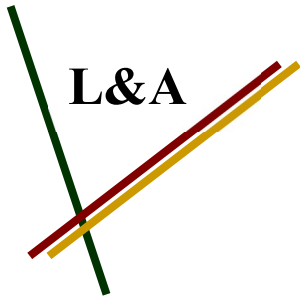


UNITED WAY OF BLAIR COUNTY, INC.
FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

UNITED WAY OF BLAIR COUNTY, INC.
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Link & Associates, P.C.

Certified Public Accountants

412 Union Street, Hollidaysburg, PA 16648

Independent Auditors' Report

To the Board of Trustees
United Way of Blair County, Inc.
208 Hollidaysburg Plaza
Hollidaysburg, PA 16648

We have audited the accompanying financial statements of United Way of Blair County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and 2019, and the related statements of activities and cash flows for the years 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.

Auditor's 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. 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. 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.

Phone: (814) 695-3192 * Fax: (814) 695-2707

Accountants and AICPA Private Member: American and Pennsylvania Institute of Certified Public Company Section

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 Blair County, Inc. as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles and generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 6 and Schedules A through E 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.

Link & Associates, P.C.

Link & Associates, P.C.
Hollidaysburg, PA 16648
December 4, 2020

UNITED WAY OF BLAIR COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

ASSETS

	<u>2020</u>	<u>2019</u>
ASSETS:		
Cash and Cash Equivalents	\$ 342,724	\$ 318,673
Pledge Receivables (Net)	362,961	337,386
Miscellaneous Receivables	52,340	38,506
Equipment	98,947	98,947
Less Accumulated Depreciation	<u>(98,947)</u>	<u>(98,947)</u>
 TOTAL ASSETS	 <u>\$ 758,025</u>	 <u>\$ 694,565</u>

LIABILITIES AND NET ASSETS

LIABILITIES:		
Accrued Expenses	\$ 20,654	\$ 26,075
Allocations Payable	200,000	300,000
Deferred Revenue	20,450	12,623
PPP Loan (Note 7)	<u>68,105</u>	<u>-</u>
 Total Liabilities	 309,209	 338,698
NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Operating	351,011	216,089
Board Designated	<u>97,805</u>	<u>139,779</u>
 Total Without Donor Restrictions	 448,816	 355,867
NET ASSETS WITH DONOR RESTRICTIONS:		
	<u>-</u>	<u>-</u>
 Total Net Assets	 <u>448,816</u>	 <u>355,867</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 758,025</u>	 <u>\$ 694,565</u>

See Accompanying Notes and Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
PUBLIC SUPPORT AND REVENUES:		
Gross Campaign Results	\$ 498,545	\$ 504,223
Less donor Designations	(43,332)	(18,923)
Miscellaneous Receivables	<u>(16,000)</u>	<u>(16,000)</u>
Net Campaign Revenue	439,213	469,300
Grant Income	256,104	236,669
Investment Income	2,017	1,475
Miscellaneous	<u>94,712</u>	<u>116,354</u>
TOTAL REVENUE	792,046	823,798
EXPENSES:		
Program Services:		
Gross Funds Awarded	243,332	318,923
Less Donor Designations	<u>(43,332)</u>	<u>(18,923)</u>
Net Funds Awarded	200,000	300,000
Other Program Services	363,405	378,764
Supporting Services	131,244	131,919
United Way of America Dues	3,923	7,246
United Way of PA Dues	<u>525</u>	<u>4,200</u>
TOTAL EXPENSES	699,097	822,129
Increase/(Decrease) in Net Assets	92,949	1,669
NET ASSETS-Without Donor Restrictions, Beginning of Year	<u>355,867</u>	<u>354,198</u>
NET ASSETS-Without Donor Restrictions, End of Year	<u>\$ 448,816</u>	<u>\$ 355,867</u>

See Accompanying Notes and Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 92,949	\$ 1,669
Adjustments to Reconcile Change in Net Assets to Net Cash (Used) by Operations:		
Depreciation	-	5,422
Decrease (Increase) in Pledge Receivables	(25,575)	(90,799)
Decrease (Increase) in Miscellaneous Receivables	(13,834)	(25,905)
Increase (Decrease) in Other Current Liabilities	2,406	16,997
Increase (Decrease) in Allocations Payable	<u>(100,000)</u>	<u>(5,000)</u>
Net Cash (Used) by Operating Activities	<u>(44,054)</u>	<u>(97,616)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Equipment	<u>-</u>	<u>-</u>
Net Cash (Used) by Investing Activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
New Borrowings - PPP Loan	68,105	-
Debt Reduction	<u>-</u>	<u>-</u>
Net Cash Provided by Financing Activities	<u>68,105</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	24,051	(97,616)
Cash, Beginning of Year	<u>318,673</u>	<u>416,289</u>
Cash, End of Year	<u>\$ 342,724</u>	<u>\$ 318,673</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest Expense	\$ <u>-</u>	\$ <u>-</u>
Income Taxes	\$ <u>-</u>	\$ <u>-</u>

