

UNITED WAY OF THE CENTRAL SAVANNAH  
RIVER AREA, INC.  
FINANCIAL STATEMENTS  
DECEMBER 31, 2022 AND 2021

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## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
United Way of the Central Savannah River Area, Inc.  
Augusta, Georgia

### **Opinion**

We have audited the accompanying financial statements of United Way of the Central Savannah River Area, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of the Central Savannah River Area, Inc. as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Information section of our report. We are required to be independent of United Way of the Central Savannah River Area, 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 the Central Savannah River Area, 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 Information**

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 the Central Savannah River Area, 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 the Central Savannah River Area, 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.



### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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 July 11, 2023, on our consideration of United Way of the Central Savannah River Area, 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 the United Way of the Central Savannah River Area, 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 the Central Savannah River Area, Inc.'s internal control over financial reporting and compliance.

*Serotta Maddocks Evans & Co.*

SEROTTA MADDOCKS EVANS & CO., CPAs

Augusta, Georgia  
July 11, 2023

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2022 AND 2021

	2022	2021
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 656,833	\$ 1,169,144
Restricted cash	783,387	495,090
Pledges receivable, net of provision for uncollectible pledges	461,297	331,350
Accounts receivable	867,336	309,943
Prepaid expenses	23,656	54,310
Other assets	5,002	5,002
Total Current Assets	2,797,511	2,364,839
<b>NON-CURRENT ASSETS</b>		
Equipment, net	33,236	22,829
Right of use assets	268,816	-
Other assets	2,906	7,909
Beneficial interest in assets held by Community Foundation	127,867	152,888
Total Assets	\$ 3,230,336	\$ 2,548,465
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 99,449	\$ 118,795
Amounts payable to designated agencies	128,252	58,416
Allocations payable	375,476	334,043
Current portion of leases payable	44,360	-
Deferred revenue	224,359	29,610
Total Current Liabilities	871,896	540,864
<b>LONG-TERM LIABILITIES</b>		
Lease liability, net of current portion	219,573	-
Other long-term liabilities	2,906	7,909
Total Liabilities	1,094,375	548,773
<b>NET ASSETS</b>		
Without donor restrictions	1,192,327	1,176,551
With donor restrictions:		
Total restricted campaign funds, net	727,002	668,790
Various local initiatives	105,057	42,776
Purpose restricted for United Service Organization	80,000	80,000
Quasi-endowment fund	31,575	31,575
Total net assets with donor restrictions	943,634	823,141
Total Net Assets	2,135,961	1,999,692
	\$ 3,230,336	\$ 2,548,465

SEE NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Campaign revenue			
Campaign contributions	\$ 1,546,762	\$ 833,430	\$ 2,380,192
Less: Donor designations	(271,726)	(89,470)	(361,196)
Less: Provision for uncollectible pledges	(124,463)	(25,719)	(150,182)
Net campaign revenue	<u>1,150,573</u>	<u>718,241</u>	<u>1,868,814</u>
Special events	900	5,500	6,400
Service fees	36,919	-	36,919
Emergency rental assistance grant	4,873,582	-	4,873,582
Grants	72,217	56,000	128,217
Contributions of nonfinancial assets	476,131	-	476,131
Net investment loss	(23,185)	-	(23,185)
Miscellaneous income	13,153	-	13,153
Other donations and contributions	<u>64,171</u>	<u>-</u>	<u>64,171</u>
Total revenues before releases from restriction	6,664,461	779,741	7,444,202
Net assets released from restriction	<u>659,248</u>	<u>(659,248)</u>	<u>-</u>
Total Revenue	<u>7,323,709</u>	<u>120,493</u>	<u>7,444,202</u>
Functional expenses			
Program services			
Allocations to agencies	1,112,148	-	1,112,148
Less: Donor designations	(361,196)	-	(361,196)
Net funds awarded/distributed	<u>750,952</u>	<u>-</u>	<u>750,952</u>
Emergency rental assistance	4,873,582	-	4,873,582
Community impact	371,512	-	371,512
Grants	331,032	-	331,032
2-1-1	191,630	-	191,630
Total program services	<u>6,518,708</u>	<u>-</u>	<u>6,518,708</u>
Supporting services			
Management, general and marketing	344,469	-	344,469
Fundraising	444,756	-	444,756
Total supporting services	<u>789,225</u>	<u>-</u>	<u>789,225</u>
Total Allocations and Functional Expenses	<u>7,307,933</u>	<u>-</u>	<u>7,307,933</u>
Change in net assets	15,776	120,493	136,269
NET ASSETS - beginning of year	<u>1,176,551</u>	<u>823,141</u>	<u>1,999,692</u>
NET ASSETS - end of year	<u>\$ 1,192,327</u>	<u>\$ 943,634</u>	<u>\$ 2,135,961</u>

