



**UNITED WAY OF NORTHWEST LOUISIANA**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2021 and 2020**



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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
United Way of Northwest Louisiana  
Shreveport, Louisiana

### **Opinion**

We have audited the accompanying financial statements of United Way of Northwest Louisiana (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Northwest Louisiana as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Northwest Louisiana 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.

### **Correction of Error**

As discussed in Note 3 to the financial statements, certain errors resulting in understatement of amounts previously reported for accounts receivable and revenue as of December 31, 2020, were discovered by management of the Organization during the current year. Accordingly, amounts reported for accounts receivable and grant revenue have been restated in the 2020 financial statements now presented to correct the error. Our opinion is not modified with respect to that matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Northwest Louisiana's ability to continue as a going concern within one year after the date that the financial statements are available to be 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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, but not for the purpose of expressing an opinion on the effectiveness of United Way of Northwest Louisiana's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Northwest Louisiana'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 Other Matters**

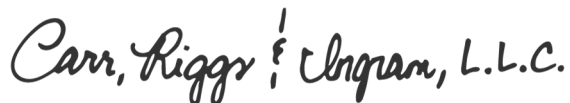
### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented in accordance with Act 706 of the Louisiana Revised Statutes (“LRS”) 24:513(A)(3) on page 25 for purposes of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2022, on our consideration of United Way of Northwest Louisiana’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of United Way of Northwest Louisiana’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering United Way of Northwest Louisiana’s internal control over financial reporting and compliance.



**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana

June 7, 2022

**United Way of Northwest Louisiana  
Statements of Financial Position**

<i>December 31,</i>	<b>2021</b>	2020 (Restated)
<b>Assets</b>		
Current assets		
Cash	\$ 141,337	\$ 254,474
Certificates of deposit	203,389	201,926
Pledge receivables, net	407,610	418,675
Grant contract receivable	141,337	183,948
Prepaid expenses and other assets	8,931	75,278
Total current assets	902,604	1,134,301
Non-current assets		
Property and equipment, net	29,440	33,043
Beneficial interest in assets of foundation	327,510	294,767
Assets held as agent	60,712	136,173
Total non-current assets	417,662	463,983
Total assets	\$ 1,320,266	\$ 1,598,284
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable	\$ 20,901	\$ 104,227
Accrued expenses	66,815	106,163
Long-term debt - current portion	-	85,169
Total current liabilities	87,716	295,559
Long-term liabilities		
Liabilities for assets held as agent	183,241	280,656
Long-term debt - noncurrent portion	-	74,181
Total long-term liabilities	183,241	354,837
Total liabilities	270,957	650,396
Net assets		
Without donor restrictions	1,049,309	947,888
With donor restrictions	-	-
Total net assets	1,049,309	947,888
Total liabilities and net assets	\$ 1,320,266	\$ 1,598,284

*The accompanying notes are an integral part of these financial statements.*

**United Way of Northwest Louisiana**  
**Statements of Activities**

<i>For the Year Ended December 31, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue</b>			
Campaign contributions, net	\$ 822,008	\$ -	\$ 822,008
Contributions and sponsorships	10,000	45,183	55,183
Impact income	70,121	-	70,121
Grants	557,538	437,638	995,176
In-kind contributions	90,105	-	90,105
<b>Other Revenue</b>			
Special events	7,917	-	7,917
Investment income	9,373	-	9,373
Miscellaneous income	97,809	-	97,809
PPP loan forgiveness	159,200	-	159,200
Net realized and unrealized gain(loss) on endowment	38,244	-	38,244
<b>Total revenue and other support</b>	<b>1,862,315</b>	<b>482,821</b>	<b>2,345,136</b>
<b>Total net assets released from restriction</b>	<b>482,821</b>	<b>(482,821)</b>	<b>-</b>
<b>Total support and other revenue</b>	<b>2,345,136</b>	<b>-</b>	<b>2,345,136</b>
<b>Expenses</b>			
<i>Program services</i>			
Impact program and allocations	1,476,726	-	1,476,726
Financial Empowerment Center	234,583	-	234,583
<b>Total program services</b>	<b>1,711,309</b>	<b>-</b>	<b>1,711,309</b>
<i>Supporting services</i>			
General and administrative	191,032	-	191,032
Resource development	322,641	-	322,641
Payments to affiliated organizations	18,733	-	18,733
<b>Total supporting services</b>	<b>532,406</b>	<b>-</b>	<b>532,406</b>
<b>Total expenses</b>	<b>2,243,715</b>	<b>-</b>	<b>2,243,715</b>
<b>Change in Net Assets</b>	<b>101,421</b>	<b>-</b>	<b>101,421</b>
<b>Net assets at beginning of year</b>	<b>947,888</b>	<b>-</b>	<b>947,888</b>
<b>Net assets at end of year</b>	<b>\$ 1,049,309</b>	<b>\$ -</b>	<b>\$ 1,049,309</b>

*The accompanying notes are an integral part of these financial statements.*

**United Way of Northwest Louisiana**  
**Statements of Activities**

<i>For the Year Ended December 31, 2020 (Restated)</i>	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue</b>			
Campaign contributions, net	\$ 988,058	\$ -	\$ 988,058
Contributions and sponsorships	50,616	5,100	55,716
Impact income	31,946	-	31,946
Grants	407,357	603,684	1,011,041
In-kind contributions	124,899	-	124,899
<b>Other Revenue</b>			
Special events	3,796	-	3,796
Investment income	4,734	-	4,734
Miscellaneous income	27,782	-	27,782
Net realized and unrealized gain(loss) on endowment	20,178	-	20,178
<b>Total revenue and other support</b>	<b>1,659,366</b>	<b>608,784</b>	<b>2,268,150</b>
<b>Total net assets released from restriction</b>	<b>882,332</b>	<b>(882,332)</b>	<b>-</b>
<b>Total support and other revenue</b>	<b>2,541,698</b>	<b>(273,548)</b>	<b>2,268,150</b>
<b>Expenses</b>			
<i>Program services</i>			
Impact program and allocations	1,518,309	-	1,518,309
Financial Empowerment Center	236,920	-	236,920
<b>Total program services</b>	<b>1,755,229</b>	<b>-</b>	<b>1,755,229</b>
<i>Supporting services</i>			
General and administrative	234,218	-	234,218
Resource development	316,118	-	316,118
Payments to affiliated organizations	33,887	-	33,887
<b>Total supporting services</b>	<b>584,223</b>	<b>-</b>	<b>584,223</b>
<b>Total expenses</b>	<b>2,339,452</b>	<b>-</b>	<b>2,339,452</b>
<b>Change in Net Assets</b>	<b>202,246</b>	<b>(273,548)</b>	<b>(71,302)</b>
Net assets at beginning of year	745,642	273,548	1,019,190
<b>Net assets at end of year</b>	<b>\$ 947,888</b>	<b>\$ -</b>	<b>\$ 947,888</b>

