

FINANCIAL STATEMENTS

UNITED WAY OF WEST FLORIDA, INC.

JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
United Way of West Florida, Inc.
Pensacola, Florida

Report of the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of United Way of West Florida, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024 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 West Florida, Inc. as of June 30, 2024, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of West Florida, 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 opinions.

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 West Florida, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 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 West Florida, Inc.'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 West Florida, 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 the United Way of West Florida, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 2, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, 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 state earnings and schedule of program/cost center actual expenses and revenues are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying 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 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 March 20, 2025, on our consideration of United Way of West Florida, Inc.'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 West Florida, Inc.'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 West Florida, Inc.'s internal control over financial reporting and compliance.

Pensacola, Florida
March 20, 2025

Brown Thornton Pacarta & Company, P.A.

STATEMENT OF FINANCIAL POSITION

UNITED WAY OF WEST FLORIDA, INC.

June 30, 2024
(with comparative totals for 2023)

	<u>ASSETS</u>	
	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 1,510,776	\$ 1,648,397
Pledges receivables, net	287,736	181,530
Grants receivable	306,767	311,158
Employee retention credit receivable	102,916	102,916
Prepaid expenses and other	62,340	33,552
Investments	1,198,610	1,109,816
Right-of-use operating asset	1,503	2,735
Property and equipment, net	959,288	821,059
Deposits	<u>2,087</u>	<u>1,700</u>
Total assets	<u>\$ 4,432,023</u>	<u>\$ 4,212,863</u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Due to designated agencies	\$ 84,301	\$ 141,343
Due to provider	247,018	37,681
Allocations payable	675,129	469,465
Custodial funds payable	5,689	10,641
Accounts payable	62,238	15,383
Accrued expenses	113,913	73,734
Deferred revenue	64,158	15,470
Operating lease liability	<u>1,503</u>	<u>2,735</u>
Total liabilities	<u>1,253,949</u>	<u>766,452</u>
NET ASSETS		
Without donor restrictions	2,653,367	2,927,063
With donor restrictions	<u>524,707</u>	<u>519,348</u>
Total net assets	<u>3,178,074</u>	<u>3,446,411</u>
Total liabilities and net assets	<u>\$ 4,432,023</u>	<u>\$ 4,212,863</u>

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

STATEMENT OF ACTIVITIES
UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024
(with comparative totals for 2023)

	2024			2023
	Net Assets Without Restriction	Net Assets With Donor Restriction	Total	Total
Public support and revenue				
Gross campaign results	\$ 1,626,656	\$ 35,137	\$ 1,661,793	\$ 1,126,503
Less donor designations	(24,866)	-	(24,866)	(150,258)
Less provision for uncollectibles	(65,737)	-	(65,737)	(87,412)
Net campaign results	1,536,053	35,137	1,571,190	888,833
In-kind contributions - noncash	145,615	-	145,615	170,434
Contributions from outside service area	537	-	537	3,438
Investment return	95,719	-	95,719	63,072
Grant revenues	1,629,991	-	1,629,991	1,398,163
Contracts and program revenues	124,306	12,629	136,935	246,018
Gain on disposal of fixed assets	-	-	-	1,363,917
Other income	30,198	-	30,198	28,866
	3,562,419	47,766	3,610,185	4,162,741
Net assets released from restrictions				
Satisfaction of time and purpose	42,407	(42,407)	-	-
Total public support and revenues	3,604,826	5,359	3,610,185	4,162,741
Expenses				
Program services:				
Gross funds awarded/distributed	830,406	-	830,406	697,649
Less donor designations	(24,866)	-	(24,866)	(150,258)
Net funds awarded/distributed	805,540	-	805,540	547,391
Allocation expenses	79,564	-	79,564	79,410
Information and referral	1,814,733	-	1,814,733	1,415,592
Impact initiatives	154,649	-	154,649	126,825
Volunteer services	81,347	-	81,347	80,986
Total program services	2,935,833	-	2,935,833	2,250,204
Support services				
Fundraising	255,675	-	255,675	231,671
Organizational administration	666,418	-	666,418	503,745
Total supporting services	922,093	-	922,093	735,416
Payments to UW National	20,596	-	20,596	30,635
Total expenses	3,878,522	-	3,878,522	3,016,255
Change in net assets	(273,696)	5,359	(268,337)	1,146,486
Net assets, beginning of year	2,927,063	519,348	3,446,411	2,299,925
Net assets, end of year	\$ 2,653,367	\$ 524,707	\$ 3,178,074	\$ 3,446,411

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

STATEMENT OF FUNCTIONAL EXPENSES

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024
(with comparative totals for 2023)

	Program Services						Supporting Services			2024	2023
	Gross Funds Awarded/ Distributed	Allocation Services	Impact Initiatives	Information and Referral	Volunteer Services	Total Program Services		Organizational Administration	Total Supporting Services	Total Expenses	Total Expenses
Expenses											
Gross funds awarded/distributed	\$ 830,406	\$ -	\$ -	\$ -	\$ -	\$ 830,406	\$ -	\$ -	\$ -	\$ 830,406	\$ 697,649
Less donor designations	(24,866)	-	-	-	-	(24,866)	-	-	-	(24,866)	(150,258)
Net funds awarded/distributed	805,540	-	-	-	-	805,540	-	-	-	805,540	547,391
Conference	-	-	2,023	42,335	1,194	45,552	8,520	4,989	13,509	59,061	-
Depreciation	-	1,424	2,847	23,722	4,745	32,738	6,643	8,542	15,185	47,923	29,808
Dues and subscriptions	-	159	1,561	4,598	384	6,702	1,071	3,264	4,335	11,037	14,214
Interest	-	-	-	-	-	-	-	-	-	-	269
Maintenance and repairs	-	2,520	18,747	62,069	7,878	91,214	19,709	28,718	48,427	139,641	125,177
Occupancy	-	1,613	4,386	40,029	2,629	48,657	9,301	39,012	48,313	96,970	94,788
Other	-	881	5,214	12,665	3,125	21,885	5,896	22,800	28,696	50,581	51,416
Operating lease	-	-	-	-	-	-	-	1,320	1,320	1,320	1,320
Personnel expenses	-	62,592	94,784	1,385,471	56,829	1,599,676	190,013	435,959	625,972	2,225,648	1,724,351
Postage	-	11	88	318	23	440	190	1,621	1,811	2,251	1,363
Printing and promotion	-	264	6,606	189,529	1,306	197,705	7,394	39,503	46,897	244,602	210,560
Professional services	-	9,952	16,245	33,701	1,065	60,963	5,951	62,539	68,490	129,453	117,722
Staff development	-	-	-	-	-	-	-	-	-	-	31,503
Supplies	-	135	2,111	9,287	2,148	13,681	911	18,071	18,982	32,663	15,830
Telephone	-	13	37	11,009	21	11,080	76	80	156	11,236	19,908
Total expenses, net of national dues	<u>\$ 805,540</u>	<u>\$ 79,564</u>	<u>\$ 154,649</u>	<u>\$ 1,814,733</u>	<u>\$ 81,347</u>	<u>\$ 2,935,833</u>	<u>\$ 255,675</u>	<u>\$ 666,418</u>	<u>\$ 922,093</u>	3,857,926	2,985,620
Payments to UW National										<u>20,596</u>	<u>30,635</u>
Total expenses										<u>\$3,878,522</u>	<u>\$3,016,255</u>

