

*United Way of Central  
Louisiana, Inc.*

*Alexandria, Louisiana*

*December 31, 2023*

**United Way of Central Louisiana, Inc.**

**December 31, 2023**

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

## Independent Auditor's Report

To the Board of Directors of  
United Way of Central Louisiana, Inc.

### Opinion

We have audited the accompanying financial statements of United Way of Central Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Central Louisiana, Inc. as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Central Louisiana, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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.





PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
United Way of Central Louisiana, Inc.

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 Central Louisiana, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, 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 Central Louisiana, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
United Way of Central Louisiana, Inc.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Central Louisiana, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

#### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information in Schedules 1 through 4 on pages 20 through 23 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Payne, Moore & Herrington, LLP*

Certified Public Accountants  
Alexandria, Louisiana

June 17, 2024

**United Way of Central Louisiana, Inc.**  
**Statement of Financial Position**  
**December 31, 2023**

Exhibit A

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 227,623	\$ 177,867	\$ 405,490
Certificates of deposit	638,845	-	638,845
Pledges receivable (net of estimated allowance for uncollectibles of \$38,932)	-	44,302	44,302
Grants receivable	54,657	-	54,657
Total Current Assets	921,125	222,169	1,143,294
<b>Investments - Central Louisiana Community Foundation</b>	30,742	-	30,742
<b>Furniture, Fixtures, and Equipment - Net of Depreciation</b>	6,670	-	6,670
<b>Total Assets</b>	\$ 958,537	\$ 222,169	\$ 1,180,706
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 2,432	\$ -	\$ 2,432
Accrued compensated absences	2,586	-	2,586
Deposits held on behalf of others	2,422	-	2,422
Other current liabilities	555	-	555
Total Current Liabilities	7,995	-	7,995
<b>Net Assets</b>			
Without donor restrictions	950,542	-	950,542
With donor restrictions	-	222,169	222,169
Total Net Assets	950,542	222,169	1,172,711
<b>Total Liabilities and Net Assets</b>	\$ 958,537	\$ 222,169	\$ 1,180,706

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

**United Way of Central Louisiana, Inc.**  
**Statement of Activities**  
**Year Ended December 31, 2023**

**Exhibit B**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Public Support and Revenue</b>			
Public support			
Contributions of cash and other financial assets (net of current year write-offs of \$40,597)	\$ 537,769	\$ -	\$ 537,769
Noncash contributions	16,436	-	16,436
Total Public Support	<u>554,205</u>	<u>-</u>	<u>554,205</u>
Revenue			
Grants	73,356	40,000	113,356
Investment return	3,528	-	3,528
Unrealized gain (loss) on investments, net	1,031	-	1,031
Miscellaneous income	550	-	550
Total Revenue	<u>78,465</u>	<u>40,000</u>	<u>118,465</u>
Net assets released from restrictions			
Satisfaction of purpose and time restrictions	94,546	(94,546)	-
Total Public Support and Revenue	<u>727,216</u>	<u>(54,546)</u>	<u>672,670</u>
<b>Allocations and Expenses</b>			
Community services			
Financial stability	215,462	-	215,462
Education	170,256	-	170,256
Health	93,572	-	93,572
Basic needs	6,535	-	6,535
Total Community Services	<u>485,825</u>	<u>-</u>	<u>485,825</u>
Support services			
Management and general	155,984	-	155,984
Fundraising	113,041	-	113,041
Total Support Services	<u>269,025</u>	<u>-</u>	<u>269,025</u>
Total Allocations and Expenses	<u>754,850</u>	<u>-</u>	<u>754,850</u>
<b>Change in Net Assets</b>	(27,634)	(54,546)	(82,180)
<b>Net Assets, Beginning of Year</b>	<u>978,176</u>	<u>276,715</u>	<u>1,254,891</u>
<b>Net Assets, End of Year</b>	<u>\$ 950,542</u>	<u>\$ 222,169</u>	<u>\$ 1,172,711</u>

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

**United Way of Central Louisiana, Inc.**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2023**

Exhibit C  
(Continued)