*The accompanying notes are an integral part of these financial statements.*



## United Way of Northwest Louisiana Statements of Functional Expenses

For the Year Ended December 31,

2021

	Program Services		Supporting Services			Total Expenses
	Impact Program and Allocations	Financial Empowerment Center	Administrative	Resource Development	Total Supporting Services	
Salaries and related expenses						
Salaries	\$ 392,149	\$ 156,306	\$ 62,522	\$ 180,444	\$ 242,966	\$ 791,421
Insurance	48,062	19,157	7,663	22,115	29,778	96,996
Retirement	24,434	9,739	3,896	11,243	15,138	49,311
Payroll taxes	31,271	12,464	4,986	14,389	19,375	63,110
Workmen's compensation insurance	2,452	977	391	1,128	1,519	4,949
Total salaries and related expenses	498,367	198,643	79,457	229,319	308,777	1,005,787
Other operating expenses						
Allocations to agencies	118,308	-	-	-	-	118,308
United Way programs	743,553	-	-	-	-	743,553
Professional fees	16,257	1,592	45,666	15,707	61,373	79,222
Office supplies and expense	1,958	2,352	2,299	1,593	3,892	8,202
Telephone	6,485	5,902	3,164	4,394	7,558	19,945
Postage	643	461	989	1,018	2,007	3,111
Building	41,013	6,539	18,872	16,347	35,219	82,770
Liability insurance	225	-	13,915	-	13,915	14,140
Equipment rent and maintenance	5,738	3,993	7,423	6,671	14,094	23,825
Advertising	21,417	5,753	175	1,438	1,613	28,783
Printing	83	688	298	12,646	12,944	13,715
Awards	645	274	1,202	527	1,729	2,648
Films	-	-	-	-	-	-
Dues and subscriptions	10,919	4,798	5,445	9,302	14,747	30,464
Vehicle expenses	1,462	34	1,529	1,532	3,061	4,557
Meetings	1,661	1,677	774	2,780	3,554	6,892
Special events	160	373	113	16,239	16,352	16,885
Conferences and training	4,070	980	906	1,688	2,594	7,644
Depreciation expense	3,285	524	1,512	1,309	2,821	6,630
Miscellaneous	477	-	7,294	130	7,424	7,901
Total other operating expenses	978,359	35,940	111,575	93,322	204,897	1,219,195
Total expenses	\$ 1,476,726	\$ 234,583	\$ 191,032	\$ 322,641	\$ 513,673	\$ 2,224,982

*The accompanying notes are an integral part of these financial statements.*

## United Way of Northwest Louisiana Statements of Functional Expenses

For the Year Ended December 31,

	Program Services		Supporting Services			Total Expenses
	Impact Program and Allocations	Financial Empowerment Center	Administrative	Resource Development	Total	
					Supporting Services	
<b>2020</b>						
Salaries and related expenses						
Salaries	\$ 385,960	\$ 144,124	\$ 92,826	\$ 158,781	\$ 251,607	\$ 781,691
Insurance	38,182	14,258	9,183	15,708	24,891	77,331
Retirement	25,991	9,706	6,251	10,693	16,944	52,641
Payroll taxes	30,867	11,526	7,424	12,699	20,123	62,516
Workmen's compensation insurance	1,698	634	408	698	1,106	3,438
<b>Total salaries and related expenses</b>	<b>482,698</b>	<b>180,248</b>	<b>116,092</b>	<b>198,579</b>	<b>314,671</b>	<b>977,617</b>
Other operating expenses						
Allocations to agencies	97,719	-	-	-	-	97,719
United Way programs	756,264	-	-	-	-	756,264
Professional fees	12,717	5,313	44,357	14,984	59,341	77,371
Office supplies and expense	9,412	1,009	3,783	3,456	7,239	17,660
Telephone	3,094	4,340	4,135	8,181	12,316	19,750
Postage	795	428	1,061	1,021	2,082	3,305
Building	71,969	26,874	17,309	29,607	46,916	145,759
Liability insurance	-	-	15,210	-	15,210	15,210
Equipment rent and maintenance	8,144	5,127	7,366	12,299	19,665	32,936
Advertising	39,640	6,466	117	14,750	14,867	60,973
Printing	10,033	1,673	1,430	5,400	6,830	18,536
Awards	2,973	66	1,851	2,119	3,970	7,009
Films	-	-	-	1,000	1,000	1,000
Dues and subscriptions	11,914	2,230	8,751	8,274	17,025	31,169
Vehicle expenses	1,642	57	1,617	1,311	2,928	4,627
Meetings	805	327	1,132	2,234	3,366	4,498
Special events	1,051	33	15	6,698	6,713	7,797
Conferences and training	3,960	1,430	2,658	4,774	7,432	12,822
Depreciation expense	3,479	1,299	837	1,431	2,268	7,046
Miscellaneous	-	-	6,497	-	6,497	6,497
<b>Total other operating expenses</b>	<b>1,035,611</b>	<b>56,672</b>	<b>118,126</b>	<b>117,539</b>	<b>235,665</b>	<b>1,321,451</b>
<b>Total expenses</b>	<b>\$ 1,518,309</b>	<b>\$ 236,920</b>	<b>\$ 234,218</b>	<b>\$ 316,118</b>	<b>\$ 550,336</b>	<b>\$ 2,299,068</b>