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

STATEMENT OF CASH FLOWS
UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024
(with comparative totals for 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (268,337)	\$ 1,146,486
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	47,923	29,808
(Gain) on disposal of property	-	(1,363,917)
Realized loss on sale of securities	4,746	10,246
Unrealized (gain) on investments	(78,162)	(52,637)
Provision for uncollectible accounts	127,511	-
Change in assets and liabilities		
Decrease (increase) in operating assets:		
Pledges receivable-net	(233,717)	448,079
Grants receivable	4,391	(43,590)
Operating lease right-of-use asset	1,232	(2,735)
Prepaid expenses	(28,788)	44,492
Deposits	(387)	(1,700)
Increase (decrease) in operating liabilities:		
Due to designated agencies	(57,042)	73,241
Allocations payable	205,664	23,668
Due to provider	209,337	-
Custodial funds payable	(4,952)	(57,122)
Accounts payable	46,855	3,279
Operating lease liability	(1,232)	2,735
Accrued expenses	40,179	29,692
Deferred revenue	48,688	(96,506)
Net cash provided by operating activities	<u>63,909</u>	<u>193,519</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of securities	189,784	89,511
Purchases of investments	(205,162)	(103,777)
Acquisition of equipment	(186,152)	(784,307)
Proceeds on sale of property	<u>-</u>	<u>1,692,629</u>
Net cash provided (used) by investing activities	<u>(201,530)</u>	<u>894,056</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash used by financing activities	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(137,621)	1,087,575
Cash and equivalents, beginning of year	<u>1,648,397</u>	<u>560,822</u>
Cash and equivalents, end of year	<u>\$ 1,510,776</u>	<u>\$ 1,648,397</u>

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

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE A - ORGANIZATION

United Way of West Florida, Inc. (the Organization) began as Greater Pensacola United Fund, Inc., in 1944, and as United Way of Escambia County, Inc., through May 28, 2019. The Organization increased its service area to include its neighboring county in 2019. A local volunteer Board of Directors governs the Organization. The mission of the Organization is uniting our community and leveraging resources to improve lives.

The Organization works with community partners, including a network of partner agencies, businesses, schools, governments, and other funding sources to raise funds through an annual campaign to raise support for participating agencies.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Financial Statement Presentation - The Organization reports information regarding its financial position and activities according to two classes of net assets.

Net Assets Without Donor Restrictions - not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - subject to donor-imposed stipulations.

Net assets are classified based on externally imposed restrictions, if any, that may or may not be met by actions of management or by the passage of time.

2. Basis of Accounting - The Organization prepares its financial statements on the accrual basis of accounting, following accounting principles generally accepted in the United States of America for nonprofit organizations.
3. Cash and Cash Equivalents - For the purposes of the statements of cash flows, the Organization considers investments in highly liquid debt instruments with original maturities of three months or less to be cash equivalents. The Organization does not include cash held within its separate investment accounts (see note D) as cash and equivalents.
4. Contributions - The Organization records contributions as with or without restrictions, depending on the existence and/or nature of any donor restrictions. Donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without restrictions and are reported as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same fiscal year are reported as net assets without restrictions.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pledges Receivable - Pledges receivable are unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Conditional promises to give are not included as support until such time as the conditions are substantially met. There were no conditional promises made to the Organization during the year ended June 30, 2024. An allowance for uncollectible pledges receivable is provided based on management's estimate using prior collection history and current economic conditions.
6. Grant Receivable - Grants receivable represents amounts receivable from grantor agencies for allowable expenses incurred on or before the end of the year. Management believes all expenses are allowable under the grant requirements and are fully collectible. As such, no allowance for doubtful accounts is considered necessary.
7. Investments - Investments are stated at fair value. Donated investments are recorded at fair value at the date of the gift as contributions of financial assets.
8. Property and Equipment - Property and equipment are carried at cost or, if donated, at fair market value on date of gift. The Organization capitalizes asset acquisitions over \$5,000. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	15 - 39 years
Furniture and fixtures	5 - 10 years
Equipment	5 - 7 years
9. Program Revenue - Revenue related to exchange transactions is recognized as goods and/or services are provided and is based on the amount expected to be received in exchange for those goods and/or services. The Organization recognizes client service revenue in the period in which performance obligations under its contracts are satisfied by transferring services to clients. The Organization measures the performance obligation on the date the services are provided to clients and third-party payers are sent.
10. Impairment of Long-Lived Assets - Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recovered. If such assets are considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair market value of the assets. As of June 30, 2024, none of the Organization's long-lived assets were considered to be impaired.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Due to Designated Agencies - Donors contributing to the Organization may choose to designate that all or part of their contributions be distributed to specific agencies. These transactions are reported in the statement of activities as part of the Organization's campaign results and are then deducted to arrive at the net campaign revenue. Amounts deducted are carried as liabilities, net of an estimated allowance for uncollectible amounts, until paid to the designated agencies.
12. Donated Services and Materials - During the year ended June 30, 2024, 1,159 individuals volunteered from employers or local workplaces and unaffiliated volunteers participating in various volunteer activities, including but not limited to: Day of Caring, Stuff the Bus, Communities Caring at Christmas, Miracle on Palafox, the United Way Community Investment Process, and the United Way Ambassador Program. No value has been recognized for these volunteer hours in the financial statements, because the criteria established by the Financial Accounting Standards Board (FASB) for recognition of such volunteer efforts have not been satisfied.

Nonfinancial assets are reported on a separate line item in the statement of activities, apart from contributions of cash or other financial assets.

Donated services including media space (television and radio airtime and newspaper print space) are recorded if the services received created or enhanced long-lived assets, or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Donated materials and supplies are recorded at fair value at the date of donation.

13. Grants - The Organization records grant revenue over the period of the award and the performance obligations outlined by the grant provisions determine the timing of the revenue recognition. The transaction price is determined by provider agreement based on services to be rented. The unearned portion is recorded as deferred grant revenue on the statement of financial position. Deferred grant revenue totaled \$64,158 at June 30, 2024.
14. Sublease Rental Income - Sublease rental income is recognized on a straight-line basis based on the aggregate minimum rental payments outlined in the lease agreements over the applicable lease terms as per ASU 2016-02.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Allocation of Functional Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been estimated and allocated among the programs and supporting services benefited based on management's judgement and other nonfinancial measures, trends, and time spent by function.
16. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
17. Income Taxes - United Way of West Florida, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes has been recognized. The Organization annually files federal information returns (Form 990), which are subject to possible examination by the taxing authorities until the expiration of the related statute of limitations, which is generally three years, for the years ended June 30, 2022, through 2024.

Management believes it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements and no returns are currently under examination.

