



United Way of the Coastal Bend, Inc.

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

June 30, 2021



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REPORT





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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
United Way of the Coastal Bend, Inc.
Corpus Christi, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of United Way of the Coastal Bend, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Way of the Coastal Bend, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, the United Way of the Coastal Bend, Inc. had the correction of an accounting error, in order to appropriately state net assets for the years subsequent to and including 2020. In 2020, designations payable in the amount of \$687,347 to account for designations pledged by donors include as a part of the 2019 campaign promises received was not recognized. As the designations payable liability and deduction to revenue was not recorded, the 2021 beginning designations payable and net assets have been appropriately restated through an increase and reduction of \$687,347, respectively. Our opinion is not modified with respect to this matter.

Other Matters

Other 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 May 4, 2022, on our consideration of United Way of the Coastal Bend, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of United Way of the Coastal Bend, 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 Coastal Bend, Inc.'s internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Corpus Christi, Texas
May 4, 2022



FINANCIAL STATEMENTS



United Way of the Coastal Bend, Inc.
Statement of Financial Position

<i>June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 676,834	\$ 1,039,073	\$ 1,715,907
Certificates of deposit	-	981,307	981,307
Accounts receivable, net	296,449	-	296,449
Campaign pledges receivable, net	1,085,496	707,266	1,792,762
Prepaid expenses	78,569	-	78,569
Total current assets	2,137,348	2,727,646	4,864,994
Property and equipment, net	2,329,778	-	2,329,778
Total assets	4,467,126	2,727,646	7,194,772
Liabilities and net assets			
Current liabilities			
Accounts payable	111,118	-	111,118
Designations payable	987,516	-	987,516
Performance obligation	85,945	-	85,945
Other payables	26,744	-	26,744
Accrued expenses	170,916	-	170,916
Total current liabilities	1,382,239	-	1,382,239
Total liabilities	1,382,239	-	1,382,239
Net assets	3,084,887	2,727,646	5,812,533
Total liabilities and net assets	\$ 4,467,126	\$ 2,727,646	\$ 7,194,772

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

United Way of the Coastal Bend, Inc.
Statement of Activities

<i>For the year ended June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and support			
Gross campaign results	\$ -	\$ 4,571,707	\$ 4,571,707
Less: donor designations	-	(1,878,576)	(1,878,576)
Less: provision for uncollectible pledges	-	(286,464)	(286,464)
Net campaign revenue - current year	-	2,406,667	2,406,667
Federal, state and private grant revenues	1,421,944	54,214	1,476,158
Special events	-	102,351	102,351
Interest income	6,785	-	6,785
Rent income	16,000	-	16,000
In-kind gifts	52,457	35,670	88,127
Administrative fee on designated contributions	159,460	-	159,460
Miscellaneous income	40,235	-	40,235
Net assets released from restrictions	3,061,872	(3,061,872)	-
Total revenue and other support	4,758,753	(462,970)	4,295,783
Expenses			
<i>Program services</i>			
Gross grants to agencies	3,564,460	-	3,564,460
Less: donor designations to agencies	(1,770,941)	-	(1,770,941)
Net grants to programs	1,793,519	-	1,793,519
Other program expenses	1,877,101	-	1,877,101
Total program services	3,670,620	-	3,670,620
<i>Support services</i>			
Management and general	532,089	-	532,089
Fundraising	345,846	-	345,846
Total supporting services	877,935	-	877,935
Total expenses	\$ 4,548,555	\$ -	\$ 4,548,555

(Continued)

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

United Way of the Coastal Bend, Inc.
Statement of Activities (Continued)

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	Total
Gain on extinguishment of debt	\$ 159,190	\$ -	\$ 159,190
Change in net assets	369,388	(462,970)	(93,582)
Net assets at beginning of year, as reported	3,402,846	3,190,616	6,593,462
Prior period adjustment	(687,347)	-	(687,347)
Net assets, beginning of year, as restated	2,715,499	3,190,616	5,906,115
Net assets at end of year	\$ 3,084,887	\$ 2,727,646	\$ 5,812,533