	Community Services				Total Community Services
	Financial Stability	Education	Health	Basic Needs	
Salaries	\$ 85,807	\$ 63,120	\$ 31,578	\$ -	\$ 180,505
Retirement and other employee benefits	19,037	14,004	7,006	-	40,047
Payroll taxes	6,861	5,047	2,525	-	14,433
Accounting and auditing fees	-	-	-	-	-
Advertising	1,543	1,544	1,543	-	4,630
Campaign events	8,537	8,537	3,415	-	20,489
Community investment grants	21,000	50,000	20,000	6,000	97,000
Conferences and meetings	97	97	97	-	291
Contract labor	16,319	-	-	-	16,319
Depreciation	1,111	1,111	1,110	-	3,332
Dues and subscriptions	11,953	11,953	11,953	-	35,859
Equipment repairs and maintenance	1,378	1,378	1,378	-	4,134
Insurance	938	938	938	-	2,814
Miscellaneous	-	-	-	-	-
Other donor designations and sponsorships	1,238	2,747	2,249	535	6,769
Printing and office supplies	1,224	1,224	1,224	-	3,672
Rent	2,407	2,407	2,408	-	7,222
Supplies	396	397	397	-	1,190
Telephone and computer	1,900	1,900	1,900	-	5,700
Training	653	653	653	-	1,959
Travel-mileage	1,297	1,297	1,297	-	3,891
Utilities and janitorial	1,902	1,902	1,901	-	5,705
Utility and other assistance	29,864	-	-	-	29,864
<b>Total Functional Expenses</b>	<b>\$ 215,462</b>	<b>\$ 170,256</b>	<b>\$ 93,572</b>	<b>\$ 6,535</b>	<b>\$ 485,825</b>

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



**United Way of Central Louisiana, Inc.**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2023**

**Exhibit C**  
**(Concluded)**

	<b>Support Services</b>			<b>Combined Total</b>
	<b>Management and General</b>	<b>Fundraising</b>	<b>Total Support Services</b>	
Salaries	\$ 67,374	\$ 58,930	\$ 126,304	\$ 306,809
Retirement and other employee benefits	14,947	13,074	28,021	68,068
Payroll taxes	5,387	4,712	10,099	24,532
Accounting and auditing fees	26,999	-	26,999	26,999
Advertising	-	4,631	4,631	9,261
Campaign events	113	3,018	3,131	23,620
Community investment grants	-	-	-	97,000
Conferences and meetings	1,017	58	1,075	1,366
Contract labor	-	-	-	16,319
Depreciation	3,332	3,332	6,664	9,996
Dues and subscriptions	12,772	470	13,242	49,101
Equipment repairs and maintenance	4,131	4,133	8,264	12,398
Insurance	2,029	2,030	4,059	6,873
Miscellaneous	781	922	1,703	1,703
Other donor designations and sponsorships	-	-	-	6,769
Printing and office supplies	4,567	765	5,332	9,004
Rent	7,228	7,224	14,452	21,674
Supplies	-	2,607	2,607	3,797
Telephone and computer	1,646	2,538	4,184	9,884
Training	326	327	653	2,612
Travel-mileage	138	1,074	1,212	5,103
Utilities and janitorial	3,197	3,196	6,393	12,098
Utility and other assistance	-	-	-	29,864
<b>Total Functional Expenses</b>	<b>\$ 155,984</b>	<b>\$ 113,041</b>	<b>\$ 269,025</b>	<b>\$ 754,850</b>

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

**United Way of Central Louisiana, Inc.**  
**Statement of Cash Flows**  
**Year Ended December 31, 2023**

Exhibit D

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Cash Flows from Operating Activities</b>			
Change in net assets	\$ (27,634)	\$ (54,546)	\$ (82,180)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:			
Depreciation	9,996	-	9,996
Unrealized (gain) loss on investments	(1,241)	-	(1,241)
Changes in operating assets and liabilities:			
Pledges receivable, net	-	42,236	42,236
Grants receivable	(54,657)	7,615	(47,042)
Accounts payable	(1,294)	-	(1,294)
Accrued compensated absences	1,007	-	1,007
Deposits held on behalf of others	(670)	-	(670)
Other current liabilities	555	-	555
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>(73,938)</u>	<u>(4,695)</u>	<u>(78,633)</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of certificates of deposit	(360,500)	-	(360,500)
Purchase of investments	(28,945)	-	(28,945)
Reinvestment of earnings, net	(555)	-	(555)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<u>(390,000)</u>	<u>-</u>	<u>(390,000)</u>
<b>Cash Flows from Financing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Increase (Decrease) in Cash</b>	(463,938)	(4,695)	(468,633)
<b>Cash, Beginning of Year</b>	<u>691,561</u>	<u>182,562</u>	<u>874,123</u>
<b>Cash, End of Year</b>	<u>\$ 227,623</u>	<u>\$ 177,867</u>	<u>\$ 405,490</u>

**Additional Required Disclosures:**

1. United Way of Central Louisiana, Inc. considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. No interest was paid during 2023.
3. No income taxes were paid during 2023.
4. There were no material noncash financing transactions during 2023 that affected recognized assets or liabilities.