18. Comparative Financial Information - The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

Certain accounts and activities in the prior year information have been reclassified to conform to the presentation in the current year financial statements. Opening balances of net assets with donor restriction and net assets without donor restriction were restated to reflect restrictions of \$67,014 that were met in the year ended June 30, 2023.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

19. Leases - Leases are recognized on the statement of financial position the assets and liabilities for the rights and obligations created by leases with lease terms of more than twelve months. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee will continue to primarily depend on its classification as a finance or operating lease. The Organization recorded a “right to use” operating asset and operating lease liability.
20. Events Occurring After the Reporting Date - The Organization has evaluated events and transactions that occurred between June 30, 2024 and March 20, 2025, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE C - PLEDGES RECEIVABLE

Pledges receivable and changes in the allowance for uncollectible amounts during the year ended June 30, 2024, are summarized as follows:

Pledges receivable	\$ 441,680
Allowance for uncollectible pledges:	
Balance - beginning of year	188,068
Add provision for uncollectible pledges	127,511
Deduct write-off of net uncollectible pledges and amounts received from prior campaigns	<u>(161,635)</u>
Balance - end of year	<u>153,944</u>
Pledges receivable - net	<u><u>\$ 287,736</u></u>

No discount has been applied to the pledge receivable balance at June 30, 2024, as all pledges are collectible within one year.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE D - INVESTMENTS

The Fair Value Measurements (FASB Accounting Standards Codification 820-10) provides a framework for measuring fair value under generally accepted accounting principles. Fair Value Measurements establishes a fair value. This hierarchy consists of three broad levels; Level 1 consists of unadjusted quoted prices in active markets for identical assets and has the highest priority; Level 2 consists of observable inputs other than quoted prices for identical assets; and Level 3 consists of significant unobservable inputs and have the lowest priority. The Organization measures fair value using Level 1 inputs; there were no Level 2 or Level 3 inputs at June 30, 2024.

Fair value of assets measured on a recurring basis at June 30, 2024, are as follows:

	<u>Fair Value</u>	<u>Level 1</u>
Mutual funds - equity	\$ 584,422	\$ 584,422
Mutual funds - fixed income	<u>298,984</u>	<u>298,984</u>
	<u>\$ 883,406</u>	<u>\$ 883,406</u>

Cost, fair value and unrealized gains from acquisition until June 30, 2024, for assets held as investments are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gains</u>
Cash	\$ 315,204	\$ 315,204	\$ -
Mutual funds - equity	379,663	584,422	204,759
Mutual funds - fixed income	<u>329,139</u>	<u>298,984</u>	<u>(30,155)</u>
	<u>\$ 1,024,006</u>	<u>\$ 1,198,610</u>	<u>\$ 174,604</u>

Cash in the money market account for the year ended June 30, 2024, is \$315,204.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE D - INVESTMENTS (Continued)

Investment return for the year ended June 30, 2024, is summarized as follows:

Dividends and interest	\$ 22,303
Realized loss on sales of securities	(4,746)
Less investment expense	<u>(6,686)</u>
	10,871
Unrealized gains on investments	<u>84,848</u>
	1,176,440
Investment return	<u><u>\$ 95,719</u></u>

Investments at June 30, 2024, were included in the following net assets accounts:

Without restrictions	\$ 831,684
With restrictions	<u>366,926</u>
	<u><u>\$ 1,198,610</u></u>

NOTE E - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of June 30, 2024:

Land	\$ 15,000
Building improvements	877,390
Furniture and fixtures	64,933
Furniture and equipment	<u>219,117</u>
	1,176,440
Less accumulated depreciation	<u>(217,152)</u>
Property and equipment - net	<u><u>\$ 959,288</u></u>

Depreciation expense totaled \$47,923 for the year ended June 30, 2024.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE F - DESIGNATIONS AND ALLOCATIONS PAYABLE

Due to designated agencies, allocations payable and custodial funds payable at June 30, 2024 represent either designations by donors or allocations payable as determined by the Organization. These amounts are all due and payable within one year.

NOTE G - OPERATING LEASE

The Organization recognizes right-of-use assets and lease liabilities for leases with terms greater than twelve months or for leases that contain a purchase option that is reasonably certain to be exercised. The Organization used one or more practical expedients, including short-term leases with terms twelve months or less to remain off the Organization's Statement of Financial Position. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease.

The Organization maintains an operating lease agreement for office equipment. Obligations under operating leases are recorded in the statement of activities. The monthly operating lease payments are \$110 per month through August 1, 2025.

The Organization also entered into a month-to-month lease rental agreement during July to August 2023. Total space rental expenses as of June 30, 2024, are \$18,800.

The following summarizes the line items in the statements of financial position which include amounts for operating leases as of June 30, 2024:

Right-of-use operating assets:	
Right-of-use operating assets	\$ <u>1,503</u>
Operating lease current liabilities	\$ 1,284
Operating lease long-term liabilities	<u>219</u>
 Total operating lease liabilities	 \$ <u>1,503</u>

NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF WEST FLORIDA, INC.

NOTE G - OPERATING LEASE (Continued)

The weighted average remaining lease term, weighted average discount rate, and related information as of June 30, 2024, are as follows:

	<u>Operating Leases</u>
Weighted-average remaining lease term	14
Weighted-average discount rate	4.10%
Average monthly payment	\$ 110
Average number of payments remaining	14
Average discount rate	4.10%
Total right to use lease asset	\$ 1,503
Total right to use lease liability	\$ 1,503
Total cash paid	\$ 5,049

At June 30, 2024 the Organization was obligated for minimum office equipment rental payments under operating leases having remaining terms in excess of one year for each of the next five years and in the aggregate as follows:

Year Ending <u>June 30,</u>	<u>Operating</u>
2025	\$ 1,320
2026	220
2027	-
2028	-
2029	-
Thereafter	-
Total undiscounted cash flows	1,540
Less: present value discount	<u>(37)</u>
Total lease liabilities	<u><u>\$ 1,503</u></u>

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted at June 30, 2024 for the following purposes or periods:

Subject to expenditure for specified purpose:	
Grants, fiscal agent funds, and other initiatives	\$ 156,953
Achieve Escambia	<u>828</u>
Total subject to expenditure for specified purpose	157,781
Endowment subject to Organization's spending policy and appropriation:	
Endowment funds (see Note I)	<u>366,926</u>
	<u>\$ 524,707</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified as follows:

Campaign pledges, other gifts	\$ 21,442
Annual Meeting, Miracle on Palafox, Stuff the Bus and Day of Caring	<u>20,965</u>
	<u>\$ 42,407</u>

NOTE I - ENDOWMENT FUNDS

Contributions to the endowment fund are subject to donor restrictions that stipulate the original principal of the gift is to be held in perpetuity with the income therefrom available as a contribution to the campaign each year. Income includes market value changes (unrealized and realized) and interest and dividends. The income therefrom is considered as an increase in net assets without restrictions since the Organization deems the restriction as met in the same reporting period. Any market declines below the original contributions are shown as a reduction in net assets without restrictions.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide campaign contributions for the United Way of West Florida, Inc. Under these policies, as approved by the Board of Directors, endowment assets are invested in a manner that is intended to produce long-term growth of capital without undue exposure to risk.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE I - ENDOWMENT FUNDS (Continued)

The composition and changes in endowment funds for the year ended June 30, 2024, are as follows:

Endowments:	
Endowment net assets, beginning of year	\$ 366,926
Investment income	9,264
Net unrealized and realized gains	30,496
Investment expenses	2,777
Amounts appropriated	<u>(42,537)</u>
Endowment net assets, end of year	<u><u>\$ 366,926</u></u>

NOTE J - CONTRIBUTIONS NONCASH

In-kind gifts include contributions of property and services and expensed as follows for the year ended June 30, 2024:

Printing, media advertising and promotion - information and referral	\$ 137,298
Donated goods for events	5,167
Donated use of space for events	<u>3,150</u>
	<u><u>\$ 145,615</u></u>

NOTE K - SUBLEASE RENTAL INCOME

The Organization has a month-to-month lease agreement for property in Escambia County requiring monthly rental payments of \$9,400. Total rental payment for the year ended June 30, 2024, is \$18,800. The sublease agreement disclosed below originates from this month-to-month lease agreement.