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

United Way of the Coastal Bend, Inc.
Statement of Functional Expenses

For the year ended June 30, 2021

	Program Services			Total Program Services	Support Services			Total
	Education	Financial Stability	Health		Management & General	Fundraising	Total Support Services	
<i>Gross distributions to agencies</i>	\$ 884,393	\$ 1,321,497	\$ 1,349,680	\$ 3,564,460	\$ -	\$ -	\$ -	\$ 3,564,460
Less: donor designations to agencies	(233,784)	(964,012)	(573,145)	(1,770,941)	-	-	-	(1,770,941)
Net grants to programs	653,850	359,266	780,403	1,793,519	-	-	-	1,793,519
Salaries	182,033	80,295	587,020	849,348	296,065	217,740	513,805	1,363,153
Payments to subcontractors	558,720	19,586	2,218	580,523	1,434	7,961	9,395	589,918
Payroll taxes and employee benefits	34,632	15,630	122,227	172,489	69,132	44,516	113,648	286,137
Dues and subscriptions	20,505	10,516	26,615	57,637	41,408	18,944	60,352	117,989
Supplies	34,138	1,302	4,098	39,538	41,895	4,684	46,579	86,117
Advertising expense	11,055	7,461	15,478	33,994	12,714	10,503	23,217	57,211
Depreciation	12,946	6,473	18,125	37,544	13,594	13,593	27,187	64,731
Software and support	9,735	5,499	10,495	25,729	7,935	7,392	15,327	41,056
Occupancy	5,832	2,916	8,596	17,343	11,888	4,246	16,134	33,476
Property insurance	3,683	1,844	7,629	13,157	4,262	3,503	7,765	20,922
Professional fees	4,012	2,006	5,617	11,636	4,614	3,812	8,426	20,062
Equipment rental	2,617	3,541	2,605	8,764	7,837	2,145	9,982	18,746
Training	3,596	243	4,237	8,076	8,860	210	9,070	17,146
Repairs and maintenance	3,213	1,607	4,498	9,318	3,695	3,052	6,747	16,065
Office expense	1,459	2,076	1,572	5,106	4,813	1,000	5,813	10,919
Bank and brokerage charges	1,630	815	2,282	4,726	1,874	1,548	3,422	8,148
Printing	142	76	506	723	871	568	1,439	2,162
Travel and mileage	87	46	1,068	1,200	(1,120)	347	(773)	427
Postage	86	43	121	250	319	82	401	651
Total	\$ 1,543,971	\$ 521,241	\$ 1,605,408	\$ 3,670,620	\$ 532,089	\$ 345,846	\$ 877,935	\$ 4,548,555

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

United Way of the Coastal Bend, Inc.
Statement of Cash Flows

<i>For the year ended June 30,</i>	<i>2021</i>
Operating Activities	
Change in net assets	\$ (93,582)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	64,731
Gain on extinguishment of debt	(159,190)
Changes in operating assets and liabilities	
Certificate of deposit	4,549
Accounts receivable	10,573
Campaign pledges receivable	279,296
Prepaid expenses	(37,487)
Accounts payable	(13,996)
Designations payable	39,545
Performance obligation	85,945
Other payables	26,744
Accrued expenses	(158,060)
Net cash provided by operating activities	49,068
Investing Activities	
Purchase of property and equipment	(219,561)
Net cash used in investing activities	(219,561)
Financing Activities	
Proceeds from PPP loan	159,190
Net cash provided by financing activities	159,190
Net change in cash, cash equivalents and restricted cash	(11,303)
Cash, cash equivalents and restricted cash at beginning of year	1,727,210
Cash, cash equivalents and restricted cash at end of year	\$ 1,715,907

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

United Way of the Coastal Bend, Inc. Notes to the Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

Organization

The United Way of the Coastal Bend, Inc. (the Organization) was incorporated in 1936 as a nonprofit corporation to bring together in united appeal all possible campaigns or community accepted health, welfare, and recreational agencies and to solicit funds and property for such agencies. The Organization serves 60 communities in and around the following counties: Bee, Brooks, Duval, Jim Wells, Live Oak, Kenedy, Kleberg, Nueces, Refugio, and San Patricio.

