

# Financial Statements

United Way of Treasure Valley, Inc.  
Includes Supplemental Information  
(a non profit organization)  
Years Ended March 31, 2023 and 2022



## Table of Contents

---

<b>Independent Auditors' Report</b>	3
<b>Financial Statements</b>	
Statements of Financial Position	6
Statements of Activities	8
Statements of Functional Expenses	9
Statements of Cash Flows	10
Notes to Financial Statements	11
<b>Supplementary Information</b>	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	28
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	30
Schedule of Expenditures of Federal Awards	33
Notes to Schedule of Expenditures of Federal Awards	34
Schedule of Findings and Questioned Costs	35
Schedule of Prior Audit Findings	37

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
United Way of Treasure Valley, Inc.  
Boise, Idaho

### Opinion

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

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

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Treasure Valley, 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 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 misstatements, whether due to fraud or error.

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





## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Treasure Valley, 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 Summarized Comparative Information**

We have previously audited United Way of Treasure Valley, Inc.'s March 31, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 20, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.



## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 8, 2023, on our consideration of United Way of Treasure Valley, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Treasure Valley, Inc.'s internal control over financial reporting and compliance.

Harris CPAs

Meridian, Idaho  
August 8, 2023

**UNITED WAY OF TREASURE VALLEY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**March 31, 2023**  
**With Comparative Totals as of March 31, 2022**

---

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,562,827	\$ 2,637,776
Certificates of deposit	2,142,624	1,508,391
Pledges receivable, net	480,808	659,587
Grants receivable	92,555	193,256
Accrued interest	16,215	1,035
Other current assets	<u>12,941</u>	<u>18,341</u>
Total Current Assets	5,307,970	5,018,386
<b>Noncurrent Assets</b>		
Operating lease right-of-use asset	126,871	0
Social impact endowment	60,834	64,880
Beneficial interest in agency endowment fund assets held by Idaho Community Foundation	<u>394,115</u>	<u>443,709</u>
Total Assets	<u>\$ 5,889,790</u>	<u>\$ 5,526,975</u>

See notes to financial statements.

**UNITED WAY OF TREASURE VALLEY, INC.**  
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

**March 31, 2023**

**With Comparative Totals as of March 31, 2022**

---

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Donor designations payable, net	\$ 162,027	\$ 150,874
Accounts payable and accrued expenses	111,443	102,367
Current portion of operating lease liability	71,546	0
Deferred revenue	<u>449,284</u>	<u>163,611</u>

Total Current Liabilities 794,300 416,852

**Other Liabilities**

Operating lease liability, net of current portion	<u>55,325</u>	<u>0</u>
---	---------------	----------

Total Liabilities 849,625 416,852

**Net Assets**

Without donor restrictions	4,012,629	3,916,234
With donor restrictions	<u>1,027,536</u>	<u>1,193,889</u>

Total Net Assets 5,040,165 5,110,123

Total Liabilities and Net Assets \$ 5,889,790 \$ 5,526,975

See notes to financial statements.

**UNITED WAY OF TREASURE VALLEY, INC.**  
**STATEMENTS OF ACTIVITIES**  
**For the Year Ended March 31, 2023**  
**With Comparative Totals for the Year Ended March 31, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2023 Total</u>	<u>2022 Total</u>
<b>Public Support and Revenue</b>				
Campaign results, net of donor designations and provision for uncollectible pledges	\$ (35,867)	\$ 1,570,197	\$ 1,534,330	\$ 1,651,309
Investment income, net	30,212	(38,479)	(8,267)	36,481
Sponsorships and ticket sales	146,700	228,786	375,486	474,144
Contributed nonfinancial assets	483,927	16,672	500,599	436,756
State campaign administration fee	4,330		4,330	3,803
Grants and initiatives	(30,322)	1,597,688	1,567,366	1,439,701
Other income	<u>203,589</u>		<u>203,589</u>	<u>99,630</u>
	802,569	3,374,864	4,177,433	4,141,824
Net assets released from restriction	<u>3,541,217</u>	<u>(3,541,217)</u>	<u>0</u>	<u>0</u>
Total Public Support and Revenue	4,343,786	(166,353)	4,177,433	4,141,824
<b>Expenses</b>				
Program Services				
Canyon Co. preschool collaborative	244,182		244,182	281,375
Childcare partnerships	546,921		546,921	383,482
Promise neighborhoods	668,522		668,522	956,301
Grants, initiatives and projects	613,486		613,486	177,133
Community impact grants	705,234		705,234	481,783
Volunteer and community engagement	<u>694,963</u>		<u>694,963</u>	<u>640,172</u>
Total Program Services	3,473,308		3,473,308	2,920,246
Supporting Services				
Management and administration	317,966		317,966	365,685
Fundraising	<u>456,117</u>		<u>456,117</u>	<u>479,932</u>
Total Supporting Services	<u>774,083</u>		<u>774,083</u>	<u>845,617</u>
Total Expenses	<u>4,247,391</u>		<u>4,247,391</u>	<u>3,765,863</u>
Change in Net Assets	96,395	(166,353)	(69,958)	375,961
<b>Net Assets</b>				
Beginning of Year	<u>3,916,234</u>	<u>1,193,889</u>	<u>5,110,123</u>	<u>4,734,162</u>
End of Year	<u>\$ 4,012,629</u>	<u>\$ 1,027,536</u>	<u>\$ 5,040,165</u>	<u>\$ 5,110,123</u>

See notes to financial statements.



