

UNIVERSITY DISTRICT SERVICE LEAGUE
dba UNIVERSITY DISTRICT FOOD BANK

Financial Statements with Supplementary Report
in Accordance with *Government Auditing Standards*

June 30, 2024 and 2023

Table of Contents

	Page
Independent Auditor's Report	1 and 2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to the Financial Statements	7-12
 Supplementary Report in Accordance with <i>Government Auditing Standards</i>	
 Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	 14 and 15

Amanda O'Rourke, CPA
Matt Smith, CPA
Claire Chow, CPA
Jason Mallon, CPA
Andrew Van Ness, CPA



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
University District Service League
Seattle, Washington

Opinion

We have audited the accompanying financial statements of University District Service League dba University District Food Bank (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of University District Service League dba University District Food Bank as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of University District Service League and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about University District Service League's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of University District Service League's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about University District Service League's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2024 on our consideration of University District Service League's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering University District Service League's internal control over financial reporting and compliance.

Greenwood Ohlund

Seattle, Washington
December 17, 2024

UNIVERSITY DISTRICT SERVICE LEAGUE

STATEMENTS OF FINANCIAL POSITION

June 30, 2024 and 2023

ASSETS	2024	2023
Current Assets		
Cash and cash equivalents	\$ 1,135,992	\$ 1,029,419
Investments	2,039,589	2,358,047
Grants and contributions receivable	76,351	204,310
Food inventory	94,638	102,826
Prepaid expenses	18,246	15,829
Total current assets	3,364,816	3,710,431
Property and Equipment, net	3,360,450	3,395,659
Total assets	<u>\$ 6,725,266</u>	<u>\$ 7,106,090</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 115,714	\$ 190,968
Accrued payroll liabilities	122,606	116,468
Total liabilities	238,320	307,436
Net Assets		
Without donor restrictions	6,278,883	6,486,584
With donor restrictions	208,063	312,070
Total net assets	6,486,946	6,798,654
Total liabilities and net assets	<u>\$ 6,725,266</u>	<u>\$ 7,106,090</u>

See accompanying notes to financial statements.

UNIVERSITY DISTRICT SERVICE LEAGUE

STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Donated food	\$ 4,189,397	\$ -	\$ 4,189,397	\$ 3,467,092	\$ -	\$ 3,467,092
Grants and contributions	2,533,056	2,368	2,535,424	2,250,842	252,324	2,503,166
Special events	523,601	-	523,601	379,149	-	379,149
Special events - direct benefit to donor	(101,588)	-	(101,588)	(79,995)	-	(79,995)
Investment return and other	266,857	-	266,857	148,631	-	148,631
Net assets released from restrictions	106,375	(106,375)	-	215,460	(215,460)	-
Total support and revenue	7,517,698	(104,007)	7,413,691	6,381,179	36,864	6,418,043
Expenses						
Program services	7,143,329	-	7,143,329	5,685,860	-	5,685,860
Management and general	228,984	-	228,984	161,201	-	161,201
Fundraising	353,086	-	353,086	233,487	-	233,487
Total expenses	7,725,399	-	7,725,399	6,080,548	-	6,080,548
Change in net assets	(207,701)	(104,007)	(311,708)	300,631	36,864	337,495
Net Assets, beginning of year	6,486,584	312,070	6,798,654	6,185,953	275,206	6,461,159
Net Assets, end of year	\$ 6,278,883	\$ 208,063	\$ 6,486,946	\$ 6,486,584	\$ 312,070	\$ 6,798,654

See accompanying notes to financial statements.

UNIVERSITY DISTRICT SERVICE LEAGUE

STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2024 and 2023

	2024				2023			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Food donations and purchases	\$ 5,521,933	\$ -	\$ -	\$ 5,521,933	\$ 4,415,919	\$ -	\$ -	\$ 4,415,919
Salaries, taxes and benefits	1,181,131	76,242	248,522	1,505,895	886,365	69,210	166,210	1,121,785
Office and miscellaneous expense	7,395	103,851	86,348	197,594	5,161	51,934	53,179	110,274
Program supplies and other	139,529	-	-	139,529	145,323	-	-	145,323
Occupancy	129,134	-	-	129,134	71,312	-	-	71,312
Depreciation	116,987	330	1,287	118,604	113,328	320	1,247	114,895
Event meals, entertainment and other	-	-	101,588	101,588	-	-	79,995	79,995
Professional fees	-	43,900	6,250	50,150	-	35,068	6,250	41,318
Credit card fees	25,966	-	10,679	36,645	20,754	-	6,601	27,355
Grants and contributions	21,254	-	-	21,254	27,698	-	-	27,698
Insurance	-	4,661	-	4,661	-	4,669	-	4,669
	<u>7,143,329</u>	<u>228,984</u>	<u>454,674</u>	<u>7,826,987</u>	<u>5,685,860</u>	<u>161,201</u>	<u>313,482</u>	<u>6,160,543</u>
Less: Special events - direct benefit to donor	-	-	(101,588)	(101,588)	-	-	(79,995)	(79,995)
	<u>\$ 7,143,329</u>	<u>\$ 228,984</u>	<u>\$ 353,086</u>	<u>\$ 7,725,399</u>	<u>\$ 5,685,860</u>	<u>\$ 161,201</u>	<u>\$ 233,487</u>	<u>\$ 6,080,548</u>

See accompanying notes to financial statements.

