

*United Way of Central
Louisiana, Inc.*

Alexandria, Louisiana

December 31, 2024

United Way of Central Louisiana, Inc.

December 31, 2024

Table of Contents

	<u>Exhibit</u>	<u>Page</u>
Independent Auditor's Report.....		1-3
Financial Statements		
Statement of Financial Position.....	A	4
Statement of Activities.....	B	5
Statement of Functional Expenses.....	C	6-7
Statement of Cash Flows.....	D	8
Notes to Financial Statements.....		9-18
	<u>Schedule</u>	
Supplementary Information.....		19
Community Investment Grants.....	1	20
Schedule of Grant Revenue.....	2	21
Projected Community Investment Grants.....	3	22
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer.....	4	23
Communication of Significant Deficiencies and Material Weaknesses.....		24-31



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Independent Auditor's Report

To the Board of Directors of
United Way of Central Louisiana, Inc.

Qualified Opinion

We have audited the accompanying financial statements of United Way of Central Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 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, except for the possible effects of improper recording of pledges receivable and contribution income described in the Basis for Qualified Opinion section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of Central Louisiana, Inc. as of December 31, 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 Qualified Opinion

For the year ended December 31, 2024, pledges receivable was recorded only for January 2024 through June 2024. No pledges receivable was recorded for the remainder of the year. Contribution income was recorded with the corresponding pledges receivable for January 2024 through June 2024. For the remainder of the year, as payments were received, income was recorded rather than a reduction in pledges receivable. Board meeting minutes indicated that pledges receivable and payments needed to be reviewed for accuracy. As of the date of our audit report, no financial statement adjustments have been made. We were unable to obtain sufficient audit evidence to determine the amount by which the recorded pledges receivable and contribution income are misstated in the financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Central Louisiana, 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 qualified audit opinion.





PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
United Way of Central Louisiana, Inc.

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 Central Louisiana, 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 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, 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.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
United Way of Central Louisiana, Inc.

- 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 Central Louisiana, 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 Central Louisiana, 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 Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information in Schedules 1 through 4 on pages 20 through 23 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.

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

June 18, 2025

United Way of Central Louisiana, Inc.
Statement of Financial Position
December 31, 2024

Exhibit A

Assets	Without Donor Restrictions	With Donor Restrictions	Total
Current Assets			
Cash and cash equivalents	\$ 168,232	\$ 218,074	\$ 386,306
Certificates of deposit	643,777	-	643,777
Pledges receivable (net of estimated allowance for uncollectibles of \$33,879)	-	140,387	140,387
Grants receivable	55,000	-	55,000
Total Current Assets	<u>867,009</u>	<u>358,461</u>	<u>1,225,470</u>
Investments - Central Louisiana Community Foundation	<u>32,190</u>	<u>-</u>	<u>32,190</u>
Total Assets	<u><u>\$ 899,199</u></u>	<u><u>\$ 358,461</u></u>	<u><u>\$ 1,257,660</u></u>
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 31,302	\$ -	\$ 31,302
Accrued compensated absences	4,534	-	4,534
Deposits held on behalf of others	2,422	-	2,422
Total Current Liabilities	<u>38,258</u>	<u>-</u>	<u>38,258</u>
Net Assets			
Without donor restrictions	860,941	-	860,941
With donor restrictions	-	358,461	358,461
Total Net Assets	<u>860,941</u>	<u>358,461</u>	<u>1,219,402</u>
Total Liabilities and Net Assets	<u><u>\$ 899,199</u></u>	<u><u>\$ 358,461</u></u>	<u><u>\$ 1,257,660</u></u>

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

United Way of Central Louisiana, Inc.
Statement of Activities
Year Ended December 31, 2024

Exhibit B

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public Support and Revenue			
Public support			
Contributions of cash and other financial assets (net of current year write-offs of \$20,501)	\$ 575,882	\$ 101,084	\$ 676,966
Contributions of nonfinancial assets	13,889	-	13,889
Total Public Support	589,771	101,084	690,855
Revenue			
Grants	172,478	70,000	242,478
Investment return, net	18,598	-	18,598
Realized gain (loss) on investments	188	-	188
Unrealized gain (loss) on investments	468	-	468
Miscellaneous income	783	-	783
Total Revenue	192,515	70,000	262,515
Net assets released from restrictions			
Satisfaction of purpose and time restrictions	34,792	(34,792)	-
Total Public Support and Revenue	817,078	136,292	953,370
Allocations and Expenses			
Community services			
Financial stability	398,273	-	398,273
Education	131,020	-	131,020
Health	58,927	-	58,927
Basic needs	15,478	-	15,478
Total Community Services	603,698	-	603,698
Support services			
Management and general	201,229	-	201,229
Fundraising	101,752	-	101,752
Total Support Services	302,981	-	302,981
Total Allocations and Expenses	906,679	-	906,679
Change in Net Assets	(89,601)	136,292	46,691
Net Assets, Beginning of Year	950,542	222,169	1,172,711
Net Assets, End of Year	<u>\$ 860,941</u>	<u>\$ 358,461</u>	<u>\$ 1,219,402</u>