SEE NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Campaign revenue			
Campaign contributions	\$ 1,254,995	\$ 674,068	\$ 1,929,063
Less: Donor designations	(190,603)	(5,510)	(196,113)
Less: Provision for uncollectible pledges	(101,267)	(16,700)	(117,967)
Net campaign revenue	<u>963,125</u>	<u>651,858</u>	<u>1,614,983</u>
Special events	-	2,500	2,500
Service fees	39,578	-	39,578
Emergency rental assistance grant	5,706,482	-	5,706,482
Grants	62,418	20,000	82,418
Contributions of nonfinancial assets	462,756	-	462,756
Net investment income	24,519	-	24,519
Miscellaneous income	6,120	-	6,120
COVID-19 funds	176,157	-	176,157
Other donations and contributions	<u>51,316</u>	<u>-</u>	<u>51,316</u>
Total revenues before releases from restriction	7,492,471	674,358	8,166,829
Net assets released from restriction	<u>818,915</u>	<u>(818,915)</u>	<u>-</u>
Total Revenue	<u>8,311,386</u>	<u>(144,557)</u>	<u>8,166,829</u>
Functional expenses			
Program services			
Total Community Investments	864,201	-	864,201
Less: Donor designations	(196,114)	-	(196,114)
Net funds awarded/distributed	<u>668,087</u>	<u>-</u>	<u>668,087</u>
Emergency rental assistance	5,702,477	-	5,702,477
Community impact	386,378	-	386,378
Grants	253,893	-	253,893
2-1-1	279,788	-	279,788
Total program services	<u>7,290,623</u>	<u>-</u>	<u>7,290,623</u>
Supporting services			
Management, general and marketing	299,936	-	299,936
Fundraising	392,450	-	392,450
Total supporting services	<u>692,386</u>	<u>-</u>	<u>692,386</u>
Total Allocations and Functional Expenses	<u>7,983,009</u>	<u>-</u>	<u>7,983,009</u>
Change in net assets	328,377	(144,557)	183,820
NET ASSETS - beginning of year	<u>848,174</u>	<u>967,698</u>	<u>1,815,872</u>
NET ASSETS - end of year	<u>\$ 1,176,551</u>	<u>\$ 823,141</u>	<u>\$ 1,999,692</u>

SEE NOTES TO FINANCIAL STATEMENTS



UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2022

	Program Services					Support Services				Total
	Community Investments	Emergency Rental	Grants	Community Impact	2-1-1	Total Program Services	Management and General	Resource Development and Fundraising	Total Support Services	
<b>Expenses</b>										
Total Community Investments	\$ 1,112,148	\$ 4,541,499	\$ 32,996	\$ 17,672	\$ 8,812	\$ 5,713,127	\$ -	\$ -	\$ -	\$ 5,713,127
Less donor designations	(361,196)	-	-	-	-	(361,196)	-	-	-	(361,196)
Net agency grants	750,952	4,541,499	32,996	17,672	8,812	5,351,931	-	-	-	5,351,931
<b>Salaries and related expenses</b>										
Salaries	-	214,005	34,872	88,687	36,265	373,829	203,316	235,008	438,324	812,153
Health and life insurance	-	-	-	14,774	28,677	43,451	17,780	30,794	48,574	92,025
Retirement	-	-	-	10,895	18,512	29,407	18,838	21,263	40,101	69,508
Payroll taxes	-	16,349	2,668	6,817	2,775	28,609	15,799	18,151	33,950	62,559
Sub-total	-	230,354	37,540	121,173	86,229	475,296	255,733	305,216	560,949	1,036,245
<b>Other expenses</b>										
Professional fees	-	78,844	-	2,017	37	80,898	-	3,479	3,479	84,377
Advertising	-	-	-	70	-	70	4,979	4,315	9,294	9,364
Supplies - campaign/office	-	3,317	2,869	1,066	709	7,961	2,334	13,720	16,054	24,015
Awards	-	-	-	147	-	147	-	2,854	2,854	3,001
Telephone	-	-	9,129	919	5,044	15,092	1,021	1,714	2,735	17,827
Postage	-	-	-	117	-	117	495	1,811	2,306	2,423
Occupancy	-	13,650	-	14,843	15,520	44,013	18,113	35,389	53,502	97,515
Printing	-	-	317	5,026	810	6,153	2,175	12,440	14,615	20,768
Subscriptions	-	100	11,339	7,655	-	19,094	2,434	4,494	6,928	26,022
Local transportation	-	-	648	107	-	755	19	3,531	3,550	4,305
Conferences and training	-	-	-	550	-	550	2,677	4,494	7,171	7,721
Meetings	-	413	103	777	-	1,293	958	1,181	2,139	3,432
Special events	-	-	-	7,652	448	8,100	7,328	20,686	28,014	36,114
Membership dues	-	-	-	495	305	800	4,767	650	5,417	6,217
General insurance	-	-	-	905	1,612	2,517	1,115	1,725	2,840	5,357
AmericaCorps VISTA Program fee expense	-	-	-	22,811	-	22,811	-	-	-	22,811
Gifts in-kind	-	-	275,452	119,475	58,648	453,575	6,442	12,345	18,787	472,362
Miscellaneous	-	1,405	1,119	974	301	3,799	9,327	294	9,621	13,420
Sub-total other expenses	-	97,729	300,976	185,606	83,434	667,745	64,184	125,122	189,306	857,051
Audit	-	4,000	-	-	-	4,000	16,500	-	16,500	20,500
Depreciation expenses	-	-	-	2,337	4,373	6,710	2,596	4,360	6,956	13,666
United Way Worldwide Investment	-	-	-	4,244	8,782	13,026	5,456	10,058	15,514	28,540
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u>\$ 750,952</u>	<u>\$ 4,873,582</u>	<u>\$ 371,512</u>	<u>\$ 331,032</u>	<u>\$ 191,630</u>	<u>\$ 6,518,708</u>	<u>\$ 344,469</u>	<u>\$ 444,756</u>	<u>\$ 789,225</u>	<u>\$ 7,307,933</u>