*The accompanying notes are an integral part of these financial statements.*

## United Way of Northwest Louisiana Statements of Cash Flows

<i>For the Years Ended December 31,</i>	<b>2021</b>	2020 (Restated)
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 101,421	\$ (71,302)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Paycheck Protection Program loan forgiveness	(159,200)	-
Depreciation	6,630	7,046
Unrealized (gain)loss on investments	(38,244)	(20,178)
Loss on disposal of assets	-	1,320
Changes in assets and liabilities:		
(Increase) decrease in pledges receivable	11,065	122,977
(Increase) decrease in grant receivable	42,611	(78,497)
(Increase) decrease in prepaid expenses	66,347	(62,105)
(Increase) decrease in beneficial interest in assets of foundation	5,501	8,953
Increase (decrease) in accounts payable	(83,326)	77,640
Increase (decrease) in accrued expenses	(39,348)	19,815
Net change in net assets held as agent	(21,954)	(2,994)
Net cash provided by (used in) operating activities	<b>(108,497)</b>	2,675
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(3,027)	(14,147)
Redemption of certificates of deposit	50,000	50,260
Purchase of certificates of deposit	(51,463)	(125,226)
Net cash provided by (used in) investing activities	<b>(4,490)</b>	(89,113)
<b>Cash flows from financing activities</b>		
Net activity from line of credit	(150)	150
Proceeds from Paycheck Protection Program loan	-	159,200
Net cash provided by (used in) financing activities	<b>(150)</b>	159,350
Net increase (decrease) in cash	<b>(113,137)</b>	72,912
Cash at beginning of year	<b>254,474</b>	181,562
Cash at end of year	<b>\$ 141,337</b>	\$ 254,474
<b>Schedule of Certain Cash Flow Information</b>		
Cash paid for interest	\$ -	\$ -
<b>Non-Cash Transactions</b>		
In-kind donation - Special events	\$ 1,830	\$ 1,434
In-kind donation - Rent	\$ 60,000	\$ 112,016
In-kind donation - Impact supplies	\$ 28,275	\$ 11,449
<b>Non-Cash Investing and Financing Activities</b>		
Paycheck Protection Program loan forgiveness	\$ 159,200	\$ -

*The accompanying notes are an integral part of these financial statements.*

## United Way of Northwest Louisiana Notes to the Financial Statements

### **Note 1: DESCRIPTION OF THE ORGANIZATION**

The United Way of Northwest Louisiana (“United Way” or “Organization”) is a public nonprofit organization, exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code, which was organized in 1921 to serve organizations in Caddo, Bossier, Webster, Bienville, Claiborne, DeSoto, Red River, Natchitoches, Sabine and Winn parishes. Annual, centralized workplace campaigns are conducted in the fall each year to raise support for grant allocations in the subsequent calendar year. Grants are made by United Way for charitable, educational and civic purposes based on requests from organizations seeking funding.

In addition to grant allocations, United Way operates several internal programs including a Volunteer Center for NWLA, Dolly Parton’s Imagination Library program, Bank on Northwest Louisiana, FamilyWise Prescription Assistance program, the Volunteer Income Tax Assistance program, and the Financial Empowerment Center.

United Way is a proud partner of Louisiana 211 and works closely with the Louisiana Association of United Ways to bring this service to our area and is a partner of EXIT-318, a collaborative effort between other nonprofits.

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and presented in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*.

#### ***Use of Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### ***Cash and Cash Equivalents***

For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with maturities of three months or less to be cash equivalents. United Way did not have any cash equivalents at December 31, 2021 and 2020.

## United Way of Northwest Louisiana Notes to the Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Pledges Receivable***

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions, if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Donor restricted pledges are not recognized as revenue because the Organization acts as an intermediary between the donor and the ultimate beneficiary, only, as required by FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*. All specific donor designated donations fall under this designation. A liability is recognized as opposed to revenue as these are classified as agency transactions.

The Organization uses the allowance method to determine uncollectible unconditional pledges receivable, when material. The allowance is based on prior years' experience and management's analysis of specific promises made.

#### ***Beneficial Interest in Assets of Foundation***

Transfers of its funds to the Community Foundation of North Louisiana, specifying United Way as the beneficiary, are accounted for as an asset, in accordance with generally accepted accounting principles, and presented in these statements of financial position in the caption beneficial interest in assets of foundation.

#### ***Property and Equipment***

All acquisitions of property and equipment in excess of \$2,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

#### ***Net Assets***

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

## United Way of Northwest Louisiana Notes to the Financial Statements

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

United Way reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statement of activities as net assets released from restrictions.

#### ***Revenue Recognition***

Program service fees and payments under cost-reimbursable contracts are accounted for under ASC Topic 606, Revenue from Contracts with Customers (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied. Prior to the adoption of ASC 606, the Company recognized revenue when received or event has occurred and collectability was reasonably assured.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

#### ***Donated Assets***

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation. Materials and event space are contributed to United Way including advertising, rentals, equipment and fundraising items. In-kind contributions recorded on the books for rent, advertising and materials to United Way for the year ended December 31, 2021 and 2020, were \$90,105 and \$124,899, respectively.

#### ***Donated Services***

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

## United Way of Northwest Louisiana Notes to the Financial Statements

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### ***Functional Allocation of Expenses***

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll, payroll taxes, and employee benefits are allocated based on actual percentages of time spent in each functional area. A portion of administrative costs that benefit multiple functional areas (indirect costs such as rent and depreciation expense) have been allocated across programs and other support services based on proportion of full-time employee equivalents of a program or other supporting service versus the total organizational full-time employee equivalents.

#### ***Advertising***

The Organization uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the years ended December 31, 2021 and 2020, advertising costs totaled \$28,783 and \$60,973, respectively.

#### ***Income Taxes***

United Way is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as a public society benefit described in IRC Section 501(c)(3). Accordingly, there is no provision for income taxes; however, should United Way engage in activities unrelated to its exempt purpose, taxable income could result. United Way had no material unrelated business income for the calendar year ended December 31, 2021. On July 1, 2009, United Way adopted the provisions of the Accounting for Uncertainty in Income Taxes Topic of the FASB ASC, which clarifies the accounting and recognition for income tax positions taken or expected to be taken. United Way is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2016.

#### ***Reclassifications***

Certain reclassifications were made to prior year balances to conform with current year presentation. Net assets and changes in net assets are unchanged due to these reclassifications.

#### ***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 7, 2022 and determined there were no events that occurred that required disclosure.

## United Way of Northwest Louisiana Notes to the Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Accounting Guidance Not Yet Adopted*

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to bring more transparency and consistency to the presentation and disclosure of gifts-in-kind (GIKs). While many not-for-profits (NFPs) already separately report GIKs and make some of the disclosures required by ASU 2020-07, the new standard will bring presentation and disclosure consistency across NFPs. The standard is effective for fiscal years beginning after June 15, 2021. Early adoption is permitted. The Organization is currently evaluating the impact of the guidance on its financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2021. The Organization is currently evaluating the impact of the guidance on its financial statements.