**UNITED WAY OF TREASURE VALLEY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended March 31, 2023  
With Comparative Totals for the Year Ended March 31, 2022

	2023							2022				
	Programs						Support					
	Canyon Co. Preschool Collaborative	Childcare Partnerships	Promise Neighborhoods	Grants / Initiatives / Projects	Community Impact Grants	Volunteer / Community Engagement	Programs Sub-total	Management & Administration	Fundraising	Support Sub-total	Grand Total	Grand Total
Community investment	\$ 0	\$ 393,001	\$ 465,259	\$ 192,000	\$ 1,070,332	\$ 41,961	\$ 2,162,553	\$ 0	\$ 0	\$ 0	\$ 2,162,553	\$ 1,960,704
Less donor designations					(533,970)		(533,970)				(533,970)	(541,514)
Net distributions		393,001	465,259	192,000	536,362	41,961	1,628,583				1,628,583	1,419,190
Salaries	49,199	55,866	109,729	125,963	88,901	149,579	579,237	161,574	269,432	431,006	1,010,243	910,753
Payroll taxes	3,605	4,094	7,847	9,156	6,515	11,156	42,373	11,915	19,745	31,660	74,033	65,641
Employee benefits	9,559	10,855	20,256	23,782	17,275	30,134	111,861	32,094	52,355	84,449	196,310	224,280
Contracted services	171,290	71,150	26,076	233,891	160	278	502,845	22,531	1,059	23,590	526,435	373,146
Volunteer services			15,768	674	26,865	127,215	170,522	21,609	6,506	28,115	198,637	164,255
Insurance	347	393	837	865	627	989	4,058	1,161	1,899	3,060	7,118	7,135
Other operating costs	595	677	1,312	1,572	1,262	1,607	7,025	24,167	31,306	55,473	62,498	41,200
Occupancy	3,531	4,009	7,671	8,912	6,380	10,940	41,443	11,725	19,337	31,062	72,505	72,504
Travel and meetings	113	127	609	1,610	1,417	2,118	5,994	5,263	11,300	16,563	22,557	10,294
Advertising and marketing	942	1,070	1,922	2,193	1,883	6,342	14,352	9,058	9,520	18,578	32,930	59,960
Technology/Equipment	3,080	3,497	6,806	7,767	14,115	9,425	44,690	10,230	17,180	27,410	72,100	77,490
Depreciation							0			0	0	1,253
Organizational dues						200	200		1,827	1,827	2,027	2,222
Sub-total	<u>242,261</u>	<u>544,739</u>	<u>664,092</u>	<u>608,385</u>	<u>701,762</u>	<u>391,944</u>	<u>3,153,183</u>	<u>311,327</u>	<u>441,466</u>	<u>752,793</u>	<u>3,905,976</u>	<u>3,429,323</u>
UWW In-kind advertising						13,274	13,274			0	13,274	33,284
In-kind community investment				230		284,048	284,278	282	4,128	4,410	288,688	239,217
United Way Worldwide dues	<u>1,921</u>	<u>2,182</u>	<u>4,430</u>	<u>4,871</u>	<u>3,472</u>	<u>5,697</u>	<u>22,573</u>	<u>6,357</u>	<u>10,523</u>	<u>16,880</u>	<u>39,453</u>	<u>64,039</u>
Total Functional Expense	<u>\$ 244,182</u>	<u>\$ 546,921</u>	<u>\$ 668,522</u>	<u>\$ 613,486</u>	<u>\$ 705,234</u>	<u>\$ 694,963</u>	<u>\$ 3,473,308</u>	<u>\$ 317,966</u>	<u>\$ 456,117</u>	<u>\$ 774,083</u>	<u>\$ 4,247,391</u>	<u>\$ 3,765,863</u>

See notes to financial statements.

