HARRIS
CPAs

Financial Statements

United Way of Treasure Valley, Inc.
(a non profit organization)
Includes Supplemental Information
Years Ended March 31, 2022 and 2021

Helping you succeed, financially and beyond.

Table of Contents

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, 2022, 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, 2022, 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, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 8, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2021 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 July 20, 2022, 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
July 20, 2022

UNITED WAY OF TREASURE VALLEY, INC.
STATEMENTS OF FINANCIAL POSITION
March 31, 2022
With Comparative Totals as of March 31, 2021

	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents	$ 2,637,776	$ 2,099,903
Certificates of deposit	1,508,391	1,502,757
Pledges receivable, net	659,587	768,798
Grants receivable	193,256	90,000
Accrued interest	1,035	1,484
Other current assets	18,341	3,130
Total Current Assets	5,018,386	4,466,072
Property and Equipment, net	0	1,253
Noncurrent Assets		
Social impact endowment	64,880	67,002
Beneficial interest in agency endowment fund assets held by Idaho Community Foundation	443,709	440,005
Total Assets	$ 5,526,975	$ 4,974,332
LIABILITIES AND NET ASSETS		
Current Liabilities		
Donor designations payable, net	$ 150,874	$ 155,741
Accounts payable and accrued expenses	102,367	84,429
Deferred revenue	163,611	0
Total Current Liabilities	416,852	240,170
Net Assets		
Without donor restrictions	3,916,234	3,450,787
With donor restrictions	1,193,889	1,283,375
Total Net Assets	5,110,123	4,734,162
Total Liabilities and Net Assets	$ 5,526,975	$ 4,974,332

See notes to financial statements.

UNITED WAY OF TREASURE VALLEY, INC.
STATEMENTS OF ACTIVITIES
For the Year Ended March 31, 2022
With Comparative Totals for the Year Ended March 31, 2021

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
Public Support and Revenue				
Campaign results, net of donor designations and provision for uncollectible pledges	$ 24,120	$ 1,627,189	$ 1,651,309	$ 1,890,075
Investment income, net	9,186	27,295	36,481	178,012
Sponsorships and ticket sales	325,720	148,424	474,144	388,867
In-kind revenue	416,079	20,677	436,756	875,487
State campaign administration fee	3,803		3,803	4,522
Grants and initiatives	198,251	1,241,450	1,439,701	1,018,686
Other income	99,630		99,630	63,065
	1,076,789	3,065,035	4,141,824	4,418,714
Net assets released from restriction	3,154,521	(3,154,521)	0	0
Total Public Support and Revenue	4,231,310	(89,486)	4,141,824	4,418,714
Expenses				
Program Services				
Canyon Co. preschool collaborative	281,375		281,375	177,600
Childcare partnerships	383,482		383,482	0
Promise neighborhoods	956,301		956,301	257,435
Transforming communities initiative	0		0	181,305
Grants, initiatives and projects	177,133		177,133	98,667
Community impact grants	481,783		481,783	914,162
Volunteer and community engagement	640,172		640,172	1,323,226
Total Program Services	2,920,246		2,920,246	2,952,395
Supporting Services				
Management and administration	365,685		365,685	264,675
Fundraising	479,932		479,932	378,895
Total Supporting Services	845,617		845,617	643,570
Total Expenses	3,765,863		3,765,863	3,595,965
Change in Net Assets	465,447	(89,486)	375,961	822,749
Net Assets				
Beginning of Year	3,450,787	1,283,375	4,734,162	3,911,413
End of Year	$ 3,916,234	$ 1,193,889	$ 5,110,123	$ 4,734,162

See notes to financial statements.