The Organization entered into a sublease agreement in March 2023 with a non-profit entity. The Organization is sub leasing and renting out a portion of its office space from the above lease agreement. The lease commenced March 1, 2023, and expired on October 31, 2023. The subtenant was leasing approximately half of the total square feet for \$4,700 due monthly. Total rental income for the year ended June 30, 2024 is \$9,400. Rental income is included in other revenue in the statement of activities.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE L - EMPLOYEE BENEFIT PLAN

The Organization sponsors a 401K retirement plan through their employee leasing company. The plan covers substantially all the Organization's employees who have met certain service requirements. Employees' vesting is based on a five-year schedule. Employer contributions are 50% of employee contributions with a 3% cap on the employer match and totaled \$21,589 during the year ended June 30, 2024.

NOTE M - RELATED PARTIES

Due to designated agencies represents the amount of contributions pledged and designated to other non-profit organizations, including the Organization's member agencies.

The Organization is required to make payments for membership privileges to the related national organization. For the year ended June 30, 2024, payments to national were \$20,596.

NOTE N - CONCENTRATION OF RISK

The Organization maintains its cash accounts with two separate financial institutions. Cash accounts at each bank are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per financial institution. At June 30, 2024 the Organization had cash balances held by financial institutions in excess of insured limits of \$1,307,495.

The Organization's services are funded primarily with grants from the United States Department of Health and Human Services passed through the Florida Department of Children and Families and its managing entity, Big Bend Community Based Care, Inc. d/b/a NWF Health Network. These grants totaled \$1,406,898 or 39% of total revenues; grants receivable from these sources totaled \$234,483 or 76% of total receivables. The Organization's ability to continue to provide the same level of services is contingent on annual appropriations by federal and state legislative bodies.

NOTE O - RISKS AND UNCERTAINTIES

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statement of net assets.

NOTES TO FINANCIAL STATEMENTS
UNITED WAY OF WEST FLORIDA, INC.

NOTE O - RISKS AND UNCERTAINTIES (Continued)

Each year the Organization records a provision for uncollectible pledges which is estimated based on past collection experience and current economic conditions. It is at least reasonably possible that changes in this estimate in the near term could be material to the financial statements.

Expenditures incurred by the Organization and the providers are subject to audit and possible disallowances by federal and state Organization. The Organization would be responsible for recovery (reimbursement to the grantor Organization) of disallowed. It is the opinion of management that, if audited, any adjustment for disallowed expenses would be immaterial. Unspent grant funds payable to the grantor totaled \$247,018 at June 30, 2024. The amount represents unspent grant funds.

NOTE P - LIQUIDITY AND AVAILABILITY

The Organization's primary source of support is income from contributions. The Organization has a policy to manage its liquidity following three guiding principles: operating within a prudent range of financial stability; maintaining adequate liquidity to fund near-term operations; and maintaining sufficient resources to provide reasonable assurance that long-term operations will be maintained. The following table reflects the Organization's financial assets reduced by amounts not available for general expenditures within one year:

Financial Assets	
Cash and equivalents	\$ 1,510,776
Receivables	697,419
Investments	<u>1,198,610</u>
Total	<u>3,406,805</u>
Less those unavailable for general expenditure within one year, due to:	
Net assets with donor restrictions	<u>(524,707)</u>
Financial assets available to meet cash needs	<u><u>\$ 2,882,098</u></u>

SUPPLEMENTARY INFORMATION

UNITED WAY OF WEST FLORIDA, INC.

SCHEDULE OF STATE EARNINGS

Year Ended June 30, 2024

Total expenditures per statement of activities	\$ 3,878,522
Less other state and federal funds	-
Less non-match SAMH funds	1,161,301
Less unallowable costs	<u>-</u>
 Total allowable expenditures	 <u><u>\$ 2,717,221</u></u>
 Maximum available earnings	 <u><u>\$ 2,037,916</u></u>
 Amount of state funds requiring match	 <u><u>\$ -</u></u>
 Amount due to department	 <u><u>\$ -</u></u>

See independent auditor's report and accompanying notes.

PROGRAM/COST CENTER ACTUAL EXPENSES AND REVENUES SCHEDULE

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

AUDIT SCHEDULE ACTUAL EXPENSES AND REVENUES SCHEDULE											
DATE PREPARED: 2/17/2025						AGENCY: United Way of West Florida, Inc.					
BUDGET PERIOD: 7/1/2023-6/30/2024						CONTRACT # UW001					
FUNDING SOURCES & REVENUES	SAHM COVERED SERVICES										
	STATE-FUNDED						Total for State SAMH-Funded Covered Services or Projects (B+C)	Total for Non-State Funded Covered Services or Projects	Total for All Covered Services or Projects (D+E)	Non-SAMH Covered Services or Projects	Total Funding (F+G)
	Mental Health			Substance Abuse							
	Outreach	Information and Referral	Mental Health Total	Outreach	Information and Referral	Substance Abuse Total					
A	15	30	B	15	30	C	D	E	F	G	H
IA. STATE SAMH FUNDING											
Current Year Funding											
MH211 UW001 S	\$ -	\$ 443,557.00	\$ 443,557.00	\$ -	\$ -	\$ -	\$ 443,557.00		\$ 443,557.00		\$ 443,557.00
MH981 UW001 F	-	232,905.00	232,905.00	-	-	-	232,905.00		232,905.00		232,905.00
MH988 UW001 F	-	404,704.00	404,704.00	-	-	-	404,704.00		404,704.00		404,704.00
MH98G UW001 F	-	156,501.50	156,501.50	-	-	-	156,501.50		156,501.50		156,501.50
MHCBS UW001 F	-	169,231.00	169,231.00	-	-	-	169,231.00		169,231.00		169,231.00
Total Current Year Funding	\$ -	\$ 1,406,898.50	\$ 1,406,898.50	\$ -	\$ -	\$ -	\$ 1,406,898.50		\$ 1,406,898.50		\$ 1,406,898.50
Carry Forward Funding	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -
TOTAL STATE SAMH FUNDING =	\$ -	\$ 1,406,898.50	\$ 1,406,898.50	\$ -	\$ -	\$ -	\$ 1,406,898.50		\$ 1,406,898.50		\$ 1,406,898.50
IB. OTHER GOVERNMENT FUNDING											
(1) Other State Agency Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Medicaid	-	-	-	-	-	-	-		-		-
(3) Local Government	-	-	-	-	-	-	-	81,125.00	81,125.00	107,369.00	188,494.00
(4) Federal Grants and Contracts	-	-	-	-	-	-	-	304,236.00	304,236.00	-	304,236.00
(5) In-kind from local govt. only	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER GOVERNMENT FUNDING =	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 385,361.00	\$ 385,361.00	\$ 107,369.00	\$ 492,730.00
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
IC. ALL OTHER REVENUES											
(1) 1st & 2nd Party Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,331.00	\$ 84,331.00	\$ 31,770.00	\$ 116,101.00
(2) 3rd Party Payments (except Medicare)	-	-	-	-	-	-	-	-	-	-	-
(3) Medicare	-	-	-	-	-	-	-	-	-	-	-
(4) Contributions and Donations	-	-	-	-	-	-	-	-	-	1,427,544.50	1,427,544.50
(5) Other	-	-	-	-	-	-	-	-	-	14,270.00	14,270.00
(6) In-kind	-	-	-	-	-	-	-	7,026.00	7,026.00	145,615.00	152,641.00
TOTAL ALL OTHER REVENUES =	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,357.00	\$ 91,357.00	\$ 1,619,199.50	\$ 1,710,556.50
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
TOTAL FUNDING =	\$ -	\$ 1,406,898.50	\$ 1,406,898.50	\$ -	\$ -	\$ -	\$ 1,406,898.50	\$ 476,718.00	\$ 1,883,616.50	\$ 1,726,568.50	\$ 3,610,185.00
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