See Accompanying Notes and Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC
STATEMENT OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2020 AND 2019

	----- PROGRAM SERVICES -----			----- SUPPORT SERVICES -----			Total 2020	Total 2019
	Allocation Services	All Other Programs	Program Total	Organizational Administration	Fundraising	Support Total		
EXPENSES								
Salaries	\$ 12,804	\$ 154,618	\$ 167,422	\$ 43,409	\$ 35,785	\$ 79,194	\$ 246,616	\$ 234,371
Payroll Taxes	979	11,798	12,777	3,779	2,735	6,514	19,291	17,924
Employee Benefits	1,999	34,351	36,350	6,792	6,099	12,891	49,241	46,691
Supplies	6,765	22,792	29,557	809	952	1,761	31,318	29,303
Telephone	2,090	2,102	4,192	1,814	593	2,407	6,599	6,722
Office	642	3,055	3,697	3,469	1,058	4,527	8,224	10,385
Occupancy	3,784	19,621	23,405	3,785	3,784	7,569	30,974	31,373
Insurance	866	4,330	5,196	866	1,220	2,086	7,282	6,703
Dues	1,710	3,787	5,497	1,213	1,068	2,281	7,778	3,777
Repairs & Maintenance	724	4,174	4,898	731	924	1,655	6,553	7,772
Advertising	347	2,927	3,274	19	1,255	1,274	4,548	15,443
Travel	-	6,251	6,251	2,601	386	2,987	9,238	10,790
Training	4,023	6,360	10,383	30	35	65	10,448	4,714
Consultants	28,125	11,444	39,569	2,689	2,689	5,378	44,947	56,232
Miscellaneous	<u>2,178</u>	<u>8,759</u>	<u>10,937</u>	<u>431</u>	<u>224</u>	<u>655</u>	<u>11,592</u>	<u>23,061</u>
Sub-Total	67,036	296,369	363,405	72,437	58,807	131,244	494,649	505,261
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>\$ 67,036</u>	<u>\$ 296,369</u>	<u>\$ 363,405</u>	<u>\$ 72,437</u>	<u>\$ 58,807</u>	<u>\$ 131,244</u>	<u>\$ 494,649</u>	<u>\$ 505,261</u>

See Accompanying Notes and Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities

United Way of Blair County, Inc. collects pledges from the Blair County area and distributes these funds through community impact grants to Human Service Agencies. The Corporation was founded in 1934 and is governed by a volunteer Board of Directors.

Mission Statement

To improve lives by uniting people to care for one another.

Fund Accounting

An accrual basis of accounting is used in accounting for the monies of the various funds. Pledges are recorded when made and a pledge receivable is established for the portion of any pledge not received at the time of the pledge. A reserve is established for possible uncollectible pledges. This reserve is based on a percentage of the total pledges receivable for the applicable campaign based on past history, and a review of the receivables at year end. Annual campaigns have pledge receipts that begin in the year prior to the calendar year of distributions and continues into the year of distributions and thereafter. The pledges and receipts of each campaign are segregated. Community impact grants for a campaign are made on a fiscal year.

Income Tax Status

The Agency qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

The Agency has analyzed its tax positions taken for filings with the Internal Revenue. It believes that its tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on its financial condition results of operations, or cash flows. The organization's federal income tax returns for 2019, 2018, and 2017 are subject to examination by federal taxing authorities, generally for three years after they are filed.

Depreciation

Depreciation of equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

See Accompanying Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019
(CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Net Assets Without Donor Restrictions

All contributions are considered to be net assets without donor restrictions unless specifically restricted by the donor.

Net Assets With Donor Restrictions

Contributions are recorded as net assets with donor restrictions when a donor restricts the purpose or timing of the contribution. When restrictions are satisfied, the Agency records the net assets as released from restriction.

New Accounting Standards

In 2018, the Agency adopted Financial Accounting Standards Board (FASB) Accounting Standards Update ("ASU") ASU 2016-2014, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Agency has adjusted the presentation of these financial statements accordingly. ASU No. 2016-14 has been applied retrospectively to all periods presented.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Allocation of Costs

The Agency allocates its expenses based on time studies done by the employees.

Functional Allocation of Expenses

Costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Costs are allocated between program services, membership and development, fundraising, and management and general based on evaluations of the related activities. Management and general expenses include expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

UNITED WAY OF BLAIR COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019
(CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Revenue Recognition

Contributions, including unconditional promises to give, are recognized when received. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value.