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

United Way of Central Louisiana, Inc.
Statement of Functional Expenses
Year Ended December 31, 2024

Exhibit C
(Continued)

	Community Services				Total
	Financial Stability	Education	Health	Basic Needs	Community Services
Salaries	\$ 195,292	\$ 56,124	\$ 22,569	\$ -	\$ 273,985
Retirement and other employee benefits	31,150	8,952	3,560	-	43,662
Payroll taxes	16,422	4,719	1,898	-	23,039
Accounting and auditing fees	-	-	-	-	-
Advertising	1,542	899	899	-	3,340
Campaign events	9,900	6,480	1,129	-	17,509
Community investment grants	38,250	34,500	16,500	13,250	102,500
Conferences and meetings	1,878	694	498	-	3,070
Contract labor	1,210	-	-	-	1,210
Depreciation	742	741	741	-	2,224
2-1-1 contract payments	38,865	-	-	-	38,865
Dues and subscriptions	1,438	1,437	1,437	-	4,312
Equipment repairs and maintenance	1,795	833	833	-	3,461
Insurance	113	113	113	-	339
Loss of grant income	-	-	-	-	-
Other donor designations and sponsorships	9,758	5,398	2,660	2,228	20,044
Printing and office supplies	392	1,846	242	-	2,480
Rent	2,716	2,781	2,311	-	7,808
Supplies	8	1,492	7	-	1,507
Telephone and computer	1,542	1,359	1,359	-	4,260
Training	152	3	3	-	158
Travel-mileage	2,490	1,072	591	-	4,153
Utilities and janitorial	2,120	1,577	1,577	-	5,274
Utility and other assistance	40,498	-	-	-	40,498
Total Functional Expenses	\$ 398,273	\$ 131,020	\$ 58,927	\$ 15,478	\$ 603,698

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

United Way of Central Louisiana, Inc.
Statement of Functional Expenses
Year Ended December 31, 2024

Exhibit C
(Concluded)

	Support Services			
	Management and General	Fundraising	Total Support Services	Combined Total
Salaries	\$ 72,782	\$ 59,692	\$ 132,474	\$ 406,459
Retirement and other employee benefits	11,603	9,521	21,124	64,786
Payroll taxes	6,117	5,019	11,136	34,175
Accounting and auditing fees	30,215	-	30,215	30,215
Advertising	9,024	1,721	10,745	14,085
Campaign events	500	9,308	9,808	27,317
Community investment grants	-	-	-	102,500
Conferences and meetings	2,354	-	2,354	5,424
✓ Contract labor	-	-	-	1,210
Depreciation	2,223	2,223	4,446	6,670
2-1-1 contract payments	-	-	-	38,865
Dues and subscriptions	5,615	-	5,615	9,927
Equipment repairs and maintenance	12,665	220	12,885	16,346
Insurance	10,806	-	10,806	11,145
Loss of grant income	14,929	-	14,929	14,929
Other donor designations and sponsorships	255	85	340	20,384
Printing and office supplies	3,092	8	3,100	5,580
Rent	6,937	6,936	13,873	21,681
Supplies	-	453	453	1,960
Telephone and computer	2,033	2,187	4,220	8,480
Training	5,690	-	5,690	5,848
Travel-mileage	212	455	667	4,820
Utilities and janitorial	4,177	3,924	8,101	13,375
Utility and other assistance	-	-	-	40,498
Total Functional Expenses	\$ 201,229	\$ 101,752	\$ 302,981	\$ 906,679

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

United Way of Central Louisiana, Inc.
Statement of Cash Flows
Year Ended December 31, 2024

Exhibit D

	Without Donor Restrictions	With Donor Restrictions	Total
Cash Flows from Operating Activities			
Change in net assets	\$ (89,601)	\$ 136,292	\$ 46,691
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:			
Depreciation	6,670	-	6,670
Unrealized (gain) loss on investments	(468)	-	(468)
Changes in operating assets and liabilities:			
Pledges receivable, net	-	(96,084)	(96,084)
Grants receivable	(343)	-	(343)
Accounts payable	28,869	-	28,869
Accrued compensated absences	1,948	-	1,948
Other current liabilities	(555)	-	(555)
Net Cash Provided by (Used in) Operating Activities	(53,480)	40,208	(13,272)
Cash Flows from Investing Activities			
Reinvestment of earnings, net	(5,912)	-	(5,912)
Net Cash Provided by (Used in) Investing Activities	(5,912)	-	(5,912)
Cash Flows from Financing Activities	-	-	-
Increase (Decrease) in Cash	(59,392)	40,208	(19,184)
Cash, Beginning of Year	227,624	177,866	405,490
Cash, End of Year	\$ 168,232	\$ 218,074	\$ 386,306

Additional Required Disclosures:

1. United Way of Central Louisiana, Inc. considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. No interest was paid during 2024.
3. No income taxes were paid during 2024.
4. There were no material noncash investing and financing transactions during 2024 that affected recognized assets or liabilities.

