



Board of Trustees  
United Way of Central and Southern Utah

We have audited the financial statements of United Way of Central and Southern Utah (United Way) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 8, 2022. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated July 11, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Way's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of United Way solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

We assisted in the preparation of the financial statements and the related notes, which is a nonattest service. This service was subject to our firm's engagement quality control review. Management designated a qualified individual to oversee this nonattest service, evaluated the adequacy and results of the service performed, and accepted responsibility for the preparation and fair presentation of the financial statements and the related notes in accordance with accounting principles generally accepted in the United States of America.

## **Significant Risks Identified**

We have identified the following significant risks: revenue could be recognized inappropriately or in the incorrect period and liabilities and expenses could be unrecorded or recognized in the incorrect period.

## **Qualitative Aspects of United Way's Significant Accounting Practices**

### ***Significant Accounting Policies***

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by United Way is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about the methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### ***Significant Accounting Estimates***

The most sensitive accounting estimates affecting the financial statements were 1) depreciation and amortization of capitalized assets, 2) allowance for doubtful contributions receivable, 3) valuation of in-kind donations, and 4) the allocation of costs to programs and activities.

Management's estimates of depreciation and amortization are based on expected useful lives of assets and allocating the cost of those assets over their estimated useful lives using the straight-line method. The allowance for doubtful accounts receivable is based on historical performance and projections of trends. The valuation of in-kind donations is based on management's estimate of the value of each item donated. Management's estimate of allocating costs to programs and activities is based on where employees worked (for payroll and benefit costs) and on asset usage (for equipment, space, and supply costs). We evaluated the key factors and assumptions used to develop these accounting estimates in determining that they are reasonable in relation to the financial statements as a whole.

### ***Financial Statement Disclosures***

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting United Way's financial statements relate to related party transactions (see Note 9).

### **Significant Unusual Transactions**

There were no significant unusual transaction identified during the audit.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are clearly inconsequential, and communicate them to the appropriate level of management.

A summary of audit adjustments and reclassifications is attached to this letter. This summary includes misstatements (material or otherwise) that we identified as a result of our audit procedures; these were brought to the attention of, and corrected by, management.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to United Way's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated December 8, 2022.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings or Issues**

In the normal course of our professional association with United Way, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting United Way, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as United Way's auditors.

This report is intended solely for the information and use of the Board of Trustees and management of United Way of Central and Southern Utah and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,



Orem, Utah  
December 8, 2022

#### **Attachments:**

- Adjusted trial balance grouped by financial statement account
- Summary of audit adjustments and reclassifications
- Copy of management's written representations