SEE NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2021

	Program Services					Support Services				Total
	Community Investments	Emergency Rental Assistance	Grants	Community Impact	2-1-1	Total Program Services	Management and General	Resource Development and Fundraising	Total Support Services	
<b>Expenses</b>										
Total Community Investments	\$ 864,201	\$ 5,476,826	\$ 10,161	\$ 12,645	\$ 58,107	\$ 6,421,940	\$ -	\$ -	\$ -	\$ 6,421,940
Less donor designations	(196,114)	-	-	-	-	(196,114)	-	-	-	(196,114)
Net agency grants	668,087	5,476,826	10,161	12,645	58,107	6,225,826	-	-	-	6,225,826
<b>Salaries and related expenses</b>										
Salaries	-	102,873	40,454	71,260	97,390	311,977	182,777	233,585	416,362	728,339
Health and life insurance	-	-	-	13,957	29,636	43,593	16,996	29,141	46,137	89,730
Retirement	-	-	-	10,073	17,725	27,798	19,372	16,699	36,071	63,869
Payroll taxes	-	7,870	3,003	5,377	6,910	23,160	13,869	17,907	31,776	54,936
Sub-total	-	110,743	43,457	100,667	151,661	406,528	233,014	297,332	530,346	936,874
<b>Other expenses</b>										
Professional fees	-	96,618	-	10,237	21,685	128,540	-	1,935	1,935	130,475
Advertising	-	-	-	65	-	65	977	2,935	3,912	3,977
Supplies - campaign/office	-	7,304	832	1,474	662	10,272	1,406	5,795	7,201	17,473
Awards	-	-	-	107	-	107	68	1,841	1,909	2,016
Postage	-	-	-	32	-	32	274	2,308	2,582	2,614
Occupancy	-	7,403	-	11,393	18,251	37,047	14,404	25,630	40,034	77,081
Printing	-	-	488	5,191	649	6,328	765	8,762	9,527	15,855
Subscriptions	-	-	-	110	-	110	2,659	398	3,057	3,167
Local transportation	-	-	667	144	-	811	22	2,657	2,679	3,490
Conferences and training	-	-	-	106	-	106	2,075	225	2,300	2,406
Meetings	-	2,240	-	1,267	286	3,793	622	1,754	2,376	6,169
Special events	-	-	-	2,964	-	2,964	-	8,185	8,185	11,149
Membership dues	-	-	-	250	305	555	2,387	1,270	3,657	4,212
General insurance	-	-	-	667	1,341	2,008	795	1,444	2,239	4,247
AmeriCorps VISTA Program fee	-	-	-	7,670	-	7,670	-	-	-	7,670
Special initiatives	-	-	-	-	-	-	-	-	-	-
Gifts in-kind	-	-	329,743	90,978	10,706	431,427	8,033	13,004	21,037	452,464
Miscellaneous	-	1,343	1,030	899	266	3,538	7,531	284	7,815	11,353
Sub-total other expenses	-	114,908	332,760	133,554	54,151	635,373	42,018	78,427	120,445	755,818
Audit	-	-	-	-	-	-	15,500	-	15,500	15,500
Depreciation expenses	-	-	-	480	965	1,445	572	1,039	1,611	3,056
United Way Worldwide Investment	-	-	-	6,547	14,904	21,451	8,832	15,652	24,484	45,935
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 668,087</b>	<b>\$ 5,702,477</b>	<b>\$ 386,378</b>	<b>\$ 253,893</b>	<b>\$ 279,788</b>	<b>\$ 7,290,623</b>	<b>\$ 299,936</b>	<b>\$ 392,450</b>	<b>\$ 692,386</b>	<b>\$ 7,983,009</b>

SEE NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 136,269	\$ 183,820
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	13,666	3,056
Net loss (gain) on beneficial interest in assets held by Community Foundation	25,021	(19,714)
Gain on forgiveness of PPP loan	-	(176,157)
Changes in operating assets and liabilities:		
Pledges receivable	(129,947)	214,279
Accounts receivable	(557,393)	(301,394)
Prepaid expenses	30,654	253
Other assets	5,003	4,788
Accounts payable and accrued expenses	(24,349)	40,510
Designations payable	69,836	(88,454)
Allocations payable	41,433	(113,117)
Deferred revenue	194,749	(5,817)
Lease liability	(4,883)	-
Net cash used in operating activities	(199,941)	(257,947)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of equipment	(24,073)	(21,661)
Net cash used in investing activities	(24,073)	(21,661)
Net decrease in cash and cash equivalents	(224,014)	(279,608)
Cash and cash equivalents at beginning of year	1,664,234	1,943,842
Cash and cash equivalents at end of year	\$ 1,440,220	\$ 1,664,234
<b>Classified as:</b>		
Cash	\$ 656,833	\$ 1,169,144
Restricted cash	783,387	495,090
	\$ 1,440,220	\$ 1,664,234

SEE NOTES TO FINANCIAL STATEMENTS

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ACTIVITIES - Incorporated in 1951, United Way of the Central Savannah River Area, Inc. (“United Way” or “United Way of the CSRA”) conducts the annual United Way fundraising campaign and distributes the monies to other charitable organizations. United Way also provides planning and other forms of support to numerous charitable organizations in the Central Savannah River Area. United Way of the CSRA unites people and mobilizes community resources to create lasting changes that transform lives. United Way, which is governed by a volunteer Board of Directors, is committed to complying with United Way Worldwide Cost Deduction Standards.