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

**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

**1. Nature of Activities and Significant Accounting Policies**

Nature of Activities

United Way of Central Louisiana, Inc. (the Organization) is a nonprofit corporation located in Alexandria, Louisiana, whose mission is to link people and resources for a stronger community in central Louisiana by providing services, including support for member agencies. Member agencies are approved by the Organization's Board of Directors after completing prescribed application procedures. The Organization empowers members of the community through access to and improvement in financial stability, education, and health.

The program goals and focus are as follows:

Financial Stability

The goal of these programs is to increase the financial mobility and socioeconomic status of individuals and families. The focus is on ALICE (Asset Limited, Income Constrained, Employed), Building Stronger Families, VITA (Volunteer Income Tax Assistance), LAPRI (Louisiana Prisoner ReEntry Initiative), 2-1-1 program, EFSP (Emergency, Food & Shelter Program), Disaster Preparedness, and Power to Care. The Organization also provides community investment grants to support agencies that align with the Organization's focus and create partnerships to improve the community.

Education

The goals of these programs are to increase the number of children that are ready to enter school and that are successful in primary grades and to increase the number of youth who gain knowledge, skills, and credentials to obtain family sustaining employment. The focus is on Read Across America and Summer of Service. The Organization also provides community investment grants to support agencies that align with the Organization's focus and create partnerships to improve the community.

Health

The goal of this program is to increase access to healthcare and improve the health of individuals and families. The focus is on SingleCare. The Organization also provides community investment grants to support agencies that align with the Organization's focus and create partnerships to improve the community.

Basic Needs

The goal of this program is to provide community investment grants to support agencies that align with the Organization's focus and create partnerships to improve the community.

Basis of Accounting

The financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP). Accordingly, the financial statements reflect all significant receivables, payables, and other liabilities.

**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions

Net assets without donor restrictions generally result from revenues generated by receiving contributions that have no donor-imposed restrictions, and from receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions. Net assets without donor restrictions are available for use at the discretion of the Organization's Board of Directors and management for general operating purposes. The Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

See Note 6 for more information on the composition of net assets without donor restrictions.

Net Assets with Donor Restrictions

Net assets with donor restrictions result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted. The Organization 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. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy. The Organization does not have any net assets with donor restrictions that are perpetual in nature.

See Note 7 for more information on the composition of net assets with donor restrictions.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents consist of checking, savings, and money market accounts in financial institutions.

**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

Certificates of Deposit

Certificates of deposit with maturity dates greater than three months are stated at cost, which approximates market value. Certificates of deposit having a maturity date greater than one year from year-end are considered long-term assets. The organization does not have any certificates of deposit with maturity dates greater than one year.

Pledges Receivable

Pledges receivable are recognized in the period in which the promise is made to the organization. If the pledges receivable are conditional promises to give, such amounts are recognized when the conditions on which they depend are substantially met. An allowance for uncollectible pledges is set up for amounts considered uncollectible.

Investments

United Way of Central Louisiana, Inc.'s investments consist of funds on deposit with the Central Louisiana Community Foundation and are reported at their fair value in the statement of financial position. Gains and losses on investments are reported as increases or decreases in the respective net asset classes.

Furniture, Fixtures, and Equipment

United Way of Central Louisiana, Inc. follows the practice of capitalizing expenditures for furniture, fixtures, and equipment at cost. It is the Organization's policy to capitalize expenditures for these items in excess of \$1,000. Depreciation is provided for on the straight-line method over the estimated useful lives of the respective assets. The cost of maintenance and repairs is charged to expense as incurred; however, significant renewals and improvements are capitalized. Donated items, including property and equipment, are recorded at fair market value, if material and reasonably determinable, at the time of donation.