**UNITED WAY OF TREASURE VALLEY, INC.**  
**STATEMENTS OF CASH FLOWS**  
**For the Year Ended March 31, 2023**  
**With Comparative Totals for the Year Ended March 31, 2022**

---

	<u>2023</u>	<u>2022</u>
<b>Cash Flows From Operating Activities</b>		
Received from campaigns	\$ 2,216,135	\$ 2,171,936
Received from sponsorships and donations	336,589	581,814
Received from grants	2,023,017	1,430,055
Other receipts and payments	154,476	58,498
Payments to employees and fringe benefits	(1,270,160)	(1,197,388)
Payments to vendors	(371,818)	(431,816)
Payments to other local United Ways for out-of-area campaigns	(216,375)	(219,783)
Payments to donor designated Organizations	(278,723)	(219,204)
Payments to annual grant program entities	(1,298,177)	(1,177,507)
Payments for program activities	<u>(768,134)</u>	<u>(487,848)</u>
Net Cash Provided (Used) by Operating Activities	526,830	508,757
<b>Cash Flows From Investing Activities</b>		
Purchase of certificates of deposit	(634,233)	(5,635)
Distributions from Endowments	15,161	25,714
Interest from short-term investing activities	<u>17,293</u>	<u>9,037</u>
Net Cash Provided (Used) by Investing Activities	<u>(601,779)</u>	<u>29,116</u>
Net Change in Cash and Cash Equivalents	(74,949)	537,873
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>2,637,776</u>	<u>2,099,903</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 2,562,827</u>	<u>\$ 2,637,776</u>

See notes to financial statements.

## UNITED WAY OF TREASURE VALLEY, INC.

### NOTES TO FINANCIAL STATEMENTS

---

#### Note A – Significant Accounting Policies

##### *Nature of Organization*

United Way of Treasure Valley, Inc. is a nonprofit organization incorporated under the laws of the State of Idaho, serving the counties of Ada, Canyon, Gem, and eight surrounding counties in southwest Idaho and southeast Oregon. The Organization fights for the health, education and financial stability of everyone in the Treasure Valley. United Way of Treasure Valley forges unlikely partnerships, finds new solutions to old problems, mobilizes resources and inspires individuals to join the fight against the Treasure Valley's most daunting social crises. The Organization's community impact initiatives focus on the creation and support of policies, systems, and environmental changes that improve the quality of life for all Treasure Valley residents by removing barriers and providing opportunities for success.

The Organization produces a tri-annual community assessment that guides their work and is also used by health systems, school districts, and nonprofits to inform and guide their work. Data and collaboration drive the design and implementation of United Way's 21<sup>st</sup> century solutions emphasizing long-term policy, systems, and environmental changes that improve the quality of life for all Treasure Valley residents. The Organization provides grant funding for local nonprofit programs that align with the mission and serve the community's low-income families.

United Way of Treasure Valley is a local catalyst and convener for community engagement and volunteerism, bringing together people from corporations, banks, hospitals, schools, government and other individuals to lift up children and families in the Treasure Valley. As a service to the community, the Organization acts as a conduit for donations to other nonprofit entities to allow a single point for an individual or corporation's charitable giving. A majority of the Organization's support consists of corporate and employee giving campaign revenue as well as foundation grants, sponsorships and donations. The Organization's Board of Directors is governed by local volunteers.

##### *Basis of Accounting*

The financial statements of United Way of Treasure Valley, Inc. have been prepared on the accrual basis of accounting.

##### *Basis of Presentation*

The Organization reports net assets and revenues, expenses, gains and losses are classified according to two classes of net assets: with donor restrictions and without donor restrictions. Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net asset with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

## UNITED WAY OF TREASURE VALLEY, INC.

### NOTES TO FINANCIAL STATEMENTS

---

#### Note A – Significant Accounting Policies (Continued)

##### *Accounting Pronouncements Adopted*

In 2023, the Organization adopted Accounting Standards Update (ASU) No. 2016-02, Leases, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The Organization elected not to restate the comparative period (2022). It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. As a result of implementing ASU No. 2016-02, the Organization recognized right-of-use assets of \$187,655 and lease liabilities totaling \$187,655 in its statement of financial position as of April 1, 2022. The Company adopted the standard using the modified retrospective method as of April 1, 2022. There was no cumulative effect adjustment to net assets as of the transition date.

For the year ended March 31, 2023, the Organization adopted Accounting Standards Update (ASU) 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The ASU requires not-for-profit entities to disclose a disaggregation of the amount of contributed nonfinancial assets recognized within the statement of activities by category that depicts the type of contributed nonfinancial assets. The Organization must also disclose qualitative info about whether the contributed nonfinancial assets were monetized or utilized during the reporting period, the Organization policy about monetizing contributed nonfinancial assets, a description of any donor imposed restrictions, the valuation method used, and the principal or most advantageous market used for the valuation if it is a market in which the recipient Organization is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets. There was no material impact on the Organization's activities or financial position upon adoption of the new standard.

##### *Use of Estimates*

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

##### *Revenue and Revenue Recognition*

Sponsorship and ticket revenue is recognized when the event takes place and typically have a single performance obligation.