Below is a summary of the principal community initiatives administered by the Organization:

1. Success By 6 Coalition -The initiative works as a coalition to reduce the barriers to children experiencing healthy, safe, learning environments at home and in their communities. The initiative aims to ensure all Coastal Bend children arrive at school healthy and ready to learn.
2. Volunteer Income Tax Assistance (VITA) Program – VITA volunteers provide free income tax filing services for individuals and families who earned \$55,000 or less in the previous year. This helps taxpayers avoid fees and receive assistance obtaining all applicable tax credits.
3. Operation Supply Our Students (Operation SOS) – Operation SOS is a community-wide donation and school supply drive striving to ensure that students have the school supplies needed for the school year.
4. FamilyWize Prescription Savings Card Partnership – FamilyWize partnered with the Organization to help the community save on prescriptions regardless of coverage or lack of health insurance.
5. Caller Times Children’s Christmas Appeal – The appeal is an annual initiative powered by the Corpus Christi Caller Times, United Way of the Coastal Bend and area agencies that provide these children with the happy holidays they desire.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs). Net assets and activities are reported, based on the existence or absence of donor-imposed restrictions, into two classes: with donor restrictions and without donor restrictions.

United Way of the Coastal Bend, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

United Way Worldwide Presentation Standards

The Organization's financial statements follow the guidance prescribed by United Way Worldwide titled, *Implementation Requirements for Membership Standard H – Financial Statement Standards* (Standard H). Also, the Organization pledges to comply with the United Way Worldwide's *Implementation Requirements for Membership Standard M – Cost Deduction Requirements*.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents include cash and all unrestricted highly liquid investments with an original maturity of 90 days or less.

Amounts included in cash and cash equivalents with donor restrictions represent those balances required to be set aside because of donor restrictions. The Organization is obligated to use restricted cash towards the programs identified by the donor. The restriction will lapse when the funding is expended on the appropriate programs. It is the Organization's policy to make the obligated payments within 12 months of the year end for the campaign under which the funds were raised.

Certificates of deposit

Certificates of deposit are valued at original cost at purchase plus accrued interest. The safety and security of investments is of utmost importance to the Board of Directors and to the community. The President/CEO and Controller/CFO are authorized to make investment decisions concerning the Organization. The Finance Committee of the United Way of the Coastal Bend is responsible for the review of investments of available contributed dollars to ensure the financial stability of the Organization. Yield on investments is maximized within the context of purpose of safety of principal. The Organization does not invest in equity securities without the prior approval of the Finance Committee. Maturity on investments does not exceed three years. The current investment portfolio consists of several certificates of deposit with varying maturity dates in excess of 90 days past the fiscal year end.

United Way of the Coastal Bend, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of members to meet their obligations.

Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Campaign Pledges Receivable

Contributions are recognized when the donor makes a promise to give (pledge) that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions if the restrictions are satisfied, or expire, or the donor stipulation is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance has historically ranged between 3% and 6% of pledged contributions of the general campaign. As of June 30, 2021, The Organization used a rate of 4.45% based on historical 5-year experience with respect to collectability.

Property and Equipment

Property and equipment are recorded at cost if purchased and fair value if contributed. Expenditures for maintenance and repairs are charged to expense as incurred. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated and the resulting gain or loss is included in income.

Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the assets, ranging from two to thirty-nine years. Maintenance and repairs that do not increase the useful life of the asset are capitalized. Purchases of \$25,000 that have an estimated useful life of greater than one year are capitalized. Any purchases less than \$25,000 are expensed.

United Way of the Coastal Bend, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Long-Lived Assets

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the estimated undiscounted future cash flows is less than the carrying amount of the asset, an impairment loss is recognized based on the fair value of the asset. The Organization had no impairments for the year ended June 30, 2021.