NET ASSETS - The Organization's net assets are classified as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of United Way’s management and the Board of Directors.

Net assets with donor restrictions - Net assets that are subject to stipulations imposed by donors and grantors. Some donor restriction depending on the existence and/or nature of any donor-imposed restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when the donor restrictions have been met. The Organization chooses to show contributions with donor restrictions (including contributions of long-lived assets) whose restrictions are met in the same reporting period as contributions without donor restrictions.

ESTIMATES - The preparation of financial statements in conformity with generally accepted accounting principles 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 these estimates.

QUASI-ENDOWMENT FUND - In 2018, United Way of the CSRA entered into an agreement with The Community Foundation of the CSRA (the “Foundation”) to establish and maintain a quasi-endowment for the purpose of providing long-term support for the ongoing operations of the United Way of the CSRA. The fund totaled \$38,593 and \$49,002 at December 31, 2022 and 2021, respectively and is included in beneficial interest in assets held by Community Foundation. The funds maintained at the Foundation are included in net assets with donor restrictions in the accompanying statements of financial position.

SUPPORT AND EXPENSES - Contributions received and unconditional promises to give are measured at their fair value and are reported as an increase in net assets. United Way reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of donated assets, or if they are designated as support for future periods. When a donor restriction has been met, 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 statements of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions. Donor designated contributions are reported as reductions to United Way’s support.

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

United Way reports gifts of goods 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 donor 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 stipulation about how long those long-lived assets must be maintained, United Way reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

When material, unconditional promises to give receivable more than one year from the statement of financial position date are stated at their present value using a discount rate commensurate with the uncertainty involved. Favorable variances on United Way's provision for uncollectible pledges are recognized as contributions, whereas unfavorable variances are recognized as bad debts expense. Both are recognized in the year the variance occurs.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

PROGRAM SERVICE ACCOMPLISHMENTS - United Way's programs are described below:

Program Service Accomplishments:

Grant Awards for Local Programs

Using contributions from the annual campaign, United Way of the CSRA distributes funds to 40 health and human service programs at 28 partner agencies. Program grant requests are made annually and include budget information as well as proposed impact of funds. Quarterly success stories, outcomes logic models, and annual total service reports are required under United Way's partnership agreement. Partner agencies also submit annual IRS Form 990s and audits as per UW policies.

These funded programs are reviewed annually by groups of community volunteers to ensure appropriate usage of funds. Volunteers complete site visits and in-depth reviews of program accomplishments. Funding is targeted towards programs demonstrating an impact on the community. United Way's funding policies are designed to ensure the greatest accountability for donors' funds and the greatest impact on individuals in our local community.

Funded Programs achieve outcomes within the following impact areas:

- 1) *Childhood Success*
- 2) *Youth Success*
- 3) *Workforce Development*
- 4) *Access to Resources*

211 Information and Referral Program

The concept of 211 – an easy to remember 3-digit dialing code that connects people with professionally delivered information and referral to health, community, and human services – was born in Atlanta in 1997 through the leadership of United Way of Greater Atlanta.

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Locally, 211 has significant impact on the quality of life throughout the community. In 2022, United Way of the CSRA's 211 information and referral specialists assisted 23,452 callers and web inquiries. In addition, 211 provided support to specific agencies that offered direct service in the area of emergency shelter, emergency rent and utility assistance. Providing a database of wide-ranging volunteer opportunities assists non-profit agencies in every sector of the community in maintaining a supply of dedicated, enthusiastic workers and donors to fulfill the mission of their organization. 211 is there when people need it, a vital, proven part of the human service infrastructure.

Emergency Rent and Utility Assistance

In addition to the usual referrals made by 211 information and referral specialists, United Way of the CSRA partnered with Augusta-Richmond County's Housing and Community Development department to provide rent and/or utility assistance to Richmond County residents impacted by COVID-19 for a second year. Funding for this program is provided by the US Department of Treasury's Emergency Rental Assistance (ERA) Program as a part of the COVID19 Economic Relief package of the American Rescue Plan. Support for families included up to 15 months in rental arrears, past due power, water, and gas bills as well as an additional three months of prospective rent if required for the family to remain stably housed. United Way received \$5,486,367 in 2021 to assist with our internal capacity to administer the program as well as the funding for the direct services to clients. The project was renewed in 2022 at \$5,046,910. An additional amount \$7,800,000 million was reallocated to Richmond County and made available to United Way of the CSRA midway through the year. This additional amount was only available in December, but allowed United Way of the CSRA to save the previous awarded amount for the 2023 calendar year. In 2022, United Way of the CSRA provided 1,783 households with \$4,541,499 in assistance.

