

**UNITED WAY OF CENTRAL  
AND SOUTHERN UTAH**

**AUDITED FINANCIAL STATEMENTS  
AND OTHER REPORTS**

Year Ended June 30, 2021

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
United Way of Central and Southern Utah

### **Report on the Financial Statements**

We have audited the accompanying financial statements of United Way of Central and Southern Utah, which comprise the statement of financial position as of June 30, 2021, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Central and Southern Utah as of June 30, 2021, 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.

### ***Other Matters***

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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.

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

We have previously audited United Way of Central and Southern Utah's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 5, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2021 on our consideration of United Way of Central and Southern Utah'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 Central and Southern Utah'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 Central and Southern Utah's internal control over financial reporting and compliance.

*Squire & Company, PC*

Orem, Utah  
October 18, 2021

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**STATEMENT OF FINANCIAL POSITION**

June 30, 2021, with Comparative Totals for 2020

	2021	2020
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash	\$ 110,003	\$ 198,853
Contributions receivable, net of allowance for uncollectible contributions	372,647	459,236
Accounts and grants receivable	189,492	55,211
Inventory	137	4,337
Prepaid expenses and other current assets	31,513	21,588
Due from United Way Community Services	199,789	450,542
Total current assets	903,581	1,189,767
<b>Fixed Assets:</b>		
Building and improvements	2,561,956	2,443,124
Furniture and equipment	173,099	173,099
Accumulated depreciation	(1,557,886)	(1,539,888)
Net fixed assets	1,177,169	1,076,335
<b>Other Assets:</b>		
Restricted cash	30,710	21,250
Total assets	<u>\$ 2,111,460</u>	<u>\$ 2,287,352</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities:</b>		
Current portion of notes payable	\$ 391,715	\$ 184,918
Accounts payable	217,312	88,427
Due to other organizations	55,061	69,826
Accrued expenses	99,233	83,754
Deferred revenue	13,000	6,500
Total current liabilities	776,321	433,425
<b>Notes Payable</b> , net of current portion	133,380	387,300
Total liabilities	909,701	820,725
<b>Net Assets:</b>		
Without donor restrictions	573,964	765,131
With donor restrictions	627,795	701,496
Total net assets	1,201,759	1,466,627
Total liabilities and net assets	<u>\$ 2,111,460</u>	<u>\$ 2,287,352</u>

The accompanying notes are an integral part of this financial statement.

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**STATEMENT OF ACTIVITIES**

Year Ended June 30, 2021, with Comparative Totals for 2020

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2021	2020
<b>Revenues and Support:</b>				
Total campaign pledges and donations	\$ 770,182	\$ 605,908	\$ 1,376,090	\$ 1,779,167
Amounts designated by donors for specific organizations	(209,062)	-	(209,062)	(338,213)
Net campaign pledges and donations	561,120	605,908	1,167,028	1,440,954
Uncollectible pledges and donations	(119,205)	-	(119,205)	(7,845)
In-kind donations	1,033,813	-	1,033,813	863,525
Rent	383,520	-	383,520	389,125
Grants	1,772,829	-	1,772,829	1,098,338
Interest	2	-	2	18
Support services income	206,488	-	206,488	206,488
Other	100,875	-	100,875	96,621
Net assets released from restrictions	679,609	(679,609)	-	-
Total revenues and support	4,619,051	(73,701)	4,545,350	4,087,224
<b>Allocations and Expenses:</b>				
Program services:				
EveryDay Learners (Education)	1,403,601	-	1,403,601	995,044
EveryDay Support (Income)	2,194,169	-	2,194,169	1,618,849
EveryDay Strong (Health)	717,285	-	717,285	1,085,900
Citizen review	2,672	-	2,672	1,949
Supporting services:				
Resource development	310,548	-	310,548	377,418
Management and general	181,943	-	181,943	229,476
Total allocations and expenses	4,810,218	-	4,810,218	4,308,636
<b>Change in Net Assets</b>	(191,167)	(73,701)	(264,868)	(221,412)
<b>Net Assets at Beginning of Year</b>	765,131	701,496	1,466,627	1,688,039
<b>Net Assets at End of Year</b>	\$ 573,964	\$ 627,795	\$ 1,201,759	\$ 1,466,627

The accompanying notes are an integral part of this financial statement.

