

To Management and the Board of Directors
United Way of Pennsylvania and Affiliated Entity
Harrisburg, Pennsylvania

In planning and performing our audit of the consolidated financial statements of the United Way of Pennsylvania and Affiliated Entity (the “Organization”) as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified a certain matter involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated **Month xx, 2022**, on the financial statements of the United Way of Pennsylvania and Affiliated Entity. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, perform an additional study of the matter, or assist you in implementing the recommendation. Our comments are summarized as follows:

Reconcile Accounts Receivable to General Ledger

During the audit, our procedures disclosed that certain grant revenue for services performed in 2021 were improperly recorded in January 2022. A reliable cutoff is critical to the accuracy and reliability of grant income. The lack of adequate internal controls and procedures to ensure proper cutoff of revenue transactions may result in material financial statement misstatements. We recommend the Organization establish necessary controls and procedures requiring all revenue to be recognized in the proper period.

We believe the implementation of these recommendations will provide the Organization with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you and assist in any way possible with the implementation.

This communication is intended solely for the information and use of management, Board of Directors, others within the Organization, and is not intended to be and should not be used by anyone other than these specified parties.

Camp Hill, Pennsylvania
Month xx, 2022