Rent and Utility Assistance is the primary need of those individuals using the 211 Information and Referral services. United Way of the CSRA uses additional donations, such as proceeds donated from the annual Guitar Pull event sponsored by Beasley Broadcasting Group and other private donations designated for this specific purpose, to provide services to people in need who may not qualify under the ERA Assistance program specific to Richmond County. These funds provided 377 additional households with rent and/or utility assistance for 2022. These households included families of Richmond County, but also families of surrounding counties.

AmeriCorps VISTA (Volunteers in Service to America)

United Way's AmeriCorps VISTA program, Project UNITE, is part of the national service program designed specifically for the purpose of fighting poverty. United Way serves as a regional intermediary agency and is assigned up to 17 AmeriCorps VISTA members who serve full-time for one year with area schools and other community-based education-related organizations for capacity building in the area of parent and community engagement. AmeriCorps VISTAs help build human capacity, financial capacity, and social capacity in host sites and/or schools where they are assigned. United Way of the CSRA receives support funds necessary for regional program supervision and oversight from the Corporation for National Community Service. In 2022, this program served the 6 organizations including 4 Columbia County schools, engaged more than 127 volunteers and leveraged over \$30,000 of cash (grants, donations and fundraising) and non-cash resources (in-kind goods and services) to support community nonprofits, and identified numerous partnerships.

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Additional United Way of the CSRA Program Services

Single Care Prescription Assistance

Through the Single Care prescription assistance card program (formerly called FamilyWize), United Way saved the community \$265,914 in 2022. These free-of-charge prescription discount cards offered by United Way were used by 3,098 people through five local counties. Single Care cards can be used by anyone, insured or uninsured, for prescriptions and offer an average savings of approximately 40% or more. Since its local launch in 2007, Single Care has provided a total savings of \$3,059,958 to CSRA residents.

Other Grants and Initiatives

Through other special grants, initiatives and collaborations, United Way positions itself as a community leader in addressing needs. These projects include additional federal, state, and local grants, special assistance, community engagement, early childhood training and education, and a host of other projects. United Way seeks out collaborations with the corporate, non-profit, faith-based, government, civic and educational communities and continually engages new partners and strategies. Some of the impacts made in 2022 include those listed here.

- Partnerships with the private sector, as well as the Richmond County, Columbia County, Burke County and Wilkes County school system, supported our annual Stuff the Bus back to school event. Donors contributed 29,956 school supply items valued at \$68,510. These items were sent directly to the school systems for distribution by the counselors and social workers to children in need.
- The AmeriCorps VISTA members collected 17,676 hygiene products valued at \$23,470 from the community at large to support local shelters. The hygiene products are put into personal care kits for homeless or transient individuals coming into the shelters with no personal items. These items are vital to a person's health and overall sense of well-being.
- Our 211 team reaches out to Bombas each year for donations of socks. Undies are often donated by individuals throughout the community as well as small groups. These socks and undies are gifted to the local school systems for children to receive when needed. In 2022, Bombas provided 10,000 pairs of socks, 600 underwear, and 360 t-shirts. This allowed for us to also provide socks to the local homeless shelter.
- United Way receives funds from a grant and Lyft partnership called Ride United. This allows the 211 team to reserve Lyft rides for callers in need of transportation. In 2022, 741 Lyft Rides were provided for people in need of transportation to jobs, medical appointments, and school.

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated services and goods

Approximately 1,003 volunteers have donated approximately 10,827 hours to United Way's program services and fundraising campaign during the year; however, these donated services are not reflected in the financial statements since the services do not meet the requirements to be recorded under generally accepted accounting principles.

Materials and other assets received as donations are recorded as contributions of non-financial assets and reflected in the accompanying financial statements at their fair values at the date of donation. Included in program services in the accompanying financial statements are expenses of \$275,452 and \$329,743 for the years ended December 31, 2022 and 2021, respectively, paid for grants administered by United Way and paid by other agencies.

CASH AND CASH EQUIVALENTS - United Way considers all highly liquid investments with a maturity at the time of purchase of three months or less to be cash equivalents. United Way places its cash and cash equivalents with high quality financial institutions. At times, such balances may be in excess of the Federal Deposit Insurance Corporation (FDIC) Insurance limits. Management believes the Organization is not exposed to any significant credit risk on United Way's cash and cash equivalents.

RESTRICTED CASH - Cash identified on the statement of financial position as restricted cash represents funds received and held for donor and grantor designated purpose.

AVAILABILITY OF FUNDS FOR GENERAL EXPENDITURES - United Way has certain net assets that are available for general expenditures within one year of December 31, 2022 and 2021 based on conducting the normal activities of its programs in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year (See Note 2).

PROVISIONS FOR UNCOLLECTIBLE PLEDGES - A provision for uncollectible pledges is computed based upon a historical average adjusted for management estimates of current economic factors and applied to the accounts receivable balance at year end. (See Note 3).

EQUIPMENT - Equipment with a useful life of greater than one year and with a cost of \$1,000 or more is considered a capital asset. Equipment is recorded at cost (or fair value of donated assets) and is depreciated using the straight-line method over an estimated useful life of 3-7 years.

