

Since 1923

PACKER THOMAS

Certified Public Accountants & Business Consultants

Proven TRUE

THE UNITED WAY OF YOUNGSTOWN AND THE MAHONING VALLEY

AUDIT OF FINANCIAL STATEMENTS

Years ended December 31, 2021 and 2020

CONTENTS

REPORT OF INDEPENDENT AUDITORS	2-4
FINANCIAL STATEMENTS	
Statements of financial position	5
Statements of activities	6
Statements of functional expenses	7
Statements of cash flows	8
Notes to financial statements	9-18
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	19-20
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	21-23
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	24
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	25
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	26



REPORT OF INDEPENDENT AUDITORS

BOARD OF TRUSTEES
THE UNITED WAY OF YOUNGSTOWN AND THE MAHONING VALLEY

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The United Way of Youngstown and the Mahoning Valley (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, 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 present fairly, in all material respects, the financial position of The United Way of Youngstown and the Mahoning Valley as of December 31, 2021 and 2020, 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 audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The United Way of Youngstown and the Mahoning Valley and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 The United Way of Youngstown and the Mahoning Valley's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may include 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 judgement 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 The United Way of Youngstown and the Mahoning Valley'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 The United Way of Youngstown and the Mahoning Valley'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 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 September 30, 2022, on our consideration of The United Way of Youngstown and the Mahoning Valley'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 of the effectiveness of The United Way of Youngstown and the Mahoning Valley'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 The United Way of Youngstown and the Mahoning Valley's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Rachel Thomas". The signature is written in a cursive, flowing style.

Canfield, Ohio
September 30, 2022

The United Way of Youngstown and the Mahoning Valley

STATEMENTS OF FINANCIAL POSITION

ASSETS	December 31,	
	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,565,297	\$ 1,974,531
Cash and cash equivalents--designated pledges	132,683	145,778
Grant receivable	698,716	555,190
Campaign pledges receivable:		
2021 Campaign, less allowance for uncollectible pledges (2021--\$125,000)	747,573	-
2020 Campaign, less allowance for uncollectible pledges (2021 and 2020-- \$175,000)	94,726	827,293
2019 Campaign, less allowance for uncollectible pledges (2020--\$125,000)	-	69,135
Total campaign pledges receivable	842,299	896,428
Prepaid expenses and other assets	9,219	9,471
Donated vehicle	21,826	21,153
TOTAL CURRENT ASSETS	4,270,040	3,602,551
INVESTMENTS	9,270,164	8,383,394
PROPERTY AND EQUIPMENT		
Land	14,327	14,327
Building and building improvements	577,185	586,315
Furniture and equipment	74,938	150,761
Vehicles	24,500	24,500
Total property and equipment	690,950	775,903
Less accumulated depreciation	82,782	136,164
NET PROPERTY AND EQUIPMENT	608,168	639,739
OTHER ASSETS		
Deposit	400	400
TOTAL ASSETS	\$ 14,148,772	\$ 12,626,084

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

LIABILITIES AND NET ASSETS**December 31,****2021****2020****CURRENT LIABILITIES**

Designated pledges payable	\$ 1,598,887	\$ 1,482,194
Allocations payable	488,665	572,842
Contract liabilities	410,000	16,350
Other current liabilities	59,097	73,563
Current portion of long term debt	-	227,200

TOTAL CURRENT LIABILITIES**2,556,649****2,372,149****TOTAL LIABILITIES****2,556,649****2,372,149****NET ASSETS****WITHOUT DONOR RESTRICTIONS**

Designated by the governing board for:

Stabilization of agencies' funding	539,000	539,000
Endowment	2,161,226	1,929,374
Investment in fixed assets (net of depreciation)	608,168	639,739
Undesignated, available for general activities	5,222,468	4,058,304

WITH DONOR RESTRICTIONS**3,061,261****3,087,518****TOTAL NET ASSETS****11,592,123****10,253,935****TOTAL LIABILITIES AND NET ASSETS****\$ 14,148,772****\$ 12,626,084**

