	276	685
Christ the King Catholic Church	43	43
Christian Service	-	3,750
Christian Service Program Institute	43	2,230
Christian Services	-	204
Church of the Holy Cross	-	503
Common Ground Community	21	178
Community Renewal International	1,264	4,713
Council on Alcoholism & Drug Abuse	467	1,210
Cover 6 Outdoors	111	166
Cystic Fibrosis Foundation	9	47
David Raines Community Health Center	-	291
Department of Exceptional Children	-	32
Department of Exceptional Children Preschool	61	61
DeSoto Parish Fellowship Church	107	179
Dress for Success	-	2,500
E. B. Williams Stoner Hill Elementary	203	203
E. B. Williams Stoner Hill Lab	-	567
Eighty-First Street ECE	408	1,457
Evangel Christian Academy Football	-	32
Evergreen Presbyterian Ministries Inc.	-	625
Every Warrior Network	57	57
Ezekiel's Temple Ministries	-	128
Fairfield Elementary Magnet	-	35
Family Resources for Education	-	166
First Baptist Benton Deaf Ministry	-	191
First Baptist Church Blanchard Louisiana	-	32
First Baptist Church- Coushatta	21	21
Food Bank of Central Louisiana	904	2,098
Food Bank of Northwest Louisiana	4,860	14,503
Ford Park Baptist Church	-	64
Fresh Oil Worship Center	24	71
Geaux 4 Kids	12	28

United Way of Northwest Louisiana
Notes to the Financial Statements

Note 15: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)

Agency	2022	2021
Gingerbread House Bossier/Caddo	3,061	15,004
Girl Scouts of Louisiana	-	329
Goldman School	-	61
Goodwill Industries of North Louisiana	1,651	10,405
Grace Family Worship Center	-	48
Heart of Hope Ministries	19	60
Highland Center Ministries	-	1,000
Hollywood Baptist Church	-	32
Holy Angels Residential Facility	1,192	2,077
Hope Connections	258	296
Hope for the Homeless	-	414
Hope House	-	115
Hub Urban Ministries	236	679
Humane Society of Northwest Louisiana	-	201
Iberia Comprehensive Community Health	-	625
Inner City Youth	35	35
J. S. Clark Elementary	255	255
Jehovah's Witnesses Sunset Congregation	29	25
Jewel House	130	480
Jobs for America's Graduates	-	32
Junior Achievement	24	55
Junior Diabetes Research Foundation	47	111
Just Believe Training	-	80
Juvenile Diabetes Foundation	-	166
Kings Highway Christian Church	-	26
Lake Bethlehem Baptist Church	-	26
Legal Services of North LA, Inc.	17	36
Lighthouse Mission Thrift Store	12	12
Literacy Volunteers at Centenary College	24	3,315
Living Word Church - Mansfield	276	608
LL Brandon Transitional Home for Boys	118	277
Louisiana Association for the Blind	106	234
Louisiana Lions Camp	-	166
Louisiana Organ Procurement Agency	-	10
Louisiana State University-Shreveport	-	13
LSU Health Science - Feist-Weiller	12	12
LSU Shreveport Foundation	-	663
Lung Cancer Research Foundation	-	16
Lupus Foundation	-	26

**United Way of Northwest Louisiana
Notes to the Financial Statements**

Note 15: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)

Agency	2022	2021
Make-A-Wish Foundation of LA	51	235
March of Dimes	47	41
Martin Luther King Health Center	215	2,868
Mary's House of Louisiana, Inc.	24	87
MD Anderson	71	71
Minor Basilica of the Immaculate Conception Church	-	16
Mobberly Baptist Church	2,210	3,868
Morning Star Baptist Church	-	3
Mount Olive Baptist Church	-	64
MPact for Mankind Inc.	71	55
Mt Paran Missionary Baptist Church	-	64
Muscular Dystrophy Association	38	38
Natchitoches Community Alliance Foundation	133	359
Natchitoches Parish Council on Aging	285	2,868
New Bethel Missionary Baptist	-	26
Ninna's Road to Rescue	35	35
North Highlands Elementary Fund	217	217
North Point United Methodist Church	-	32
Norwela Council, Inc. (Boy Scouts of America)	270	2,238
Oil City Rotary Club	125	788
Omega Psi Phi	-	88
Open Range Fellowship Church	-	32
Optimist International of Bossier City	16	16
Paradise Baptist Church	-	32
Pearls of Humanity Foundation	85	289
Perfect Fit Autism Foundation Inc.	157	221
Philadelphia Center	-	199
Philadelphia Center - Mercy Center	-	272
Plant a Seed in Our Youth Foundation	166	126
Pleasant Hill Baptist Church STY Gang	24	55
Project Celebration	121	121
Project Reclaim of Minden, Inc.	-	3,438
Providence House	3,666	14,092
Red River Council on Aging	-	64
Red River Parish Back to School Bash	3,300	8,002
Red River Wildlife Refuge	-	16
Renesting Project	276	1,245
Renzi Education and Art Center	24	3,209
Rho Omega & Friends	-	2,550