UNITED WAY OF TREASURE VALLEY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended March 31, 2022
With Comparative Totals for the Year Ended March 31, 2021

	2022											2021
	Programs							Support				
	Canyon Co. Preschool Collaborative	Childcare Partner-ships	Promise Neighbor-hoods	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	$ 305,498	$ 654,910	$ 90,000	$ 849,613	$ 60,683	$ 1,960,704	$ 0	$ 0	$ 0	$ 1,960,704	$ 1,464,578
Less donor designations					(541,514)		(541,514)				(541,514)	(523,882)
Net distributions		305,498	654,910	90,000	308,099	60,683	1,419,190				1,419,190	940,696
Salaries	48,975	40,035	141,643	20,057	83,140	151,675	485,525	173,518	251,710	425,228	910,753	894,199
Payroll taxes	3,483	2,771	10,169	1,465	6,020	11,057	34,965	12,481	18,195	30,676	65,641	64,105
Employee benefits	11,951	9,784	33,953	4,969	20,673	37,623	118,953	42,853	62,474	105,327	224,280	206,623
Contracted services	203,159	14,007	52,600	53,359	1,583	240	324,948	47,720	478	48,198	373,146	262,656
Volunteer services			9,184	200	26,799	76,772	112,955	18,622	32,678	51,300	164,255	176,964
Insurance	384	251	1,115	161	661	1,227	3,799	1,356	1,980	3,336	7,135	7,603
Other operating costs	496	421	1,572	214	1,697	1,407	5,807	16,582	18,811	35,393	41,200	102,647
Occupancy	3,854	3,104	11,121	1,614	6,664	12,192	38,549	13,815	20,140	33,955	72,504	72,503
Travel and meetings			666	10	185	1,654	2,515	3,854	3,925	7,779	10,294	3,742
Advertising and marketing	2,109	1,998	7,909	1,416	3,782	10,754	27,968	9,818	22,174	31,992	59,960	62,713
Special events							0			0	0	19,872
Technology/Equipment	3,540	2,776	10,440	1,496	16,554	11,271	46,077	12,718	18,695	31,413	77,490	25,042
Depreciation	66	53	197	28	114	211	669	238	346	584	1,253	3,072
Organizational dues			86				86		2,136	2,136	2,222	1,655
Sub-total	278,017	380,698	935,565	174,989	475,971	376,766	2,622,006	353,575	453,742	807,317	3,429,323	2,844,092
UWW In-kind advertising						33,284	33,284			0	33,284	0
In-kind community investment			10,585	708		219,374	230,667		8,550	8,550	239,217	698,523
United Way Worldwide dues	3,358	2,784	10,151	1,436	5,812	10,748	34,289	12,110	17,640	29,750	64,039	53,350
Total Functional Expense	$ 281,375	$ 383,482	$ 956,301	$ 177,133	$ 481,783	$ 640,172	$ 2,920,246	$ 365,685	$ 479,932	$ 845,617	$ 3,765,863	$ 3,595,965

See notes to financial statements.

UNITED WAY OF TREASURE VALLEY, INC.
STATEMENTS OF CASH FLOWS
For the Year Ended March 31, 2022
With Comparative Totals for the Year Ended March 31, 2021

	2022	2021
Cash Flows From Operating Activities		
Received from campaigns	$ 2,171,936	$ 2,440,244
Received from sponsorships and donations	581,814	420,810
Received from grants	1,430,055	1,059,873
Other receipts and payments	58,498	31,997
Payments to employees and fringe benefits	(1,197,388)	(1,135,698)
Payments to vendors	(431,816)	(364,133)
Payments to other local United Ways for out-of-area campaigns	(219,783)	(211,537)
Payments to donor designated Organizations	(219,204)	(263,798)
Payments to annual grant program entities	(1,177,507)	(737,500)
Payments for program activities	(487,848)	(445,261)
Net Cash Provided (Used) by Operating Activities	508,757	794,997
Cash Flows From Investing Activities		
Purchase of certificates of deposit	(5,635)	(2,757)
Additions to beneficial interest endowments	0	(4,615)
Distributions from Endowments	25,714	0
Interest from short-term investing activities	9,037	33,754
Net Cash Provided (Used) by Investing Activities	29,116	26,382
Net Change in Cash and Cash Equivalents	537,873	821,379
Cash and Cash Equivalents - Beginning of Year	2,099,903	1,278,524
Cash and Cash Equivalents - End of Year	$ 2,637,776	$ 2,099,903

See 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 21st 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.