### Note 3: RESTATEMENT OF FINANCIAL STATEMENTS

As a result of an internal review of the Organization's EXIT-318 grant receipts during 2021, it was discovered that retainage receivables had not been recorded for the period ended December 31, 2020. Corrective actions have been taken, and the Organization has properly recorded retainage receivable for the current year. This resulted in an error in 2020, primarily from an understatement of EXIT-318 revenue and receivables during this period. Accordingly, the Organization restated its results for the affected years. The effect of the restatement was to increase the change in net assets for 2020 by approximately \$41,302. Net assets without donor restrictions at the beginning of 2021 were increased by \$41,302 for the effects of the restatement in 2020.

The effect of the restatement on the change in net assets without donor restrictions and financial position as of and for the year ended December 31, 2020 is as follows:

	2020	
	As previously reported	Restated
Total grants revenue	\$ 969,739	\$ 1,011,041
Change in net assets	\$ (112,604)	\$ (71,302)
Grant receivable	\$ 142,646	\$ 183,948
Net assets without donor restrictions	\$ 603,906	\$ 645,208



## United Way of Northwest Louisiana Notes to the Financial Statements

### Note 4: FINANCIAL ASSET AVAILABILITY

The Organization maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>As of December 31,</i>	<b>2021</b>	2020
Financial assets, at year-end	<b>\$ 1,281,895</b>	\$ 1,489,963
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Board designated beneficial interest in assets of foundation	<b>(327,510)</b>	(294,767)
Assets held by United Way of Northwest Louisiana as an agent	<b>(60,712)</b>	(136,173)
Financial assets available to meet cash needs for general expenditures within one year	<b>\$ 893,673</b>	\$ 1,059,023

Financial assets at year-end as noted in the above schedule exclude property and equipment and prepaid expenses. Additionally, as discussed in more detail in Note 8, the Organization maintains a \$60,000 line of credit, of which \$60,000 and \$59,850 remained available on December 31, 2021 and 2020, respectively.

### Note 5: PLEDGES RECEIVABLE

Pledges receivable as of December 31, 2021, consist of the following:

	Pledges Receivable	Less Allowance for Uncollectibles	Net
2020 Campaign	\$ 131,002	\$ (51,143)	\$ 79,859
2021 Campaign	348,947	(21,196)	327,751
<b>Total</b>	<b>\$ 479,949</b>	<b>\$ (72,339)</b>	<b>\$ 407,610</b>

Pledges receivable as of December 31, 2020, consist of the following:

	Pledges Receivable	Less Allowance for Uncollectibles	Net
2019 Campaign	\$ 243,270	\$ (112,911)	\$ 130,359
2020 Campaign	314,613	(26,297)	288,316
<b>Total</b>	<b>\$ 557,883</b>	<b>\$ (139,208)</b>	<b>\$ 418,675</b>

## United Way of Northwest Louisiana Notes to the Financial Statements

### Note 6: PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2021 and 2020, consist of the following:

	Estimated Useful Lives (in years)	2021	2020
Furniture and fixtures	5-10	\$ 6,006	\$ 6,006
Software	3	7,000	7,000
Equipment	5-10	47,819	44,793
Total property and equipment		60,825	57,799
Less accumulated depreciation		(31,385)	(24,756)
Property and equipment, net		\$ 29,440	\$ 33,043

Depreciation expense for the years ended December 31, 2021 and 2020 was \$6,630 and \$7,046, respectively.

### Note 7: LONG-TERM DEBT

For the year ended December 31, 2020, long-term debt consists of a Paycheck Protection Program (PPP) loan in the amount of \$159,200 dated April 23, 2020. The loan is administered by the U.S. Small Business Administration (SBA) and serviced by Hope Federal Credit Union. The loan is forgivable by the SBA if the forgiveness criteria is met. If not forgiven, the loan has a two-year maturity, bearing interest at 1%, with payments deferred for sixteen months. See Note 15. There was no interest expense related to the loan for the year ended December 31, 2021.

In March 2021, the United Way formally received forgiveness of the PPP loan from the SBA. The Organization recognized revenue of \$159,200 during the year ended December 31, 2021, related to PPP loan forgiveness. The forgiven amount by the SBA included the original loan principal of \$159,200. There was no long-term debt outstanding at December 31, 2021.

### Note 8: LINE OF CREDIT

The Organization maintains a line of credit agreement with a financial institution. Available borrowings related to the agreement are \$60,000 with an interest rate of 5.750%, secured by state contract with Department of Public Safety and Corrections. The credit line expires in 2022. The outstanding balance as of December 31, 2021 and 2020, was \$0 and \$150 respectively.

## United Way of Northwest Louisiana Notes to the Financial Statements

### Note 9: NET ASSETS

Net assets with donor restrictions would consist of grants and contributions that have been restricted for use by the grantors and contributors. The purpose of the donor restrictions are for economic self-sufficiency programs, initiatives to benefit children and families, training programs, and research projects. The net assets with donor restrictions are \$0 as of December 31, 2021 and 2020.

As discussed in Note 19, United Way of Northwest Louisiana has a board-designated beneficial interest in assets of the Community Foundation of North Louisiana in the amount of \$327,510 that is included in net assets without donor restrictions.

### Note 10: REVENUE RECOGNITION

The Organization is recognizing revenue in accordance with FASB ASC 958-605, *Revenue Recognition of Not-for-Profit Entities* and FASB ASC 606, *Revenue from Contracts with Customers*. Revenue related to the Financial Empowerment Center, EXIT-318, and Louisiana 211 grants is recognized in accordance with FASB ASC 606 at the point in time when United Way meets its performance obligations under the respective grants. All other revenue of the Organization is recognized in accordance with FASB ASC 958-605. As of December 31, 2021 and 2020, there are no performance obligations to be satisfied. Grant contracts are billed monthly and payment is due upon presentation.