**United Way of Northwest Louisiana
Notes to the Financial Statements**

Note 15: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)

Agency	2022	2021
Rho Omega Chapter of Omega Psi Phi Fraternity	-	85
Right to Play Park	-	15
River Valley Church	53	106
Riverside Elementary Fund	33	307
Rolling Hills Ministry	9	9
Rose Park Baptist - Youth Camp Fund	28	51
Roy's Kids	-	48
Ruston High School FBLA	-	251
Sabine Council on Aging	-	13
Salvation Army Boys & Girls Club	18	5,037
Samaritan Counseling Center	-	1,466
School of Greatness	-	96
She Has A Name	24	24
Showers of Blessing Family Outreach Center	-	64
Showers of Blessing Ministries, Inc.	47	47
Shreve Island Elementary Special Needs	1,019	2,594
Shreveport Bossier Rescue Mission	1,770	4,243
Shreveport Green	-	1,000
Shriners Hospital	1,660	3,464
Sickle Cell Disease Association of America	59	298
Southern Hills Elementary Fund	48	430
St. Augustine Church	10	342
St. Clements Catholic Church	174	174
St. Elizabeth Ann Seaton Catholic	24	24
St. Jude Catholic Church	-	111
St. Jude	3,773	13,914
St. Luke's Mobile Medical Ministry	-	595
St. Nicholas Orthodox Church	10	10
Stonewall Baptist Church	28	28
Summer Grove Baptist Church	61	125
Surfari Pals	36	36
Susan G. Komen	13	112
Tabernacle Missionary Baptist Church	-	116
Teaching and Learning	-	64
The Amazing Shake	47	512
The Arc of Caddo-Bossier	504	1,996
The Ben D Johnson Educational Center	-	625
The Children's Heart Foundation	-	31
The Food Bank of Central Louisiana	-	3,438

**United Way of Northwest Louisiana
Notes to the Financial Statements**

Note 15: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)

Agency	2022	2021
The Healing Place - Shreveport	-	32
The Life Journey Church	-	663
The Salvation Army Shreveport Corps	437	1,100
The Simple Church	47	143
ThinkFirst of Ark-La-Tex Inc.	26	57
Town of Many	-	654
Training Education & Mediation for Student	-	2,250
Trinity Heights Baptist Church	-	207
United Christian Home	-	182
United for NWLA fund	-	1,144
United Negro College Fund	-	15
United Way of Acadiana	-	77
United Way of Central LA	-	444
United Way of Southwest Louisiana	143	143
University Elementary Special	1,345	1,441
Vivian Church of the Nazarene	-	112
Volunteers for Youth Justice	486	6,031
Volunteers of America	111	638
Volunteers of America North Louisiana	111	2,097
Watch Tower Bible and Tract Society of NY	14	-
Warrior Network	-	240
Women of Vision Inc.	71	198
Women's Resource Center of Natchitoches	-	1,110
Woody's Home for Veterans	-	13
Wounded Warrior Project	-	1,268
YEP-Youth Enrichment Program	-	43
Youth Outreach Services	-	212
Total agency allocations	47,768	218,656
Donor designations	54,075	(120,937)
Undesignated agency allocations	\$ 101,843	\$ 97,719

Donor designations are agency transactions recorded on the balance sheet and not reflected as income on the statement of activities.

United Way of Northwest Louisiana Notes to the Financial Statements

Note 16: ASSETS HELD AS AGENT

United Way acts as financial manager for four unrelated entities and manage their bank accounts at the discretion of those other entities. United Way has no legal title to those accounts, but will be held liable for the proper management of the accounts as directed by the respective entities. Accordingly, as United Way has no discretionary authority over these accounts. As of December 31, 2022 and 2021, United Way of Northwest Louisiana maintained bank accounts for the four entities, in the amount of \$14,863 and \$60,712, respectively.

Note 17: RELATED PARTIES

During the year ended December 31, 2022, United Way maintained an operating checking account at a bank whom the local market President is serving on the board of directors of United Way.