UNIVERSITY DISTRICT SERVICE LEAGUE

STATEMENTS OF CASH FLOWS For the Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ (311,708)	\$ 337,495
Adjustments to reconcile change in net assets to net cash flows for operating activities:		
Realized and unrealized gains on investments	(146,938)	(77,967)
Depreciation	118,604	114,895
Changes in operating assets and liabilities:		
Grants and contributions receivable	127,959	(134,688)
Food inventory	8,188	13,993
Prepaid expenses	(2,417)	(3,010)
Accounts payable	(75,254)	166,507
Accrued payroll liabilities	6,138	(25,151)
Net cash flows from operating activities	(275,428)	392,074
Cash Flows from Investing Activities		
Proceeds from sales of investments	545,500	-
Purchases of investments	(80,104)	(438,541)
Purchases of property and equipment	(83,395)	(179,395)
Net cash flows from investing activities	382,001	(617,936)
Net change in cash and cash equivalents	106,573	(225,862)
Cash and Cash Equivalents, beginning of the year	1,029,419	1,255,281
Cash and Cash Equivalents, end of the year	\$ 1,135,992	\$ 1,029,419

See accompanying notes to financial statements.

UNIVERSITY DISTRICT SERVICE LEAGUE

NOTES TO FINANCIAL STATEMENTS

Note 1 – Organization and Summary of Significant Accounting Policies

University District Service League, doing business as University District Food Bank (the Food Bank) is a nonprofit corporation organized to prevent hunger across Northeast Seattle neighborhoods and to help move individuals and families of low-income toward increased levels of food security, economic stability, and self-sufficiency.

The Food Bank's programming is primarily focused on improved food access for their neighbors. They orient their services to identify and address barriers experienced in their community. Since the end of enhanced COVID benefits, they have seen a significant increase in participation across all their programs. They are 80% busier than just two years ago. Their food purchasing budget has more than doubled in that same time period. They maintain longer distribution hours and expanded staffing levels to reduce some of these operational pressures but at a higher monthly operating cost.

Their primary program, a food pantry in Seattle's University District neighborhood, provides a grocery store shopping experience for their 1,500+ weekly customer families. Customers shop through their market to select the produce, dairy, meat, and other pantry staples they need to prepare their own healthy, culturally familiar meals. Hygiene items and baby supplies supplement customer visits. Ready-to-eat items are available for their kitchen-less customers when they visit.

Their two weekly satellite pantries continue to support their specific host communities, which are important since these communities have more limited access to healthy food. Their pantry at Magnuson Park serves 150 households per week. At North Seattle College, their pantry supports about 250 households per week. In 2024, they've remained focused on expanding healthy, culturally familiar food choices at each of these locations. In 2025, they will likely expand services at North Seattle College to a second day.

When in-person access to their pantries is a challenge, they offer home delivery of groceries using a range of collaborations. They provide more than 550 households with grocery deliveries each week and maintain a small waiting list for this service too. Volunteers pack customized grocery bags for each of their home delivery customers based on their expressed needs and preferences. Volunteers deliver the majority of groceries. An on-going partnership with Pedaling Relief Project (a program of Cascade Bicycle Club) brings them added delivery capacity to reach one-off customers as well as those needing only temporary services. They also provide deliveries every Saturday through their United Way and Amazon collaborations.

Packs for Kids, their weekly program to bring backpacks of food to students in nearby public schools, has reached record levels in participation. They provide this service through 18 nearby schools and reach more than 975 students each week. At two schools, they also now offer twice a month free farmers markets so that families can collect fresh, culturally familiar fruits and vegetables when they are at school collecting their kids. These markets have been extremely well received so they are looking to provide this service at other partner schools in 2025 if the parent community is interested. This multi-faceted response ensures that students continue to have access to healthy and easy to prepare meals and snacks throughout the weekend and return to school ready to learn on Monday morning.