See independent auditor's report and accompanying notes.

PROGRAM/COST CENTER ACTUAL EXPENSES AND REVENUES SCHEDULE (CONTINUED)

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

EXPENSE CATEGORIES A	SAMH COVERED SERVICES									*except IIC & IID			
	STATE FUNDED						Total for State SAMH-Funded Covered Services (B+C) D	Total for Non-State Funded Covered Services E	Total for All Covered Services F (D+E)				
	Mental Health			Substance Abuse									
	Outreach 15	Information and Referral 30	Mental Health Total B	Outreach 15	Information and Referral 30	Substance Abuse Total C							
G	H	I	J										
IIA. PERSONNEL EXPENSES													
(1) Salaries	\$ -	\$ 833,327.00	\$ 833,327.00	\$ -	\$ -	\$ -	\$ 833,327.00	\$ 363,937.00	\$ 1,197,264.00	\$ 727,839.00	\$ -	\$ -	\$ 1,925,103.00
(2) Fringe Benefits	-	126,673.00	126,673.00	-	-	-	126,673.00	61,534.00	188,207.00	112,337.00	-	-	300,544.00
TOTAL PERSONNEL EXPENSES -	\$ -	\$ 960,000.00	\$ 960,000.00	\$ -	\$ -	\$ -	\$ 960,000.00	\$ 425,471.00	\$ 1,385,471.00	\$ 840,176.00	\$ -	\$ -	\$2,225,647.00
IIIB. OTHER EXPENSES													
(1) Building Occupancy	\$ -	\$ 336.00	\$ 336.00	\$ -	\$ -	\$ -	\$ 336.00	\$ -	\$ 336.00	\$ 37,286.00	\$ -	\$ 27,411.00	\$ 65,033.00
(2) Professional Services	-	27,625.00	27,625.00	-	-	-	27,625.00	16,323.00	43,948.00	115,377.00	-	12,786.00	172,111.00
(3) Travel	-	10,034.00	10,034.00	-	-	-	10,034.00	22,565.00	32,599.00	11,288.00	-	-	43,887.00
(4) Equipment	-	5,925.00	5,925.00	-	-	-	5,925.00	-	5,925.00	-	-	-	5,925.00
(5) Food Services	-	3,005.00	3,005.00	-	-	-	3,005.00	797.00	3,802.00	29,964.00	-	-	33,766.00
(6) Medical and Pharmacy	-	-	-	-	-	-	-	-	-	-	-	-	-
(7) Subcontracted Services	-	-	-	-	-	-	-	-	-	-	-	-	-
(8) Insurance	-	-	-	-	-	-	-	-	-	13,128.00	-	15,660.00	28,788.00
(9) Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-	-
(10) Operating Supplies & Expenses	-	48,803.00	48,803.00	-	-	-	48,803.00	54,126.00	102,929.00	1,005,105.00	-	53,239.00	1,161,273.00
(11) Other-Bad Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
(12) Donated Items	-	-	-	-	-	-	-	7,026.00	7,026.00	138,589.00	-	-	145,615.00
(13) Net funds awarded	-	-	-	-	-	-	-	-	-	-	-	-	-
(14) Payments to National	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER EXPENSES -	\$ -	\$ 95,728.00	\$ 95,728.00	\$ -	\$ -	\$ -	\$ 95,728.00	\$ 100,837.00	\$ 196,565.00	\$ 1,350,737.00	\$ -	\$ 109,096.00	\$1,656,398.00
TOT. PERSONNEL & OTH. EXP. -	\$ -	\$ 1,055,728.00	\$ 1,055,728.00	\$ -	\$ -	\$ -	\$ 1,055,728.00	\$ 526,308.00	\$ 1,582,036.00	\$ 2,190,913.00	\$ -	\$ 109,096.00	\$3,882,045.00
IIIC. DISTRIBUTED INDIRECT COSTS													
(a) Other Support Costs (Optional)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Administration	-	105,573.00	105,573.00	-	-	-	105,573.00	-	105,573.00	-	-	(109,096.00)	(3,523.00)
TOT. DISTR'D INDIRECT COSTS -	\$ -	\$ 105,573.00	\$ 105,573.00	\$ -	\$ -	\$ -	\$ 105,573.00	\$ -	\$ 105,573.00	\$ -	\$ -	\$ (109,096.00)	\$ (3,523.00)
TOTAL ACTUAL OPER. EXPENSES -	\$ -	\$ 1,161,301.00	\$ 1,161,301.00	\$ -	\$ -	\$ -	\$ 1,161,301.00	\$ 526,308.00	\$ 1,687,609.00	\$ 2,190,913.00	\$ 0.00	\$ 0.00	\$3,878,522.00
IIID. UNALLOWABLE COSTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOT. ALLOWABLE OPER. EXP. -	\$ -	\$ 1,161,301.00	\$ 1,161,301.00	\$ -	\$ -	\$ -	\$ 1,161,301.00	\$ 526,308.00	\$ 1,687,609.00	\$ 2,190,913.00	\$ -	\$ -	\$3,878,522.00
IIIE. CAPITAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
IIIA. Unearned Funds	\$ -	\$ 245,597.50	\$ 245,597.50	\$ -	\$ -	\$ -	\$ 245,597.50						