United Way has a funding agreement with Louisiana Association of United Ways (LAUW) to maintain responsibility for Louisiana 211 database management. The agreement requires monthly payments of \$11,210 through June 2022 and \$9,590 through December 2022 to LAUW. United Way paid \$124,800 and \$124,803 in fees for the years ended December 31, 2022 and 2021, respectively.

Note 18: BENEFICIAL INTEREST IN ASSETS OF FOUNDATION

The United Way established an endowment fund in 1998, the income of which is intended initially to help fund the cost of an additional staff member at United Way, and to eventually expand into an overall operations endowment by funding most or all of the annual cost of administering United Way. United Way transferred control of this endowment fund to the Community Foundation of North Louisiana during 1999. Under the terms of the agreement, variance power and legal ownership of the funds rest with the Foundation, United Way of Northwest Louisiana is the beneficiary of the reciprocal transfer.

Net investment income and/or capital appreciation/depreciation of the endowment fund must be distributed to United Way at least annually, provided the average market value is greater than the amount contributed to the fund.

	2022	2021
Beginning balance, January 1	\$ 327,510	\$ 294,767
Contributions	-	-
Interest	4,592	7,910
Net realized and unrealized gain	(31,569)	38,244
Administrative fees	(2,853)	(2,723)
Distributions to United Way	(11,067)	(10,688)
Ending balance, December 31	\$ 286,613	\$ 327,510

United Way of Northwest Louisiana Notes to the Financial Statements

Note 19: UNITED WAY PROGRAMS

The Organization has several internal programs influencing the community. United Way programs expenses for the years ended December 31, 2022 and 2021, consisted of the following:

	2022	2021
Louisiana 211	\$ 76,720	\$ 134,526
EXIT-318	188,853	437,584
Dolly Parton Imagination Library	126,095	84,586
NWLA Fund - rent and utility assistance	116,271	99,568
Total United Way Programs	\$ 507,939	\$ 756,264

Note 20: SUBSEQUENT EVENTS

Management evaluated all events or transactions that occurred after December 31, 2022 through June 30, 2023, the date the Organization's financial statements were available to be issued. The following items occurred:

On March 28, 2023, the Organization received Employer Retention Tax Credit of \$253,945 for use in its operations. United Way paid fees for professional services provided in connection with the ERTC claim of \$35,437.

SUPPLEMENTARY INFORMATION

United Way of Northwest Louisiana
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the year ended December 31, 2022

Agency Head Name: LaToria Thomas, President and CEO

Purpose	Amount
Salary and other compensation	\$ 1,981
Benefits-insurance (health insurance premiums)	\$ 302
Benefits-retirement	\$ -
Deferred compensation	\$ -
Car allowance	\$ -
Vehicle provided by agency	\$ -
Per diem	\$ -
Reimbursements	\$ -
Travel	\$ -
Registration fees	\$ -
Conference travel	\$ -
Housing	\$ -
Unvouchered expenses (example: travel advances, etc.)	\$ -
Special meals	\$ -
Other	\$ -

REPORT ON INTERNAL CONTROL AND COMPLIANCE MATTERS



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**Independent Auditors' report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To Board of Directors and Management
United Way of Northwest 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 United Way of Northwest Louisiana (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated June 30, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered United Way of Northwest Louisiana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the United Way of Northwest Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the United Way of Northwest Louisiana'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

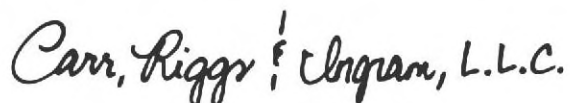
As part of obtaining reasonable assurance about whether United Way of Northwest Louisiana's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have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

United Way of Northwest Louisiana's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on United Way of Northwest Louisiana's response to the findings identified in our audit and described in the schedule of findings and questioned cost. United Way of Northwest Louisiana'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 United Way of Northwest Louisiana'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 United Way of Northwest Louisiana's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana

June 30, 2023

**United Way of Northwest Louisiana
Schedule of Findings and Questioned Costs
For the year ended December 31, 2022**

Current Year Findings

2022-001 AGENCY FUND CORRECTION

Condition: In performing the review of Accounts Payable, it was noted that a reimbursement payment for CenterPoint Energy was in the United Way's accounts payable listing. This payment should have come out of the agency funds and should not be reflected as part of United Way's Accounts Payable.

Criteria: Accounting standards require that agency funds be accounted for separately from the Organization.

Cause: Inconsistent recording of use of Agency Funds that caused those funds to be out of balance and the Accounts Payable for United Way to be overstated

Effect: Balances are not properly stated.