The United Way of Youngstown and the Mahoning Valley

STATEMENTS OF ACTIVITIES

	Years ended December 31,					
	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE						
Prior-year campaign contribution	\$ 480,903	\$ -	\$ 480,903	\$ 952,441	\$ -	\$ 952,441
Net assets released from restrictions:						
Prior-year campaign contributions--net	778,712	(778,712)	-	544,271	(544,271)	-
Current-year campaign contributions--net	684,845	521,049	1,205,894	736,739	578,712	1,315,451
Contributions - other	-	-	-	50,000	200,000	250,000
Contributions in kind	-	21,826	21,826	-	21,153	21,153
Net campaign revenue	1,944,460	(235,837)	1,708,623	2,283,451	255,594	2,539,045
Grant revenue	1,079,053	-	1,079,053	1,207,062	-	1,207,062
Interest and dividend income, net of investment fees	144,210	29,121	173,331	98,464	28,355	126,819
Net gain on investments	636,020	201,612	837,632	497,011	176,929	673,940
Gain on extinguishment of debt	227,200	-	227,200	-	-	-
Miscellaneous income	1,439	-	1,439	2,328	-	2,328
Net special event income	249,230	-	249,230	149,668	-	149,668
Net assets released from restrictions:						
Restricted investment income	21,153	(21,153)	-	25,892	(25,892)	-
(Loss) on disposal of fixed assets	(1,192)	-	(1,192)	(34,870)	-	(34,870)
TOTAL PUBLIC SUPPORT AND REVENUE	4,301,573	(26,257)	4,275,316	4,229,006	434,986	4,663,992
FUND DISTRIBUTIONS, SERVICES, DUES AND OTHER EXPENSES						
Allocations to local agencies	940,410	-	940,410	1,039,100	-	1,039,100
Other Corporation expenses:						
Program services:						
Planning and community investment	1,524,701	-	1,524,701	1,575,171	-	1,575,171
Labor	81,021	-	81,021	83,442	-	83,442
	1,605,722	-	1,605,722	1,658,613	-	1,658,613
Supporting services:						
Administration	70,435	-	70,435	70,058	-	70,058
United Way campaign	270,570	-	270,570	324,862	-	324,862
	341,005	-	341,005	394,920	-	394,920
Other expense:						
United Way National and Ohio membership dues	49,991	-	49,991	47,880	-	47,880
TOTAL EXPENSES	2,937,128	-	2,937,128	3,140,513	-	3,140,513
CHANGE IN NET ASSETS	1,364,445	(26,257)	1,338,188	1,088,493	434,986	1,523,479
NET ASSETS AT BEGINNING OF YEAR	7,166,417	3,087,518	10,253,935	6,077,924	2,652,532	8,730,456
NET ASSETS AT END OF YEAR	\$ 8,530,862	\$ 3,061,261	\$ 11,592,123	\$ 7,166,417	\$ 3,087,518	\$ 10,253,935