Deposits Held on Behalf of Others

Deposits held on behalf of others represent cash held in the name of United Way of Central Louisiana, Inc. in an agency capacity.

Revenue Recognition

The Organization reports public support contributions as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Support and revenue that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized.

**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

The Organization reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Funds with donor restrictions are used to differentiate the resources whose use is restricted by donors or grantors from the resources on which donors or grantors have placed no restriction or the resources that arise as a result of the operations of the Organization for its stated purpose.

Grant revenues are recognized in the period the Organization meets the conditions for revenue recognition. Revenue associated with cost-reimbursement grants is recognized in the period the related expenses are incurred.

Donated Services

The Organization receives contributed services from its Board members and from numerous community volunteers who assist in fundraising and the member agency allocation process. No amounts have been reflected in the financial statements for donated services, since the services are not professional in nature and, as such, do not meet the criteria for recognition as donated services under generally accepted accounting principles. The Organization pays for most services requiring specific expertise.

Use of Facilities and Other Noncash Support

Payments made by United Way of Central Louisiana, Inc. to The Rapides Foundation are below the fair market value of comparable office facilities. Additional rent expense of \$14,756 has been included in the statement of activities. Other noncash support may be received by the Organization from various individuals and businesses. During the year ended December 31, 2023, United Way of Central Louisiana, Inc. received donations of advertising and various other noncash items with a total fair value of \$1,680. The items received are recorded as noncash support and functional expenses in the statement of activities.

Designations

Through the United Way of Central Louisiana, Inc.'s annual employer campaigns, donors can direct their gifts to a member agency or any qualified organization in the United States over which the United Way of Central Louisiana, Inc. exercises no discretion as to use due to donor instruction. In order to qualify, an organization must meet the following three criteria: (1) fully tax exempt, (2) donations are 100% tax deductible, and (3) in full compliance with The Federal Patriot Act laws. As a member of United Way Worldwide, the Organization adheres to all membership criteria including the requirements for deducting administrative fees from donor-directed pledges.

**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

Functional Allocation of Expenses

Costs incurred by the Organization from providing various community and support services have been presented on a functional basis in the statement of functional expenses. Accordingly, costs have been allocated on a reasonable and consistent basis among the functional areas benefited. Most expenses are charged directly to program or support services based on specific identification. Certain categories of expenses attributable to administrative support include rent, utilities and janitorial, depreciation, salaries and benefits, payroll taxes, professional services, office expenses, insurance, and others. These expenses are allocated based on estimates of time and effort. Expenses related to more than one function are charged to program or support services using management's estimate of the activities benefited. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Fundraising and Management and General Rates

United Way Worldwide issues guidance to local United Ways under Standard M which defines the maximum allowable fundraising and management and general rates that a United Way agency should deduct from designated donor pledges. Standard M provides a calculation method which results in maximum allowable rates using a three-year average. The result of the fundraising expense formula based on United Way Worldwide's guidance for United Way of Central Louisiana, Inc. was 6.3% based on the three year period ending December 31, 2022. The rate for the year ended December 31, 2023, based on the audited financial statements and the statement of functional expenses was 20.4%. During 2023, United Way of Central Louisiana, Inc. assessed fundraising fees of 8.0% on donor designated gifts, up to a maximum cap of \$100 per gift.

The result of the management and general expense formula based on United Way Worldwide's guidance for United Way of Central Louisiana, Inc. was 8.5% based on the three year period ending December 31, 2022. The rate for the year ended December 31, 2023, based on the audited financial statements and the statement of functional expenses was 23.2%. During 2023, United Way of Central Louisiana, Inc. assessed management and general fees of 8.0% on donor designated gifts, up to a maximum cap of \$100 per gift.

Income Taxes

United Way of Central Louisiana, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and comparable Louisiana law. The Organization is not classified as a private foundation. Since the Organization is exempt from federal and state income tax liability, no provision is made for current or deferred income tax expense.

For the year ended December 31, 2023, management of United Way of Central Louisiana, Inc. believes it has adequate support for all material tax positions, and that it is more likely than not, based on the technical merits, that the positions will be sustained upon examination.

All tax-exempt entities are subject to review and audit by federal, state and other applicable agencies. Such agencies may review the taxability of unrelated business income or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes. With few exceptions, United Way of Central Louisiana, Inc. is no longer subject to U.S. federal tax examinations for the years before 2020.