Lease

The Agency has an operating lease for rental of office space. Rental expense for June 30, 2020 and 2019 was \$26,400 and \$26,400 respectively. The following is a schedule by years of future minimum rental payments.

<u>Year</u>	<u>Amount</u>
2021	\$ 26,400
2022	26,400
2023	26,400
2024	<u>26,400</u>
Total	\$ <u>105,600</u>

NOTE 2 - PENSION PLAN:

The Agency has defined contribution pension plan covering all full-time employees that have reached twenty-one years of age and one year of service. The plan is a noncontributory plan. Pension expense for the years ending June 30, 2020 and 2019 were \$14,034 And \$13,742 respectively.

NOTE 3 - RESTRICTION ON ASSETS:

The two CDs have been board designated for use in future years in the amount of \$97,805.

NOTE 4 - CREDIT RISK:

The Agency maintains cash & cash equivalents at two financial institutions. Accounts at each institution are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2020, the Agency had no uninsured cash balances.

NOTE 5 - LINE OF CREDIT:

The Agency has a \$50,000 line of credit with M&T Bank. As of June 30, 2020, zero has been drawn down on the line of credit.

NOTE 6 - SUBSEQUENT EVENTS:

In preparing these financial statements, the Agency has evaluated events and transactions for potential recognition or disclosure through December 4, 2020, the date the financial statements were available to be issued.

See Accompanying Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019
(CONTINUED)

NOTE 7 - PPP LOAN:

On April 20, 2020, the Agency received a Payroll Protection Program loan in the amount of \$68,105. The purpose of this loan is designed to provide a direct incentive for small businesses to keep their workers on payroll. This loan maybe forgiven if all employee retention criteria is met and funds are used for eligible expenses. As of the date this financial statement, these funds have not been forgiven. The Agency has until December 31, 2020 to apply for forgiveness.

UNITED WAY OF BLAIR COUNTY, INC.
SCHEDULE A
GRANT DISTRIBUTIONS/ALLOCATIONS TO AGENCIES
JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
REGULAR ALLOCATIONS:		
28 th Street Church of the Brethren	\$ -	\$ 2,000
Altoona Area School District Foundation	-	5,000
Altoona Renaissance Team, Inc.	-	1,000
American Red Cross of PA Mountains Service Blair County	15,830	17,000
Big Brothers Big Sisters of Blair County	8,500	12,000
Blair County Chamber Foundation	1,000	4,000
Blair County Community Action	14,500	29,000
Blair Senior Services	9,500	9,000
Blair/Clearfield Association for the Blind	-	8,000
Boy Scouts of America	-	1,000
Catholic Charities, Inc.	15,000	15,000
Central Pennsylvania Community Foundation	2,000	2,000
CONTACT Altoona	5,000	17,000
Evolution Expressions	2,000	-
Family Services Incorporated	62,500	87,000
Garver Memorial YMCA	-	4,000
Gloria Gates Memorial Foundation	18,300	29,000
Home Nursing Agency & Visiting Nurse Association	1,770	4,000
Joshua House	-	3,500
Learning Lamp	12,250	-
Lung Disease Foundation of Central PA	5,000	5,000
Mid Penn Legal Services	9,000	8,000
Northern Blair County Recreation Center	-	500
The Blair Regional YMCA	12,250	5,000
The Door Student Services, Inc.	-	1,000
UPMC Altoona Partnership for a Healthy Community	5,600	16,000
We CARE Foundation	-	7,000
Young Life of Central Pennsylvania	-	8,000
	<u>200,000</u>	<u>300,000</u>
TOTAL REGULAR ALLOCATIONS	\$ <u>200,000</u>	\$ <u>300,000</u>

See Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC.
SCHEDULE B
PLEDGE RECEIVABLES
YEARS ENDED JUNE 30, 2020 AND 2019

2020 CAMPAIGN

Pledge Receivables	\$ 229,551
Less: Allowance for Uncollectables	<u>(16,000)</u>
	<u>213,551</u>

2019 CAMPAIGN

Pledge Receivables	76,715
Less: Allowance for Uncollectables	<u>(16,000)</u>
	<u>60,715</u>

2018 CAMPAIGN

Pledge Receivables	65,875
Less: Allowance for Uncollectables	<u>(16,000)</u>
	<u>49,875</u>

2017 CAMPAIGN

Pledge Receivables	54,820
Less: Allowance for Uncollectables	<u>(16,000)</u>
	<u>38,820</u>

TOTAL PLEDGE RECEIVABLES (Net)	\$ <u><u>362,961</u></u>
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See Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC.
SCHEDULE C
NEEDS ASSESSMENT GRANT
YEAR ENDED JUNE 30, 2020