Note A – Significant Accounting Policies (Continued)

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.

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, 2022 and 2021, the Organization's uninsured balances totaled $3,844,454 and $3,299,444, 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.

Note A – Significant Accounting Policies (Continued)

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.

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, 2022 and 2021, was $29,727 and $32,281, 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.

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 2022 or 2021.

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 2018.

Note A – Significant Accounting Policies (Continued)

Comparative Data

The amounts shown for the year ended March 31, 2021 in the accompanying financial statements are included to provide a basis for comparison with 2022 and present summarized totals only. Accordingly, the 2021 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, 2021, from which the summarized information was derived.

Subsequent Events

The Organization has evaluated subsequent events through July 20, 2022, 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	$ 2,637,776
Certificates of deposit	1,508,391
Pledges receivable, net	659,587
Grants receivable	193,256
Accrued interest	1,035
Total financial assets available within one year	$ 5,000,045

Included in the total financial assets available within one year after restriction are $659,587 of net assets from current year campaign revenue that are time restricted. The time restriction is met on April 1, 2021, and those assets are then available to be used for general expenditures in the 2022 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.

Note C – Certificates of Deposit

At March 31, 2022 and 2021, the Organization had certificates of deposit totaling $1,508,391 and $1,502,757, respectively. Those certificates were for various terms ranging between six months and 1 year (maturity dates through March 2022) and annual interest rates of .3%. 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:

	2022	2021
Pledges receivable	$ 857,287	$ 968,798
Less allowance for uncollectible pledges	(197,700)	(200,000)
Pledges receivable, net	$ 659,587	$ 768,798

Note E – Property and Equipment

As of March 31, property and equipment consists of the following:

	2022	2021
Furniture, fixtures and equipment	$ 171,156	$ 206,869
Less accumulated depreciation	(171,156)	(205,616)
	$ 0	$ 1,253

For the years ended March 31, 2022 and 2021, the Organization recognized $1,253 and $3,072 in depreciation expense, respectively.

Note F – 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:

	2022	2021
Beginning balance	$ 67,002	$ 44,461
Net realized and unrealized gain	(1,842)	22,988
Management fees	(280)	(447)
Total Social Impact Endowment	$ 64,880	$ 67,002

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.

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.

Note F – Social Impact Endowment (Continued)

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 it 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:

Asset Class	Target	Minimum	Maximum
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.

Note G – 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.

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

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

	2022	2021
Beginning balance	$ 440,005	$ 298,482
Net realized and unrealized gain	32,185	139,139
Fund contributions	0	4,615
Distributions	(25,714)	0
Management fees	(2,767)	(2,231)
Total Beneficial Interest in Agency Endowment Fund Assets Held by Idaho Community Foundation	$ 443,709	$ 440,005

Note H – 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.

Note H – 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, 2022:

		Fair Value Measurements Using		
	Fair Value	Level 1	Level 2	Level 3
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	46,047	46,047		
Social impact endowment	64,880	50,136	14,744	0
Beneficial interest in agency endowment fund assets held by ICF	443,709			443,709
Total	$ 2,016,980	$ 1,558,527	$ 14,744	$ 443,709

Note H – 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, 2021:

		Fair Value Measurements Using		
	Fair Value	Level 1	Level 2	Level 3
Certificates of deposit	$ 1,502,757	$ 1,502,757	$	$
Social impact endowment:				
Bank sweep	2,382	2,382		
Mutual funds:				
Fixed income	1,049	1,049		
Bonds	15,691		15,691	
Equities	47,880	47,880		
Social impact endowment	67,002	51,311	15,691	0
Beneficial interest in agency endowment fund assets held by ICF	440,005			440,005
Total	$ 2,009,764	$ 1,554,068	$ 15,691	$ 440,005

Note I – 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, 2022 and 2021, over 100 agencies received donor designated contributions.

