

Schedule of Expenditures of Federal Awards and Reports of Independent  
Certified Public Accountants

**United Way of Metropolitan Dallas, Inc.**

June 30, 2015

United Way of Metropolitan Dallas, Inc.

FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Year ended June 30, 2015

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

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To the Board of Directors of  
United Way of Metropolitan Dallas, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of United Way of Metropolitan Dallas, Inc. and United Way Foundation of Metropolitan Dallas (the "United Way"), which comprise the consolidated statements of financial position as of June 30, 2015 and 2014, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 4, 2015.

**Internal control over financial reporting**

In planning and performing our audit of the consolidated financial statements, we considered the United Way's internal control over financial reporting ("internal control") to design 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 internal control. Accordingly, we do not express an opinion on the effectiveness of the United Way'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 United Way'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.

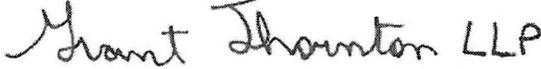
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the United Way's 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 the United Way's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Intended purpose**

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



Dallas, Texas

November 4, 2015



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON  
COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

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To the Board of Directors of  
United Way of Metropolitan Dallas, Inc.

**Report on compliance for its major federal program**

We have audited the compliance of United Way of Metropolitan Dallas, Inc. (the "United Way") with the types of compliance requirements described in the U.S. Office of Management and Budget's *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2015. The United Way's major federal program is 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 the requirements of laws, regulations, contracts, and grants applicable to the United Way's federal programs.

**Auditor's responsibility**

Our responsibility is to express an opinion on compliance for the United Way's major federal program 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The above-mentioned standards and OMB Circular A-133 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 the United Way'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 the major federal program. However, our audit does not provide a legal determination of the United Way's compliance.

**Opinion on its major federal program**

In our opinion, the United Way complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2015.

**Report on internal control over compliance**

Management of the United Way is responsible for designing, implementing, 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 the United Way's internal control over compliance with the types of compliance requirements that could have a direct and material effect on the major federal program to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 the United Way'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. Given these limitations, during our audit we did not identify any deficiencies in the United Way's 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Dallas, Texas  
November 4, 2015



**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON  
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY OMB CIRCULAR A-133**

To the Board of Directors of  
United Way of Metropolitan Dallas, Inc.

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We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of United Way of Metropolitan Dallas, Inc. and United Way Foundation of Metropolitan Dallas (the "United Way") as of and for the years ended June 30, 2015 and 2014, and our report thereon dated November 4, 2015 expressed an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on these consolidated financial statements as a whole.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*Grant Thornton LLP*

Dallas, Texas  
November 4, 2015

**United Way of Metropolitan Dallas, Inc.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year ended June 30, 2015

| <b><u>Federal Grantor/Pass-through Grantor/Program Title</u></b>   | <b><u>CFDA<br/>Number</u></b> | <b><u>Grant<br/>Number</u></b> | <b><u>Expenditures</u></b> |
|--|-------------------------------|--------------------------------|----------------------------|
| <b>U.S. Department of Health and Human Services</b><br>Pass-through from:<br>Texas Health and Human Services Commission<br>The Texas Home Visiting Program | 93.505                        | 529-12-0029-00004              | \$1,379,785                |
| <b>Internal Revenue Service</b><br>Volunteer Income Tax Assistance (VITA)  | 21.009                        | 15VITA0125                     | <u>67,000</u>              |
| <b>Total Federal Financial Assistance</b>  |                               |                                | <b><u>\$1,446,785</u></b>  |

The accompanying notes are an integral part of this schedule.

**United Way of Metropolitan Dallas, Inc.**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2015

**NOTE A - GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all applicable federal awards of United Way of Metropolitan Dallas, Inc. (the "United Way").

**NOTE B - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting. The information in the Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of the U.S. Office of Management and Budget's *OMB Circular A-133 Compliance Supplement*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the consolidated financial statements.

**NOTE C - NON-CASH ASSISTANCE**

United Way has not received any non-cash assistance, such as commodities, food stamps, or surplus property; insurance provided by a federal or state agency, or federal or state loans and/or loan guarantees.

**NOTE D - SUBRECIPIENTS**

United Way provided \$1,216,975 to subrecipients from The Texas Home Visiting Program, as follows:

|  |                    |
|--|--------------------|
| Lumin Education, dba East Dallas Community Schools | \$ 175,656         |
| Dallas Independent School District                 | 321,373            |
| ChildCareGroup                                     | 478,428            |
| Family Compass                                     | <u>241,518</u>     |
| Total  | <u>\$1,216,975</u> |

United Way provided \$37,600 to subrecipients from Volunteer Income Tax Assistance (VITA), as follows:

|                        |           |
|------------------------|-----------|
| Foundation Communities | \$ 37,600 |
|------------------------|-----------|

**United Way of Metropolitan Dallas, Inc.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year ended June 30, 2015

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major program:

- Material weakness identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? No

Type of auditor's report issued on compliance for major program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? No

**United Way of Metropolitan Dallas, Inc.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

Year ended June 30, 2015

**SECTION I - SUMMARY OF AUDITORS' RESULTS - Continued**

Identification of major program:

| <u>CFDA Number</u>   | <u>Name of Federal Program</u>  |
|--|---------------------------------|
| 93.505   | The Texas Home Visiting Program |
| Dollar threshold used to distinguish between type A and type B programs: | \$300,000                       |
| Auditee qualified as low-risk auditee?                                   | Yes                             |

**SECTION II - FINANCIAL STATEMENT FINDINGS**

The audit disclosed no findings required to be reported.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

The audit disclosed no findings required to be reported.

**SECTION IV - SUMMARY OF PRIOR YEAR AUDIT FINDINGS**

No prior year findings were reported.