The United Way of Youngstown and the Mahoning Valley

STATEMENTS OF FUNCTIONAL EXPENSES

Years ended December 31,																
	2021								2020							
	Program Services			Supporting Services			Total Program and Supporting Services Expenses		Program Services			Supporting Services			Total Program and Supporting Services Expenses	
	Planning and Community Investment	Labor	Total	Administration	United Way Campaign	Total			Planning and Community Investment	Labor	Total	Administration	United Way Campaign	Total		
SALARIES AND RELATED EXPENSES:																
Salaries	\$ 525,919	\$ 62,735	\$ 588,654	\$ 53,685	\$ 180,951	\$ 234,636	\$ 823,290		\$ 565,114	\$ 64,404	\$ 629,518	\$ 53,524	\$ 241,270	\$ 294,794	\$ 924,312	
Employee benefits	67,557	4,600	72,157	4,652	31,454	36,106	108,263		94,335	2,672	97,007	2,722	19,890	22,612	119,619	
Payroll taxes	21,621	2,050	23,671	2,733	12,298	15,031	38,702		25,416	3,372	28,788	2,269	11,847	14,116	42,904	
TOTAL SALARIES AND RELATED EXPENSES	615,097	69,385	684,482	61,070	224,703	285,773	970,255		684,865	70,448	755,313	58,515	273,007	331,522	1,086,835	
Community impact programs	114,126	-	114,126	-	-	-	114,126		59,644	-	59,644	-	-	-	59,644	
Purchased services	616,646	-	616,646	-	-	-	616,646		590,676	-	590,676	-	-	-	590,676	
Office supplies	35,781	460	36,241	276	1,149	1,425	37,666		79,455	786	80,241	472	1,965	2,437	82,678	
Campaign supplies	21,153	-	21,153	-	7,389	7,389	28,542		25,892	-	25,892	-	4,301	4,301	30,193	
Telephone	3,133	531	3,664	319	1,328	1,647	5,311		3,405	577	3,982	346	1,443	1,789	5,771	
Postage and shipping	2,066	1	2,067	57	1,824	1,881	3,948		2,588	421	3,009	572	2,498	3,070	6,079	
Utilities	2,996	508	3,504	305	1,269	1,574	5,078		2,729	413	3,142	261	1,095	1,356	4,498	
Insurance	5,606	1,212	6,818	769	2,411	3,180	9,998		6,049	1,025	7,074	615	2,563	3,178	10,252	
Printing and publications	18,154	242	18,396	254	2,156	2,410	20,806		24,096	454	24,550	313	3,603	3,916	28,466	
Transportation and travel	6,081	-	6,081	-	4,179	4,179	10,260		9,286	-	9,286	-	3,826	3,826	13,112	
Local meetings	13,762	-	13,762	291	2,669	2,960	16,722		11,372	97	11,469	800	1,498	2,298	13,767	
Rental and maintenance of equipment and building	18,225	2,908	21,133	1,778	7,111	8,889	30,022		27,656	4,348	32,004	3,221	13,523	16,744	48,748	
Membership dues and tuition	2,377	704	3,081	399	1,334	1,733	4,814		3,641	228	3,869	159	729	888	4,757	
Professional fees	24,782	2,367	27,149	1,561	6,033	7,594	34,743		24,959	2,399	27,358	1,650	6,551	8,201	35,559	
Data processing expense	3,340	-	3,340	718	-	718	4,058		3,544	-	3,544	1,002	-	1,002	4,546	
Miscellaneous expense	1,485	-	1,485	799	-	799	2,284		763	129	892	278	323	601	1,493	
Depreciation	19,891	2,703	22,594	1,839	7,015	8,854	31,448		14,551	2,117	16,668	1,854	7,937	9,791	26,459	
TOTAL EXPENSES	\$ 1,524,701	\$ 81,021	\$ 1,605,722	\$ 70,435	\$ 270,570	\$ 341,005	\$ 1,946,727		\$ 1,575,171	\$ 83,442	\$ 1,658,613	\$ 70,058	\$ 324,862	\$ 394,920	\$ 2,053,533	

STATEMENTS OF CASH FLOWS

	Years ended December 31,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,338,188	\$ 1,523,479
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	31,448	26,459
Provision for uncollectible pledges	-	50,000
Loss on disposal of assets	1,192	34,870
(Gain) on investments	(837,632)	(673,939)
(Gain) on extinguishment of debt	(227,200)	-
Donated vehicle included in contributions	(21,826)	(21,153)
Giveaway of campaign vehicle	21,153	25,892
(Increase) decrease in assets:		
Grant receivable	(143,526)	(145,864)
Campaign pledge receivables	54,129	(54,354)
Prepaid expenses and other assets	252	(4,046)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	102,229	286,673
Allocations payable	(84,177)	3,369
Contract liabilities	393,650	7,756
NET CASH FLOWS FROM OPERATING ACTIVITIES	627,880	1,059,142
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(2,865,296)	(2,094,740)
Proceeds from sale of investments	2,816,159	2,100,935
Purchase of property and equipment	(1,072)	(357,296)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(50,209)	(351,101)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from PPP Loan	-	227,200
NET CASH FLOWS FROM FINANCING ACTIVITIES	-	227,200
NET CHANGE IN CASH AND CASH EQUIVALENTS	577,671	935,241
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,120,309	1,185,068
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 2,697,980	\$ 2,120,309

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE A – NATURE OF OPERATIONS

The United Way of Youngstown and the Mahoning Valley (the Organization) is a non-profit corporation organized on February 10, 1919 under the laws of the State of Ohio principally for the purpose of soliciting donations for charitable purposes. The United Way focuses on the impact model with today's mission to create positive change by collaborating with partners to educate, empower, and support children and families in the Mahoning Valley. The Organization has aligned its funds, resources, partnerships, and programs around the impact areas of early childhood education and emergency services.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be a cash equivalent, exclusive of cash and cash equivalents held in brokerage investment accounts.