Recommendation: We recommend that management ensure that all Agency Fund transactions are recorded as such and not intermingled with the United Way's funds so that balances are properly included in the accrual basis financial statements.

Management Response: Management agrees with the recommendation and procedures will be put into place to review all agency fund transactions with the President and CEO monthly to ensure proper reporting.

Prior Year Findings

2021-001 BANK RECONCILIATIONS

Condition: The December 31, 2021 Regions bank reconciliations were prepared and reviewed, however contained errors/omissions and did not reconcile to general ledger.

Status: Resolved

2021-002 AGENCY FUND CORRECTION

Condition: In performing the review of Accounts Payable, it was noted that a reimbursement payment for CenterPoint Energy was in the United Way's AP listing. This payment should have come out of the agency funds and should not be reflected as part of United Way's Accounts Payable.

Status: Unresolved; See 2022-001



United Way of Northwest Louisiana

STATEWIDE AGREED-UPON PROCEDURES REPORT

December 31, 2022



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of United Way of Northwest Louisiana
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, 2022 through December 31, 2022. United Way of Northwest Louisiana's management is responsible for those C/C areas identified in the SAUPs.

United Way of Northwest Louisiana 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, 2022 through December 31, 2022. 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 results are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Results: No exceptions were found as a result of applying the procedure.

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.

Results: Policy does not include how new vendors are added to the vendor list.

c) ***Disbursements***, including processing, reviewing, and approving.

Results: No exceptions were found as a result of applying the procedure.

- 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).

Results: No written policies and procedures are in place.

- 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 rates of pay or approval and maintenance of pay rate schedules.

Results: No written policies and procedures are in place.

- 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.

Results: No written policies and procedures are in place.

- g) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: Policy does not include dollar thresholds by category of expenses.

- h) **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).

Results: Policy does not include allowable business uses, required approvers of statements or monitoring of card usage.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (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.

Results: This procedure is not applicable as United Way of Northwest Louisiana is not a governmental entity.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: This procedure is not applicable as United Way of Northwest Louisiana is not a governmental entity.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a 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.

Results: United Way has procedures related to periodic testing/verification that backups can be restored and identification of personnel, processes, and tools needed to recover operations after a critical event; however, the procedures are not part of written policies. No other exceptions were identified.

- 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.

Results: This procedure is not applicable as United Way of Northwest Louisiana is not a governmental entity.

Board or Finance Committee

- 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.

Results: No exceptions were found as a result of applying the procedure.

- 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.*

Results: No exceptions were found as a result of applying the procedure.

- 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.

Results: This procedure is not applicable as United Way of Northwest Louisiana is not a governmental entity.

- 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.

Results: There were no written updates of the progress of resolving audit findings during the period.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's 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 each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
Results: No exceptions were found as a result of applying the procedure.
 - 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 (e.g., initialed and dated, electronically logged); and
Results: No exceptions were found as a result of applying the procedure.
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.
Results: No exceptions were found as a result of applying the procedure.

Collections (excluding electronic funds transfers)

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).
Results: CRI obtained a listing of deposits sites and management's representation that the listing was complete. United Way has one deposit site.
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 (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are 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;
Results: No exceptions were found as a result of applying the procedure.
 - 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;
Results: Personnel responsible for collecting cash is also responsible for making bank deposits, but there is another employee/official responsible for reconciling collection documentation 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; and

Results: No exceptions were found as a result of applying the procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results: No exceptions were found as a result of applying the procedure.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Results: Per review of policy for the period, no bond or insurance coverage for theft is in place.

- 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). *Alternatively, 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.

Results: No exceptions were found as a result of applying the procedure.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Results: No exceptions were found as a result of applying the procedure.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Results: No exceptions were found as a result of applying the procedure.

- 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).

Results: No exceptions were found as a result of applying the procedure.

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

Results: No exceptions were found as a result of applying the procedure.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results: CRI obtained a listing of locations that process payments and management's representation that the listing was complete.

9. For each location selected under procedure #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, then 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;

Results: No exceptions were found as a result of applying the procedure.

- b) At least two employees are involved in processing and approving payments to vendors;

Results: No exceptions were found as a result of applying the procedure.

- 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;

Results: No exceptions were found as a result of applying the procedure.

- 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; and

Results: The employee responsible for processing payments also mails the checks.

- 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.

Results: No exceptions were found as a result of applying the procedure.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

10. For each location selected under procedure #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 that deliverables included on the invoice were received by the entity, and

Results: No exceptions were found as a result of applying the procedure.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9, as applicable.

Results: No exceptions were found as a result of applying the procedure.

- 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

Results: No exceptions were found as a result of applying the procedure.