**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

Advertising Costs

Advertising costs are expensed when incurred. Advertising costs charged to expense for the year ended December 31, 2023, totaled \$9,261.

Subsequent Events

Management has evaluated subsequent events through June 17, 2024, the date which the financial statements were available for use. Management's evaluation revealed no subsequent events that require adjustment to or disclosure in the financial statements.

**2. Certificates of Deposit**

Certificates of deposit consist of several certificates located at various local financial institutions. All of the certificates are scheduled to mature within the next twelve months and earn interest at various rates.

**3. Pledges Receivable and Campaign Summaries**

Pledges receivable shown on the financial statements consist of the unpaid balance of pledges made for the 2022 and 2023 campaigns. Gross pledges receivable totaling \$83,234 is shown net of the allowance for uncollectibles of \$38,932. In the opinion of management, the allowance for uncollectibles at December 31, 2023, is considered adequate.

Campaign totals for the Fall 2023 campaign and each of the six preceding years are shown below together with the amounts uncollected/uncollectible and applicable percentages.

<u>Year</u>	<u>Total Campaign Pledges</u>	<u>Amount Uncollected/ Uncollectible</u>	<u>Percent</u>
Fall 2017 campaign	1,304,291	77,660	5.95
Fall 2018 campaign	1,057,945	57,867	5.47
Fall 2019 campaign	784,216	52,526	6.70
Fall 2020 campaign	595,077	22,350	3.76
Fall 2021 campaign	633,942	32,646	5.15
Fall 2022 campaign (in progress)	429,409	27,031	6.29
Fall 2023 campaign (in progress)	326,908	11,901	3.64

**4. Investments - Central Louisiana Community Foundation**

In April 2023, United Way of Central Louisiana, Inc. established a non-endowed agency fund at the Central Louisiana Community Foundation (the Foundation), by transferring \$28,945 into this fund. The fund is held by the Foundation for the purpose of administering funds as endowments for various charitable and educational purposes and organizations primarily in the Central Louisiana community. These funds are not subjected to restrictions whether by donor or otherwise, nor are they required to be held permanently or for any designated purposes other than charitable purposes within the corporate powers of United Way of Central Louisiana, Inc. The principle may be expended in whole or in part as stated in the agreement.



**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

United Way of Central Louisiana, Inc. may request distribution of all or part of the principal it contributes to the fund. The Board of the Foundation will grant such a request if it concludes that such a distribution is consistent with the charitable purposes of the Foundation, which may be deferred for up to 90 days in order to permit orderly and timely liquidation of assets to meet the request. If the Foundation ceases to be a qualified charitable organization or if the Foundation proposes to dissolve, the assets of the fund shall be distributed to United Way of Central Louisiana, Inc. At that time if United Way of Central Louisiana, Inc. is not then a qualified charitable organization, the Foundation shall distribute the assets of the fund in a manner and to any organization serving the Central Louisiana community that satisfy the requirements of a qualified charitable organization and serve purposes similar to those of the United Way of Central Louisiana, Inc. The investments are presented in the financial statements at fair value of \$30,742 at December 31, 2023, as reported by the Central Louisiana Community Foundation.

United Way of Central Louisiana, Inc. is required to disclose estimated fair value for all financial instruments and non-financial instruments measured at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining the fair value, the Organization uses Level 2 as their valuation approach. Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels as follows:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

United Way of Central Louisiana, Inc. uses the appropriate valuation technique based on the available inputs to measure the fair value of its investments.

<u>Description</u>	<u>Cost</u>	<u>Fair Value Measurement at Reporting Date Using</u>			
		<u>Total 12/31/23</u>	<u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments - Central Louisiana Community Foundation	\$ 28,945	\$ 30,742	\$ -	\$ 30,742	\$ -

**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

**5. Furniture, Fixtures, and Equipment**

	Recorded Value	Accumulated Depreciation	Net
Furniture, fixtures, and equipment	\$ 117,951	\$ 111,281	\$ 6,670

The depreciation provision amounted to \$9,996 for the current year.

**6. Net Assets Without Donor Restrictions**

The Organization's net assets without donor restrictions at the end of the year totaled \$950,542. Of this amount, \$100,000 was Board designated to be used for community investment in 2024. The remaining balance of \$850,542 represents undesignated net assets.