DEFERRED REVENUE - Deferred revenue consists of grant amounts received but not yet expended for the grant of designated purposes.

ADVERTISING COSTS - Advertising costs, including amount within in-kind separately stated on the statements of functional expenses, are expensed as incurred and totaled \$11,075 and \$6,265 for the years ended December 31, 2022 and 2021, respectively.



UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**INCOME TAXES** - United Way is not-for-profit organization that is exempt from Federal Income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, United Way has been classified as an organization that is not a private foundation under Section 509(a)(2). United Way is not aware of any material uncertain tax positions as of December 31, 2022.

**EXPENSE ALLOCATION** - The costs of providing various programs and activities have been summarized of a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

Expenses of the United Way include:

**Program services expenses** - Program services expenses include direct costs associated with providing funding to other charitable organizations, fulfilling grant obligations, funding the community investments, and running the 2-1-1 information and referral program.

**Management and general expenses** - Management, general, and marketing expenses included the general, administrative, and operating costs of United Way.

**Resource development and fundraising expenses** - These expenses include costs incurred from soliciting donations through workplace campaigns, special events, and other activities that raise resources for United Way and the community.

The statements of functional expenses present expenses by function and nature classification. Expenses directly attributable to a specific functional area of United Way are reported as expenses of those functional areas. A portion of general and administrative costs that benefit multiple functional areas (indirect costs) have been allocated across programs and other support services based on the proportion of full-time employee equivalents of a program or other support service versus the total organizational full-time employee equivalents.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, health & life insurance, retirement, payroll taxes, supplies - office, telephone, occupancy, general insurance, a portion of gifts in-kind, depreciation expense of equipment, and United Way Worldwide investment, which are allocated on the basis of estimates of time and effort. The remaining expenses do not require allocation and are directly attributable to a specific functional area and are therefore reported as such.

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ADOPTION OF NEW ACCOUNTING PRONOUNCEMENTS - In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The standard requires lessees to recognize the assets and liabilities that arise from leases on the statement of financial position. The Organization adopted ASU 2016-02 and its related amendments as of January 1, 2022.

In September of 2020, FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The new guidance requires nonprofit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The standard also increases the disclosure requirements around contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. ASU 2020-07 is applied retrospectively and is effective for years beginning after June 15, 2021. The Organization adopted ASU 2020-07 effective January 1, 2022.

RECLASSIFICATIONS - Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

SUBSEQUENT EVENTS - The Organization has evaluated subsequent events through July 11, 2023, the date the financial statements were available to be issued.

NOTE 2 - LIQUIDITY

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows at December 31:

	<u>2022</u>	<u>2021</u>
Cash	\$ 1,328,645	\$ 1,552,659
Pledges receivable, net	461,297	331,350
Accounts receivable, net	<u>867,336</u>	<u>309,943</u>
	<u>\$ 2,657,278</u>	<u>\$ 2,193,952</u>

The Organization maintains cash sufficient to fund all donor or Board-designated obligations. At year-end, the Organization had financial assets which consist of cash and cash equivalents, pledges receivable and accounts receivable sufficient to meet approximately 4 months of normal operating expenses which are, on average, approximately \$609,000 per month. As part of its liquidity management plan, United Way has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due. Additionally, United Way invests excess cash in short-term investments, including interest bearing checking and savings accounts.

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - PLEDGES RECEIVABLE

Included in pledges receivable are the following unconditional promises to give at December 31:

	<u>2022</u>	<u>2021</u>
2020 Fall campaign	\$ -	\$ 249,793
2021 Fall campaign	300,879	238,687
2022 Fall campaign	343,068	-
Less provision for uncollectible pledges	<u>(182,650)</u>	<u>(157,130)</u>
Net campaign pledges receivable	<u>\$ 461,297</u>	<u>\$ 331,350</u>

NOTE 4 - BENEFICIAL INTEREST IN ASSETS HELD BY THE COMMUNITY FOUNDATION

During 2018, the Organization transferred assets to The Community Foundation for the Central Savannah River Area (the “Community Foundation”) which is holding them as endowed component funds (“Funds”) for the benefit of the Organization. The assets transferred to the Funds include assets with donor restrictions for the quasi-endowment fund and assets with donor restrictions for the United Service Organization. The Organization has granted the Community Foundation variance power which gives the Community Foundation’s Board of Directors the power to use the Funds for other purposes in certain circumstances. The Funds are subject to the Community Foundation’s investment and spending policies. The Community Foundation’s Board of Directors has established an annual spendable amount which is available for distribution from the Funds each year. Currently, this spendable amount is 4.5% of the three-year average of the annual fund balance. The Organization’s representatives may request different distributions from the Funds as they see fit, subject to the Community Foundation’s approval. Any portion of the income and earnings not expended in any given year will be accumulated and reinvested by the Community Foundation. Such accumulations are defined as income and are available for use in subsequent years to sustain the mission of the Organization. The Organization reports the fair value of the Funds as Beneficial Interest in Assets Held by the Community Foundation in the statements of financial position and reports distributions received as investment income, when applicable. Changes in the value of the Funds are reported as gains in the statements of activities.