## UNITED WAY OF TREASURE VALLEY, INC.

### NOTES TO FINANCIAL STATEMENTS

---

#### Note A – Significant Accounting Policies (Continued)

##### *Cash and Cash Equivalents*

The Organization considers all unrestricted, short-term, highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

##### *Concentration of Credit Risk*

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist principally of cash investments and deposit balances. Accounts at these financial institutions are insured by the Federal Deposit Insurance Corporation and the National Credit Union Administration for up to \$250,000 and the Securities Investor Protection Corporation for up to \$500,000. At March 31, 2023 and 2022, the Organization's uninsured balances totaled \$4,411,836 and \$3,844,454, respectively.

##### *Promises to Give*

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when conditions on which they depend are substantially met or promises become unconditional. Unconditional promises to give are shown as pledges receivable, net of allowance on the statements of financial position.

##### *Allowance for Uncollectible Pledges*

The allowance for uncollectible pledges is management's estimate of current campaign pledges that will not be collected in subsequent years. Consideration is given to prior collection experience, collection averages, and current economic conditions in determining the allowance.

##### *Allowance for Uncollectible Donor Designated Pledge Payables*

The allowance for designations not to be paid is netted against donor designations payable on the statement of financial position. This amount is management's estimate of current campaign designated donor pledges that will not be collected in subsequent years; therefore, will not be paid. Consideration is given to prior collection experience, collection averages, and current economic conditions in determining the allowance.

##### *Property and Equipment*

Property and equipment is stated at cost or, if donated, at the estimated fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from three to ten years. It is the Organization's policy to capitalize assets with a value of at least \$1,000.

## UNITED WAY OF TREASURE VALLEY, INC.

### NOTES TO FINANCIAL STATEMENTS

---

#### Note A – Significant Accounting Policies (Continued)

##### *Fair Value*

The Organization uses fair value for financial assets and liabilities. A hierarchy for reporting the reliability of input measurements used to assess fair value for all assets and liabilities. Fair value is defined as the selling price that would be received for an asset, or paid to transfer a liability, in the principal or most advantageous market on the measurement date. The hierarchy established prioritizes fair value measurements based on the types of inputs used in the valuation technique. Certain financial instruments are carried at cost on the statements of financial position, which approximates fair value due to their short term, highly liquid nature.

##### *Compensated Absences*

Accrued liabilities include amounts for vacation days, which are earned ratably during the year based upon length of employment. Accrued vacation at March 31, 2023 and 2022, was \$26,102 and \$29,727, respectively, and is included in accounts payable and accrued expenses on the statement of financial position.

##### *Contributions and Donor Imposed Restrictions*

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as contributions with donor restrictions that increases that net asset class. When donor restrictions expire, that is, when a time restriction ends and/or a purpose restriction is fulfilled, 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 restriction.

##### *Leases*

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

## UNITED WAY OF TREASURE VALLEY, INC.

### NOTES TO FINANCIAL STATEMENTS

---

#### Note A – Significant Accounting Policies (Continued)

##### *Advertising*

The Organization uses marketing in the form of mailings, television, radio, and the annual report to promote its programs among the individuals and the community it serves. The production costs of marketing are expensed as incurred.

##### *Functional Allocation of Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are salaries, payroll taxes and benefits, which are allocated on the basis of estimates of time and effort; and occupancy costs and depreciation, which are allocated based on salaries.

General and administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

##### *Income Taxes*

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. Accordingly, no provision for income taxes is made in the financial statements.

##### *Uncertain Tax Positions*

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal years 2023 or 2022.

The Organization files Form 990 in the U.S. federal jurisdiction. The Organization is generally no longer subject to examination by the Internal Revenue Service for years before 2019.

**UNITED WAY OF TREASURE VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note A – Significant Accounting Policies (Continued)**

*Comparative Data*

The amounts shown for the year ended March 31, 2022 in the accompanying financial statements are included to provide a basis for comparison with 2023 and present summarized totals only. Accordingly, the 2022 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended March 31, 2022, from which the summarized information was derived.

*Subsequent Events*

The Organization has evaluated subsequent events through August 8, 2023, which is the date the financial statements were available to be issued.

**Note B – Liquidity and Availability of Resources**

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$ 2,562,827
Certificates of deposit	2,142,624
Pledges receivable, net	480,808
Grants receivable	92,555
Accrued interest	<u>16,215</u>

Total financial assets available within one year 5,295,029

Less amounts unavailable for general expenditures within one year due to:

Restricted by donors	<u>(50,905)</u>
----------------------	-----------------

Total financial assets available within one year after restriction \$ 5,244,124

Included in the total financial assets available within one year after restriction are \$480,808 of net assets from current year campaign revenue that are time restricted. The time restriction is met on April 1, 2023, and those assets are then available to be used for general expenditures in the 2024 fiscal year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of weekly requirements in short-term investments. To help manage unanticipated liquidity needs, the Organization has a committed line of credit of \$200,000 which it could draw upon.