- b) Approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results: No exceptions were found as a result of applying the procedure.

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

- 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.

Results: CRI obtained a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards for the fiscal period and 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) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

Results: No exceptions were found as a result of applying the procedure.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Results: No exceptions were found as a result of applying the procedure.

14. Using the monthly statements or combined statements selected under procedure #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 (e.g., each card should have 10 transactions subject to inspection). 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, the practitioner should 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.

Results: No exceptions were found as a result of applying the procedure.

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

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 that 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);

Results: No exceptions were found as a result of applying the procedure.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

Results: No exceptions were found as a result of applying the procedure.

- 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 Policies and Procedures procedure #1g; and

Results: No exceptions were found as a result of applying the procedure.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No exceptions were found as a result of applying the procedure.

Contracts

16. Obtain 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. *Alternatively, 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

Results: CRI obtained listing of all agreements/contracts and management's representation it is complete.

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

Results: This procedure is not applicable as United Way of Northwest Louisiana is not a governmental entity.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

Results: No exceptions were found as a result of applying the procedure.

- 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); and

Results: No exceptions were found as a result of applying the procedure.

- 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.

Results: There were four of five contracts for which the invoice and related payment did not agree to the terms and conditions of the contract.

Payroll and Personnel

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 or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results: No exceptions were found as a result of applying the procedure.

18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #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);

Results: No exceptions were found as a result of applying the procedure.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials;

Results: No exceptions were found as a result of applying the procedure.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

Results: No exceptions were found as a result of applying the procedure.

- d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Results: No exceptions were found as a result of applying the procedure.

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.

Results: No exceptions were found as a result of applying the procedure.

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.

Results: No exceptions were found as a result of applying the procedure.

Ethics

21. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and

- a) Observe whether the documentation demonstrates that 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.

Results: This procedure is not applicable to United Way of Northwest Louisiana as a nonprofit.

22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results: This procedure is not applicable to United Way of Northwest Louisiana as a nonprofit.

Debt Service

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 that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

Results: This procedure is not applicable to United Way of Northwest Louisiana as a nonprofit.

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).

Results: This procedure is not applicable to United Way of Northwest Louisiana as a nonprofit.

Fraud Notice

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is 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.

Results: Management represented that no misappropriations of public funds and assets occurred during the fiscal period.

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.

Results: No exceptions were found as a result of applying the procedure.

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, **verbally discuss the results with management, and report "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 there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

Results: 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.

Results: 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.

Results: 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 procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: No exceptions were found as a result of applying the procedure.

Prevention of Sexual Harassment

- 29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe that 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.

Results: Per footnote in AUP guidelines, "private non-profit that is subject to audit by virtue of the receipt of public funds does not appear to be subject to the sexual harassment law, R.S. 42:341, et seq. However, the non-profit could be subject to the law as part of its agreement to receive the public funds." Nothing in agreements inspected by CRI indicated that sexual harassment is required for receipt of public funds.

- 30. Observe that 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).

Results: This procedure is not applicable to United Way of Northwest Louisiana as a nonprofit.

- 31. 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:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Results: This procedure is not applicable to United Way of Northwest Louisiana as a nonprofit.

We were engaged by United Way of Northwest Louisiana 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 Northwest Louisiana 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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS, & INGRAM, LLC

Shreveport, Louisiana
June 30, 2023

United Way of Northwest Louisiana

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Darrin Dixon, Chair

June 28, 2023

John Adams, Immediate
Past Chair

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and

Toni Tyner,
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LaToria W. Thomas,
President and CEO

Re: Management's Response to Agreed-Upon Procedures

Katina Bruce

Keith Carter

Joni Claville, MD

Dr. Rodney Ellis

Tia Franklin

Stormy Gage-Watts

Wesley Garcia

Lyndon Johnson

Wayne Lancaster

Paige Lasyone

Amanda Nottingham

Thomas O'Brien

John David Person

Philip Michael Smart

Ron Stamps

Patricia Vines

Mary Webber

The Management and Staff of the United Way of Northwest Louisiana has reviewed the Independent Accountant's Report on Applying Agreed-Upon Procedures. United Way of Northwest Louisiana Management is in agreement with the report as provided by Carr, Riggs, & Ingram. In addition, the United Way of Northwest Louisiana has implemented changes or additions to its policies and procedures where necessary to meet the expectations identified in the report.

Sincerely,

LaToria W. Thomas
President and CEO

GIVE. ADVOCATE. VOLUNTEER.

United Way of Northwest Louisiana fights for the health, education,
financial stability and essential needs of every person in every community.