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2021, with Comparative Totals for 2020

	Program Services				Supporting Services		Totals	
	EveryDay Learners (Education)	EveryDay Support (Income)	EveryDay Strong (Health)	Citizen Review	Resource Development	Management and General	2021	2020
Salaries, wages, and stipends	\$ 648,059	\$ 482,656	\$ 232,329	\$ 913	\$ 119,564	\$ 94,501	\$ 1,578,022	\$ 1,444,192
Employee benefits	121,261	63,736	45,651	1,498	18,923	31,286	282,355	271,403
Payroll taxes	40,626	28,779	14,671	70	8,915	7,555	100,616	92,752
Total personnel expenses	809,946	575,171	292,651	2,481	147,402	133,342	1,960,993	1,808,347
Agency program funding and assistance	207,285	1,084,315	252,834	-	-	-	1,544,434	1,487,645
Community projects	99,610	188,822	31,023	-	-	-	319,455	191,429
Conferences, training, and travel	5,098	1,822	1,548	-	-	-	8,468	20,541
Dues and subscriptions	7,600	2,199	1,313	-	37,213	4,860	53,185	60,887
Insurance	1,074	1,505	357	2	215	895	4,048	4,181
Interest	-	9,522	-	-	-	250	9,772	14,100
IT equipment and support	30,847	41,860	13,231	20	9,805	4,049	99,812	45,908
Materials and supplies	9,577	5,719	9,016	-	2,472	709	27,493	21,217
Mileage and meals	18,154	14,270	7,515	19	2,434	1,923	44,315	54,951
Miscellaneous	1,286	3,474	424	-	123	320	5,627	4,423
Postage and copies	9,507	1,347	7,095	-	2,431	1,040	21,420	27,416
Professional services and bank charges	95,757	98,500	64,002	-	85,972	17,832	362,063	230,978
Rent	63,496	44,423	21,128	97	12,729	10,060	151,933	131,903
Repairs and maintenance	4,339	12,902	1,444	7	870	686	20,248	43,744
Travel	7,204	5,735	2,175	-	1,366	930	17,410	34,670
United Way Worldwide support	27,173	19,010	9,041	42	5,447	4,305	65,018	26,041
Utilities	3,449	7,765	1,756	1	1,628	394	14,993	14,545
Total before depreciation	1,401,402	2,118,361	716,553	2,669	310,107	181,595	4,730,687	4,222,926
Depreciation	2,199	75,808	732	3	441	348	79,531	85,710
Total functional expenses	\$ 1,403,601	\$ 2,194,169	\$ 717,285	\$ 2,672	\$ 310,548	\$ 181,943	\$ 4,810,218	\$ 4,308,636

The accompanying notes are an integral part of this financial statement.

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**STATEMENT OF CASH FLOWS**

Year Ended June 30, 2021, with Comparative Totals for 2020

	2021	2020
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ (264,868)	\$ (221,412)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	79,531	85,710
Changes in operating assets and liabilities:		
Contributions receivable	86,589	(83,201)
Accounts and grants receivable	(134,281)	101,152
Inventory	4,200	33,067
Prepaid expenses and other current assets	(9,925)	(5,733)
Due from United Way Community Services	250,753	(70,951)
Restricted cash	(9,460)	(2,180)
Accounts payable	128,885	(6,065)
Due to other organizations	(14,765)	(22,909)
Accrued expenses	15,479	(2,500)
Deferred revenue	6,500	6,500
Net cash provided (used) by operating activities	138,638	(188,522)
<b>Cash Flows from Investing Activities:</b>		
Purchases of fixed assets	(180,365)	-
<b>Cash Flows from Financing Activities:</b>		
Proceeds from PPP loan	-	342,200
Principal payments on notes payable	(47,123)	(44,997)
Net cash provided (used) by financing activities	(47,123)	297,203
<b>Net Change in Cash</b>	(88,850)	108,681
<b>Cash at Beginning of Year</b>	198,853	90,172
<b>Cash at End of Year</b>	\$ 110,003	\$ 198,853