#### ***Disaggregated Revenue***

A summary of grant disaggregated revenue recognized in accordance with FASB ASC 606 follows:

<i>For the year ended December 31,</i>	<b>2021</b>	2020
EXIT-318	\$ 501,860	\$ 464,646
Louisiana 211	303,500	368,488
Financial Empower Center	189,816	177,907
<b>Total revenue recognized in accordance with FASB ASC 606</b>	<b>\$ 995,176</b>	<b>\$ 1,011,041</b>

Contract assets included in grant contract receivables on the Statement of Financial Position were:

<i>December 31,</i>	<b>2021</b>	2020
Grant contract receivable, beginning of year	\$ 183,948	\$ 105,451
Grant contract receivable, end of year	\$ 141,337	\$ 183,948

## United Way of Northwest Louisiana Notes to the Financial Statements

### Note 11: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Assets and liabilities measured at fair value on a recurring basis are summarized for the years ended December 31, 2021 and 2020:

<b><i>December 31, 2021</i></b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Beneficial interest in assets of foundation	\$ -	\$ -	\$ 327,510	\$ 327,510
Total investments at fair value	\$ -	\$ -	\$ 327,510	\$ 327,510

<b><i>December 31, 2020</i></b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Beneficial interest in assets of foundation	\$ -	\$ -	\$ 294,767	\$ 294,767
Total investments at fair value	\$ -	\$ -	\$ 294,767	\$ 294,767

There were no changes in valuation techniques during the current year.

## United Way of Northwest Louisiana Notes to the Financial Statements

### Note 12: CONCENTRATIONS OF CREDIT RISK

Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At December 31, 2021 and 2020, United Way had \$0 in excess of FDIC insured limits.

### Note 13: COMMITMENTS

United Way entered into a lease agreement in March 2014 with Willis-Knighton Medical Center for office space in Shreveport, Louisiana that expired in February 2016. The agreement is now a month to month lease for monthly rental of \$5,000, which is forgiven as an act of donation.

United Way entered into various lease agreements for copiers and phones that currently are set to expire in 2024. The agreements in the aggregate total monthly rental payments of \$1,087 and shown as equipment rent and maintenance on the statement of functional expenses.

United Way entered into lease agreement in October 2019 with Willis-Knighton Medical Center for additional office space in Shreveport, Louisiana. The lease was not renewed, but continues on a monthly basis. The agreement is for monthly rental expense of \$1,898, which is shown as building expenses on the statement of functional expenses.

Minimum lease payments under noncancellable operating leases are as follows:

*For the years ending December 31,*

2022	\$	12,627
2023		8,508
2024		5,483
2025		-
2026		-
Thereafter		-
<b>Total future minimum lease payments</b>		<b>\$ 26,618</b>

Building rent expenses for the years ended December 31, 2021 and 2020, was \$82,770 and \$145,759, respectively. Equipment rental expenses for the years ended December 31, 2021 and 2020, was \$23,825 and \$32,936, respectively.

## United Way of Northwest Louisiana Notes to the Financial Statements

### **Note 14: RETIREMENT PLAN**

The Organization sponsors a defined contribution retirement plan, established June 1, 1995, and is required to contribute seven percent (7%) of the employee's compensation to the plan. Thereafter, United Way may match, dependent on funding, up to 3% of an employee's voluntary contributions to the plan. Employees are eligible to participate in the plan after one year of employment. Employees are fully vested after three years of participation. Employee contributions are limited by federal tax legislation. The statutory limit for 2021 for employee contributions is \$19,500. Participants who have attained age 50 by the end of the calendar year are eligible to contribute an additional \$6,500 as catch-up contributions. Employer contributions to the plan in 2021 and 2020, were \$49,311 and \$52,642, respectively.

### **Note 15: PAYCHECK PROTECTION PROGRAM**

On April 23, 2020, United Way qualified for and received a loan in the amount of \$159,200 under the Paycheck Protection Program (PPP) established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The PPP provides small businesses and nonprofits with the resources needed to maintain their payroll and cover applicable overhead. The PPP is implemented by the Small Business Administration (SBA) with support from the Department of the Treasury. The PPP provides funds to pay up to 24 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities.

The PPP loan was forgiven in the current year in the amount of \$159,200 having met the conditions of forgiveness by incurring eligible expenditures.

### **Note 16: SUMMARY OF ALLOCATIONS TO AGENCIES**

Annual grants to programs and local agencies are established after the completion of the capital campaign and amounts are approved by the Board.

**United Way of Northwest Louisiana**  
**Notes to the Financial Statements**

**Note 16: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)**

A summary of the disbursements to the participating agencies (presented alphabetically) of the United Way of Northwest Louisiana for the year ended December 31, 2021 and 2020, is as follows:

<b>Agency</b>	<b>2021</b>	<b>2020</b>
All Souls Unitarian Universalist Church	\$ 47	\$ -
Alzheimer's Foundation	5	-
American Cancer Society	-	235
American Diabetes Association	15	5
American Heart Association	53	18
American Red Cross	379	767
Arkansas Children's Hospital	119	21
ASPCA	48	16
Autism Society of Louisiana	-	179
Beat the Streets	42	21
Bethesda Missionary Baptist Church	16	11
Betty & Leonard Phillips Deaf Action Center	67	27
Booker T Washington High School	281	94
Bossier Arts Council	16	77
Bossier Council on Aging	4,271	1,619
Bossier Kids, Inc.	19	-
Bossier Parish Community College Foundation	159	159
Boy Scouts of America	1,000	-
Broadmoor Baptist Church	24	818
Broadmoor STEM Academy Middle Laboratory Jobs	63	-
Broadmoor STEM Middle Laboratory School Fund	16	27
Broadmoor United Methodist Church	114	11
Brookwood Baptist Church	58	12
Bryant Temple Church of God in Christ	25	9
C. E. Byrd Foundation	199	-
C. E. Byrd High School	-	94
C. E. Byrd High School French Club	16	-
C. E. Byrd High School Wet Lab	63	-
C. Wright Pink Ribbon Project	77	47
Caddo Career & Technology Center Foundation	13,415	9,036
Caddo Council on Aging	5,770	4,768
Caddo Council on Aging - Meals	353	-
Caddo Heights Math and Science Elementary	47	-
Caddo Parish School Board Homeless Department	47	-
Caddo Parish Special Education Preschool	94	-
Calvary Baptist Academy - K3	-	46