**UNITED WAY OF TREASURE VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note C – Certificates of Deposit**

At March 31, 2023 and 2022, the Organization had certificates of deposit totaling \$2,142,624 and \$1,508,391, respectively. Those certificates were for various terms ranging between six months and 1 year (maturity dates through February 2024) and annual interest rates up to 4.9%. These certificates are not readily convertible into cash within ninety (90) days of purchase and are not considered to be cash equivalents. Any penalties for early withdrawal would not have a material effect on the financial statements.

**Note D – Pledges Receivable**

Pledges receivable consisted of the following at March 31:

	<u>2023</u>	<u>2022</u>
Pledges receivable	\$ 652,308	\$ 857,287
Less allowance for uncollectible pledges	<u>(171,500)</u>	<u>(197,700)</u>
Pledges receivable, net	<u>\$ 480,808</u>	<u>\$ 659,587</u>

**Note E – Social Impact Endowment**

The Organization has a social impact endowment that is included in net assets with donor restriction. Activity of the social impact endowment for the years ended March 31 is as follows:

	<u>2023</u>	<u>2022</u>
Beginning balance	\$ 64,880	\$ 67,002
Net realized and unrealized gain	(3,821)	(1,842)
Management fees	<u>(225)</u>	<u>(280)</u>
Total Social Impact Endowment	<u>\$ 60,834</u>	<u>\$ 64,880</u>

*Social Impact Investing Strategy*

The Organization’s focus is on investing in solutions to global social and environmental challenges and in companies exercising best-in-class practices around managing climate change, preventing pollution, treating workers fairly, upholding human rights, promoting diversity, and acting as responsive corporate citizens throughout global operations. In particular, investments in affordable housing, sustainable transportation, and innovation in healthcare and medicine.

## UNITED WAY OF TREASURE VALLEY, INC.

### NOTES TO FINANCIAL STATEMENTS

---

#### Note E – Social Impact Endowment (Continued)

##### *Social Impact Investing Strategy*

The Organization will seek to avoid investments in manufacturers of unsafe/unhealthy products (tobacco, alcohol, gambling, weapons, guns) and companies with poor track records on treatment of workers, communities, human rights and/or the environment.

Social guidelines will be implemented on a best-effort basis and may be relaxed for any investments in mutual funds and exchange traded funds.

##### *Investment Objectives*

The primary objective of the social impact endowment is to provide long-term portfolio growth and generation of income to support programs. The secondary objective is to maintain safety of principal of the endowment assets. Investments will emphasize a “total return” approach as measured by the market value increase or decrease in portfolio securities plus interest and dividends received over a stated period of time.

##### *Risk Tolerance*

The Organization seeks to accelerate the growth of the principal value of the investments over time and is willing to invest in securities that have historically demonstrated a moderate to above average degree of risk of loss of principal value.

##### *Asset Allocation*

Given the balance of investment objectives and moderate to high risk tolerance, the asset allocation guidelines across the portfolio are as follows:

<b>Asset Class</b>	<b>Target</b>	<b>Minimum</b>	<b>Maximum</b>
Global Equity	70%	55%	85%
Fixed Income	25%	10%	40%
Cash	5%	2%	20%

There will be periodic deviations in actual asset weights from targeted weights due to normal market movements, cash flows and varying asset class performance. Public equity securities may include common stocks, stock mutual funds and ETFs, as well as convertible and preferred issues. Public fixed income securities may include U.S. Treasury obligations, federal agency obligations, municipal bonds, marketable corporate bonds, commercial bank certificate of deposit, bond mutual funds and exchange traded funds. Private placements may include social impact-focused private investment vehicles, including promissory notes with community development funds and/or other high social impact entities.

## UNITED WAY OF TREASURE VALLEY, INC.

### NOTES TO FINANCIAL STATEMENTS

---

#### Note F – Beneficial Interest in Agency Endowment Fund Assets

In 1995 the Organization entered into an agreement with Idaho Community Foundation (the Foundation), an Idaho nonprofit corporation, to establish the United Way of Treasure Valley Gustav Linning Endowment Fund (Linning Fund). In 2010, the Organization entered into an agreement with the Foundation, to establish the Sally Zive United Way Cradle-to-Career Endowment Fund (Zive Fund). The Zive Fund was originally endowed to the Foundation, providing permanent long-term support for educational programs and initiatives geared towards helping lower income children in the Treasure Valley. However, during the year ended March 31, 2014, the Zive Fund became a beneficial interest fund to the Organization and is recognized as a beneficial interest asset on the statement of financial position. Decisions regarding individual programs and initiatives will be made by the UWTV Board of Directors.