Designated Pledges

Financial donor contributions designated to a specific agency or impact area without granting variance power to the Organization are not included in campaign revenue but are recorded as a liability to the designated beneficiary.

Pledge Receivables

Pledge receivables are recognized as revenue in the period the contributions are received or promised, whichever is earlier. The Organization uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made. The potential risk is limited to the amount recorded in the financial statements.

Grants Receivable

The Organization receives grants from federal and state agencies, as well as from local organizations, to be used for specific purpose. The excess of reimbursable expenditures over cash receipts is included in Grants Receivable.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of activities. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restriction if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Property and Equipment

Property and equipment are recorded at cost, if purchased, or fair value at the date of donation. The Organization has a capitalization policy whereby all additions over \$500 are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the assets.

Contract Liabilities

Contract liabilities include advanced deposits from customers prior to transferring goods and performing services under a contract.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification of Net Assets

The net assets of the Organization are reported as follows:

With Donor Restriction represents gifts of cash or other restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. Donations received with restrictions that are met in the same reporting period are reported as unrestricted support and increase net assets without donor restrictions.

Without Donor Restriction represents net assets which are available for general use of the Organization as net assets without donor restriction, as well as Board-designated net assets set aside for future use.

Revenue Recognition

Contributions containing donor-imposed restrictions are reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a time or purpose restriction is satisfied, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. When restrictions are met in the same period as the contribution received, the Organization records the contribution revenue as without donor restrictions.

Public Support and Impact Grants to Organizations

Annual campaigns are conducted each fall to raise support for the following year's impact grants to participating agencies and grantees. For the years ended December 31, 2021 and 2020, \$521,049 and \$778,712 of current-year campaign contributions were reported as net assets with donor restrictions. All other campaign contributions are considered net assets without donor restriction for use in the following year and are released from restriction in the current year to the extent of impact grants approved for the following year. Unconditional promises to give are recorded as receivables in the year pledged. Conditional promises to give are recognized only when the conditions on which they depend are substantially met. Promises to give whose eventual use are restricted by the donors are recorded as increases in with donor restrictions. Unconditional promises to give to be collected in future periods are also recorded as an increase in with donor restrictions and reclassified to without donor restrictions when received, unless the donor's intention is to support current-period activities. Contribution income is recognized in the year that the unconditional promise is received.

Impact grants payable to agencies and grantees are recorded in the financial statements at the time of approval by the Board of Directors, which is usually in the year of the campaign, by recording an expense and a liability of equal amounts. The Organization may approve multi-year allocations and consider future allocations beyond two years to be conditional based on success of the campaign. As of December 31, 2021, the Organization has one conditional contribution in the amount of \$300,000. As of December 31, 2020, the Organization does not have any conditional contributions.

Contributed Services

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. The Organization received approximately 11,000 and 10,800 volunteer hours during the years ended December 31, 2021 and 2020, respectively.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Organization's functional classification and allocation policy is based on a review of the Organization's current structure and the identification, reclassification and allocation of certain employee, facility, and departmental expenses, which serve multiple functional areas. Those expenses allocated to Planning and Community Investment program include Success by 6, Dolly Parton Imagination Library, Young Women's Mentorship Initiative, the Volunteer Income Tax Assistance program (V.I.T.A.), the Vision program and Success After 6. Those expenses allocated to United Way Campaign are those campaign expenses associated with the Organization's fundraising efforts.

Liquidity

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Amounts not available include amounts set aside for long-term investing in the quasi-endowment that could be drawn upon if the governing board approves that action. However, amounts already appropriated from either the donor-restricted endowment or quasi-endowment for general expenditure within one year of the balance sheet date have not been subtracted as unavailable. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors.