**7. Net Assets With Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes or periods:

Purpose Restrictions		
Financial Success Center		7,999
Financial Stability Roundtable		99
Hope House Literacy Program		9,000
Disaster Relief		72,312
Volunteer Income Tax Assistance Program (VITA)		56,872
Asset Limited, Income Constrained, Employed Program (ALICE)		16,686
Cleanup event		2,120
Louisiana Prisoner Reentry Initiative (LAPRI)		2,779
Venture Grant Program		10,000
Time Restrictions		
Campaign contributions pledged for future years		44,302
		\$ 222,169

**8. Office Facilities**

United Way of Central Louisiana, Inc. entered into an agreement with The Rapides Foundation for use of office facilities effective January 1, 2018, consisting of monthly payments for rental and janitorial expenses. There has been no written agreement since 2018 and the monthly payments have not changed. The monthly payments for the year ended December 31, 2023, were \$996. Total amount paid in 2023 was \$11,952.

**9. Retirement Plan**

United Way of Central Louisiana, Inc. has a non-contributory defined contribution retirement plan available to all eligible employees after two years of employment. The Organization contributes 6% of eligible participant compensation into a Flexible Annuity Plan. Upon eligibility, employees may also choose to contribute through payroll deduction into a separate but optional Tax-Deferred Annuity (TDA). Organizational contributions to the Flexible Annuity Plan for the year ended December 31, 2023, totaled \$7,000.

**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

**10. Commitments**

United Way of Central Louisiana, Inc. conducts employer campaigns to raise support for community investment each year beginning in June and concluding by January of the following year. Campaign funds are distributed to participating agencies beginning on January 1 as final pledges are collected at the conclusion of the campaign. Allocations payable to agencies for the year ended December 31, 2024, based on the 2023 campaign are estimated to total \$100,000. The Organization considers allocations payable to be conditional promises to give. Accordingly, no amounts have been recognized on the accompanying statement of financial position or activities as of and for the year ended December 31, 2023.

**11. Significant Concentrations**

Credit Risk

Cash and certificates of deposit are deposited with financial institutions in the Central Louisiana area. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. Uninsured cash at December 31, 2023 totaled \$46,041.

The Organization does not maintain collateral for its receivables. Credit risk with respect to pledges receivable is subject to the inherent nature of such receivables, however, is limited due to the large number of donors comprising the Organization's donor base.

Support Risk

United Way of Central Louisiana, Inc. relies primarily on voluntarily contributed support from companies and individuals in the Central Louisiana area. Declines in the economic condition of the area could significantly affect the Organization's ability to reach campaign goals, provide community services, and to provide continued support to its member agencies.

**12. Liquidity and Availability of Financial Assets**

The following reflects United Way of Central Louisiana, Inc.'s financial assets as of December 31, 2023, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations.

	2023
Financial assets:	
Cash	\$ 405,490
Certificates of deposit	638,845
Pledges receivable, net, collected in less than one year	44,302
Grants receivable, net, collected in less than one year	54,657
Investments – Central Louisiana Community Foundation	30,742
Financial assets at year-end	1,174,036
Less those unavailable for general expenditure within one year, due to:	
Restricted by donors with purpose restrictions	(177,867)
Restricted by donors with time restrictions	(44,302)
Financial assets held for others	(2,422)
Total amount unavailable for general expenditure within one year	(224,591)

**United Way of Central Louisiana, Inc.**  
**December 31, 2023**  
**Notes to Financial Statements**

	2023
Amounts unavailable to management without Board's approval:	
Board designated for community investment	(100,000)
Total amount unavailable to management without Board's approval	(100,000)
Total financial assets available to meet cash needs for general expenditures within one year	\$ 849,445

The Organization must maintain sufficient resources to meet responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations come due. The Organization also has a policy to invest cash in excess of daily requirements in short term investments such as certificates of deposit and money market accounts. In addition, the Organization operates with a balanced budget and anticipates covering its general expenditures by collecting sufficient revenues, and by utilizing donor-restricted resources from current and prior years' campaign contributions and grant funds.

**13. Related Party Transactions**

United Way of Central Louisiana, Inc. pays affiliated dues to the United Way Worldwide and the Louisiana Association of United Ways. Total dues paid for the year ended December 31, 2023 were \$11,213 and are included in dues and subscriptions expense.