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

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

1. Nature of Activities and Significant Accounting Policies

Nature of Activities

United Way of Central Louisiana, Inc. (the Organization) is a nonprofit corporation located in Alexandria, Louisiana, whose mission is to empower members of the community through access to and improvement in education, health, and financial stability, including support for member agencies. Member agencies are approved by the Organization's Board of Directors after completing prescribed application procedures.

The program goals and focus are as follows:

Financial Stability

The goals of these programs are to increase the financial mobility and socioeconomic status of individuals and families. The focus is on ALICE (Asset Limited, Income Constrained, Employed), Building Stronger Families, VITA (Volunteer Income Tax Assistance), LAPRI (Louisiana Prisoner ReEntry Initiative), 2-1-1 program, Disaster Preparedness, and Power to Care. The Organization also provides community investment grants to support agencies that align with the Organization's focus and create partnerships to improve the community.

Education

The goals of these programs are to increase the number of children that are ready to enter school and that are successful in primary grades and to increase the number of youth who gain knowledge, skills, and credentials to obtain family sustaining employment. The focus is on Read Across America and Summer of Service. The Organization also provides community investment grants to support agencies that align with the Organization's focus and create partnerships to improve the community.

Health

The goal of this program is to increase access to healthcare and improve the health of individuals and families. The focus is on SingleCare. The Organization also provides community investment grants to support agencies that align with the Organization's focus and create partnerships to improve the community.

Basic Needs

The goal of this program is to provide community investment grants to support agencies that align with the Organization's focus and create partnerships to improve the community.

Basis of Accounting

The financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP). Accordingly, the financial statements reflect all significant receivables, payables, and other liabilities.

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions

Net assets without donor restrictions generally result from revenues generated by receiving contributions that have no donor-imposed restrictions, and from receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions. Net assets without donor restrictions are available for use at the discretion of the Organization's Board of Directors and management for general operating purposes. The Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

See Note 6 for more information on the composition of net assets without donor restrictions.

Net Assets with Donor Restrictions

Net assets with donor restrictions result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted. The Organization 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. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy. The Organization does not have any net assets with donor restrictions that are perpetual in nature.

See Note 7 for more information on the composition of net assets with donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of checking and savings accounts in financial institutions.

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

Certificates of Deposit

Certificates of deposit with maturity dates greater than three months are stated at cost, which approximates market value. Certificates of deposit having a maturity date greater than one year from year-end are considered long-term assets. The organization does not have any certificates of deposit with maturity dates greater than one year.

Pledges Receivable

Pledges receivable are recognized in the period in which the promise is made to the organization. If the pledges receivable are conditional promises to give, such amounts are recognized when the conditions on which they depend are substantially met. An allowance for uncollectible pledges is set up for amounts considered uncollectible.

Investments

United Way of Central Louisiana, Inc.'s investments consist of funds on deposit with the Central Louisiana Community Foundation and are reported at their fair value in the statement of financial position. Gains and losses on investments are reported as increases or decreases in the respective net asset classes.

Furniture, Fixtures, and Equipment

United Way of Central Louisiana, Inc. follows the practice of capitalizing expenditures for furniture, fixtures, and equipment at cost. It is the Organization's policy to capitalize expenditures for these items in excess of \$1,000. Depreciation is provided for on the straight-line method over the estimated useful lives of the respective assets. The cost of maintenance and repairs is charged to expense as incurred; however, significant renewals and improvements are capitalized. Donated items, including property and equipment, are recorded at fair market value, if material and reasonably determinable, at the time of donation.

Deposits Held on Behalf of Others

Deposits held on behalf of others represent cash held in the name of United Way of Central Louisiana, Inc. in an agency capacity.

Revenue Recognition

The Organization reports public support contributions as support 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, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Support and revenue that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized.

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

The Organization reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Funds with donor restrictions are used to differentiate the resources whose use is restricted by donors or grantors from the resources on which donors or grantors have placed no restriction or the resources that arise as a result of the operations of the Organization for its stated purpose.

Grant revenues are recognized in the period the Organization meets the conditions for revenue recognition. Revenue associated with cost-reimbursement grants is recognized in the period the related expenses are incurred.

Donated Services

The Organization receives contributed services from its Board members and from numerous community volunteers who assist in fundraising and the member agency allocation process. No amounts have been reflected in the financial statements for donated services, since the services are not professional in nature and, as such, do not meet the criteria for recognition as donated services under generally accepted accounting principles. The Organization pays for most services requiring specific expertise.