The assets of the Linning Fund and the Zive Fund, collectively (the Funds), may be commingled with other Foundation property for investment purposes and are held as component funds of the Foundation's permanent endowment. The Foundation has sole investment and management discretion over the Funds. The agreement permits the foundation to redirect distributions from the Funds for such purposes as will most effectively or closely accomplish the original intent of the agreement if the Organization ceases to exist or is no longer a qualified charitable organization.

The Organization recognizes transfers to the Foundation as an increase in the beneficial interest in assets held at the Foundation. The funds maintained at the Foundation are included in net assets with donor restrictions in the accompanying statements of financial position. The Foundation has sole control over administration of the investments, which are stated at fair value, and a portion of the income earned, if any, is transferred to the Organization annually at the discretion of the Foundation. The income transferred to the Organization by the Foundation is unrestricted.

The beneficial interest in assets held in the Foundation have been valued, as a practical expedient, at the fair value of the Organization's share of the Foundation's investment pool as of the measurement date, utilizing valuations provided by the investment funds. The Foundation values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the Foundation, which includes private placements and other securities for which prices are not readily available, are determined by the management of the Foundation and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The Foundation's investment are composed of approximately 50 percent domestic equities, 25 percent international equities, 10 percent domestic fixed income securities, 5 percent real estate investment trusts and 10 percent Treasury Inflation Protecting Securities.

**UNITED WAY OF TREASURE VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note F – Beneficial Interest in Agency Endowment Fund Assets (Continued)**

Activity of the Funds for the years ended March 31 is as follows:

	<u>2023</u>	<u>2022</u>
Beginning balance	\$ 443,709	\$ 440,005
Net realized and unrealized gain (loss)	(32,036)	32,185
Fund contributions	0	0
Distributions	(15,161)	(25,714)
Management fees	<u>(2,397)</u>	<u>(2,767)</u>
 Total Beneficial Interest in Agency Endowment Fund Assets Held by Idaho Community Foundation	 \$ <u>394,115</u>	 \$ <u>443,709</u>

**Note G – Fair Value of Assets and Liabilities**

A fair value hierarchy that prioritizes the inputs to valuation techniques is used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1        Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2        Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3        Inputs to the valuation methodology are unobservable and significant to the fair value instrument.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Organization holds certificates of deposits at Level 1, and mutual funds at Levels 1 and 2. The Organization does not have the ability to redeem the beneficial interest in the agency endowment fund at the Foundation in the near term therefore it is valued at Level 3, see Note G for further details.

**UNITED WAY OF TREASURE VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note G – Fair Value of Assets and Liabilities (Continued)**

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization’s assets at fair value measured on a recurring basis as of March 31, 2023:

	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$ 2,142,624	\$ 2,142,624	\$	\$
Social impact endowment:				
Bank sweep	1,329	1,329		
Mutual funds:				
Fixed income	2,703	2,703		
Bonds	13,532		13,532	
Equities	<u>43,261</u>	<u>43,261</u>		
Social impact endowment	60,825	47,293	13,532	0
Beneficial interest in agency endowment fund assets held by ICF	<u>394,115</u>			<u>394,115</u>
Total	<u>\$ 2,597,564</u>	<u>\$ 2,189,917</u>	<u>\$ 13,532</u>	<u>\$ 394,115</u>

**UNITED WAY OF TREASURE VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note G – Fair Value of Assets and Liabilities (Continued)**

The following table sets forth by level, within the fair value hierarchy, the Organization’s assets at fair value measured on a recurring basis as of March 31, 2022:

	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$ 1,508,391	\$ 1,508,391	\$	\$
Social impact endowment:				
Bank sweep	1,250	1,250		
Mutual funds:				
Fixed income	2,839	2,839		
Bonds	14,744		14,744	
Equities	<u>46,047</u>	<u>46,047</u>		
Social impact endowment	64,880	50,136	14,744	0
Beneficial interest in agency endowment fund assets held by ICF	<u>443,709</u>			<u>443,709</u>
Total	<u>\$ 2,016,980</u>	<u>\$ 1,558,527</u>	<u>\$ 14,744</u>	<u>\$ 443,709</u>

**Note H – Donor Designations Payable**

Donor designated distributions are funds received during the campaign that were designated by the donor for specific 501(c)(3) agencies net of uncollected pledges. During each of the years ended March 31, 2023 and 2022, over 100 agencies received donor designated contributions.

Donor designations payable consisted of the following at March 31:

	<u>2023</u>	<u>2022</u>
Donor designations, beginning of year	\$ 150,874	\$ 155,741
Donor designated pledges received	303,160	244,614
Donor designated pledges paid	(290,907)	(255,181)
Change in allowance for uncollectible designated pledges	<u>(1,100)</u>	<u>5,700</u>
Donor designations payable	<u>\$ 162,027</u>	<u>\$ 150,874</u>

**UNITED WAY OF TREASURE VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note H – Donor Designations Payable (Continued)**

The donor designations payable balance is shown net of the allowance for designations not to be paid of \$20,300 and \$19,200 at March 31, 2023 and 2022, respectively.