UNIVERSITY DISTRICT SERVICE LEAGUE

NOTES TO FINANCIAL STATEMENTS

New in Spring 2024 was their Apple a Day Café. This program operates from a corner of their University District Pantry, and provides healthy, ready-to-eat meals, salads, and soups to their community members in need of a meal instead of just groceries. About 25% of their weekly customers are unsheltered, so these meals provide important nutrition three days a week when the café is open. Café meals are free, are cooked mostly from scratch, and let them leverage produce that they receive which might not be market quality but is still healthy to eat and other donations better meant for a restaurant. They serve about 250 meals per day when they are open.

The Food Bank continues to operate Rooftop Roots, their rooftop farm. Through a mix of staff and volunteers, the food bank grows produce year-round in 2,000 square feet of raised bed gardens. These beds were upgraded in Spring 2024 to improve their productivity and ease of operation. The produce grown through Rooftop Roots is distributed directly to the Food Bank's customers across their different programs. They also offer spring and summer garden internship programs for small cohorts of marginalized youth from partner nonprofits.

Finally, they work to connect food bank customers to other important community resources. Their community engagement team provides a mail service for more than 200 customers, helps customers enroll in SNAP and utility discount programs, access free bus tickets, and restore lost state identification cards and driver's licenses. They host regular health insurance enrollment activities, discount cell phone enrollment, and vaccination clinics for COVID, flu, and hepatitis. The program is supported by two staff and three social work interns.

The biggest challenges they face are the sustained level of customer visits each month combined with a static level for food donations, continued price inflation, and the on-going uncertainty in the food supply chain which makes reliable access to affordable food a challenge. They continue to encounter supply issues from their nonprofit and for profit wholesalers. Costs for many of their pantry staples continue to increase and key non-profit distributors expect declining donation inventory. Significantly expanded fundraising is needed to sustain this, especially as the slow recovery and regular threats of a recession have made for continued longer food bank lines.

The community, as donors and volunteers, continues to make their work possible every week. They are grateful for their generous support.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from the estimated amounts.

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting and have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Food Bank are reported in each of the following two classes: without donor restrictions and with donor restrictions.

Net assets without donor restrictions are not subject to donor-imposed stipulations.

UNIVERSITY DISTRICT SERVICE LEAGUE

NOTES TO FINANCIAL STATEMENTS

Net assets with donor restrictions are subject to donor-imposed stipulations that will be met either by actions of the Food Bank or the passage of time. Contributions that the donor requires to be used to acquire long lived assets (the biodigester project) are reported as restricted. When the long-lived asset is placed into service, the Food Bank reflects the expiration of the donor-imposed restriction as a reclassification included in net assets released from restrictions.

The Food Bank reports grants and contributions restricted by donors as increases in net assets without donor restrictions if the restrictions are met in the reporting period in which the revenue is recognized.

Net assets with donor restrictions consist of the following at June 30:

	2024	2023
Future periods (time restricted)	\$ 100,000	\$ 200,000
Biodigester project	84,142	86,143
Bloom internships	22,489	23,889
Van costs	1,432	2,038
	<u>\$ 208,063</u>	<u>\$ 312,070</u>

Cash and Cash Equivalents

Cash and cash equivalents are defined as any short term, highly liquid instruments with original maturities of three months or less. Certain cash and cash equivalents are classified as investments as they are included within the Food Bank's investment pool. The Food Bank maintains amounts in banks in excess of the federally insured limits. The Food Bank has not experienced any such losses on amounts exceeding federally insured limits.

Fair Value Measurements

Fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels that prioritize the inputs used in measuring fair value as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

An asset's or liability's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

UNIVERSITY DISTRICT SERVICE LEAGUE

NOTES TO FINANCIAL STATEMENTS

Investments

The Food Bank records investments in debt and equity securities at fair value in the statements of financial position. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value measurement of the investments was determined using Level 1 observable market inputs, within the fair value hierarchy, consisting of quoted prices in active markets, such as national exchanges, for identical assets.

Investments consist of the following at June 30:

	2024	2023
Cash equivalents	\$ 48,628	\$ 277,450
US treasury and agency securities	50,783	-
Exchange traded funds	112,755	131,467
Equity mutual funds	1,118,962	1,238,841
Corporate bonds	681,204	710,289
Municipal bonds	27,257	-
	<u>\$ 2,039,589</u>	<u>\$ 2,358,047</u>

Investment return consists of interest and dividends, realized and unrealized gains and losses, less investment fees is reported on the statements of activities as increases or decreases in net assets without donor restrictions unless a donor restricts its use.

Grants and Contributions Receivable

Grants and contributions receivable that are expected to be collected in one year are recorded at net realizable value. Management reviews the collectability of contributions and grants receivable on a periodic basis and determines the amount estimated to be uncollectible. A reserve for doubtful accounts is then established. The Food Bank charges off receivables against the allowance when management determines that a receivable is not collectible. No allowance for grants and contributions receivable was considered necessary at June 30, 2024 or 2023.