Financial assets	
Cash and cash equivalents	\$ 2,565,297
Cash and cash equivalents – designated pledges	132,683
Grant receivable	698,716
Campaign pledges receivable:	
2021 Campaign, less allowance for uncollectible pledges	747,573
2020 Campaign, less allowance for uncollectible pledges	94,726
Investments	9,270,164
Total Financial assets	<u>13,509,159</u>
Less those unavailable for general expenditures within one year	
Cash and cash equivalents – designated pledges	(132,683)
Grant receivable	(698,716)
Contractual or donor-imposed restrictions:	
Endowments invested in perpetuity	(2,348,821)
Annual campaign income designated for future periods	(521,049)
Other	(191,390)
Board designations:	
Stabilization of agencies' funding	(539,000)
Endowment	<u>(2,161,226)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 6,916,274</u>

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising Costs

The Organization expenses advertising costs as incurred. Advertising expense was \$20,806 and \$28,466 in 2021 and 2020, respectively.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to enhance comparability with the current period information. Such reclassifications had no impact on the Organization's financial position, results of operations or cash flows.

NOTE C – CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2021 and 2020 consist of the following:

	2021	2020
Cash and cash equivalents	\$ 2,565,297	\$ 1,974,531
Cash and cash equivalents – designated pledges	132,683	145,778
Total cash and cash equivalents	<u>\$ 2,697,980</u>	<u>\$ 2,120,309</u>

NOTE D – PLEDGE RECEIVABLES

Pledge receivables consist of the following as of December 31:

	2021	2020
Pledge receivables- 2021 Campaign	\$ 872,573	\$ -
Pledge receivables- 2020 Campaign	269,726	1,002,293
Pledge receivables- 2019 Campaign	-	194,135
	<u>1,142,299</u>	<u>1,196,428</u>
Less allowance for uncollectible pledges- 2021 Campaign	125,000	-
Less allowance for uncollectible pledges- 2020 Campaign	175,000	175,000
Less allowance for uncollectible pledges- 2019 Campaign	-	125,000
	<u>300,000</u>	<u>300,000</u>
Pledge receivables, net	<u>\$ 842,299</u>	<u>\$ 896,428</u>

NOTE E – PLEDGE ALLOCATIONS

The Executive Committee has allocated \$940,410 and \$1,039,100 for the years ended December 31, 2021 and 2020, respectively, to the United Way participating agencies for the agencies' 2021-2022 and 2020-2021 operations. The United Way's allocation year is a fiscal year ending June 30.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE F – DEBT

Payroll Protection Program Loan

Legislation passed as a part of the U.S. government's response to the COVID-19 pandemic includes various forms of financial stimulus directed towards individuals and businesses. One such measure included in the CARES Act was the Payroll Protection Program (PPP) administered by the Small Business Administration (SBA). In May 2020, the Organization applied for a PPP loan and obtained funding in the amount of \$227,200 which was recorded as debt as of December 31, 2020. The proceeds of this loan were to be used to pay payroll costs as well as certain other eligible expenses during the PPP's covered period. At the end of the covered period, the Organization's PPP loan is eligible for complete or partial forgiveness. On July 27, 2021, the Organization received full release and forgiveness of its indebtedness under the provisions of the CARES Act and recognized gain on extinguishment of debt in the Statement of Activities for the year ended December 31, 2021.

NOTE G – NET ASSETS WITH DONOR RESTRICTION

Endowment Fund

The Executive Committee of the Organization created an endowment fund consisting of two components: 1) funds without donor restrictions to be directed by the Executive Committee and 2) donor restricted funds to be used for purposes determined by the donor. The purpose of the endowment is to support the mission of the Organization, which is to develop resources for addressing the social needs of the community. The objective of the underlying investments within the endowment fund is to allow for growth of principal balances and to provide an income stream for uses of the Organization. The endowments must not be exposed to undue credit, interest-rate nor foreign exchange risk. Unless otherwise stated in the donor agreement, the Endowment Finance Committee shall select the investment portfolio where the endowments will be invested as described in the Endowment Investment Policy of the Organization.

The Executive Committee defined the distribution policy for the endowment fund components. The board-designated endowment fund shall obtain a principal balance of \$300,000 before the principal can be used. All income, defined as actual income less any fees and excluding any gains or losses on the account, may be paid out annually and the principal of the fund shall not be invaded unless otherwise determined by a two-thirds vote of the Executive Committee. The donor restricted endowment funds are distributed based upon the wishes of the donor and vary for each fund.