Changes in Funds for the year ending December 31 are as follows:

	<u>2022</u>	<u>2021</u>
Beginning balance	\$ 152,888	\$ 133,174
Share of gain (loss) of pooled investments	(23,417)	21,398
Administrative fees	<u>(1,604)</u>	<u>(1,684)</u>
	<u>\$ 127,867</u>	<u>\$ 152,888</u>

Funds, stated at fair value, at December 31, 2022 and 2021 consisted of pooled investments.

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - FURNITURE AND EQUIPMENT

The following is a summary of furniture and equipment at December 31:

	<u>2022</u>	<u>2021</u>
Furniture and equipment	\$ 108,962	\$ 110,631
Less accumulated depreciation	<u>(75,726)</u>	<u>(87,802)</u>
	<u>\$ 33,236</u>	<u>\$ 22,829</u>

NOTE 6 - PAYROLL PROTECTION PROGRAM LOAN

The Organization received a loan the Paycheck Protection Program established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Organization received 100% loan forgiveness of the principal totaling \$175,157 and interest of \$1,806 in May 2021. The forgiveness is recognized as other income during the year ended December 31, 2021.

NOTE 7 - NET ASSETS AND RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods at December 31:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified time:		
Fall Campaign (2022 and 2021)	\$ 727,002	\$ 668,790
Subject to expenditure for specified purpose:		
Various local initiatives	105,057	42,776
United Service Organization	80,000	80,000
Quasi-endowment fund	<u>31,575</u>	<u>31,575</u>
 Total net assets with donor restrictions	 <u>\$ 943,634</u>	 <u>\$ 823,141</u>

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 8 - FAIR VALUE MEASUREMENTS

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

- Level 1: Quoted prices in active markets for identical securities that the Organization has the ability to access
- Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spreads, credit risk, etc.)
- Level 3: Significant unobservable inputs (including the Organization's own assumptions in determining the fair value of investments)

The inputs and methodology used for valuing the Organization's financial assets and liabilities are not indicators of the risks associated with those instruments. There have been no changes in the methodologies used.

Pooled investments - The investments maintained at the Community Foundation for the Central Savannah River Area are valued at the amount provided by the Community Foundation at December 31, 2022 and 2021 based on the Foundation's proportionate share of the total fair market value of the Foundation's pooled investment account.

	Fair Value	Quoted Market Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>2022</u>				
Pooled investments	\$ 127,867	\$ -	\$ 127,867	\$ -
<u>2021</u>				
Pooled investments	\$ 152,888	\$ -	\$ 152,888	\$ -

NOTE 9 - RETIREMENT PLAN

The Organization sponsors an employee retirement plan covering substantially all of its employees. Employer contributions to the plan are 10% of an eligible employee's compensation. Retirement plan expense for the years ended December 31, 2022 and 2021 was \$69,508 and \$63,869, respectively.

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - SUPPORT FROM MAJOR DONORS

The Organization received 42% of contribution revenue from four donor companies and 21% of contribution revenue from two donor companies during the years ended December 31, 2022 and 2021, respectively. Two donor companies comprise 27% and one donor company comprises 13% of pledges receivable at December 31, 2022 and 2021, respectively. A significant reduction in the level of this support, if it were to occur, might have a significant effect on the Organization's allocations to agencies.

NOTE 11 - CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially expose the Organization to concentrations of credit risk consist primarily of cash and pledges receivable. Credit risk is generally diversified due to the large number of entities comprising the pledge base, although the geographic concentration in the Augusta, Georgia area and support from major contributors (See Note 10) results in the Organization being susceptible to economic conditions in the region.

The Organization maintains cash balances at several financial institutions located in Augusta, Georgia. At times, such balances may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limits. Management believes the Organization is not exposed to any significant credit risk as a result.

NOTE 12 - CONTRIBUTED NONFINANCIAL ASSETS

For the years ending December 31, 2022 and 2021 contributed nonfinancial assets recognized within the statement of activities included:

	<u>2022</u>	<u>2021</u>
Capacity Building for Partner Agencies	\$ 275,452	\$ 329,743
Improving Health Outcomes for the Homeless	71,050	16,650
Education Intervention	64,800	25,503
IT Services	33,900	33,900
Health and Safety Protection	25,449	49,360
Resource Development and Special Events	3,770	4,432
Marketing and Advertising	1,710	2,288
Other Operating Expenses	-	880
	<u>\$ 476,131</u>	<u>\$ 462,756</u>

Contributions of nonfinancial assets were utilized during the years ending December 31, 2022 and 2021. Contributed support services expenses in the amount of \$21,556 and \$25,269, respectively, and program expenses in the amount of \$454,575 and \$431,427, respectively, are valued and are reported at the actual cost at the time of the donation.

UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
NOTES TO FINANCIAL STATEMENTS

NOTE 13 - LEASE COMMITMENTS

The Organization adopted ASU 2016-02, *Leases (Topic 842)*, and its related amendments as of January 1, 2022. The Organization is obligated under one operating lease. Included in right of use assets on the balance sheet at December 31, 2022 an office building. The lease is for three years with one option to renew for two additional years. The exercise of lease renewal options is at the Company's discretion. The Company evaluates renewal options at lease inception and on an ongoing basis and includes renewal options that it is reasonably certain to exercise in its expected lease terms when classifying leases and measuring lease liabilities. The Company elected the short-term lease practical expedient of not recording leases on its combined balance sheet when the leases have a term of 12 months or less and the Company is not reasonably certain to elect an option to purchase the leased asset. The lease agreement does not require material variable lease payments, residual value guarantees or restrictive covenants.