The Organization receives donor designated pledges that are processed through third party organizations and are not reflected in the donor designations payable balance on the statement of financial position. Donor designations processed by third parties for the years ended March 31, 2023 and 2022 were \$237,792 and \$313,225, respectively.

**Note I – Net Assets With Donor Restrictions**

United Way World Wide, in its efforts to maintain consistency, requires local United Way organizations to temporarily restrict the entire current campaign contributions for use in the next year. United Way of Treasure Valley, Inc. has complied with this requirement by reporting gross campaign results for the current year as well as gifts of cash and other assets that are restricted by donor stipulations as temporarily restricted net assets. When restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the Statement of Activities in net assets as net assets released from restriction.

Net assets with donor restrictions are restricted for the following purposes at March 31:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for specified purpose or period:		
Time restricted current year campaign results	\$ 480,808	\$ 659,587
Restricted for specific purpose	50,905	0
Social impact endowment	60,834	64,880
Beneficial interest in agency endowment fund	<u>434,989</u>	<u>469,422</u>
	<u>\$ 1,027,536</u>	<u>\$ 1,193,889</u>

**UNITED WAY OF TREASURE VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note J – In-Kind Donations and Services**

Non-cash donations and services are included in in-kind revenue in the financial statements consisted of the following for the years ended March 31:

	<u>2023</u>	<u>2022</u>
Advertising	\$ 41,728	\$ 12,921
Donated services	198,637	170,487
Basic needs goods and books	256,030	146,223
Other	<u>4,204</u>	<u>107,125</u>
Total	<u>\$ 500,599</u>	<u>\$ 436,756</u>

The Organization recognized contributed nonfinancial assets within revenue, including contributed basic needs goods, books, advertising, and services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed basic needs goods and books were utilized in the Organization's programs. In valuing basic needs goods and books, the Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.

Contributed services recognized comprise volunteer services from various individuals advising the Organization on various administrative and program related matters. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar services.

Contributed advertising recognized are comprised of print ad space and television airtime from local newspapers and television stations provided to the Organization on various fundraising and other events. Contributed advertising is valued and is reported at the estimated fair value in the financial statements based on current rates for similar advertising space and airtime in the Boise metropolitan area.



## UNITED WAY OF TREASURE VALLEY, INC.

### NOTES TO FINANCIAL STATEMENTS

---

#### Note K – Operating Leases

The Organization evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent The Organization’s right to use underlying assets for the lease term, and the lease liabilities represent the Organization’s obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The weighted-average discount rate applied to calculate lease liabilities as of March 31, 2023, was 5.00%.

The Organization’s operating lease consists of a real estate lease for office space. For the year ended March 31, 2023, total operating lease expense as \$75,000. As of March 31, 2023, the weighted-average remaining lease term for the Organization’s operating leases was approximately 1.75 years. Rent expense for the year ended March 31, 2022, which was accounted for in accordance with ASC 840, amounted to approximately \$72,504.

Cash paid for operating leases for the year ended March 31, 2023 was \$75,000. There were no noncash investing and financing transactions related to leasing other than the transition entry described in note A.

Future maturities of lease liabilities are presented in the following table, for the fiscal years ending December 31:

2024	\$ 75,000
2025	<u>56,250</u>
Total lease payments	131,250
Less present value discount	<u>(4,379)</u>
Total lease obligations	126,871
Less current portion	<u>(71,546)</u>
Long-term portion of leases	<u>\$ 55,325</u>

#### Note L – Line of Credit

As of March 31, 2023 and 2022, the Organization has a \$200,000 discretionary demand line of credit with a financial institution that is unsecured. Interest on the line is variable and is calculated at prime plus 0% with a 0% floor. At March 31, 2021, the interest rate was 3.25%. There was no balance outstanding on the line of credit at March 31, 2023 and 2022. The line is due on demand.

**UNITED WAY OF TREASURE VALLEY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

---

**Note M – Retirement Plan**

The Organization has a 403(b) plan agreement that allows employees to participate once they complete 80 hours of service within a 30 day period of employment. Under this plan, all qualifying employees receive a discretionary contribution from the employer. Employees are fully vested in the employer contribution after 3 years. Plan contributions for the years ended March 31, 2023 and 2022 were \$72,575 and \$66,740, respectively.

