

**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS**

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April 26, 2022

Board of Directors  
Lubbock Area United Way, Inc.  
Lubbock, Texas

We have audited the financial statements of Lubbock Area United Way, Inc. (the Organization) for the year ended December 31, 2021, and have issued our report thereon dated April 26, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated July 27, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in the notes to the financial statements. During the year, there were no new policies and disclosures adopted by the Organization. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

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:

Management's estimate of the allowance for pledge loss is based on historical collections. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Adjusting entries are attached to this letter.

### *Disagreements with Management*

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

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated April 26, 2022.

### *Management 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.

### *Other Audit Findings and Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management 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.

### *Other Matters*

With respect to the accompanying information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the accompanying information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Board of Directors  
Lubbock Area United Way, Inc.  
April 26, 2022  
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*Restrictions on Use*

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

Very truly yours,

*Bolinger, Segars, Gilbert & Moss LLP*

Certified Public Accountants

Client: **46600 - Lubbock Area United Way**  
Engagement: **2021 United Way**  
Period Ending: **12/31/2021**  
Trial Balance: **017 - United Way Trial Balance**  
Workpaper: **017 - Adjusting Journal Entry Report - 2**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entry JE # 1</b>				
To record additional payable at year-end.				
1-9612-006	UNITED WAY WORLDWIDE DUES		21,259.01	
1-2000-000	ACCOUNTS PAYABLE			21,259.01
<b>Total</b>			<b>21,259.01</b>	<b>21,259.01</b>

<b>Adjusting Journal Entry JE # 2</b>				
To adjust investments to statements at 12/31/21.				
2-1102-000	ORIGINAL ENDOWMENT TRUST-PCB		89,561.81	
2-1122-000	CH FNDN OPERATING ENDOWMENT		196,707.54	
2-1151-000	LAF AGENCY ENDOW (UWAY)		5,143.20	
2-1153-000	LAF AGENCY ENDOW (UWAC)		10,662.92	
2-1160-000	CASH VALUE (LIFE INSURANCE)		3,766.64	
2-6505-200	UNREAL GAIN (LOSS)-INVESTMENTS		72,895.61	
2-8000-200	PROFESSIONAL SERVICES		14,096.74	
2-8200-200	BANK SERVICE CHARGES		1,286.55	
2-8802-200	ENDOW FUND DISTRIBUTIONS		125,134.88	
2-6500-200	INCOME-INTEREST			3,312.78
2-6501-200	INCOME-DIVIDEND			72,429.09
2-6510-200	REAL GAIN (LOSS)-INVESTMENTS			413,514.02
2-6902-200	INCOME-ENDOWMENT			30,000.00
<b>Total</b>			<b>519,255.89</b>	<b>519,255.89</b>

<b>Adjusting Journal Entry JE # 3</b>				
To record depreciation and disposal of fixed assets.				
3-9501-300	DEPN - FURN, EQUIP, & SOFTWARE		29,269.85	
3-9504-300	DEPN - BUILDINGS		22,213.23	
3-1801-000	ACCUM DEPR-COMPUTER S/WARE			1,400.00
3-1802-000	FURNITURE, FIXTURES, & EQUIPMENT			1,354.36
3-1803-000	ACCUM DEPR-FURNITURE & FIXTURES			26,515.49
3-1815-000	ACCUM DEPR - BLDG (CASA)			2,835.22
3-1818-000	ACCUM DEPR - BLDG (NTCSB)			19,378.01
<b>Total</b>			<b>51,483.08</b>	<b>51,483.08</b>

<b>Adjusting Journal Entry JE # 4</b>				
To zero expense for donor designations to receivable for CY campaign.				
1-1304-000	AGENCY PLEDGES REC FROM SECC		134,168.24	
1-9604-004	SECC LAUW AGY DESIGNATIONS			134,168.24
<b>Total</b>			<b>134,168.24</b>	<b>134,168.24</b>

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<b>Account</b>	<b>Description</b>	<b>W/P Ref</b>	<b>Debit</b>	<b>Credit</b>
<b>Adjusting Journal Entry JE # 5</b>				
To adjust receivables and payables on Fund 1.				
1-1304-000	AGENCY PLEDGES REC FROM SECC		15,424.40	
1-2202-000	UWAY DONOR DESIGNATIONS		3,594.20	
1-2204-000	DUE LAUW AGY ON BEHALF OF SECC		3,583.06	
1-4002-001	CAMPAIGN INCOME - 2 YRS AGO			19,007.46
1-9603-002	DONOR CHOICE DESIGNATIONS			3,594.20
<b>Total</b>			<b>22,601.66</b>	<b>22,601.66</b>

**Adjusting Journal Entry JE # 6**

To true up prepaid expenses at 12/31.

1-1501-000	PREPAID STATEMENTS		182.50	
1-8301-050	POSTAGE		2,001.20	
3-1504-000	PREPAID INSURANCE		1,659.33	
1-1505-000	PREPAID POSTAGE METER			2,001.20
1-9407-050	IT SUPPORT - E/PRISE MAINTENANCE			182.50
3-9301-300	INS - PROPERTY & CASUALTY			1,659.33
<b>Total</b>			<b>3,843.03</b>	<b>3,843.03</b>