Contributions of Nonfinancial Assets

Payments made by United Way of Central Louisiana, Inc. to The Rapides Foundation are below the fair market value of comparable office facilities. Contributions of nonfinancial assets and rent expense of \$13,889 has been included in the statement of activities. Other contributions of nonfinancial assets may be received by the Organization from various individuals and businesses. During the year ended December 31, 2024, United Way of Central Louisiana, Inc. received donations of books, clothes, shoes, and a gift card with a total fair value of \$3,600, which is not recorded as contributions of nonfinancial assets and functional expenses in the statement of activities.

Designations

Through the United Way of Central Louisiana, Inc.'s annual employer campaigns, donors can direct their gifts to a member agency or any qualified organization in the United States over which the United Way of Central Louisiana, Inc. exercises no discretion as to use due to donor instruction. In order to qualify, an organization must meet the following three criteria: (1) fully tax exempt, (2) donations are 100% tax deductible, and (3) in full compliance with The Federal Patriot Act laws. As a member of United Way Worldwide, the Organization adheres to all membership criteria including the requirements for deducting administrative fees from donor-directed pledges.

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

Functional Allocation of Expenses

Costs incurred by the Organization from providing various community and support services have been presented on a functional basis in the statement of functional expenses. Accordingly, costs have been allocated on a reasonable and consistent basis among the functional areas benefited. Most expenses are charged directly to program or support services based on specific identification. Salaries, benefits, and payroll taxes are allocated based on estimates of time and effort. Expenses related to more than one function are charged to program or support services using management's estimate of the activities benefited. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Fundraising and Management and General Rates

United Way Worldwide issues guidance to local United Ways under Standard M which defines the maximum allowable fundraising and management and general rates that a United Way agency should deduct from designated donor pledges. Standard M provides a calculation method which results in maximum allowable rates using a three-year average. The result of the fundraising expense formula based on United Way Worldwide's guidance for United Way of Central Louisiana, Inc. was 11.4% based on the three year period ending December 31, 2023. The rate for the year ended December 31, 2024, based on the audited financial statements and the statement of functional expenses was 14.7%. During 2024, United Way of Central Louisiana, Inc. assessed fundraising fees of 8.0% on donor designated gifts, up to a maximum cap of \$100 per gift.

The result of the management and general expense formula based on United Way Worldwide's guidance for United Way of Central Louisiana, Inc. was 15.0% based on the three year period ending December 31, 2023. The rate for the year ended December 31, 2024, based on the audited financial statements and the statement of functional expenses was 21.1%. During 2024, United Way of Central Louisiana, Inc. assessed management and general fees of 8.0% on donor designated gifts, up to a maximum cap of \$100 per gift.

Income Taxes

United Way of Central Louisiana, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and comparable Louisiana law. The Organization is not classified as a private foundation. Since the Organization is exempt from federal and state income tax liability, no provision is made for current or deferred income tax expense.

For the year ended December 31, 2024, management of United Way of Central Louisiana, Inc. believes it has adequate support for all material tax positions, and that it is more likely than not, based on the technical merits, that the positions will be sustained upon examination.

All tax-exempt entities are subject to review and audit by federal, state, and other applicable agencies. Such agencies may review the taxability of unrelated business income or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes. With few exceptions, United Way of Central Louisiana, Inc. is no longer subject to U.S. federal tax examinations for the years before 2021.

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

Advertising Costs

Advertising costs are expensed when incurred. Advertising costs charged to expense for the year ended December 31, 2024, totaled \$14,085.

Subsequent Events

Management has evaluated subsequent events through June 18, 2025, the date which the financial statements were available for use. Management's evaluation revealed no subsequent events that require adjustment to or disclosure in the financial statements.

2. Certificates of Deposit

Certificates of deposit consist of several certificates located at various local financial institutions. All of the certificates are scheduled to mature within the next twelve months and earn interest at various rates.

3. Pledges Receivable and Campaign Summaries

Pledges receivable shown on the financial statements consist of the unpaid balance of pledges made for the 2023 and 2024 campaigns. Gross pledges receivable totaling \$174,266 is shown net of the allowance for uncollectibles of \$33,879. In the opinion of management, the allowance for uncollectibles at December 31, 2024, is considered adequate.

Campaign totals for the Fall 2024 campaign and each of the six preceding years are shown below together with the amounts uncollected/uncollectible and applicable percentages.