The Executive Committee of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring some portion of the donor-restricted endowment to be classified as net assets with donor restrictions. As a result, the Organization classifies as net assets with donor restrictions a) the original value of gifts donated to the permanent endowment, b) the original value of subsequent gifts to the permanent endowment, and c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument.

Endowment Net Asset Composition by Type of Fund as of December 31, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 2,540,211	\$ 2,540,511
Board-designated endowment funds	2,161,226	-	2,161,226
TOTAL FUNDS	\$ 2,161,226	\$ 2,540,211	\$ 4,701,437

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE G – NET ASSETS WITH DONOR RESTRICTION (continued)

Endowment Net Asset Composition by Type of Fund as of December 31, 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 2,308,805	\$ 2,308,805
Board-designated endowment funds	1,929,374	-	1,929,374
TOTAL FUNDS	\$ 1,929,374	\$ 2,308,805	\$ 4,238,179

Changes in Endowment Net Assets for the Years Ended December 31, 2021 and 2020:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets—January 1, 2020	\$ 1,721,791	\$ 2,108,262	\$ 3,833,053
Interest and dividends, net of investment fees	39,954	28,355	68,309
Net (appreciation) (realized and unrealized)	164,629	176,928	341,557
Contributions	-	21,153	21,153
Appropriation of endowment assets for expenditure	-	(25,893)	(25,893)
Endowment net assets—December 31, 2020	\$ 1,929,374	\$ 2,308,805	\$ 4,238,179
Interest and dividends, net of investment fees	56,732	29,121	85,853
Net appreciation (realized and unrealized)	175,120	201,612	376,732
Contributions	-	21,826	21,826
Appropriation of endowment assets for expenditure	-	(21,153)	(21,153)
Endowment net assets—December 31, 2021	\$ 2,161,226	\$ 2,540,211	\$ 4,701,437

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE G – NET ASSETS WITH DONOR RESTRICTION (continued)

A summary of net assets with donor restriction for the years ended December 31, 2021 and 2020 is as follows:

	December 31,	
	2021	2020
PNC Adler endowment	\$ 279,611	\$ 249,525
Huntington Andrews endowment	2,293,775	2,093,128
Annual campaign income designated for future periods	521,049	778,712
Campaign car	21,826	21,153
Net assets released from restriction	(55,000)	(55,000)
Total	\$ 3,061,261	\$ 3,087,518

NOTE H – INVESTMENTS

Investments are stated at fair value based on quoted market prices and consist of the following:

	December 31, 2021		December 31, 2020	
	Cost	Fair Value	Cost	Fair Value
Investments:				
Money market funds	\$ 135,902	\$ 135,902	\$ 300,392	\$ 300,392
Common stocks	2,423,661	3,609,315	2,567,677	3,454,707
Corporate/government bonds	149,500	151,876	377,140	389,940
Mutual funds	4,893,289	5,373,071	3,869,039	4,243,355
Total Investments	\$ 7,602,352	\$ 9,270,164	\$ 7,114,248	\$ 8,383,394

Investment fees for the year ended December 31, 2021 and 2020 were \$57,402 and \$56,338, respectively.

NOTE I – FAIR VALUE MEASUREMENTS

Financial accounting standards establish a framework for measuring fair value. That framework provides a fair value 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 Organization has characterized its financial instruments, based on the three levels of the fair value hierarchy, described as follows:

Level 1 fair values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 fair value inputs are based on inputs other than quoted prices within Level 1 that are observable for the asset, either directly or indirectly. Observable inputs include quoted market prices in active markets for similar assets, quoted prices in markets that are not active for identical or similar assets and other market observable inputs such as interest rate, credit spread and foreign currency exchange rates observable in the marketplace or derived from market transactions.

Level 3 fair values are based on at least one significant unobservable input for the asset. Level 3 securities contain unobservable market inputs and as a result considerable judgment may be used in determining the fair values.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE I – FAIR VALUE MEASUREMENTS (continued)

Certain investments are measured at fair value using the net asset value (NAV) per share, or its equivalent, as a practical expedient. These investments include commingled funds which may include money market funds, common collective trusts and pooled separate accounts which are typically valued using the NAV provided by the investing agent. The Organization's holdings include money markets. In accordance with accounting guidance, these investments have not been classified in the fair value hierarchy.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at quoted market prices on the last business day of the year.