See independent auditor's report and accompanying notes.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Corporation for National and Community Service:				
Americorps Seniors Retired and Senior Volunteer Program (RSVP)	94.002	22SRHFL010	-	\$ 42,996
Americorps Seniors Retired and Senior Volunteer Program (RSVP)	94.002	22SRHFL010	-	<u>13,788</u>
Total Corporation for National and Community Service				56,784
Department of the Treasury - Internal Revenue Service:				
Volunteer Income Tax Assistance Matching Grant Program	21.009	23VITA0208	-	3,776
Volunteer Income Tax Assistance Matching Grant Program	21.009	24VITA0262	-	<u>35,750</u>
Total Department of the Treasury				39,526
U.S. Department of Health and Human Services:				
Passed Through Big Bend Community Based Care, Inc. d/b/a NWF Health Network				
Substance Abuse and Mental Health Services - Projects of Regional & National Significance	93.243	UW001	-	389,371
Block Grants for Community Mental Health Services	93.958	UW001	-	<u>573,882</u>
Total NWF Health Network				963,253
Passed Through Florida Department of Children and Families:				
Passed Through Crisis Center of Tampa Bay				
Medical Assistance Program	93.778	LD994	-	<u>247,402</u>
Total Crisis Center of Tampa Bay				<u>247,402</u>
Total Medicaid Cluster				<u>247,402</u>
Total U.S. Department of Health and Human Services				<u>1,210,655</u>
Total Expenditures of Federal Awards				\$ <u>1,306,965</u>

See independent auditor's report and accompanying notes to schedule of expenditures of federal awards.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

UNITED WAY OF WEST FLORIDA, INC.

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of United Way of West Florida, Inc. under programs of the federal government for the year ended June 30, 2024. 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). Because the Schedule presents only a selected portion of the operations of United Way of West Florida, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of United Way of West Florida, Inc.

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 The Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Organization's federal awards do not have any loans or loan guarantees.

The Organization did not receive any federal non-cash assistance for the fiscal year ended June 30, 2024.

NOTE C - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES GRANTS

During the year ended June 30, 2024, funds totaling \$1,406,898 were received from Big Bend Community Based Care, Inc. d/b/a NWF Health Network. The source of the funds included are federal (CFDA 60.153 and 93.243). Federal and state funds received from this provider totaled \$963,253 and \$443,645, respectively.

NOTE D - SUBRECIPIENTS

United Way of West Florida, Inc. did not have any subrecipients for the year ended June 30, 2024.

NOTE E - INDIRECT COST RATE

The Organization has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**REPORT ON AUDIT PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

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

To the Board of Directors
United Way of West Florida, Inc.

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 West Florida, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, 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 March 20, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficient 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 2024-001 and 2024-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether United Way of West Florida, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 instances or other matters that are required to be reported under *Governmental Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2024-003.

United Way of West Florida, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on United Way of West Florida Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. United Way of West Florida Inc.'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 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.

Brown Thornton Pacurta & Company, P.A.

Pensacola, Florida
March 20, 2025

**REPORT ON AUDIT PERFORMED IN ACCORDANCE
WITH THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S 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 West Florida, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited United Way of West Florida, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of United Way of West Florida, Inc.'s major federal programs for the year ended June 30, 2024. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, United Way of West Florida, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 West Florida, 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 West Florida, 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 West Florida, Inc.'s federal programs.

Auditor's 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 West Florida, 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 generally accepted auditing standards, *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 West Florida, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 United Way of West Florida, Inc.'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 United Way of West Florida, Inc.'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 United Way of West Florida, Inc.'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on United Way of West Florida, Inc.'s response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. United Way of West Florida, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-003 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on United Way of West Florida, Inc.'s response to the internal control over the compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. United Way of West Florida, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Brown Thornton Pacerta & Company, P.A.

Pensacola, Florida

March 20, 2025

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiencies identified not to be considered material weakness?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness identified?	No
Significant deficiencies identified not to be considered material weaknesses?	Yes
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance Section 516(a)	Yes

Identification of Major Programs and Projects

Federal Programs

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance
93.958	Block Grants for Community Mental Health Services
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as a low-risk auditee	No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS (CONTINUED)

State Projects

CSFA Number

None

Name of
State Program

Dollar threshold used to distinguish
between Type A and Type B programs: \$ 300,000

SECTION II - FINANCIAL STATEMENTS FINDINGS

Finding 2024-001: Significant Deficiency: Untimely Completion of Monthly and Year-End Account Reconciliations, Resulting in Delayed Reporting and Discrepancies Between General Ledger and Subsidiary Ledgers

Criteria:

It is essential for the organization to reconcile its general ledger with subsidiary ledgers on a monthly and year-end basis. These reconciliations ensure that the financial records are complete and accurate, and that any discrepancies between the two ledgers are identified and corrected before financial statements are finalized. Reconciliation processes should be conducted in a timely manner and overseen by management to maintain the integrity of the financial reporting process.

Condition:

During the audit, it was found that the organization's general ledger accounts did not agree with the subsidiary ledgers, both for monthly and year-end account reconciliations and the reconciliations were not performed in a timely manner. The discrepancies between the two ledgers were not addressed in a timely manner, and the organization was unable to reconcile the accounts properly prior to closing the books at year-end. As a result, the financial statements required significant adjustment to account balances to accurately reflect the organization's financial position and activities.

Cause:

The discrepancies arose due to inadequate internal controls and insufficient review procedures in the financial statement close process. There was a lack of a formalized reconciliation process to ensure that monthly and year-end reconciliations were completed and reviewed in a timely and accurate manner. As a result, discrepancies between the general ledger and subsidiary ledgers were not identified and resolved before the year-end close.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

SECTION II - FINANCIAL STATEMENTS FINDINGS (CONTINUED)

Effect:

As a result of this deficiency, the organization's financial statements were delayed, which could impair the decision-making ability of management and those charged with governance relying on timely and accurate financial information. The discrepancies between the general ledger and subsidiary ledgers suggest that the organization's financial records may not accurately reflect its true financial position.

Context:

This finding is part of the broader financial statement close process, where reconciling the general ledger with subsidiary ledgers is crucial to ensure accurate and timely financial reporting. The failure to complete these reconciliations as part of the regular monthly and year-end close processes indicates deficiencies in the organization's internal control environment and financial reporting procedures. These discrepancies have impacts on the reliability of the financial statements and the organization's ability to make informed financial decisions.

Recommendation:

It is recommended that the organization establish and implement a formalized reconciliation process for both monthly and year-end account reconciliations. This process should include clear guidelines and timelines for completing reconciliations, as well as regular monitoring to ensure compliance. Management should assign specific responsibilities for overseeing and reviewing the reconciliation process, ensuring that discrepancies between the general ledger and subsidiary ledgers are promptly identified and resolved. Additionally, stronger internal controls should be implemented to ensure that reconciliations are completed on time and are thoroughly reviewed for accuracy. Staff involved in the reconciliation process should receive adequate training to ensure they understand the importance of accurate and timely reconciliations. It is further recommended that the organization implements a formalized, ongoing training program for both accounting staff and oversight personnel focused on nonprofit accounting principles, regulatory requirements, and internal controls.