<u>Year</u>	<u>Total Campaign Pledges</u>	<u>Amount Uncollected/ Uncollectible</u>	<u>Percent</u>
Fall 2018 campaign	1,057,945	57,867	5.47
Fall 2019 campaign	784,216	52,526	6.70
Fall 2020 campaign	595,077	22,350	3.76
Fall 2021 campaign	633,942	32,646	5.15
Fall 2022 campaign	429,409	27,031	6.29
Fall 2023 campaign (in progress)	381,482	20,814	5.46
Fall 2024 campaign (in progress)	73,823	13,065	17.70

4. Investments - Central Louisiana Community Foundation

In April 2023, United Way of Central Louisiana, Inc. established a non-endowed agency fund at the Central Louisiana Community Foundation (the Foundation), by transferring \$28,945 into this fund. The fund is held by the Foundation for the purpose of administering funds as endowments for various charitable and educational purposes and organizations primarily in the Central Louisiana community. These funds are not subjected to restrictions whether by donor or otherwise, nor are they required to be held permanently or for any designated purposes other than charitable purposes within the corporate powers of United Way of Central Louisiana, Inc. The principle may be expended in whole or in part as stated in the agreement.

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

United Way of Central Louisiana, Inc. may request distribution of all or part of the principal it contributes to the fund. The Board of the Foundation will grant such a request if it concludes that such a distribution is consistent with the charitable purposes of the Foundation, which may be deferred for up to 90 days in order to permit orderly and timely liquidation of assets to meet the request. If the Foundation ceases to be a qualified charitable organization or if the Foundation proposes to dissolve, the assets of the fund shall be distributed to United Way of Central Louisiana, Inc. At that time if United Way of Central Louisiana, Inc. is not then a qualified charitable organization, the Foundation shall distribute the assets of the fund in a manner and to any organization serving the Central Louisiana community that satisfy the requirements of a qualified charitable organization and serve purposes similar to those of the United Way of Central Louisiana, Inc. The investments are presented in the financial statements at fair value of \$32,190 at December 31, 2024, as reported by the Central Louisiana Community Foundation.

United Way of Central Louisiana, Inc. is required to disclose estimated fair value for all financial instruments and non-financial instruments measured at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining the fair value, the Organization uses Level 2 as their valuation approach. Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels as follows:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

United Way of Central Louisiana, Inc. uses the appropriate valuation technique based on the available inputs to measure the fair value of its investments.

Description	Cost	Fair Value Measurement at Reporting Date Using			
		Total 12/31/24	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments - Central Louisiana Community Foundation	\$ 28,945	\$ 32,190	\$ -	\$ 32,190	\$ -

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

5. Furniture, Fixtures, and Equipment

	<u>Recorded Value</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Furniture, fixtures, and equipment	\$ 117,951	\$ 117,951	\$ -

The depreciation provision amounted to \$6,670 for the current year.

6. Net Assets Without Donor Restrictions

The Organization's net assets without donor restrictions at the end of the year totaled \$860,941. Of this amount, \$90,000 was Board designated to be used for community investment in 2025. The remaining balance of \$770,941 represents undesignated net assets.

7. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

Purpose Restrictions	
Financial success center	\$ 7,999
Financial stability roundtable	99
Hope House literacy program	9,000
Disaster relief	72,311
Volunteer Income Tax Assistance Program (VITA)	94,024
Asset Limited, Income Constrained, Employed Program (ALICE)	17,521
Cleanup event	2,120
Venture grant program	10,000
Financial empowerment	5,000
Time Restrictions	
Campaign contributions pledged for future years	140,387
	<u>\$ 358,461</u>

8. Office Facilities

United Way of Central Louisiana, Inc. entered into an agreement with The Rapides Foundation for use of office facilities effective January 1, 2018, consisting of monthly payments for rental and janitorial expenses. There has been no written agreement since 2018 and the monthly payments have not changed. The monthly payments for the year ended December 31, 2024, were \$996. Total amount paid in 2024 was \$11,947.

9. Retirement Plan

United Way of Central Louisiana, Inc. has a non-contributory defined contribution retirement plan available to all eligible employees after two years of employment. The Organization contributes 6% of eligible participant compensation into a Flexible Annuity Plan. Upon eligibility, employees may also choose to contribute through payroll deduction into a separate but optional Tax-Deferred Annuity (TDA). Organizational contributions to the Flexible Annuity Plan for the year ended December 31, 2024, totaled \$1,436.

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

10. Commitments

United Way of Central Louisiana, Inc. conducts employer campaigns to raise support for community investment each year beginning in June and concluding by January of the following year. Campaign funds are distributed to participating agencies beginning on January 1 as final pledges are collected at the conclusion of the campaign. Allocations payable to agencies for the year ended December 31, 2025, based on the 2024 campaign are estimated to total \$90,000. The Organization considers allocations payable to be conditional promises to give. Accordingly, no amounts have been recognized on the accompanying statement of financial position or activities as of and for the year ended December 31, 2024.

11. Significant Concentrations

Credit Risk

Cash and certificates of deposit are deposited with financial institutions in the Central Louisiana area. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. Uninsured cash at December 31, 2024 totaled \$16,216.