Money market funds: As a practical expedient, valued at the NAV of shares held at year end.

Corporate/Government Bonds: Valued using pricing models using observable inputs for similar securities. This includes basing value on yields available on comparable securities of issuers with similar credit ratings.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2021 and 2020.

Assets Measured at Fair Value at December 31, 2021 on a Recurring Basis				
Description	Level 1	Level 2	Level 3	Total
Investments measured at fair value:				
Corporate/Government bonds	\$ -	\$ 151,876	\$ -	\$ 151,876
Common stocks:				
Industrials	252,859	-	-	252,859
Telecommunications	43,212	-	-	43,212
Consumer	589,639	-	-	589,639
Other	2,723,605	-	-	2,723,605
Mutual funds:				
Fixed income funds	2,336,958	-	-	2,336,958
Other funds	3,036,113	-	-	3,036,113
Subtotal investments at fair value	8,982,386	151,876	-	9,134,262
Investments at net asset value:				
Money market				135,902
Total				\$ 9,270,164

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE I – FAIR VALUE MEASUREMENTS (continued)

Assets Measured at Fair Value at December 31, 2020 on a Recurring Basis				
Description	Level 1	Level 2	Level 3	Total
Investments measured at fair value:				
Corporate/Government bonds	\$ -	\$ 384,940	\$ -	\$ 384,940
Common stocks:				
Industrials	289,392	-	-	289,392
Telecommunications	84,182	-	-	84,182
Consumer	458,505	-	-	458,505
Other	2,622,628	-	-	2,622,628
Mutual funds:				
Fixed income funds	1,912,553	-	-	1,912,553
Other funds	2,330,802	-	-	2,330,802
Subtotal investments at fair value	7,698,062	384,940	-	8,083,002
Investments at net asset value:				
Money market				300,392
Total				<u>\$ 8,383,394</u>

NOTE J – DEFINED CONTRIBUTION PLAN

The Organization has a 403(b) defined contribution pension plan covering all eligible employees. Employees may defer up to \$19,500 of their annual compensation to the plan in both 2021 and 2020. The Organization's contributions to the plan are based on 4% of employee wages. Total pension plan contributions were \$4,644 and \$23,513 for the years ended December 31, 2021 and 2020, respectively.

NOTE K – RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Organization occasionally enters into transactions with affiliates of members of its Board of Trustees. These transactions primarily relate to depository and investment relationships with financial institutions.

NOTE L – DEFERRED COMPENSATION AGREEMENT

The Organization entered into a supplemental executive retirement agreement ("the agreement") on March 15, 2020, with the Organization's President. Subject to the President's continued employment with the organization, the President may earn amounts, at the Organization's discretion, for the period March 2020 through April 2024. The President shall be entitled to receive a distribution of such amounts, plus earnings thereon, at November 30, 2024.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021 and 2020

NOTE M – CONCENTRATION OF RISK

The Organization maintains its cash in various financial institutions which, at times, may exceed federally insured limits, of \$250,000. The Organization has not experienced any losses from such accounts, and management believes the Organization is not exposed to significant credit risk related to bank deposit accounts. The Organization maintains a major portion of its funds in investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of financial position.

Major Contributors

During 2020, the Organization received \$331,952 of its contributions from one business and its employees. At December 31, 2020, of this amount \$6,952 was included in campaign pledge receivables.

NOTE N – SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through September 30, 2022, which is the date the financial statements were available to be issued.



**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***

BOARD OF TRUSTEES
THE UNITED WAY OF YOUNGSTOWN AND THE MAHONING VALLEY

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The United Way of Youngstown and the Mahoning Valley (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and 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 September 30, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered The United Way of Youngstown and the Mahoning Valley's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The United Way of Youngstown and the Mahoning Valley 's internal control. Accordingly, we do not express an opinion on the effectiveness of The United Way of Youngstown and the Mahoning Valley '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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of The United Way of Youngstown and the Mahoning Valley '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 purposes 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 The United Way of Youngstown and the Mahoning Valley 's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Purposes of This Report

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

A handwritten signature in black ink that reads "Rachel Thomas". The signature is written in a cursive, flowing style.