Net Assets

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

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

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

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Donor Designations

Gifts raised in the Organization's annual campaign in which the Organization agrees to transfer the gift to another beneficiary as designated by the donor constitute agency transactions, and are deducted from gross campaign results to arrive at contribution revenue. In accordance with the Organization membership requirements, these designations are presented as part of gross campaign results and gross agency distributions on the statement of activities, but are then deducted to arrive at the Organization's actual revenue and expense.

United Way of the Coastal Bend, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition and Campaign Support

Administrative fees on contribution and payments under various contracts are accounted for under ASC Topic 606, Revenue from Contracts with Customers (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied.

Campaign contributions received are recorded as support with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions. The Organization reports contributions of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets.

The Organization conducts an annual fund-raising campaign for the following year's operations. Thus, campaign contributions are treated as with donor restrictions in the year of the campaign and are transferred to without donor restrictions in the following year when the funds will be used to fund program allocations and the Organization's programs and supporting services. The Organization honors designations made to each partner agency by distributing the portion of a donor's pledge to said partner agency.

Contributions received in the current year from the preceding year's fund-raising campaign are reported as without donor restrictions since the restrictions are met in the same year.

A significant portion of the Organization's grants and contracts are from government agencies. These benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

Donated Property and Services

The Organization recognizes donated property and other intangible gifts-in-kind such as advertising and personal protective equipment as a contribution at its estimated market value at the date of the gift.

The value of donated services is not recognized as a contribution since no objective basis is available to measure the value of such services and generally they do not require specialized skills. A substantial number of volunteers and organizations have donated significant amounts of their time and services on the Organization's behalf.

United Way of the Coastal Bend, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll, payroll taxes, and employee benefits are allocated based on actual percentages of time spent in each functional area. Expenses related to maintenance and upkeep of the entire facility are allocated across functional areas based on a fixed percentage.

Fundraising activities include the solicitation of contributions of money. Depreciation and facility management costs are allocated based on square footage. Information technology costs are allocated based on number of computer units utilized by each area. A portion of general and administrative costs that benefit multiple functional areas (indirect costs) have been allocated across programs and other supporting services based on the proportion of full-time employee equivalents.

Advertising

The Organization uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed as incurred. During the year ended June 30, 2021, advertising costs totaled \$57,210.

Income Taxes

Under section 501(c)(3) of the Internal Revenue Code, the Organization is exempt from taxes on income other than unrelated business income. Unrelated business income results from rent.

The Organization utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2021, the Organization has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

Reclassifications

Certain reclassifications were made to prior year balances to confirm with current year presentation.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, May 4, 2022 and determined that there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

United Way of the Coastal Bend, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements

Adoption of FASB Accounting Standards Update 2020-07 - In September 2020, the FASB issued ASU 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This change in accounting principal did not have a material impact on the financial statements.

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). This guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU and its amendments supersede the revenue recognition requirements in Topic 605, Revenue Recognition, and most industry specific guidance.

Effective July 1, 2020, the Organization adopted ASC 606, using the modified retrospective method. This method allows the standard to be adopted retrospectively through a cumulative adjustment to net assets recognized upon adoption. For the year of adoption, the cumulative adjustment recorded upon adoption of ASC 606 did not have a material impact on the opening balances of retained earnings.

Accounting Guidance Not Yet Adopted

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

NOTE: *ASU 2020-05, Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities*, amended the effective date of ASU 2016-02 for certain organizations. Specifically, private companies and private not-for-profit organizations may apply the new leases standard for fiscal years beginning after December 15, 2021, and to interim periods within fiscal years beginning after December 15, 2022. Public not-for-profit organizations that have not yet issued (or made available to issue) financial statements reflecting the adoption of the leases guidance may apply the standard for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.

United Way of the Coastal Bend, Inc.
Notes to the Financial Statements

Note 3: RESTATEMENT OF PRIOR YEAR DESIGNATIONS PAYABLE

The Organization identified an error in the recognition, measurement, presentation and disclosure in the previously issued financial statements and as a result adopted a correction of an accounting error using a retroactive basis which requires a restatement of prior accounting periods.