Food Inventory and Donated Food

Food inventory consists of undistributed donated food that will be provided to persons in need. Inventory is stated at the lower of cost or net realizable value. The Food Bank records the value of donated food as a contribution at the time the food is donated since the Food Bank has discretion in deciding the disposition of the donated food. Cost is estimated based on the fair value for donated goods at the time of donation, which is recognized based on the dollar value per pound of food established by the State of Washington, Emergency Food Assistance Program. The valuation was \$2.16 and \$1.82 for the years ended June 30, 2024 and 2023, respectively.

Food donations from one organization represented 38% and 37% of donated food for the years ended June 30, 2024 and 2023, respectively.

UNIVERSITY DISTRICT SERVICE LEAGUE

NOTES TO FINANCIAL STATEMENTS

Property and Equipment

Property and equipment is stated at cost, if purchased, or at fair value if donated. All purchases or donations greater than \$5,000 with a useful life of one year or longer are capitalized. Depreciation is computed on property and equipment on the straight-line basis over the estimated useful lives of the assets, which range from 3 to 30 years.

Property and equipment consist of the following at June 30:

	2024	2023
	<u> </u>	<u> </u>
Building	\$ 2,278,435	\$ 2,278,435
Furniture and equipment	304,677	248,915
Vehicles	<u>188,391</u>	<u>188,391</u>
	2,771,503	2,715,741
Less: Accumulated depreciation	<u>(749,661)</u>	<u>(657,978)</u>
	2,021,842	2,057,763
Construction in progress	406,300	405,588
Land	<u>932,308</u>	<u>932,308</u>
	<u>\$ 3,360,450</u>	<u>\$ 3,395,659</u>

Revenue Recognition

Grants and contributions (including those from government agencies and those received at special events) are recorded when unconditionally pledged as with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Conditional promises to give, that is, those with a measurable performance or barrier and a right of return, are not recognized until the conditions on which they depend have been met (for grants from government agencies, this generally occurs when the qualified expenditures are incurred).

Revenue from these government agencies is subject to audit, which could result in adjustments to revenue. The adjustments are recorded at the time that such amounts can first be reasonably determined, normally upon notification by the government agency. During the years ended June 30, 2024 and 2023, no such adjustments were made.

Conditional revenues that have not been recognized as of June 30, 2024, total approximately \$145,000 and will be recognized as the Food Bank overcomes the barriers (incurring eligible expenditures or meeting programmatic goals).

UNIVERSITY DISTRICT SERVICE LEAGUE

NOTES TO FINANCIAL STATEMENTS

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Certain expenses are allocated to more than one program or supporting function. The Food Bank allocates occupancy and depreciation on a square-footage basis, as well as salaries and related expenses and office expenses, which are allocated on the basis of estimates of time and effort.

Income Taxes

The Food Bank is exempt from income taxes under Internal Revenue Code Section 501(c)(3).

Subsequent Events

The Food Bank has evaluated subsequent events through the date these financial statements were available to be issued, which was December 17, 2024.

Note 2 – Liquidity and Availability of Resources

Generally, the Food Bank strives to maintain liquid financial assets to represent at least three months of average cash operating expenses. Financial assets in excess of daily cash requirement are invested in mutual funds.

The following table reflects the Food Bank’s financial assets as of June 30, 2024 and 2023, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date due to donor restrictions for purpose.

	<u>2024</u>	<u>2023</u>
Financial Assets		
Cash and cash equivalents	\$ 1,135,992	\$ 1,029,419
Investments	2,039,589	2,358,047
Grants and contributions receivable	<u>76,351</u>	<u>204,310</u>
	3,251,932	3,591,776
Less: Amounts Not Available to be Used Within One Year		
Net assets with donor restrictions for purpose	<u>(108,063)</u>	<u>(112,070)</u>
	<u>\$ 3,143,869</u>	<u>\$ 3,479,706</u>

**SUPPLEMENTAL REPORT IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Amanda O'Rourke, CPA
Matt Smith, CPA
Claire Chow, CPA
Jason Mallon, CPA
Andrew Van Ness, CPA



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
University District Service League
Seattle, Washington

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial auditing standards generally accepted in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of University District Service League, which comprise the statements of financial position as of June 30, 2024 and 2023, and the related 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 December 17, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered University District Service League's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of University District Service League's internal control. Accordingly, we do not express an opinion on the effectiveness of University District Service League's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management of employees, on 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 controls, such that there is a reasonable possibility that a material misstatement of the entity'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 internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether University District Service League's 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 test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Amanda O'Rourke, CPA
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Andrew Van Ness, CPA



Purpose of this Report

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering University District Service League's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Greenwood Ohlund

Seattle, Washington
December 17, 2024