**United Way of Northwest Louisiana**  
**Notes to the Financial Statements**

**Note 16: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)**

<b>Agency</b>	<b>2021</b>	<b>2020</b>
Camp Rainman	332	1,381
Campti Community Development Center	1,625	1,875
Capital Area United Way	153	67
Care Pregnancy Center	33	6
Catholic Charities of North Louisiana	2,732	5,625
Catholic Charities of Shreveport	1,078	1,358
Charge Syndrome Foundation	16	5
Cherokee Park Elementary	918	98
Children's Miracle Network	46	11
Chimp Haven	-	17
Chris Kyle Foundation	266	89
Christ Fit Gym	685	488
Christ the King Catholic Church	43	-
Christian Service	3,750	-
Christian Service Program Institute	2,230	6,563
Christian Services	204	129
Church of the Holy Cross	503	170
Common Ground Community	178	117
Community Renewal International	4,713	2,650
Council on Alcoholism & Drug Abuse	1,210	554
Cover 6 Outdoors	166	55
Cystic Fibrosis Foundation	47	57
D.A.R.T. (Domestic Abuse Resistance Team)	-	100
David Raines Community Health Center	291	114
Department of Exceptional Children	32	11
Department of Exceptional Children Preschool	61	-
DeSoto Council on Aging	-	114
DeSoto Parish Fellowship Church	179	107
Dress for Success	2,500	9
E. B. Williams Stoner Hill Elementary	203	-
E. B. Williams Stoner Hill Lab	567	189
Easter Seals	-	12
Easter Seals of Louisiana	-	24
Eighty-First Street ECE	1,457	350
Emergency Food & Shelter Program	-	22
Evangel Christian Academy Football	32	11
Evergreen Presbyterian Ministries Inc.	625	1,875
Every Warrior Network	57	-
Ezekiel's Temple Ministries	128	85



**United Way of Northwest Louisiana**  
**Notes to the Financial Statements**

**Note 16: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)**

<b>Agency</b>	<b>2021</b>	<b>2020</b>
Fairfield Elementary Magnet	35	12
Family Resources for Education	166	55
First Baptist Benton Deaf Ministry	191	64
First Baptist Church Blanchard Louisiana	32	11
First Baptist Church- Coushatta	21	-
First United Methodist Church - Shreveport	-	61
First United Methodist Church - Bossier City	-	330
Food Bank of Central Louisiana	2,098	542
Food Bank of Northwest Louisiana	14,503	6,703
Ford Park Baptist Church	64	21
Fresh Oil Worship Center	71	16
Funds for a Purpose	-	54
Future Business Leaders of America	-	162
Geaux 4 Kids	28	6
Geaux Bags	-	207
Gingerbread House Bossier/Caddo	15,004	7,822
Girl Scouts of Louisiana	329	1,065
Goldman School	61	20
Goodwill Industries of North Louisiana	10,405	10,395
Grace Family Worship Center	48	16
Habitat for Humanity	-	30
HAP House	-	66
Heart of Hope Ministries	60	208
Highland Center Ministries	1,000	-
Hollywood Baptist Church	32	11
Holy Angels Residential Facility	2,077	2,161
Hope Connections	296	2,508
Hope for the Homeless	414	138
Hope House	115	38
Hub Urban Ministries	679	1,699
Humane Society of Northwest Louisiana	201	829
Iberia Comprehensive Community Health	625	1,875
Inner City Youth	35	-
J. S. Clark Elementary	255	-
Jehovah's Witnesses Sunset Congregation	25	21
Jewel House	480	142
Jobs for America's Graduates	32	11
Joe LeBlanc Food Pantry	-	166
Junior Achievement	55	110

**United Way of Northwest Louisiana  
Notes to the Financial Statements**

**Note 16: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)**

<b>Agency</b>	<b>2021</b>	<b>2020</b>
Junior Diabetes Research Foundation	111	85
Just Believe Training	80	53
Juvenile Diabetes Foundation	166	110
KIDZ, Valley of Hope Center	-	17
Kings Highway Christian Church	26	9
Lake Bethlehem Baptist Church	26	9
Legal Services of North LA, Inc.	36	34
Lifeshare Blood Center	-	10
Lighthouse Mission Thrift Store	12	-
Literacy Volunteers at Centenary College	3,315	2,005
Living Word Church - Mansfield	608	111
LL Brandon Transitional Home for Boys	277	53
Louisiana Association for the Blind	234	123
Louisiana Endowment for the Humanities	-	28
Louisiana Lions Camp	166	55
Louisiana Organ Procurement Agency	10	3
Louisiana State University-Shreveport	13	-
LSU Health Science - Feist-Weiller	12	82
LSU Health Science - Medical Library	-	11
LSU Health Science Foundation	-	978
LSU Shreveport Foundation	663	517
Lung Cancer Research Foundation	16	5
Lupus Foundation	26	9
Make-A-Wish Foundation of LA	235	128
March of Dimes	41	9
Martin Luther King Health Center	2,868	4,605
Mary's House of Louisiana, Inc.	87	42
MD Anderson	71	-
Minor Basilica of the Immaculate Conception Church	16	5
Mobberly Baptist Church	3,868	774
Mooretown Professional Development	-	244
Morning Star Baptist Church	3	1
Mount Olive Baptist Church	64	21
MPact for Mankind Inc.	55	36
Mt Paran Missionary Baptist Church	64	21
Muscular Dystrophy Association	38	188
Natchitoches Community Alliance Foundation	359	258
Natchitoches Parish Council on Aging	2,868	2,378
National Down Syndrome Society	-	3

**United Way of Northwest Louisiana  
Notes to the Financial Statements**

**Note 16: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)**

<b>Agency</b>	<b>2021</b>	<b>2020</b>
Navy Seal Foundation	-	111
New Bethel Missionary Baptist	26	9
Ninna's Road to Rescue	35	171
Norris Ferry Community Church	-	7,219
North Highlands Elementary Fund	217	-
North Point United Methodist Church	32	11
Northwest Louisiana Food Bank	-	3,035
Northwest Louisiana Pregnancy Care Center	-	138
Norwela Council Boy Scouts	1,238	1,548
Oil City Rotary Club	788	578
Omega Psi Phi	88	176
Open Hands Deaf Service	-	102
Open Range Fellowship Church	32	11
Optimist International of Bossier City	16	-
Paradise Baptist Church	32	11
Pearls of Humanity Foundation	289	51
Perfect Fit Autism Foundation Inc.	221	43
Philadelphia Center	199	443
Philadelphia Center - Mercy Center	272	91
Plant a Seed in Our Youth Foundation	126	122
Play Station Youth Fitness & Recreation	-	31
Pleasant Hill Baptist Church STY Gang	55	11
Pool of Siloam Medical Ministry	-	48
Port City Cat Rescue	-	166
Project Celebration	121	12
Project Reclaim	-	425
Project Reclaim of Minden, Inc.	3,438	2,813
Providence House	14,092	9,761
Red River Council on Aging	64	21
Red River Parish Back to School Bash	8,002	-
Red River Wildlife Refuge	16	5
Renesting Project	1,245	633
Renzi Education and Art Center	3,209	1,306
Rho Omega & Friends	2,550	850
Rho Omega Chapter of Omega Psi Phi Fraternity	85	595
Right to Play Park	15	7
River Park Church	-	2
River Valley Church	106	-
Riverside Elementary Fund	307	91