Views of Responsible Officials:

The responsible officials acknowledge the audit finding and agree that the discrepancies between the general ledger and subsidiary ledgers should have been identified and resolved in a timely manner and that the timely completion of monthly and year-end account reconciliations was not managed effectively. They recognize the importance of having a structured and consistent process in place for completing reconciliations and understand the impact that delayed reporting and discrepancies between the general ledger and subsidiary ledgers can have on the financial statements and decision-making. The organization is committed to strengthening its reconciliation process by implementing formalized procedures, including clear timelines and oversight responsibilities.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

SECTION II - FINANCIAL STATEMENTS FINDINGS (CONTINUED)

The organization will provide additional training to staff and those with oversight to ensure adherence to the reconciliation process. Management will oversee this process more closely, ensuring that there is accountability at each stage of the financial close. The organization is committed to improving internal controls, training staff on best practices, and ensuring that these issues do not recur in future reporting periods.

Finding 2024-002: Significant Deficiency: Pledges Receivable and Allowance Not Reviewed or Adequately Adjusted

Criteria:

Pledges receivable and the related allowance for doubtful accounts must be periodically reviewed and adjusted for accuracy. The balances should reflect reasonable estimates of collectible amounts and must be reconciled to the trial balance at year-end.

Condition:

During the audit, it was found that the pledges receivable and the corresponding allowance for doubtful accounts were neither reviewed nor adequately adjusted at year-end. Furthermore, the balances did not agree with the trial balance as of the fiscal year-end.

Cause:

The underlying cause of this condition appears to be a lack of internal controls and oversight regarding the periodic review and reconciliation of pledges receivable and the allowance account. There may have been insufficient processes in place to ensure that adjustments were made in a timely manner or that the final balances matched the trial balance.

Effect:

As a result of this oversight, the financial statements may not accurately reflect the true value of pledges receivable and the corresponding allowance for doubtful accounts. This caused misstatement assets and income. The failure to reconcile these balances indicated a deficiency in internal controls over financial reporting.

Context:

The finding relates to the year-end financial close process, where proper reconciliation and review procedures were not followed. This resulted in discrepancies between the pledges receivable and the trial balance, which are critical to accurately presenting the organization's financial position in accordance with applicable accounting standards. This deficiency could potentially have a material impact on the financial statements.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

SECTION II - FINANCIAL STATEMENTS FINDINGS (CONTINUED)

Recommendation:

It is recommended that the organization implement a formal process for the regular review and reconciliation of pledges receivable and the related allowance for doubtful accounts. This should include periodic evaluations to ensure the accuracy of the estimated collectability of pledges. Additionally, a review process should be established to ensure that these balances are accurately reflected in the trial balance at year-end, with appropriate adjustments made where necessary. The organization should also consider implementing stronger internal controls and oversight to ensure compliance with accounting standards and improve the accuracy of financial reporting.

Views of Responsible Officials:

The responsible officials acknowledge the finding and agree that the review and adjustment of pledges receivable and the related allowance for doubtful accounts should have been more thoroughly conducted. Going forward, the organization plans to implement a more structured process for reviewing and reconciling pledges receivable, including setting clear responsibilities for internal review, and will ensure that any necessary adjustments are made prior to finalizing the trial balance. The officials are committed to enhancing internal controls and will prioritize training staff to ensure that the financial close process is carried out with greater accuracy and compliance with applicable standards.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

SECTION III - FEDERAL AWARD FINDINGS

Finding 2024-003: Significant Deficiency: Inadequate Tracking of Unspent and Unearned Grant Funds Resulting in Amounts Due Back to the Grant Provider

Criteria:

Organizations must ensure accurate tracking of unspent and unearned grant funds. Unspent funds and unearned revenues should be properly identified and recorded in financial statements, and the organization must ensure compliance with grant terms, including returning any funds that were not spent or earned as required by the grant agreement. Failure to comply with these requirements can result in financial misstatements and the need to return funds to the grant provider.

Condition:

During the audit, it was identified that the organization did not adequately track unspent and unearned grant funds. As a result, certain amounts of unspent funds were not identified or reported in a timely manner, and the organization did not return these funds to the grant provider as required by the grant agreement until requested. This failure to properly track and report unspent funds led to the identification of amounts due back to the grant provider, which were not properly accounted for in the financial statements

Cause:

The cause of this deficiency appears to be the lack of a formalized tracking system for unspent and unearned grant funds. There were no clear processes in place to ensure that unspent or unearned funds were identified, monitored, and reported regularly. Additionally, there was insufficient oversight to ensure that grant conditions regarding the return of unspent funds were being met. The absence of a centralized system for tracking grant fund usage and compliance led to this oversight, and there was no clear process for notifying the responsible parties about amounts that needed to be returned.

Effect:

As a result of this deficiency, the organization failed to return unspent and unearned funds to the grant provider in accordance with the terms of the grant agreements. This could lead to potential non-compliance issues. The failure to track these funds also resulted in misstatements in the financial statements, as the amounts due back to the grant provider were not properly reflected.

Context:

This finding is part of the broader financial statement close process, with specific implications for the management of grant funds. It is essential to ensure that all unspent or unearned grant funds are properly tracked and returned when necessary. The failure to do so exposes the organization to financial, legal, and reputational risks that could affect its ability to secure future grants or maintain compliance with current grant conditions.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

SECTION III - FEDERAL AWARD FINDINGS (CONTINUED)

Recommendation:

It is recommended that the organization implement a formalized process for tracking unspent and unearned grant funds. This process should include regularly reviewing grant agreements to ensure compliance with return provisions, setting up a system to track fund usage by grant, and identifying any unspent or unearned funds that need to be returned. The organization should assign responsibility for monitoring grant balances and ensure that regular reconciliations between general ledgers and grant tracking systems are performed. Management should also implement stronger oversight and internal controls to ensure that grant funds are tracked accurately, with designated staff ensuring compliance with all grant terms, including timely reporting and returning of unspent funds. Additionally, staff responsible for managing grants should receive training on proper tracking procedures, and a clear process should be developed for returning any unspent or unearned funds to the grant provider.

Views of Responsible Officials:

The responsible officials acknowledge the audit finding and agree that the failure to track unspent and unearned grant funds properly resulted in funds that should have been returned to the grant provider not being reported or remitted as required. They recognize the importance of adhering to grant terms and ensuring that unspent or unearned funds are properly monitored. The organization is committed to addressing this deficiency by establishing a formalized and centralized system for tracking all grant funds, including unspent or unearned amounts. The officials plan to implement a clear process for regularly reviewing grant status and ensuring compliance with all return provisions. They also recognize the need for improved internal controls and oversight to prevent similar issues in the future. Management is committed to enhancing its processes and will provide the necessary training to staff to ensure that these procedures are followed correctly moving forward.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

For the year ended June 30, 2023, United Way of West Florida, Inc. had the audit findings reported in the Schedule of Findings and Questions Costs – Federal Programs for the year ended June 30, 2023.

Finding 2023-001: Documentation for Material Agreements and Documents (Significant Deficiency)

Condition:

The Organization's grant agreements and supporting documentation were not provided in a timely manner, resulting in delayed reporting.

Status:

There were no similar issues identified for the year ended June 30, 2024 audit. The finding is resolved.