**Supplemental Data:**

United Way paid \$9,772 in interest and no income taxes for the year ended June 30, 2021.

United Way had no noncash investing or financing activities during the year ended June 30, 2021.

The accompanying notes are an integral part of this financial statement.



## **UNITED WAY OF CENTRAL AND SOUTHERN UTAH NOTES TO THE FINANCIAL STATEMENTS**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of United Way of Central and Southern Utah (United Way) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

#### **Organization**

The primary objective of United Way is to increase the organized capacity of people to care for one another. This is done through campaigns for donations that are managed and distributed to nonprofit agencies affiliated with United Way.

#### **Financial Statement Presentation**

United Way reports information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions* – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of United Way’s management and board of trustees.

*Net assets with donor restrictions* – Net assets subject to stipulations imposed by donors and grantors.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as contributions without donor restrictions.

#### **Summarized Comparative Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by function. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with United Way’s financial statements for the year ended June 30, 2020, from which the summarized information was derived.

#### **Tax Status**

United Way is incorporated exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to United Way are tax deductible to donors under Section 170 of the IRC. United Way is not classified as a private foundation. Also, United Way is not subject to state income taxes.

#### **Revenue Recognition**

Contributions receivable are recorded as unrestricted support when the unconditional promise to give is made. All contributions receivable are due within one year. The allowance for uncollectible contributions is estimated based on historical collection experience. The allowance for uncollectible

## **UNITED WAY OF CENTRAL AND SOUTHERN UTAH NOTES TO THE FINANCIAL STATEMENTS**

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contributions was \$100,000 at June 30, 2021. Contributions receivable not received from the prior year's campaign are netted against designated contributions of the prior year's campaign not received as uncollectible contributions. Uncollectible contributions were \$119,205 for the year ended June 30, 2021.

### **Allocation of Expenses**

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Directly identifiable expenses are charged to program and other activities and indirect expenses are allocated to one or more program or supporting functions based on estimated time and effort or square footage used. Such allocations are determined by management on an equitable basis. Management and general expenses include those expenses that are not directly identifiable with any specific program, but provide overall support and direction of United Way.

### **Inventory**

Inventory consists of prepaid store cards held to distributed to qualifying individuals or to United Way partner agencies for distribution.

### **Fixed Assets**

Fixed assets are stated at cost or, if donated, at fair value as of the donation date. Fixed assets are depreciated using the straight-line method, with useful lives as follows:

Building and improvements	5 to 40 years
Furniture and equipment	3 to 10 years

### **Accounting Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **Subsequent Events**

United Way evaluated subsequent events through October 18, 2021, the date which the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

### **NOTE 2 – FUNCTIONAL EXPENSES**

The statement of activities reflects expenses by functional area. The following is a description of the functional areas:

*EveryDay Learners (Education)* – includes funding of internal and community partners' programs that provide free home visitations to first-time parents, provide basic necessities, and support early intervention programs.

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**

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*EveryDay Support (Income)* – includes funding of internal and community partners’ programs that help build financially stable families by assisting with income tax preparation, utilities assistance, job skills training, adult literacy programs and more.

*EveryDay Strong (Health)* – includes funding of internal and community partners’ programs that help create a healthier Utah County through promoting health education and preventative care, reducing child abuse and domestic violence, and providing access to critical healthcare services.