The Organization does not maintain collateral for its receivables. Credit risk with respect to pledges receivable is subject to the inherent nature of such receivables, however, is limited due to the large number of donors comprising the Organization's donor base.

Support Risk

United Way of Central Louisiana, Inc. relies primarily on voluntarily contributed support from companies and individuals in the Central Louisiana area. Declines in the economic condition of the area could significantly affect the Organization's ability to reach campaign goals, provide community services, and to provide continued support to its member agencies.

12. Liquidity and Availability of Financial Assets

The following reflects United Way of Central Louisiana, Inc.'s financial assets as of December 31, 2024, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations.

	<u>2024</u>
Financial assets:	
Cash	\$ 386,306
Certificates of deposit	643,777
Pledges receivable, net, collected in less than one year	140,387
Grants receivable, net, collected in less than one year	55,000
Investments – Central Louisiana Community Foundation	<u>32,190</u>
Financial assets at year-end	<u>1,257,660</u>
Less those unavailable for general expenditure within one year. due to:	
Restricted by donors with purpose restrictions	(218,074)
Restricted by donors with time restrictions	(140,387)
Financial assets held for others	<u>(2,422)</u>
Total amount unavailable for general expenditure within one year	<u>(360,883)</u>

United Way of Central Louisiana, Inc.
December 31, 2024
Notes to Financial Statements

	<u>2024</u>
Amounts unavailable to management without Board's approval:	
Board designated for community investment	<u>(90,000)</u>
Total amount unavailable to management without Board's approval	<u>(90,000)</u>
 Total financial assets available to meet cash needs for general expenditures within one year	 \$ 806,777

The Organization must maintain sufficient resources to meet responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations come due. The Organization also has a policy to invest cash in excess of daily requirements in short term investments such as certificates of deposit and money market accounts. In addition, the Organization operates with a balanced budget and anticipates covering its general expenditures by collecting sufficient revenues, and by utilizing donor-restricted resources from current and prior years' campaign contributions and grant funds.

13. Related Party Transactions

United Way of Central Louisiana, Inc. pays affiliated dues to the United Way Worldwide and the Louisiana Association of United Ways. Total dues paid for the year ended December 31, 2024 were \$8,842 and are included in dues and subscriptions expense.

Supplementary Information

**United Way of Central Louisiana, Inc.
Community Investment Grants
Year Ended December 31, 2024**

Schedule 1

<u>Agency/Program</u>	<u>Amount</u>
American Red Cross	\$ 11,000
Big Brothers Big Sisters of Southwest Louisiana	5,500
Boy Scouts of America Louisiana Purchase Council	5,000
Central LA AIDS Support Services (CLASS)	6,000
Children's Advocacy Network	15,500
Faith House	10,000
Hope House of Central Louisiana	15,500
Limitless Christian Academy	3,000
Rapides Parish School Board	10,500
Volunteers of America	10,000
YWCA of Alexandria-Pineville	10,500
Total Allocations and Designations to Partner Agencies	<u>\$ 102,500</u>

See independent auditor's report.

United Way of Central Louisiana, Inc.
Schedule of Grant Revenue
Year Ended December 31, 2024

Schedule 2

Grantor	Program/Purpose	Amount
Louisiana Department of Public Safety and Corrections	Louisiana Prisoner Reentry Initiative (LAPRI)	\$ 30,000
Rapides Foundation	Summer of service	5,000
Capital One Bank	VITA and financial literacy	25,000
Virginia Martin Howard Foundation	ALICE	15,000
Louisiana Association of United Ways	3 empowerment coaches	137,478
Entergy	Super Tax Day/VITA	<u>30,000</u>
Total Grant Revenue		<u>\$ 242,478</u>

See independent auditor's report.

**United Way of Central Louisiana, Inc.
Projected Community Investment Grants
Year Ended December 31, 2024**

Schedule 3

Pending a successful campaign and procurement of other funding, the year ending December 31, 2025, community investment grants will be as follows:

Agency/Program	Amount
American Red Cross	\$ 11,000
Boy Scouts of America Louisiana Purchase Council	5,000
Big Brothers Big Sisters of Southwest Louisiana	3,000
Central LA AIDS Support Services (CLASS)	5,000
Children's Advocacy Network	15,000
Faith House	9,000
Grant Parish School Board	10,000
Hope House of Central Louisiana	10,000
Rapides Parish School Board	7,000
Volunteers of America	5,000
YWCA of Alexandria-Pineville	10,000
Total Projected Community Investment Grants	\$ 90,000

See independent auditor's report.

**United Way of Central Louisiana, Inc.
Schedule of Compensation, Benefits and
Other Payments to Agency Head or
Chief Executive Officer
Year Ended December 31, 2024**

Schedule 4

Agency Head Name: Michelle Purl

Public funds were used to make payments to the agency head during the year ended December 31, 2024 as follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 13,139

See independent auditor's report.

