

**United Way of Pierce County
Board Policy
Agency with Funded Programs Audit Policy
Approved December 11, 2014**

The purpose of this policy is to establish a means for United Way of Pierce County (UWPC) to obtain reasonable assurance of the conscientious fiscal management of agencies with programs funded through the Community Safety Net Investment Process. The intent is also to ensure a fundamental basis of accountability for such agencies.

Agency financial statements must be “audited” by an independent certified public accountant (see exception below) and **must be submitted to UWPC no later than July 1 of each year**. Documents must be submitted in PDF (portable document format) via E-CImpact. If the report cannot be submitted by July 1, the president of the agency’s board of directors must submit a letter, via E-CImpact, to the chair of the UWPC Agency Audit Review Committee stating the reason for the delay and the date that the report will be submitted.

POLICY: All agencies with funded programs are required to annually submit the following:

- The most recently completed annual financial statements prepared in accordance with generally accepted accounting principles and the American Institute of Certified Public Accountants, Audit and Accounting Guides, and other authoritative literature. The financial statements must have been completed within the current or prior calendar year.
- A copy of the “Management Letter” provided by the certified public accountant. The response to the management letter, if one was prepared, should also be submitted.
 - If the auditor found no need for a Management Letter, the agency may submit one of the following as proof that no letter was rendered:
 - A letter from the auditor stating that no management letter was required.
 - A letter from the president/chair of the board of directors stating that no management letter was rendered
 - A copy of the minutes from the audit presentation to the board of directors which specifically mentions that no management letter was given to the agency.
- If an agency receives federal funds, a copy of their Schedule of Federal Awards, which includes an Independent Auditor’s Report on Internal Control Structure in Accordance with OMB Circular A-133.

UWPC may use alternative means, such as a review or other assurance, to establish that an agency is fiscally sound and spending UWPC grant money appropriately.

Requests will be considered on a case-by-case basis and must be submitted, via E-CImpact, by May 15. The request must explain why the agency chooses to use a review, or other assurance, rather than audited financials.

The Agency Audit Review Committee may request additional supplemental information. The information may include, but is not limited to, the following:

- A list of funding resources and amounts other than UWPC allocations
- Proof of the financial stability of the agency
- Assurance that the agency's board is reviewing the financial records on a timely basis

It is the responsibility of the UWPC Agency Audit Review Committee to review the annual financial statements, independent certified public accountant audit, review or other assurance reporting, and the results of the additional requested information that applies to the agency financial records. The results of the Agency Audit Committee's review and any resulting recommendations will be reported to the Community Safety Net Committee.