**Supplementary Information**

**United Way of Central Louisiana, Inc.  
Community Investment Grants  
Year Ended December 31, 2023**

**Schedule 1**

<u>Agency/Program</u>	<u>Amount</u>
American Red Cross	\$ 6,000
Big Brothers Big Sisters of Southwest Louisiana	5,000
Boy Scouts of America Louisiana Purchase Council	15,000
Central LA AIDS Support Services (CLASS)	5,000
Children's Advocacy Network	15,000
Faith House	6,000
Girl Scouts of Louisiana Pines to the Gulf	15,000
Hope House of Central Louisiana	15,000
Iberia Comprehensive Community Health Center, Inc.	15,000
	<hr/>
<b>Total Allocations and Designations to Partner Agencies</b>	<b>\$ 97,000</b>
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See independent auditor's report.

**United Way of Central Louisiana, Inc.**  
**Schedule of Grant Revenue**  
**Year Ended December 31, 2023**

Schedule 2

Grantor	Program/Purpose	Amount
Louisiana Department of Public Safety and Corrections	Louisiana Prisoner Reentry Initiative (LAPRI)	30,000
Rapides Foundation	Summer of service	5,000
Capital One Bank	VITA and financial literacy	25,000
Virginia Martin Howard Foundation	ALICE	15,000
Walmart	ALICE Christmas	1,200
United Way Worldwide	Emergency Food and Shelter Program	14,928
Louisiana Association of United Ways	3 empowerment coaches	22,228
<b>Total Grant Revenue</b>		<u>\$ 113,356</u>

See independent auditor's report.

**United Way of Central Louisiana, Inc.  
 Projected Community Investment Grants  
 Year Ended December 31, 2023**

**Schedule 3**

Pending a successful campaign and procurement of other funding, the year ending December 31, 2024, community investment grants will be as follows:

<b>Agency/Program</b>	<b>Amount</b>
American Red Cross	\$ 11,000
Boy Scouts of America Louisiana Purchase Council	5,000
Big Brothers Big Sisters of Southwest Louisiana	5,000
Central LA AIDS Support Services (CLASS)	6,000
Children's Advocacy Network	15,000
Faith House	10,000
Hope House of Central Louisiana	15,000
Limitless Christian Academy	3,000
Rapides Parish School Board	10,000
Volunteers of America	10,000
YWCA of Alexandria-Pineville	10,000
<b>Total Projected Community Investment Grants</b>	<b>\$ 100,000</b>

See independent auditor's report.



**United Way of Central Louisiana, Inc.  
Community Investment Grants  
Year Ended December 31, 2023**

**Schedule 4**

**Agency Head Name:** Michelle Purl

Public funds were used to make payments to the agency head during the year ended December 31, 2023 as follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 13,140

See independent auditor's report.

**Communication of Significant Deficiencies  
and Material Weaknesses**



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
Established 1945

June 17, 2024

To the Board of Directors of  
United Way of Central Louisiana, Inc.

In planning and performing our audit of the financial statements of United Way of Central Louisiana, Inc. (the Organization) as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the United Way of Central Louisiana, Inc.'s system of 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in United Way of Central Louisiana, Inc.'s internal control to be material weaknesses.

### Grant Revenue Recognition

**Criteria:** The Financial Accounting Standards Board has established guidelines for revenue recognition, including grants, for nonprofit entities.

**Condition and Context:** The Organization recorded grant revenues and related grant receivables upon receipt of grant awards without regard to the accounting standards for revenue recognition.





PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
United Way of Central Louisiana, Inc.

**Cause and Effect:** An audit adjustment was necessary to reduce the grant receivable and grant revenue by \$202,509.

**Recommendation:** We recommend that the Organization follow the accounting standards for revenue recognition when recording grant revenues.

**Management's Response:** United Way of Central Louisiana, Inc. will formulate an agreement with CPA to ensure guidelines are met and proper recording occurs.

### **Grant Management**

**Criteria:** After receiving grant funds, it is critical to maintain a grant management process for monitoring each grant's usage to ensure compliance with grant requirements.