**United Way of Northwest Louisiana**  
**Notes to the Financial Statements**

**Note 16: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)**

<b>Agency</b>	<b>2021</b>	<b>2020</b>
Rolling Hills Ministry	9	-
Rose Park Baptist - Youth Camp Fund	51	17
Roy's Kids	48	48
Ruston High School FBLA	251	84
Sabine Council on Aging	13	15
Salvation Army Boys & Girls Club	5,037	15
Samaritan Counseling Center	1,466	4,397
School of Greatness	96	32
She Has A Name	24	-
Showers of Blessing Family Outreach Center	64	42
Showers of Blessing Ministries, Inc.	47	-
Shreve Island Elementary Special Needs	2,594	767
Shreveport Bossier Rescue Mission	4,243	3,727
Shreveport Green	1,000	1,369
Shriners Hospital	3,464	1,122
Sickle Cell Disease Association of America	298	106
Southern Hills Elementary Fund	430	128
Springhill Baptist Church	-	665
St. Augustine Church	342	111
St. Clements Catholic Church	174	-
St. Elizabeth Ann Seaton Catholic	24	-
St. Jude Catholic Church	111	-
St. Jude	13,914	10,468
St. Luke's Mobile Medical Ministry	595	271
St. Nicholas Orthodox Church	10	-
Step Forward	-	11
Stonewall Baptist Church	28	-
Summer Grove Baptist Church	125	21
Surfari Pals	36	-
Susan G. Komen	112	88
Tabernacle Missionary Baptist Church	116	39
Teaching and Learning	64	21
Teen Challenge - Minden	-	9
The Amazing Shake	512	310
The Arc of Caddo-Bossier	1,996	1,307
The Ben D Johnson Educational Center	625	1,875
The Children's Heart Foundation	31	53
The Food Bank of Central Louisiana	3,438	2,813
The Healing Place - Shreveport	32	11

**United Way of Northwest Louisiana**  
**Notes to the Financial Statements**

**Note 16: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)**

<b>Agency</b>	<b>2021</b>	<b>2020</b>
The Life Journey Church	663	663
The Salvation Army	-	874
The Salvation Army Shreveport Corps	1,100	221
The Simple Church	143	108
Therapeutic Arts Ministry for Alternative	-	102
ThinkFirst of Ark-La-Tex Inc.	57	11
Town of Many	654	1,963
Training Education & Mediation for Student	2,250	3,750
Trinity Heights Baptist Church	207	69
United Christian Home	182	61
United for NWLA fund	1,144	-
United Negro College Fund	15	5
United Way of Acadiana	77	26
United Way of Central LA	444	148
United Way of Southwest Louisiana	143	300
University Elementary Special	1,441	32
UWNWLA Fund	-	2,834
Vivian Church of the Nazarene	112	37
Volunteers for Youth Justice	6,031	5,249
Volunteers for Youth Justice - Arcadia	-	608
Volunteers for Youth Justice - Minden	-	221
Volunteers of America	638	952
Volunteers of America North Louisiana	2,097	5,659
Warrior Network	240	88
Webster Council on Aging	-	177
Women of Vision Inc.	198	181
Women's Resource Center of Natchitoches	1,110	3,329
Woody's Home for Veterans	13	106
Word of God Ministries	-	149
Wounded Warrior Project	1,268	1,254
YEP-Youth Enrichment Program	43	23
YMCA of Northwest Louisiana	-	447
Youth Outreach Services	212	-
YWCA	-	42
<b>Total agency allocations</b>	<b>230,782</b>	<b>195,448</b>
<b>Donor designations</b>	<b>(112,474)</b>	<b>(85,609)</b>
<b>Undesignated agency allocations</b>	<b>\$ 118,308</b>	<b>\$ 109,839</b>

## United Way of Northwest Louisiana Notes to the Financial Statements

### **Note 16: SUMMARY OF ALLOCATIONS TO AGENCIES (Continued)**

Donor designations are agency transactions recorded on the balance sheet and not reflected as income on the statement of activities.

### **Note 17: ASSETS HELD AS AGENT**

United Way acts as financial manager for four unrelated entities and manage their bank accounts at the discretion of those other entities. United Way has no legal title to those accounts, but will be held liable for the proper management of the accounts as directed by the respective entities. Accordingly, as United Way has no discretionary authority over these accounts. As of December 31, 2021 and 2020, United Way of Northwest Louisiana maintained bank accounts for the four entities, in the amount of \$60,712 and \$136,173, respectively.

### **Note 18: RELATED PARTIES**

During the year ended December 31, 2021, United Way maintained an operating checking account at a bank whom the local market President is serving on the board of directors of United Way.

United Way has a funding agreement with Louisiana Association of United Ways (LAUW) to maintain responsibility for Louisiana 211 database management. The agreement requires monthly payments of \$11,210 through June 2021 and \$9,590 through December 2021 to LAUW. United Way paid \$124,803 and \$134,526 in fees for the years ended December 31, 2021 and 2020, respectively.

### **Note 19: BENEFICIAL INTEREST IN ASSETS OF FOUNDATION**

The United Way established an endowment fund in 1998, the income of which is intended initially to help fund the cost of an additional staff member at United Way, and to eventually expand into an overall operations endowment by funding most or all of the annual cost of administering United Way. United Way transferred control of this endowment fund to the Community Foundation of North Louisiana during 1999. Under the terms of the agreement, variance power and legal ownership of the funds rest with the Foundation, United Way of Northwest Louisiana is the beneficiary of the reciprocal transfer.

Net investment income and/or capital appreciation/depreciation of the endowment fund must be distributed to United Way at least annually, provided the average market value is greater than the amount contributed to the fund.