As of June 30, 2020, the Organization had neglected the recognition of designations payable based on pledges received by donors of the 2018 and 2019 campaigns. In accordance with guidance identified in Note 2 of the financial statements, these designations represent current liabilities and a reduction of revenues until the underlying obligations are fulfilled.

The effect of these adjustments on Net Assets and the financial statements are identified as below:

	2020		
	As Previously		2020
	Reported	Adjustment	As Restated
Statement of Financial Position			
Designations payable	\$ 260,624	\$ 687,347	\$ 947,971
Net assets	\$ 6,593,462	\$ (687,347)	\$ 5,906,115

United Way of the Coastal Bend, Inc.
Notes to the Financial Statements

Note 4: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

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

<i>June 30,</i>	2021
Total Assets at year end	\$ 7,194,772
Less non-financial assets	
Prepaid expenses	(78,569)
Property and equipment, net	(2,329,778)
Financial assets at year-end:	4,786,425
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions:	
Designated by board with purpose restrictions	(16,653)
Reserve fund for use with board approval	(2,326,271)
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,443,501

Additionally, investments are maintained in securities which can be liquidated on a short-term basis. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Net assets that are reported with donor restrictions for time purposes are all considered available within one year as the time restriction expires within one year.

As at June 30, 2021, the board has designated \$16,653 of assets to the building fund. The Organizations Reserve fund as at year end is \$2,326,271.

Cash Management Policy

The Organization had cash, cash equivalents and certificates of deposit totaling \$2,697,214 at June 30, 2021. The Organization's cash reserve policy calls for keeping a minimum cash reserve on hand of four to eight months of operating expenses. Based upon the budget for the fiscal year ending June 30, 2021, the reserve ranges from \$1,310,960 to \$2,621,920.

United Way of the Coastal Bend, Inc.
Notes to the Financial Statements

Note 5: CERTIFICATES OF DEPOSIT

Certificates of deposit are valued at original cost at purchase plus accrued interest. A detail of certificates of deposits by maturity date is as follows:

<i>June 30,</i>	2021
<hr/>	
International Bank of Commerce	
December 9, 2021	\$ 99,780
December 22, 2021	100,000
March 2, 2022	46,346
 Kleberg Bank	
December 20, 2021	245,181
 Charter Bank	
May 16, 2022	245,000
 Security Service Federal Credit Union	
June 21, 2022	245,000
<hr/>	
Total	\$ 981,307
<hr/>	

Note 6: PLEDGES AND ACCOUNTS RECEIVABLE

Pledges receivable consist of the following:

<i>June 30,</i>	2021
<hr/>	
Campaign pledges receivable	
Designated	\$ 707,266
Undesignated	1,293,258
<hr/>	
Total campaign pledges receivable	2,000,524
Less allowance for uncollectable pledges	(207,762)
<hr/>	
Total net campaign pledges receivable	\$ 1,792,762
<hr/>	

As of June 30, 2021, pledge write-offs totaled \$312,798. All pledges receivable are expected to be collected within one year. Uncollectable campaign pledges totaled \$286,464 for the year ended June 30, 2021. Accounts receivables consisted solely of government grants in the amount of \$296,449 and therefore is considered fully collectible.

United Way of the Coastal Bend, Inc.
Notes to the Financial Statements

Note 7: PROPERTY AND EQUIPMENT

The components of property and equipment at June 30, 2021 is as follows:

<i>June 30,</i>	Estimated Useful Lives (in years)	2021
Non depreciable assets		
Land		\$ 87,045
Total non depreciable assets		87,045
Depreciable assets		
Building	39	2,535,473
Office equipment	3-5	21,586
Computer equipment	2-5	71,168
Furniture and fixtures	10	12,000
Total depreciable assets		2,640,227
Less accumulated depreciation		(397,494)
Total net depreciable assets		2,242,733
Total property and equipment, net		\$ 2,329,778

Depreciation expense for the year ended June 30, 2021 was \$64,731.