Finding 2023-002: Financial Statement Close Process (Significant Deficiency)

Condition:

The Organization's account reconciliations and financial records were not completed and closed in a timely manner, resulting in delayed reporting and ledger accounts that did not agree with subsidiary ledgers.

Status:

The Organization performed and reviewed month-end reconciliation checklists. The organization has taken steps to address the prior year finding on account reconciliation, but full implementation of corrective procedures is still ongoing.

Finding 2023-003: Control Blank Checks (Significant Deficiency)

Condition:

Blank checks are being stored in unsecured locations, such as a file drawer in the business manager's office.

Status:

The Organization stored blank checks in locked cabinet and the keys kept by Director of Finance and Director of Operations which neither of them have authority to sign checks. There were no similar issues identified for the year ended June 30, 2024 audit. The finding is resolved.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

UNITED WAY OF WEST FLORIDA, INC.

Year Ended June 30, 2024

Finding 2023-004 Reconciliation of Cash Accounts (Significant Deficiency)

Condition:

The bank reconciliations are currently being performed by the same employee that opens the bank statements and has access to the accounting software.

Status: The Organization implemented a review of the reconciliation by CEO to ensure changes were not made and that there were no unauthorized transactions. The finding is resolved.

Finding 2023-005: Non-Compliance with Grant Agreement Reporting Deadlines (Significant Deficiency)

Condition:

During the audit, Form CF-MH 1037 Reconciliation Report for the fiscal year ending on June 30, 2023, was not timely available. It was noted that the form had not yet been sent to the grantor agency by the deadline of December 31, 2023.

Status:

The organization submitted the Form 1037 by the deadline and also hired additional staff accountant to assist managing workload. There were no similar issues identified for the year ended June 30, 2024 audit. The finding is resolved.

Finding 2023-006: Reporting (Significant Deficiency)

Condition:

The audit and data collection form and reporting packages were not submitted to the Federal Audit Clearinghouse before the deadline.

Status:

There were no similar issues identified for the year ended June 30, 2024 audit. The finding is resolved.

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BOARD OFFICERS

Todd Phillips
Chair

Brian Wyer
Vice Chair

Tom Della Flora
Treasurer

Tony Kisner
Secretary

3/14/2025

This corrective action plan is in response to United Way of West Florida's single audit report for the fiscal year ended June 30, 2024, Brown, Thorton, Pacenta & Company, PA.

SECTION II – FINANCIAL STATEMENT FINDING 2024-001

BOARD MEMBERS

Scott Barrow
Jodi Bell
Megan Brown
Stephanie Campbell
Matt Couch
Kendrick Doidge
Naisy Dolar
Debbie Douma
Donna Edwards
Johnny Fayard
Jeff Fletcher
Jessica Griffen
Wesley Hall
Larry Heringer
Wanda Kotick
Muriel Lawson
Barbara MacNeil
Travis Morock
Eric Myers
Denise Myrick
Jeremy Ruffin
John Scanlon

Finding 2024-001: Untimely Completion of Monthly and Year-End Account Reconciliations, Resulting in Delayed Reporting and Discrepancies Between General Ledger and Subsidiary Ledgers (Significant Deficiency)

Recommendation: It is recommended that the organization establish and implement a formalized reconciliation process for both monthly and year-end account reconciliations. This process should include clear guidelines and timelines for completing reconciliations, as well as regular monitoring to ensure compliance. Management should assign specific responsibilities for overseeing and reviewing the reconciliation process, ensuring that discrepancies between the general ledger and subsidiary ledgers are promptly identified and resolved. Additionally, stronger internal controls should be implemented to ensure that reconciliations are completed on time and are thoroughly reviewed for accuracy. Staff involved in the reconciliation process should receive adequate training to ensure they understand the importance of accurate and timely reconciliations. It is further recommended that the organization implements a formalized, ongoing training program for both accounting staff and oversight personnel focused on nonprofit accounting principles, regulatory requirements, and internal controls

UNITED WAY STAFF LEADERSHIP

Laura Gilliam
President/CEO

Lauren Clark
VP of Philanthropy & Communications

Mary Zaledonis
VP of Impact Services

Tami Hodo
Director of Finance

Melissa Lewis
Director of Operations

Corrective Action: We have hired an additional staff member for the Finance Department. This addition allows the Director of Finance to focus more on month-end and reconciliations processes. As work is distributed amongst the team, new, stronger internal controls are being developed. We will find additional training through the United Way network to increase our knowledge of accurate and timely reconciliations, nonprofit accounting principles, regulatory requirements, and internal controls.

Person Responsible for Corrective Action: Director of Finance

Anticipated Completion Date for Corrective Action: We began to adjust month-end processes in January 2025. I anticipate having a full, in-depth process established and policy written by year-end, June 30, 2025. This will allow for multiple month-end cycles to ensure the process works. Training will begin in March 2025 and will be ongoing.

Finding 2024-002: Pledges Receivable and Allowance Not Reviewed or Adequately Adjusted (Significant Deficiency)

Recommendation: It is recommended that the organization implement a formal process for the regular review and reconciliation of pledges receivable and the related allowance for doubtful accounts. This should include periodic evaluations to ensure the accuracy of the estimated collectability of pledges. Additionally, a review process should be established to ensure that these balances are accurately reflected in the trial balance at year-end, with appropriate adjustments made where necessary. The organization should also consider implementing stronger internal controls and oversight to ensure compliance with accounting standards and improve the accuracy of financial reporting.

Corrective Action: The Director of Finance and CEO established a write-off policy in February 2025. This policy has the team reviewing pledges receivable on a quarterly basis. This will show the development team who they need to follow up with for missing payments. This quarterly review will allow the Finance team to accurately reconcile the CRM to the GL.

Person Responsible for Corrective Action: Director of Finance, CEO, VP of Philanthropy and Communications

Anticipated Completion Date for Corrective Action: The corrective action will be immediately implemented in response to the auditors' recommendation.

Finding 2023-003: Inadequate Tracking of Unspent and Unearned Grant Funds Resulting in Amounts Due Back to the Grant Provider (Significant Deficiency)

Recommendation: It is recommended that the organization implement a formalized process for tracking unspent and unearned grant funds. This process should include regularly reviewing grant agreements to ensure compliance with return provisions, setting up a system to track fund usage by grant, and identifying any unspent or unearned funds that need to be returned. The organization should assign responsibility for monitoring grant balances and ensure that regular reconciliations between general ledgers and grant tracking systems are performed. Management should also implement stronger oversight and internal controls to ensure that grant funds are tracked accurately, with designated staff ensuring compliance with all grant terms, including timely reporting and returning of unspent funds. Additionally, staff responsible for managing grants should receive training on proper tracking procedures, and a clear process should be developed for returning any unspent or unearned funds to the grant provider.

Corrective Action: The Director of Finance created a new tracking spreadsheet to complete each month during the month-end process. This spreadsheet shows the monthly expenses for each grant and the total for the year. This allows us to monitor the grant funds closely. The information is shared with the board of directors in their financial statement reports.

Person Responsible for Corrective Action: Director of Finance

Anticipated Completion Date for Corrective Action: The corrective action was established in November 2024.