*Citizen Review* – includes the entire community review of United Way funded community programs that are producing measurable outcomes that show long-lasting change. Also, includes recruitment and training of volunteers and communication with agencies regarding funding.

*Resource Development* – includes recruitment, training, employee meetings, mailings, brochures, pledge cards, promotional materials, company visits, or other activities related to the raising of funds.

*Management and General* – includes board meetings, executive direction and planning, personnel and office management, accounting and bookkeeping, and file maintenance.

**NOTE 3 – AVAILABILITY AND LIQUIDITY**

The following represents United Way’s financial assets at June 30, 2021:

Financial assets at year end:	
Cash	\$ 110,003
Contributions receivable, net of allowance	372,647
Accounts and grants receivable	<u>189,492</u>
Total financial assets	672,142
Less amounts not available to be used within one year:	
Net assets with donor restrictions	627,795
Less net assets with donor restrictions to be met in less than a year	<u>(627,795)</u>
	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 672,142</u>

United Way’s goal is generally to maintain financial assets to meet three months of operating expenses (approximately \$700,000). Operating expenses are defined by United Way as total expenses less depreciation and in-kind expenses (see Note 3). United Way has established a \$100,000 line of credit (see Note 5) to assist with cash flow needs.

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 4 – BUILDING ACQUISITION AND LEASE**

During the fiscal year ended June 30, 2001, a building was purchased, remodeled, and leased to Community Action Services (CAS) and others. To purchase and remodel the building, United Way borrowed \$1,203,691 and entered into a lease agreement with CAS.

During 2019, this lease agreement with CAS was renegotiated. CAS now rents only the portion of the building it occupies with no sublessees. The agreement obligates CAS to pay United Way \$23,100 per month. The term of the lease is 5 years ending June 2024 with two five-year extensions. United Way agrees to award a monthly rent credit of \$15,100 to CAS for as long as CAS continues to provide services to the community. This rent credit is reported as an expense included in “agency program funding and assistance”.

Lease revenue for the remaining lease term is as follows:

<u>Year Ending June 30,</u>	<u>Rent Amount</u>	<u>Rent Credit</u>	<u>Net Rent Amount</u>
2022	\$ 277,200	\$ (181,200)	\$ 96,000
2023	277,200	(181,200)	96,000
2024	277,200	(181,200)	96,000

**NOTE 5 – LINE OF CREDIT**

United Way has established a \$100,000 line of credit. No amount was outstanding on this line of credit at June 30, 2021. This line of credit bears interest at an index plus 4.5 percent (7.02 percent at June 30, 2021), requires monthly interest-only payments, and matures January 2022.

**NOTE 6 – NOTES PAYABLE**

United Way assumed debt to purchase and remodel the building occupied by CAS and others (see Note 4).

In addition, United Way received loan proceeds of \$342,200 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act, provides for loans to qualifying businesses. The loans and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes (including payroll, benefits, rent and utilities) and maintains its payroll levels.

United Way used the loan proceeds for purposes consistent with the PPP and believes that United Way’s use of the loan proceeds will meet the conditions for forgiveness of the loan. At June 30, 2021, United Way’s application for loan forgiveness was being processed and was entirely forgiven subsequently.

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**

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Notes payable at June 30, 2021 consisted of the following:

Note payable to a bank, interest at 4.5 percent, monthly payments of \$2,509, due December 2024, secured by building	\$ 97,200
Note payable to a bank, interest at 4.5 percent, monthly payments of \$2,213, due December 2024, secured by building	85,695
PPP loan from a bank, interest at 1.0 percent, due May 2022	<u>342,200</u>
	525,095
Less current portion	<u>(391,715)</u>
Long-term portion	<u>\$ 133,380</u>

A summary of principal debt requirements to maturity for notes payable is as follows:

Year Ending June 30,	
2022	\$ 391,715
2023	51,790
2024	54,169
2025	<u>27,421</u>
	<u>\$ 525,095</u>

**NOTE 7 – OPERATING LEASES**

United Way entered into a 15-year lease agreement expiring October 2023 for office space with a monthly lease payment of \$7,144. The monthly lease payment is subject to a 3 percent annual increase. Total rent expense was \$96,838 for the year ended June 30, 2021.