**Communication of Significant Deficiencies
and Material Weaknesses**



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

June 18, 2025

To the Board of Directors of
United Way of Central Louisiana, Inc.

In planning and performing our audit of the financial statements of United Way of Central Louisiana, Inc. (the Organization) as of and for the year ended December 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the United Way of Central Louisiana, Inc.'s system of 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in United Way of Central Louisiana, Inc.'s internal control to be material weaknesses.

Pledges Receivables and Contribution Income

Criteria: Accounting standards require unconditional promises to give to be reported as a receivable and contribution income in the period the promise is received. As payments are received, the receivable is reduced.

Condition and Context: For the year ended December 31, 2024, pledges receivable was recorded only for January through June. No pledges receivable was recorded for the remainder of the year. Contribution income was recorded with the corresponding pledges receivable for January through June. For the remainder of the year, as payments were received, income was recorded rather than a reduction of the receivable. Board meeting





PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
United Way of Central Louisiana, Inc.

minutes in March 2024 noted that donor information was not recorded properly, and, again, beginning in January 2025 through March 2025, minutes indicate the pledges receivable and payments needed to be reviewed for accuracy. As of the date of our audit report, the financial statement adjustments have not been made to correctly report the pledges receivable and contribution income.

Cause and Effect: Accounting personnel did not follow proper accounting standards for reporting unconditional promises to give and corresponding payments received resulting in financial statement misstatements and a qualified audit opinion.

Recommendation: We recommend that unconditional promises to give along with payments received be recorded properly in the financial statements and reconciled to subsidiary records to ensure accurate financial reporting.

Management's Response: United Way of Central Louisiana, Inc. will ensure staff are properly trained. United Way of Central Louisiana, Inc. will formulate an agreement with the CPA firm to ensure proper guidelines and processes are met and ensure donations are recorded accurately. Monthly review of reconciliations by OPEX and supporting documentation will be provided upon request.

Grant Management

Criteria: After receiving grant funds, it is critical to maintain a grant management process for monitoring each grant's usage to ensure compliance with grant requirements.

Condition and Context: In 2023 United Way of Central Louisiana, Inc. was awarded an Emergency Food and Shelter Program grant and incurred \$14,929 in grant expenses. A receivable was recorded at December 31, 2023 equivalent to these expenses. During the year ended December 31, 2024, the Organization lost this grant funding due to improper reporting. Also, no adjustment was made to the grant receivable; therefore, an audit adjustment was required.

In reviewing grant documents and reconciling grant revenue to the financial statements for the year ended December 31, 2024, we noted \$72,478 in grants revenue that was improperly reported in the financial statements as follows: \$44,706 of grants revenue was incorrectly recorded as a reduction in pledges receivable and \$27,772 was not recorded as grants receivable. An audit adjustment was made to correct grants receivable and grants revenue in the financial statements.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
United Way of Central Louisiana, Inc.

For the year ended December 31, 2024, the Organization received funding for VITA and financial literacy programs; however, the funds were used for utility assistance without written authorization from the grantor.

Cause and Effect: Failure to comply with grant requirements and inadequate internal controls over grant financial reporting resulted in loss of grant funding and material audit adjustments to correct grants receivable and grants revenue. Spending grant funds outside the scope of the grant agreement without prior written consent of the grantor could result in the monies being returned to the funding agency and impair the ability to receive future funding.

Recommendation: We recommend that policies and procedures be established for all aspects of grant management that include financial reporting and monitoring to ensure that grant requirements are satisfied and that financial reporting is accurate and reliable. Grant revenue and receivables should be reconciled to grant records to ensure proper financial reporting. Also, the Organization should obtain and maintain written documentation of correspondence with funding agencies prior to utilizing funds outside the scope of the funding agreement.

Management's Response: The United Way of Central Louisiana, Inc. will ensure that any amendments or changes in usage are recorded via written documentation. United Way of Central Louisiana, Inc. will ensure accurate information is recorded on invoice to cover scope of activity.

Credit Card Purchases

Criteria: Internal controls over credit card purchases are crucial for preventing fraud, errors, and misuse of the Organization's funds.

Condition and Context: In our test of five (5) credit card statements that included a total of one hundred thirty-three (133) transactions for the year ended December 31, 2024, we noted the following: seventy-one (71) transactions had no purchase order or any other evidence of approval, fifty-seven (57) transactions had no receipt, sixteen (16) transactions included purchase orders that were dated after the purchase date or purchase orders that were not approved, and one (1) transaction included a receipt that did not match the charge on the credit card statement. We also noted that two (2) of the five (5) statements tested included late fees and interest totaling \$456.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
United Way of Central Louisiana, Inc.