Donor designations payable consisted of the following at March 31:

	2022	2021
Donor designations, beginning of year	$ 155,741	$ 170,638
Donor designated pledges received	244,614	256,401
Donor designated pledges paid	(255,181)	(263,798)
Change in allowance for uncollectible designated pledges	5,700	(7,500)
Donor designations payable	$ 150,874	$ 155,741

Note I – Donor Designations Payable (Continued)

The donor designations payable balance is shown net of the allowance for designations not to be paid of $19,200 and $24,900 at March 31, 2022 and 2021, 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, 2022 and 2021 were $313,225 and $275,072, respectively.

Note J – 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:

	2022	2021
Subject to expenditure for specified purpose or period:		
Time restricted current year campaign results	$ 659,587	$ 768,798
Restricted for specific purpose	0	7,570
Social impact endowment	64,880	67,002
Beneficial interest in agency endowment fund	469,422	440,005
	$ 1,193,889	$ 1,283,375

Note K – 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:

	2022	2021
Advertising	$ 12,921	$ 7,925
Donated services	170,487	194,629
Basic needs goods and books	146,223	531,521
Other	107,125	141,412
Total	$ 436,756	$ 875,487

Note L – Operating Leases

The Organization has an operating lease for a building that was renewed on January 1, 2019, and expires December 31, 2024. Total rent for the operating lease was $72,504 and $72,504 for the years ended March 31, 2022 and 2021, respectively.

Future minimum payments under the operating lease are as follows:

2023	$ 72,500
2024	54,375
	$ 126,875

Note M – Line of Credit

As of March 31, 2022 and 2021, 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, 2022 and 2021. The line is due on demand.

Note N – 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, 2022 and 2021 were $66,740 and $56,993, respectively.

Note O – Detail of Grants, Initiatives and Projects

	2022	2021
Region 3 Housing Collaboration	$ 90,000	$ 0
FindHelpIdaho.org	39,521	0
Community Assessment	26,538	64,613
Advocacy Grants	10,709	9,437
Bank On	10,365	24,617
Total Grants, Initiatives and Project Expenses	$ 177,133	$ 98,667

Note P – Community Investments by Impact Area

During the years ended March 31, 2022 and 2021, net distributions of cash for community investments were paid to support the Organization's mission by impact area as follows:

	2022	2021
Education programs	$ 635,057	$ 328,118
Health programs	492,870	442,453
Financial stability programs	291,263	170,125
Total Community Investment – Net Distributions	$ 1,419,190	$ 940,696

Note Q – Paycheck Protection Program Loan

On April 10, 2020, the Organization received loan proceeds in the amount of $155,600 under the Paycheck Protection Program ("PPP") administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and was fully guaranteed by the Federal government. The Organization was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The Organization initially recorded the loan as a refundable advance and recorded the forgiveness in accordance with guidance for conditional contributions when there was no longer a measurable performance or other barrier and a right to return of the PPP loan. Proceeds from the loan were eligible for forgiveness if the Organization maintained employment levels during its 24-week covered period and uses the funds for certain payroll, rent, and utility expenses. During the year ended March 31, 2021, the Organization recorded $155,600 of revenue related to the forgiveness of the PPP loan which is included with grants on the statement of activities.

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, 2022, 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 July 20, 2022.

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
July 20, 2022

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, 2022. 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, 2022.

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
July 20, 2022

UNITED WAY OF TREASURE VALLEY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended March 31, 2022

Federal Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
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		$ 24,136
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	2101IDCDC6	745,842
Total Child Care and Development Block Grant			1,105,842
Total U.S. Department of Health and Human Services			1,129,978
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			
AmeriCorps Planning	94.006		1,472
Total Expenditures of Federal Awards			$ 1,131,450

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, 2022

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:

CFDA Number	Name of Federal Program
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, 2022

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, 2022

There were no findings in the prior year as there was no single audit requirement for the Organization in the prior year.