The minimum annual lease payments on the office space lease are estimated to be as follows:

Year Ending June 30,	
2022	\$ 107,544
2023	110,771
2024	37,286

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted as follows:

Subject to expenditure for specified purposes:		
South Franklin Community Center programs	\$	124,143
Other		<u>31,005</u>
		155,148
Subject to the passage of time:		
Contributions receivable, unavailable until received		<u>472,647</u>
	\$	<u><u>627,795</u></u>

**NOTE 9 – RELATED PARTY TRANSACTIONS**

United Way is related to United Way Community Services (UWCS) through common control, as one board of trustees governs both agencies. UWCS owed United Way \$199,789 at June 30, 2021.

United Way charged UWCS a support services fee of \$206,488 for the year ended June 30, 2021. The board of trustees intends to continue charging UWCS this fee for administrative services provided.

United Way leases a parking lot to UWCS for \$6,460 per month. UWCS also leases a portion of a building owned by United Way for \$2,400 per month. Total rent received was \$106,320 for the year ended June 30, 2021.

**NOTE 10 – RETIREMENT PLAN**

A defined contribution plan is provided for all full-time employees who have been with United Way for one or more years. United Way contributes 5 percent of qualified employees' gross earnings to the plan. In addition, United Way matches 50 percent of the first 6 percent of employee contributions. United Way contributions amounted to \$65,719 for the year ended June 30, 2021.

**NOTE 11 – CONTRIBUTED MATERIALS, EQUIPMENT, AND SERVICES**

Contributed materials and equipment are reflected as in-kind donations in the accompanying financial statements at their estimated values at date of receipt. No amounts have been reflected in the statements for contributed services inasmuch as no objective basis is available to measure the value of such services; however, a substantial number of volunteers have donated significant amounts of their time to United Way.

**NOTE 12 – SUPPORT SERVICES**

United Way's Resource Development and Management and General functions as a percentage of total gross revenue for the year ended June 30, 2021 is as follows:

Resource Development	6.4%
Management and General	3.7%

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**

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These percentages are calculated by dividing the Resource Development and Management and General functions by total gross revenue. Total gross revenue is calculated as follows for the year ended June 30, 2021:

Total revenue and support	\$ 4,545,350
Uncollectible contributions	119,205
Amounts designated by donors for specific organizations	<u>209,062</u>
Total gross revenue	<u><u>\$ 4,873,617</u></u>