Cause and Effect: Failure to follow policies and procedures caused purchases to be made without prior approval and without proper supporting receipts.

Recommendation: We recommend that the Organization establish clear policies over credit card purchases that require pre-approval and reconciliation of credit card statements with receipts.

Management's Response: The United Way of Central Louisiana, Inc. has changed the purchase order form to ensure the date is accurate for purchases. United Way of Central Louisiana, Inc. will establish a policy for when purchases totals differ from original request. United Way of Central Louisiana, Inc. will adhere to policy and pay entire credit card balance on time.

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. We consider the following deficiencies in United Way of Central Louisiana, Inc.'s internal control to be significant deficiencies:

Certificates of Deposit and Investment Account Reconciliations

Criteria: Internal controls over certificates of deposit and investment balance reconciliations are designed to ensure the accuracy, completeness, and validity of these account records. These controls help prevent and detect errors or fraud in investment accounting and reporting. Effective controls include regular reconciliations of the general ledger balance to the bank statements.

Condition and Context: In confirming certificates of deposit balances with the financial institutions, we noted that four (4) out of the Organization's total seven (7) certificates of deposit had bank balances different from general ledger balances in the amount of \$7,358, which represents unrecorded investment return.

We also noted that the Statement of Activity from the Central Louisiana Community Foundation for the period January 1, 2024 through December 31, 2024 showed a \$30,705 beginning balance at January 1, 2024, which is different from the \$30,742 balance at December 31, 2023. This difference was not noticed by the Organization.

Cause and Effect: Failure to reconcile certificates of deposit and investment balances to bank and investment statements resulted in investment return being understated in the financial statements and errors in reporting not being investigated and resolved.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
United Way of Central Louisiana, Inc.

Recommendation: We recommend regular and timely reconciliations between the financial statements and investment records.

Management's Response: United Way of Central Louisiana, Inc. will ensure interest is recorded quarterly.

Investment Account Fees

Criteria: Accounting standards require nonprofits to report investment return net of related investment expenses on their statement of activities.

Condition and Context: For the year ended December 31, 2024, the Organization recorded investment fees of \$345 to bank charges expense.

Cause and Effect: Failure to follow accounting standards for nonprofits cause financial statement misstatements.

Recommendation: We recommend that the Organization follow applicable accounting standards for recording investment fees on their statement of activities.

Management's Response: United Way of Central Louisiana, Inc. had a change in financial personnel and a proper change in accounts was not given for access. United Way of Central Louisiana, Inc. will establish a master account and password list that can provide continuity in the event of employee turnover. United Way of Central Louisiana, Inc. will follow applicable accounting standards for recording investment fees on activities.

Voided Checks

Criteria: Implementing controls over the accounting for voided checks ensure accurate financial reporting.

Condition and Context: In July 2024 a check in the amount of \$2,988 was voided, but not properly removed from the general ledger.

Cause and Effect: Failure to record a voided check in the accounting system causes financial statement misstatements.

Recommendation: We recommend that the accounting system is immediately updated upon voiding a check.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
United Way of Central Louisiana, Inc.

Management's Response: United Way of Central Louisiana, Inc. will preserve voided checks and files until destroyed within document retention policy. United Way of Central Louisiana, Inc. will update the accounting system immediately when a voided check is identified.

Check and Journal Entry Numbers

Criteria: Sequentially numbered checks and journal entries are crucial for efficient record keeping, fraud prevention, and streamlined reconciliation processes. The consecutive numbering provides a clear, chronological order for each transaction, making it easier to track checks and journal entries and identify any missing or duplicate items.

Condition and Context: For the year ended December 31, 2024, checks and journal entries were not numbered in sequential order by date. We also noted duplicate check numbers recorded in the general ledger.

Cause and Effect: Writing checks and journal entries out of sequential order can lead to potential consequences impacting financial accuracy and security.

Recommendation: We recommend that checks and journal entries are sequentially numbered.

Management's Response: United Way of Central Louisiana, Inc. will ensure checks and journal entries are in sequential order.

Community Investment Grants

Criteria: The Organization awards grants to various entities in the Central Louisiana region each year according to board approved designations.

Condition and Context: For the year ended December 31, 2024, the Organization disbursed \$2,500 more in community impact grants than the board's approved designations.

Cause and Effect: Failure to review actual spending against budgeted amounts resulted in a variance.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
United Way of Central Louisiana, Inc.

Recommendation: We recommend that the Organization monitor payments against board designations to avoid over spending.

Management's Response: United Way of Central Louisiana, Inc. will establish a process that ensures grants are paid appropriately and designations are paid in separate payment.

This communication is intended solely for the information and use of management, the Board of Directors, and the OPEX Committee of United Way of Central Louisiana, Inc. and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Payne, Moore & Herrington, LLP

Payne, Moore, & Herrington, LLP
Alexandria, Louisiana