**Condition and Context:** For the year ended December 31, 2023, the Organization received funding for a 2-1-1 coordinator and separate funding for a community coordinator for the Louisiana Prisoner Reentry Initiative (LAPRI). Historically, these have been two separate positions within the Organization. Due to a vacancy in the position of the LAPRI coordinator for the period February through October 2023, the duties of both the 2-1-1 coordinator and the community coordinator for the Louisiana Prisoner Reentry Initiative were performed by one employee. There was no written documentation from either funding agency of their approval of duties of both positions being combined, and the funding for both positions continued to be received during that time period.

A LAPRI coordinator was hired and trained in October 2023 to begin in November 2023. That individual was listed on the request for reimbursement sent by the Organization to the Louisiana Department of Public Safety and Corrections as the coordinator for July 2023 through December 2023, which includes a period in which he was not employed by the Organization.

**Cause and Effect:** The Organization made a change in the scope of a position funded by a grant without written approval from the grantor agency, and a request for reimbursement of those grant funds included inaccurate information related to that position. Noncompliance with grant funds could result in the monies being returned to the funding agency.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
United Way of Central Louisiana, Inc.

**Recommendation:** The Organization should maintain written documentation of correspondence with funding agencies regarding any changes in the scope of an agreement. Care should be taken to submit accurate information on all grant reporting.

**Management's Response:** United Way of Central Louisiana, Inc. will ensure that any amendments or changes in usage are recorded via written documentation. United Way of Central Louisiana, Inc. will ensure accurate information is recorded on invoice to cover scope of activity.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in United Way of Central Louisiana, Inc.'s internal control to be significant deficiencies:

#### **Reconciliation of Certificates of Deposit**

**Criteria:** Bank reconciliations verify the integrity of data between the bank records and an entity's internal financial records.

**Condition and Context:** For the year ended December 31, 2023, the Organization did not reconcile the bank balances of certificates of deposit to the general ledger balances. The bank balances for three of the seven certificates of deposit did not match the general ledger balances as interest earnings had not been recorded.

**Cause and Effect:** Failure to reconcile certificate of deposit balances to bank statements and unrecorded interest earnings caused the Organization's financial records to not match bank records by \$1,959.

**Recommendation:** To ensure accurate financial reporting, we recommend that certificates of deposit balances are reconciled to bank balances at least quarterly.

**Management's Response:** United Way of Central Louisiana, Inc. will ensure interest is recorded quarterly.

#### **Reporting Employee Bonus**

**Criteria:** Employee bonuses are considered wages and should be reported as such on the form W-2 and applicable payroll tax reports.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
United Way of Central Louisiana, Inc.

**Condition and Context:** An employee was paid a \$1,000 bonus in December 2023 through the Organization's accounts payable rather than the payroll system.

**Cause and Effect:** Since an employee was paid a \$1,000 bonus through accounts payable, the amount was not included in the employee's form W-2 nor was it included on the applicable payroll reports.

**Recommendation:** Compensation for employment including salaries and bonuses should be reported as wages on employee's form w-2 and all applicable payroll reports.

**Management's Response:** United Way of Central Louisiana, Inc. will ensure all bonuses are recorded through the payroll system.

#### Receivable Reconciliations

**Criteria:** A reconciliation of receivables by matching the subsidiary ledgers to the financial records ensures accurate financial reporting and provides a means of preventing or detecting an error or fraud.

**Condition and Context:** The December 31, 2023 subsidiary ledgers for both pledges receivable and grants receivable did not match the amounts recorded in the general ledger. Each account was out of balance from the subsidiary ledgers \$2,500 for a total difference of \$5,000. No explanation was provided for the differences.

**Cause and Effect:** Differences in general ledger and subsidiary ledger balances for both pledges receivable and grants receivable were not identified, researched, and resolved causing an unexplained difference of \$5,000.

**Recommendation:** We recommend that a reconciliation of the detailed pledges receivable and grants receivable to the general ledger account balances be made at the end of each month and that any reconciling items be investigated and timely resolved.

**Management's Response:** United Way of Central Louisiana, Inc. will ensure accounts receivable are in agreement with subsidiary accounts.



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PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
United Way of Central Louisiana, Inc.

This communication is intended solely for the information and use of management, the Board of Directors, and the OPEX Committee of United Way of Central Louisiana, Inc. and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in cursive script that reads "Payne, Moore, &amp; Herrington, LLP".

Payne, Moore, & Herrington, LLP  
Alexandria, Louisiana