**SUPPLEMENTARY INFORMATION**

Year Ended June 30, 2021



**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2021

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Receivable at 6/30/20	Receipts	Expenditures	Receivable at 6/30/21
<b>U.S. Department of Housing and Urban Development:</b>						
Direct:						
Continuum of Care Program	14.267		\$ 5,974	\$ 41,108	\$ 42,708	\$ 7,574
Passed through Mountainland Association of Governments:						
<i>CDBG - Entitlement Grants Cluster:</i>						
Community Development Block Grants/Entitlement Grants	14.218	n/a	-	2,600	61,700	59,100
Passed through Provo City:						
<i>CDBG - Entitlement Grants Cluster:</i>						
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	2020-UWUC_ 211_CDBG-CV	-	19,479	28,971	9,492
Community Development Block Grants/Entitlement Grants	14.218	n/a	-	79,099	116,910	37,811
Total CDBG - Entitlement Grants Cluster			-	101,178	207,581	106,403
Total U.S. Department of Housing and Urban Development			5,974	142,286	250,289	113,977
<b>U.S. Department of the Treasury:</b>						
Passed Through Community Action Partnership of Utah:						
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009	n/a	-	13,523	13,523	-
Passed through Mountainland Association of Governments:						
COVID-19 Coronavirus Relief Fund	21.019	n/a	-	138,903	138,903	-
Passed through State of Utah Department of Heritage & Arts:						
COVID-19 Coronavirus Relief Fund	21.019	211264	-	48,800	48,800	-
Total Coronavirus Relief Fund			-	187,703	187,703	-
Total U.S. Department of the Treasury			-	201,226	201,226	-
<b>U.S. Department of Health and Human Services:</b>						
Passed Through Utah Department of Health:						
Maternal and Child Health Federal Consolidated Programs	93.110	176183	5,600	85,084	90,391	10,907
Maternal, Infant, and Early Childhood Home Visiting Grant	93.870	216297	20,493	90,849	74,827	4,471
Passed Through Utah Department of Workforce Services:						
<i>477 Cluster:</i>						
Temporary Assistance for Needy Families	93.558	21DWS0008	-	21,677	44,048	22,371
Child Care and Development Block Grant	93.575	18DWS0135	4,167	77,448	80,084	6,803
Total 477 Cluster			4,167	99,125	124,132	29,174
Total U.S. Department of Health and Human Services			30,260	275,058	289,350	44,552
<b>Corporation for National and Community Service:</b>						
Direct:						
AmeriCorps	94.006		-	289,699	289,699	-
Total federal awards			\$ 36,234	\$ 908,269	\$ 1,030,564	\$ 158,529

See accompanying notes to the schedule of expenditures of federal awards.

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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**NOTE A – GENERAL**

The schedule of expenditures of federal awards (the Schedule) presents the activity of all federal award programs of United Way of Central and Southern Utah (United Way). All federal awards received directly from federal agencies as well as federal awards passed through from other government agencies are included on the Schedule.

**NOTE B – BASIS OF ACCOUNTING**

The Schedule is presented using the accrual basis of accounting (GAAP).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

United Way has not elected to use the 10-percent de minimus indirect cost rate.

**NOTE C – SUBRECIPIENTS OF FEDERAL AWARD PROGRAMS**

United Way did not provide federal award funding to any subrecipient during the year ended June 30, 2021.

## **OTHER REPORTS**



Independent Auditor's Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Board of Trustees  
United Way of Central and Southern Utah

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of United Way of Central and Southern Utah (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 18, 2021.

### **Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether United Way of Central and Southern Utah's financial statements are free of 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 determination of financial statements. However, providing an

opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

A handwritten signature in black ink that reads "Squire & Company, PC". The signature is written in a cursive, flowing style.

Orem, Utah  
October 18, 2021



Independent Auditor's Report on Compliance for Each Major Federal  
Program and on Internal Control Over Compliance Required in  
Accordance with the Uniform Guidance

Board of Trustees  
United Way of Central and Southern Utah

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

We have audited the compliance of United Way of Central and Southern Utah (United Way) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of United Way's major federal programs for the year ended June 30, 2021.

United Way's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of United Way's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about United Way's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of United Way's compliance.

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

In our opinion, United Way complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

## Report on Internal Control Over Compliance

Management of United Way is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered United Way's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of United Way's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Orem, Utah  
October 18, 2021

**UNITED WAY OF CENTRAL AND SOUTHERN UTAH  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2021**

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**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified	No
Significant deficiency identified	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major federal programs:	
Material weakness identified	No
Significant deficiency identified	None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a):	No

**Identification of Major Federal Programs**

Name of Federal Program (CFDA Number)

*CDBG – Entitlement Cluster:*  
Community Development Block Grants/Entitlement Grants (14.218)  
AmeriCorps (94.006)

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

**SECTION II – FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters were reported.



**UNITED WAY OF CENTRAL AND SOUTHERN UTAH**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
Year Ended June 30, 2021

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No audit requirement in the prior year.