Operating lease expense for the year ending December 31, 2022 was \$28,953. Cash paid to reduce operating lease liabilities during 2022 was \$28,953. As of December 31, 2022, the remaining lease term for this operating lease was 5 years. Because the Company generally does not have access to the rate implicit in the lease, Management utilizes a risk free rate. The discount rate associated with the operating lease as of December 31, 2022 was 3.94%.

Future payments due under operating leases are as follows as of December 31:

2023	\$	58,601
2024		58,601
2025		58,601
2026		60,000
2027		60,000
Total		295,803
Less effects of discounting		<u>(26,980)</u>
Lease liability recognized	\$	<u>268,816</u>

**SUPPLEMENTARY INFORMATION**  
(See Independent Auditor's Report)



UNITED WAY OF THE CENTRAL SAVANNAH RIVER AREA, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2022

Grantor	Program	CFDA Number	Pass-through Grantor	Federal Expenditures
<u>Corporation for National and Community Service</u>				
	Volunteers in Service to America	94.013	Augusta-Richmond County Georgia	\$ 29,156
	Martin Luther King Jr Day of Service Grants	94.014	Augusta-Richmond County Georgia	<u>13,908</u>
Total Corporation for National and Community Service				<u>43,064</u>
Department of Housing and Urban Development				
	Emergency Solutions Grant Program	14.231	Augusta-Richmond County Georgia	<u>14,155</u>
Department of the Treasury				
	Emergency Rental Assistance Program	21.023	Augusta-Richmond County Georgia	<u>4,873,582</u>
Total expenditures of federal awards				<u>\$ 4,930,801</u>

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the United Way of the Central Savannah River Area, Inc. (the "Organization") for the year ended December 31, 2022. 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 the Organization, it is not intended to and does not present the financial position or changes in net assets of the Organization.

NOTE 2 - 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 has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - NON-CASH AWARDS

United Way of the Central Savannah River Area, Inc. did not receive any non-cash federal awards during the year ended December 31, 2022.

Michelle Bennett, CPA  
Rick L. Evans, CPA  
E.J. Maddocks, CPA  
Jay Sanders, CPA  
Wanda F. Scott, CPA

Abram J. Serotta, CPA  
Joel R. Stewart, CPA  
Andrea Usry, CPA  
David Ussery, CPA  
Paul Wade, CPA



## **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 the Central Savannah River Area, Inc.  
Augusta, Georgia

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 the Central Savannah River Area, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 11, 2023.

### **Report on Internal Control over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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

As part of obtaining reasonable assurance about whether United Way of the Central Savannah River Area, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

*Serotta Maddocks Evans + Co.*  
SEROTTA MADDOCKS EVANS & CO., CPAs

Augusta, Georgia  
July 11, 2023

Michelle Bennett, CPA  
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Paul Wade, CPA



## **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 the Central Savannah River Area, Inc.  
Augusta, Georgia

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

#### ***Opinion on Each Major Program***

We have audited United Way of the Central Savannah River Area, Inc.’s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on United Way of the Central Savannah River Area, Inc.’s major federal program for the year ended December 31, 2022. United Way of the Central Savannah River Area, Inc.’s major federal program is identified in the summary of Auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the United Way of the Central Savannah River Area, 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 December 31, 2022.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 the United Way of the Central Savannah River Area, 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 the Central Savannah River Area, 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 the Central Savannah River Area, 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 the Central Savannah River Area, 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 the Central Savannah River Area, 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 the Central Savannah River Area, 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 the Central Savannah River Area, 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 the Central Savannah River Area, 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.

### **Report on Internal Control over Compliance**

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Serotta Maddocks Evans & Co.*

SEROTTA MADDOCKS EVANS & CO., CPAs

Augusta, Georgia

July 11, 2023

**United Way of the Central Savannah River Area, Inc.**  
**Schedule of Findings and Questioned Costs**  
**Year Ended December 31, 2022**

**A. Summary of Auditor's Results**

1. The Auditor's report expresses an unmodified opinion on whether the financial statements of United Way of the Central Savannah River Area, Inc. were prepared in accordance with accounting principles generally accepted in the United States of America.
2. No instances of noncompliance material to the financial statements of United Way of the Central Savannah River Area, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
3. No significant deficiencies were disclosed during the audit of internal control over the major federal award program.
4. The Auditor's report on compliance for the major federal award program for United Way of the Central Savannah River Area, Inc. expresses an unmodified opinion on the major federal program.
5. There were no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) reported in this schedule.
6. The United States Department of the Treasury Emergency Rental Assistance program, CFDA Number 21.023 was tested as a major program.
7. The threshold for distinguishing Types A and B programs was \$750,000.
8. United Way of the Central Savannah River Area, Inc. did not qualify as a low-risk auditee.

**B. Findings - Financial Statement Audit**

None

**C. Findings and Questioned Costs - Major Federal Award Program Audit**

None