Note 8: NET ASSETS

A summary of net assets with donor restrictions follows:

<i>June 30,</i>	2021
Specific Purpose:	
United Way campaign promises	\$ 2,700,143
Christmas appeal	22,883
HEB VITA grant	4,620
Total net assets with donor restrictions	
	\$ 2,727,646

United Way of the Coastal Bend, Inc. Notes to the Financial Statements

Note 8: NET ASSETS (Continued)

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

<i>For the year ended June 30,</i>	2021
Specific Purpose:	
United Way campaign promises	\$ 2,188,796
Operation SOS	68,160
Christmas appeal	72,801
Disaster relief	580,013
2019 United Way Golf Classic	91,373
CARES grant	5,104
HEB VITA grant	55,625
<hr/>	
Total net assets released from restriction	\$ 3,061,872

As of June 30, 2021, The Organization had unrestricted net assets of \$3,084,887. This includes restrictions to net assets placed by the board as discussed in Note 4 to the financial statements. As of June 30, 2021, such amounts included board designated purpose restrictions of \$16,653 and a reserve fund for use with board approval for \$1,015,311.

Note 9: REVENUE RECOGNITION

The Organization is recognizing revenue over time for its administrative fee on designated contributions and in-kind gifts. The Organization is recognizing revenue at a point in time for special event revenue. As of June 30, 2021, there is \$85,945 of performance obligations to be satisfied, all of which is expected to be recognized in revenue as of the year ended June 30, 2022. These performance obligations are based on special event revenues, relating to the 2021 Golf Classic, that was not recognized as of June 30, 2021. The Organization recognizes revenue based on the output method for performance obligations to be utilized over time.

Significant Judgements

For those revenue items recognized over time, the Organization generally utilizes the output method of measurement, where revenue is recognized based on processing of designated donor contributions received. Because of the inherent uncertainties in estimating the processing of donor contributions, it is reasonably possible that the estimates used will change in the near term.

United Way of the Coastal Bend, Inc.
Notes to the Financial Statements

Note 9: REVENUE RECOGNITION (Continued)

Disaggregated Revenue

Approximately 25% of revenues was at a point in time consisting of special event revenue. The remaining 75% was recognized over time and consisted of administrative fees and other sources.

A summary of disaggregated revenue is as follows:

<i>For the year ended June 30,</i>	<i>2021</i>
Contracts with customers	
Recognized over time	\$ 310,607
Recognized at a point in time	102,351
Total revenues	412,958
Federal, state and private grant revenues	1,476,158
Campaign support, net (Note 9)	2,406,667
Total revenues and other support	\$ 4,295,783

Note 10: CAMPAIGN SUPPORT

Amounts raised

The Organization conducts an annual campaign to raise funds to be distributed to participating agencies in the subsequent fiscal year. Total contributions consist of cash and pledges from the United Way General Campaign less an allowance for uncollectible amounts. Amounts that are donor designated are also deducted from total campaign support since these amounts are accounted for as custodial accounts, or liabilities.

Community Investment Grants

Community investment grant allocations to participating agencies are budgeted on a fiscal year basis and monthly payments are made to participating agencies. For the year ended June 30, 2021, the amount allocated is \$1,770,941 that will be distributed monthly to participating agencies beginning July 1, 2021.

The board of directors deem agency allocations as intentions to fund programs of area agencies contingent on collection of campaign promises to give and on agency performance. Designated agencies should not construe these allocations as pledges receivable or promises to give by the Organization.

United Way of the Coastal Bend, Inc.
Notes to the Financial Statements

Note 10: CAMPAIGN SUPPORT (Continued)

Donor Designated Contributions

The Organization is the agent responsible for distributing pledges that are designated by donors to specific affiliated agencies. In accordance with Statement of Financial Accounting Standards (SFAS) No. 136, campaign support that is donor-designated is reported as a liability since the pledge is to donor-specific agencies rather than revenue.