## United Way of Northwest Louisiana Notes to the Financial Statements

### Note 19: BENEFICIAL INTEREST IN ASSETS OF FOUNDATION (Continued)

	2021	2020
Beginning balance, January 1	\$ 294,767	\$ 283,541
Contributions	-	50
Interest	7,910	4,508
Net realized and unrealized gain	38,244	20,128
Administrative fees	(2,723)	(2,687)
Distributions to United Way	(10,688)	(10,773)
Ending balance, December 31	\$ 327,510	\$ 294,767

### Note 20: UNITED WAY PROGRAMS

The Organization has several internal programs influencing the community. United Way programs expenses for the years ended December 31, 2021 and 2020, consisted of the following:

	2021	2020
Louisiana 211	\$ 124,803	\$ 134,526
EXIT-318	427,524	437,584
Dolly Parton Imagination Library	135,201	84,586
NWLA Fund - rent and utility assistance	56,025	99,568
Total United Way Programs	\$ 743,553	\$ 756,264

**SUPPLEMENTARY INFORMATION**



**United Way of Northwest Louisiana**  
**Schedule of Compensation, Benefits, and Other Payments to Agency Head**  
**For the year ended December 31, 2021**

**Agency Head Name: Bruce Willson, President and CEO**

<b>Purpose</b>	<b>Amount</b>
Salary and other compensation	\$ 4,691
Benefits-insurance (health insurance premiums)	\$ 526
Benefits-retirement	\$ -
Deferred compensation	\$ -
Car allowance	\$ -
Vehicle provided by agency	\$ -
Per diem	\$ -
Reimbursements	\$ -
Travel	\$ -
Registration fees	\$ -
Conference travel	\$ -
Housing	\$ -
Unvouchered expenses (example: travel advances, etc.)	\$ -
Special meals	\$ -
Other	\$ -

**REPORT ON INTERNAL CONTROL AND COMPLIANCE MATTERS**



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**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 Board of Directors and Management  
United Way of Northwest Louisiana

We have audited, in accordance with the 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 Northwest Louisiana (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, 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 June 7, 2022.

**Report on Internal Control over Financial Reporting**

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

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

Our consideration of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-002 that we consider to be significant deficiencies.

## **Report on Compliance and Other Matters**

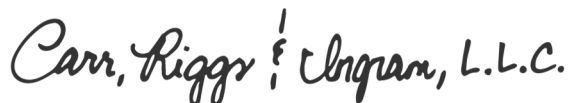
As part of obtaining reasonable assurance about whether United Way of Northwest Louisiana's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have 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*.

## **United Way of Northwest Louisiana's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on United Way of Northwest Louisiana's response to the findings identified in our audit and described in the schedule of findings and questioned cost. United Way of Northwest Louisiana's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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 United Way of Northwest Louisiana'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 United Way of Northwest Louisiana's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana

June 7, 2022

**United Way of Northwest Louisiana  
Schedule of Findings and Questioned Costs  
For the year ended December 31, 2021**

**Current Year Findings**

2021-001      BANK RECONCILIATIONS

Condition: The December 31, 2021 Regions bank reconciliations were prepared and reviewed, however contained errors/omissions and did not reconcile to general ledger.

Criteria: A cash reconciliation that reconciles from the bank balance to the general ledger balance should be prepared to determine that all cash transactions are recorded properly and to discover bank errors. Timely preparation of complete and accurate bank reconciliations is a key to maintaining adequate control over both cash receipts and disbursements. In preparing the bank reconciliations, all items should be investigated and corrected in that period. Cash accounts should be reconciled on a monthly basis to ensure that errors or other problems are recognized and resolved on a timely basis.

Cause: Third-Party fee accountant, as well as management, continue to void items using a backdated journal entry instead of current dating the void; the preparation and review of the bank reconciliation is inadequate.

Effect: Material errors and omissions go undetected if the cash accounts are not reconciled properly and timely. Lack of proper review increases the risk of fraud. Unreconciled differences that appear immaterial can obscure significant but offsetting items (such as bank errors or improperly recorded transactions) that would be a cause for investigation in the items were apparent. If small differences are not reconciled on a monthly basis, over time, they can build up to a significant amount that will be difficult to reconcile.

Recommendation: We recommend that all bank accounts be reconciled completely each month prior to the preparation of the monthly financial statements. We recommend that the bank reconciliations be reviewed for accuracy and completeness on a timely basis by an appropriate level of management. The review should include tests of mechanical accuracy and tracing of items on the reconciliation to the relevant source documents. The composition of unreconciled differences should be determined and follow up on, and any journal entries deemed necessary as a result be recorded.

Management Response: Management agrees with the recommendation and all outstanding checks identified for re-issuance will be voided and re-issued in the current period.

2021-002      AGENCY FUND CORRECTION

Condition: In performing the review of Accounts Payable, it was noted that a reimbursement payment for CenterPoint Energy was in the United Way's AP listing. This payment should have come out of the agency funds and should not be reflected as part of United Way's Accounts Payable.

**United Way of Northwest Louisiana  
Schedule of Findings and Questioned Costs  
For the year ended December 31, 2021**

Criteria: Accounting standards require that agency funds be accounted for separately from the Organization.

Cause: Inconsistent recording of use of Agency Funds that caused those funds to be out of balance and the Accounts Payable for United Way to be overstated

Effect: Balances are not properly stated.

Recommendation: We recommend that management ensure that all Agency Fund transactions are recorded as such and not intermingled with the United Way's funds so that balances are properly included in the accrual basis financial statements.

Management Response: Management agrees with the recommendation and procedures will be put into place to review all agency fund transactions with the fee accountant monthly to ensure proper reporting.

**Prior Year Findings**

2020-001      BANK RECONCILIATIONS

Fiscal Year in Which Finding Initially Occurred: 2019

Condition: The December 31, 2020 Regions bank reconciliation was prepared and reviewed; however, it contained errors/omissions and did not reconcile to general ledger.

Status: Unresolved; see 2021-001

2020-002      COMPLETENESS OF PLEDGES

Fiscal Year in Which Finding Initially Occurred: 2018

Condition: Pledge packets are received and pledge information is entered into the pledge software; however, no controls are in place to review and approve pledges for completeness.

Status: Resolved

2020-003      CORRECTIONS

Condition: In performing the audit of United Way, CRI recorded a significant number of journal entries having a material effect on the financial statements for the period under audit.

Status: Resolved