INCOME

Grant Income \$ 69,159

DISBURSEMENTS

Supplies 6,108
Telephone 1,500
Office 45
Dues 642
Advertising 328
Training 4,000
Miscellaneous 2,048
Consultants 25,436

TOTAL DISBURSEMENTS 40,107

EXCESS REVENUES OVER EXPENDITURES \$ 29,052

See Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC.
SCHEDULE D
FAMILY RESOURCE GRANT
YEAR ENDED JUNE 30, 2020

	<u>2020</u>
INCOME:	
Grant Income	\$ 179,862
Other Income	<u>16,551</u>
TOTAL INCOME	196,413
DISBURSEMENTS:	
Salaries	105,165
Payroll Taxes	8,039
Employee Benefits	26,811
Supplies	18,719
Professional Dues	1,164
Office	1,021
Occupancy	11,957
Insurance	2,504
Repairs	2,082
Travel	2,385
Training	1,725
Consultants	4,752
Miscellaneous	2,918
Telephone	6,546
Advertising	<u>625</u>
TOTAL DISBURSEMENTS	<u>196,413</u>
EXCESS REVENUES OVER EXPENDITURES	\$ <u><u> -</u></u>

See Independent Auditor's Report.

UNITED WAY OF BLAIR COUNTY, INC.
SCHEDULE E
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020

	<u>Needs Assessments</u>	<u>Community Building</u>	<u>Family Resource Center</u>	<u>Community Outreach</u>	<u>Management</u>	<u>Fundraising</u>	<u>Total</u>
EXPENSES							
Salaries	\$ -	\$ 12,804	\$ 105,165	\$ 49,453	\$ 43,409	\$ 35,785	\$ 246,616
Payroll Taxes	-	979	8,039	3,759	3,779	2,735	19,291
Employee Benefits	-	1,999	26,811	7,540	6,792	6,099	49,241
Supplies	6,108	657	18,719	4,073	809	952	31,318
Telephone	1,500	590	1,164	938	1,814	593	6,599
Office	45	597	1,021	2,034	3,469	1,058	8,224
Occupancy	-	3,784	11,957	7,663	3,785	3,784	30,973
Insurance	-	866	2,504	1,826	866	1,220	7,282
Dues	642	1,068	2,082	1,705	1,213	1,068	7,778
Repairs & Maintenance	-	724	2,385	1,789	731	924	6,553
Advertising	328	19	1,725	1,203	19	1,255	4,549
Travel	-	-	4,752	1,499	2,601	386	9,238
Training	4,000	23	2,918	3,442	30	35	10,448
Consultants	25,436	2,689	6,546	4,898	2,689	2,689	44,947
Miscellaneous	<u>2,048</u>	<u>130</u>	<u>625</u>	<u>5,989</u>	<u>431</u>	<u>224</u>	<u>9,447</u>
Sub-Total	40,107	26,929	196,413	97,811	72,437	58,807	492,504
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OPERATING EXPENSES	<u>\$ 40,107</u>	<u>\$ 26,929</u>	<u>\$ 196,413</u>	<u>\$ 97,811</u>	<u>\$ 72,437</u>	<u>\$ 58,807</u>	<u>\$ 492,504</u>

See Independent Auditor's Report.

Link & Associates, P.C.
Certified Public Accountants
412 Union Street, Hollidaysburg, PA 16648

COMMUNICATION WITH BOARD OF DIRECTORS

United Way of Blair County, Inc.
208 Hollidaysburg Plaza
Hollidaysburg, PA 16648

We have audited the financial statements of United Way of Blair County, Inc. for the year ended June 30, 2020 and have issued our report thereon dated December 4, 2020. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards.

As stated in our engagement letter dated October 8, 2020 our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting standards. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

In planning and performing our audit, we considered the United Way of Blair County, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the United Way of Blair County, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the United Way of Blair County, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended

UNITED WAY OF BLAIR COUNTY, INC.
COMMUNICATION WITH BOARD OF DIRECTORS
(CONTINUED)

Significant Accounting Policies (Continued)

June 30, 2020. We noted no transactions entered into by the Organization during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting Estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was depreciation expense.

Management's estimate of depreciation expense is based on the straight-line method of depreciation over the estimated useful life of the asset. We evaluated the key factors and assumptions used to develop the depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Audit Adjustment

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Organization's financial reporting (that is, cause future financial statements to be materially misstated). In our judgment, none of the adjustments we proposed, whether recorded or unrecorded by the Organization, either individually or in the aggregate, indicate matters that could have a significant effect on the Organization's financial reporting process.

There were no unrecorded adjustments.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

UNITED WAY OF BLAIR COUNTY, INC.
COMMUNICATION WITH BOARD OF DIRECTORS
(CONTINUED)

Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with our clients each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.