**Note N – Detail of Grants, Initiatives and Projects**

	<u>2023</u>	<u>2022</u>
Region 3 Housing Collaboration	\$ 204,085	\$ 90,000
FindHelpIdaho.org	207,690	39,521
Community Assessment	138,808	26,538
City of Boise – Small Business	44,720	0
Advocacy Grants	10,941	10,709
Bank On	<u>7,242</u>	<u>10,365</u>
 Total Grants, Initiatives and Project Expenses	 <u>\$ 613,486</u>	 <u>\$ 177,133</u>

**Note O – Community Investments by Impact Area**

During the years ended March 31, 2023 and 2022, net distributions of cash for community investments were paid to support the Organization’s mission by impact area as follows:

	<u>2023</u>	<u>2022</u>
Education programs	\$ 727,648	\$ 635,057
Health programs	486,048	492,870
Financial stability programs	<u>414,888</u>	<u>291,263</u>
 Total Community Investment – Net Distributions	 <u>\$ 1,628,584</u>	 <u>\$ 1,419,190</u>

**SUPPLEMENTARY INFORMATION**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors  
United Way of Treasure Valley, Inc.  
Boise, Idaho

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 Treasure Valley, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 8, 2023.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered United Way of Treasure Valley, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Treasure Valley, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization'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 Treasure Valley, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of This Report

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

Harris CPAs

Meridian, Idaho  
August 8, 2023

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors  
United Way of Treasure Valley, Inc.  
Boise, Idaho

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

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

We have audited United Way of Treasure Valley, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of United Way of Treasure Valley, Inc.'s major federal programs for the year ended March 31, 2023. United Way of Treasure Valley, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, United Way of Treasure Valley, Inc. complied, in all material respects, with the type 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 March 31, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of United Way of Treasure Valley, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of United Way of Treasure Valley, Inc.'s compliance with the compliance requirements referred to above.





### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to United Way of Treasure Valley, Inc.'s federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on United Way of Treasure Valley, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about United Way of Treasure Valley, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



## Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Harris CPAs

Meridian, Idaho  
August 8, 2023



**UNITED WAY OF TREASURE VALLEY, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended March 31, 2023**

---

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT HEALTH AND HUMAN SERVICES			
Activities to Support State, Tribal, Local and Territorial Health Department Response to Public Health or Healthcare Crisis	93.391	1NH75OT000105-01	\$ 68,688
Child Care and Development Block Grant Passthrough Idaho Department of Health and Welfare	93.575	WC0091800	360,000
Passthrough Idaho Department of Health and Welfare	93.575	2101IDCCC6	106,004
Passthrough Idaho Department of Health and Welfare	93.575	2101IDCDC6	<u>568,722</u>
Total Child Care and Development Block Grant			<u>1,034,726</u>
Total U.S. Department of Health and Human Services			1,103,414
U.S. DEPARTMENT OF THE TREASURY			
Coronavirus State and Local Fiscal Recovery Funds Passthrough City of Boise	21.027	RES-665-22	<u>29,664</u>
Total U.S. Department of the Treasury			<u>29,664</u>
Total Expenditures of Federal Awards			<u>\$ 1,133,078</u>

**UNITED WAY OF TREASURE VALLEY, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended March 31, 2023**

---

**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of United Way of Treasure Valley, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the 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)*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note B – Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note C – Indirect Cost Rate**

United Way of Treasure Valley, Inc. has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**UNITED WAY OF TREASURE VALLEY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended March 31, 2023**

---

**Section I – Summary of Audit Results**

*Financial Statements*

Type of auditors' report issued: Unmodified  
 Internal control over financial reporting:  
 • Material weakness identified? \_\_\_\_\_ yes   X   no  
 • Significant deficiencies identified that are not  
 considered to be material weaknesses? \_\_\_\_\_ yes   X   none reported  
 Noncompliance material to the financial  
 statements noted? \_\_\_\_\_ yes   X   no

*Federal Awards*

Internal control over major programs:  
 • Material weakness identified? \_\_\_\_\_ yes   X   no  
 • Significant deficiencies identified that are not  
 considered to be material weaknesses? \_\_\_\_\_ yes   X   none reported

Type of auditors' report issued on compliance  
 for major programs: Unmodified

Any audit findings disclosed that are required  
 to be reported in accordance with section  
 2 CFR Section 200-516(a)? \_\_\_\_\_ yes   X   no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
93.575	Child Care and Development Block Grant

Dollar threshold used to distinguish between  
 type A and type B programs: \$ 750,000

Auditee qualified as a low-risk auditee? \_\_\_\_\_ yes   X   no

**UNITED WAY OF TREASURE VALLEY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended March 31, 2023**

---

**Section II – Financial Statement Findings**

No findings related to the financial statements were noted which would be required to be reported under generally accepted governmental auditing standards (GAGAS).

**Section III – Federal Award Findings and Questioned Costs**

No findings related to the consolidated financial statements were noted which would be required to be reported under generally accepted governmental auditing standards (GAGAS).

**UNITED WAY OF TREASURE VALLEY, INC.**  
**SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Year Ended March 31, 2023**

---

There were no findings in the prior year.