Canfield, Ohio
September 30, 2022



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

BOARD OF TRUSTEES
THE UNITED WAY OF YOUNGSTOWN AND THE MAHONING VALLEY

Report on Compliance For Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The United Way of Youngstown and the Mahoning Valley's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The United Way of Youngstown and the Mahoning Valley's major federal programs for the year ended December 31, 2021. The United Way of Youngstown and the Mahoning Valley's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The United Way of Youngstown and the Mahoning Valley 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, 2021.

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 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 Youngstown and the Mahoning Valley 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 The United Way of Youngstown and the Mahoning Valley'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 The United Way of Youngstown and the Mahoning Valley'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 have occurred, whether due to fraud or error, and express an opinion on The United Way of Youngstown and the Mahoning Valley'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 The United Way of Youngstown and the Mahoning Valley'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 The United Way of Youngstown and the Mahoning Valley's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The United Way of Youngstown and the Mahoning Valley's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of The United Way of Youngstown and the Mahoning Valley's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purposes 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses 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.

A handwritten signature in black ink that reads "Rachel Thomas". The signature is written in a cursive, flowing style.

Canfield, Ohio
September 30, 2022

The United Way of Youngstown and the Mahoning Valley
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2021

Federal Grantor/ Pass-through Grantor/ Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. Department of Education</u>			
<u>Passed through by the Ohio Department of Education</u>			
21st Century Community Learning Centers	84.287	N/A	\$ 89,602
21st Century Community Learning Centers	84.287	N/A	91,115
21st Century Community Learning Centers	84.287	N/A	81,021
21st Century Community Learning Centers	84.287	N/A	95,799
21st Century Community Learning Centers	84.287	N/A	64,476
21st Century Community Learning Centers	84.287	N/A	68,849
21st Century Community Learning Centers	84.287	N/A	56,403
21st Century Community Learning Centers	84.287	N/A	63,696
21st Century Community Learning Centers	84.287	N/A	53,185
21st Century Community Learning Centers	84.287	N/A	56,463
21st Century Community Learning Centers	85.287	N/A	49,759
21st Century Community Learning Centers	85.287	N/A	<u>57,361</u>
Total U. S. Department of Education			<u>827,729</u>
<u>U.S. Department of the Treasury</u>			
<u>Volunteer Income Tax Assistance (VITA)</u>	21.009	N/A	54,000
<u>"COVID-19" - Coronavirus Local Fiscal Recovery Fund</u>	21.027	N/A	126,431
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,008,160</u>

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2021

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of The United Way of Youngstown and the Mahoning Valley under the programs of the federal government for the year ended December 31, 2021. 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, change in net assets and cash flows of The United Way of Youngstown and the Mahoning Valley.

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 *Uniform Guidance*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 – INDIRECT COST RATE

The United Way of Youngstown and the Mahoning Valley did not elect to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

The United Way of Youngstown and the Mahoning Valley
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended December 31, 2021

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statement

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- | | | | | |
|--------------------------------------|--------------------------|-----|-------------------------------------|---------------|
| • Material weakness identified? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No |
| • Significant deficiency identified? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | None Reported |

Noncompliance material to financial statements noted?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
---	--------------------------	-----	-------------------------------------	----

Federal Awards

Internal control over major programs:

- | | | | | |
|--------------------------------------|--------------------------|-----|-------------------------------------|---------------|
| • Material weakness identified? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | No |
| • Significant deficiency identified? | <input type="checkbox"/> | Yes | <input checked="" type="checkbox"/> | None Reported |

Type of auditor’s report issued: Unqualified

Any audit findings disclosed required to be reported in accordance with 2 CFR 200.516(a)?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
---	--------------------------	-----	-------------------------------------	----

Identification of major programs

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.287	Twenty-First Century Community Learning Centers

Dollar threshold used to distinguish between type A and type B programs?	\$750,000
--	-----------

Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
--	-------------------------------------	-----	--------------------------	----

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported for the year ended December 31, 2021.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported for the year ended December 31, 2021.



PACKER · THOMAS

Certified Public Accountants & Business Consultants

PROVEN TRUE.

1-800-943-4278
www.packerthomas.com