Note 11: CONCENTRATION OF CREDIT RISKS

Cash

Financial instruments that subject the Organization to concentrations of credit risk include cash and cash equivalents and accounts receivable. The Organization manages the risk on cash and cash equivalents by maintaining all deposits in high credit quality financial institutions. Balances may at times exceed the Federal Deposit Insurance Corporation's limit. The Organization has not experienced any losses from maintaining cash accounts in excess of the federally insured limits. Management believes that it is not exposed to any significant credit risk on cash and cash equivalents.

The Organization maintains cash with a financial institution in excess of the FDIC limits by \$154,371 at June 30, 2021.

Accounts Receivable and Revenues and Support

As of June 30, 2021, two entities accounted for 45% of total receivables. For the year ended June 30, 2021, one donor organization and a federal grant agency accounted for 49% of total revenues and support.

Accounts Payable

As of June 30, 2021, one vendor accounted for 17% of total payables.

Note 12: OPERATING LEASES

The Organization leases office copiers. One lease is on a month to month basis. The other lease expires at the end of the 2023 fiscal year. For the year ended June 30, 2021, rent expense under these operating leases was approximately \$5,900.

United Way of the Coastal Bend, Inc.
Notes to the Financial Statements

Note 12: OPERATING LEASES (Continued)

Future minimum lease payments under the operating lease that has a remaining term in excess of one year is as follows:

<i>Year ending June 30,</i>	
2022	\$ 4,881
2023	4,881
Total	\$ 9,762

Note 13: RELATED PARTIES

During the year ended June 30, 2021, the Organization's Treasurer was also the President and CEO of Goodwill Industries of South Texas (a nonprofit organization). Goodwill Industries of South Texas is a recipient of an annual Community Investment Fund Grant provided by United Way of the Coastal Bend, Inc. In addition, Goodwill Industries of South Texas receives donor designations, payments for shredding services and reimbursements from United Way of the Coastal Bend, Inc. as a subcontractor on the Organization's Volunteer Income Tax Assistance (VITA) grant. In the year ended June 30, 2021, The Organization paid \$103,445 to Goodwill Industries of South Texas.

Note 14: CONTINGENCIES

Financial awards from federal, state, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date. The Organization expects such amounts, if any, to be immaterial.

Note 15: PAYCHECK PROTECTION PROGRAM

In April 2020, in response to the global pandemic, the Organization applied for and received a \$159,190 loan through the Paycheck Protection Program under the CARES Act. During the year ended June 30 2021, the Organization applied for and received notice of forgiveness for the full amount. During the year ended June 30, 2021, the Organization recognized a gain on extinguishment of debt in the amount of \$159,190. There is no outstanding balance for the loan as of year end.

United Way of the Coastal Bend, Inc. Notes to the Financial Statements

Note 16: PAYMENTS TO AFFILIATES

In accordance with affiliation agreements with the state and national organizations, dues payments to these organizations were based on a percentage of the Organization's total pledges received or campaign goal for the prior year. Amounts expensed for dues to the United Way of America and the United Way of Texas totaled \$117,989 for the fiscal year ended June 30, 2021.

Note 17: RETIREMENT PLAN

The Organization has a defined contribution plan covering substantially all full-time employees at least 21 years of age with one year of active service. Retirement expense is based upon a percentage of eligible payroll. During 2021, the percentage was 6% of eligible payroll. The annual percentage is determined by the Board of Directors. Retirement expense amounted to \$85,143 for the year ended June 30, 2021.

Note 18: UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities, such as events, fundraising, and results of the Organization.

The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.



REQUIRED SUPPLEMENTARY INFORMATION





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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 Coastal Bend, Inc.
Corpus Christi, Texas

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 Coastal Bend, Inc.'s (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 4, 2022.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether United Way of the Coastal Bend, 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS, & INGRAM, LLC
Corpus Christi, Texas
May 4, 2022



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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 Coastal Bend, Inc.
Corpus Christi, Texas

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of United Way of the Coastal Bend, Inc's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about United Way of the Coastal Bend, Inc's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of United Way of the Coastal Bend, Inc's compliance.

Opinion on Each Major Federal Program

In our opinion, United Way of the Coastal Bend, 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 2021.

Report on Internal Control over Compliance

Management of United Way of the Coastal Bend, Inc is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered United Way of the Coastal Bend, Inc's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of United Way of the Coastal Bend, Inc's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS, & INGRAM, LLC
Corpus Christi, Texas
May 4, 2022

United Way of the Coastal Bend, Inc.
Schedule of Expenditures of Federal Awards

<u>GRANTOR</u>	Assistance Listing Number	Grant Number	Passed through to Subrecipients	Expenditures, Indirect Costs, And Refunds
<u>Department of Health and Human Services</u>				
<i>Passed through the</i>				
Texas Department of Family and Protective Services				
Maternal, Infant, And Early Childhood Home Visiting Grant Program	93.870	24487373	\$ -	\$ 1,421,944
Total U.S Department of Health and Human Services Health Resource Administration			-	1,421,944
<u>Department of the Treasury</u>				
Volunteer Income Tax Assistance Matching Grant Program	21.009	21VITA0087	-	51,130
Total Department of the Treasury			-	51,130
<u>US Department of Homeland Security</u>				
<i>Passed through the</i>				
United Way of America				
Emergency Food and Shelter National Board Program	97.024	828400-010	-	3,084
Total US Department of Homeland Security			-	3,084
Total Expenditures of Federal Awards			\$ -	\$ 1,476,158

*See Independent Auditors' Report and The Accompanying Notes to Schedule of Expenditures of
Federal Awards.*

United Way of the Coastal Bend, Inc. Notes to Schedule of Expenditures of Federal Awards

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 the Coastal Bend, Inc. (the Organization) under programs of the Federal government for the year ended June 30, 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 Administration Requirements, Cost Principles, and Audit 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, changes in net assets, or cash flows 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.

Note 3: INDIRECT COST RATE

The Organization has elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: NONCASH ASSISTANCE

The Organization has not received any noncash assistance for the fiscal year ended June 30, 2021.

Note 5: LOAN AND LOAN GUARANTEES

The Organization has not received any loan or loan guarantees for the fiscal year ended June 30, 2021.

Note 6: FEDERALLY FUNDED INSURANCE

The Organization has not received any federally funded insurance for the fiscal year ended June 30, 2021.

United Way of the Coastal Bend, Inc.
Notes to Schedule of Expenditures of Federal Awards

Note 7: CONTINGENCIES

Grant monies received and disbursed by the Organization are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon experience, the Organization does not believe that such disallowance, if any, would have a material effect on the financial position of the Organization.

Note 8: SUBRECIPIENTS

During the year ended June 30, 2021, the Organization did not expend any funds to subrecipients.

Note 9: FEDERAL PASS-THROUGH FUNDS

The Organization was the sub-recipient of federal funds for the year ended June 30, 2021.

United Way of the Coastal Bend, Inc.
Schedule of Findings and Questioned Costs
June 30, 2021

SECTION I: SUMMARY OF AUDITORS' RESULTS

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors' report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to the financial statements? | No |

Federal Awards:

- | | |
|---|---|
| 1. Type of auditors' report issued on compliance for major programs | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | None noted |
| 4. Identification of major programs: | |
| <u>Assistance Listing</u> | <u>Federal Program</u> |
| <u>Numbers</u> | |
| 93.870 | Maternal, Infant, and Early Childhood Home Visiting Grant Program |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 6. Auditee qualified as low-risk auditee? | Yes |

SECTION II: FINANCIAL STATEMENT FINDINGS

None noted.

United Way of the Coastal Bend, Inc.
Schedule of Findings and Questioned Costs (Continued)
June 30, 2021

SECTION III: FEDERAL AWARD FINDINGS

None noted.

SECTION IV: SUMMARY OF PRIOR YEAR AUDIT FINDINGS

None noted.