



**UNITED
VOICES FOR
NEWCOMER
RIGHTS.**

A globe on a brass stand is the central visual element of the cover. The globe is positioned in the foreground, showing the continents of Asia, Australia, and parts of Africa and Europe. The stand is a polished brass base. The background is a blurred indoor setting with a window and a green wall.

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
UNITED VOICES FOR NEWCOMER RIGHTS
DECEMBER 31, 2023**

INTRODUCTORY SECTION

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Jaramillo Accounting Group LLC

Certified Public Accountants

Audit, Fraud, Consulting

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees

United Voices for Newcomer Rights

Albuquerque, New Mexico

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of the United Voices for Newcomer Rights (UVNR) (a non-profit organization), as of and for the year ended December 31, 2023, and the related statements of activities and changes in net assets, cash flows, functional expenses, and the related notes to the financial statements, which collectively comprise UVNR's financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of UVNR as of December 31, 2023, and the respective changes in net assets and cash flows thereof for the year 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 (GAAS) 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 UVNR and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 UVNR's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 GAAS 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 the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 UVNR'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 UVNR'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.

SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise UVNR's financial statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* is presented for purposes of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combining financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 stated fairly, in all material respects, in relation to the financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2024, on our consideration of UVNR's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 effectiveness of UVNR's 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 UVNR's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "JAG LLC". The signature is stylized, with a large, sweeping flourish at the beginning that loops around the letters "JAG".

Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
September 20, 2024



**UNITED
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FINANCIAL STATEMENTS



Financial Statements

STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2023

ASSETS	
Cash	\$ 20,199
Accounts receivable	101,192
Grants receivable	94,802
Contracts receivable	59,953
Deposits receivable	1,553
Prepaid expenses	7,900
Accrued revenue	360
Total current assets	285,959
Other assets	
Right-to-use lease assets, net	69,425
Total assets	\$ 355,384
LIABILITIES AND NET ASSETS	
Accounts payable	\$ 63,252
Accrued expenses	57,833
Accrued payroll expenses	42,267
Current portion of lease liability	29,792
Total current liabilities	193,144
Lease liability, less current portion	40,705
Total liabilities	233,849
COMMITMENTS AND CONTINGENCIES	
NET ASSETS	
Without donor restrictions	82,058
With donor restrictions	39,477
Total net assets	121,535
Total liabilities and net assets	\$ 355,384

See Accompanying Notes.

**STATEMENT OF ACTIVITIES AND CHANGES OF NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Grant revenue	\$ 917,679	\$ 199,588	\$ 1,117,267
Contract revenue	252,123	-	252,123
Contributions	61,480	3,000	64,480
Donated professional services	11,873	-	11,873
Program revenue	11,364	-	11,364
Interest income	93	-	93
Total support and revenue	1,254,612	202,588	1,457,200
Net assets released from restrictions			
Expiration of time and purpose restrictions	274,021	(274,021)	-
EXPENSES			
Program services	1,296,807	-	1,296,807
Supporting services	283,781	-	283,781
Total expenses	1,580,588	-	1,580,588
Change in net assets	(51,955)	(71,433)	(123,388)
Net assets, beginning of year	134,013	110,910	244,923
Net assets, end of year	\$ 82,058	\$ 39,477	\$ 121,535

See Accompanying Notes.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Cash Flows from Operating Activities	
Change in net assets	\$ (123,388)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Amortization	10,744
Change in assets and liabilities	
Receivables	(71,036)
Prepaid expenses	(7,339)
Deposits receivable	(1,453)
Accrued revenue	(360)
Accounts payable	48,024
Accrued expenses	88,393
Lease liability	(9,672)
Total adjustments	<u>57,301</u>
Net cash used in operating activities	<u>(66,087)</u>
Decrease in cash	(66,087)
Cash, beginning of year	<u>86,286</u>
Cash, end of year	<u>\$ 20,199</u>

See Accompanying Notes.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Program Services						Supporting Services		Total	
	Refugee and Immigrant Well-being Project	Pathways	Refugee Monitoring	Interpretation and Translation	Youth Initiatives	Community Responsiveness	Management and General	Fundraising		
PERSONNEL EXPENDITURES										
Salaries and wages	\$ 322,433	\$ 27,959	\$ 95,435	\$ 19,639	\$ 44,574	\$ 152,315	\$ 150,835	\$ 22,212	\$ 835,403	
Total personnel expenditures	322,433	27,959	95,435	19,639	44,574	152,315	150,835	22,212	835,403	
OPERATING EXPENDITURES										
Client assistance	-	2,068	993	-	-	10,608	-	-	13,669	
Professional fees	-	-	-	-	-	750	35,567	-	36,317	
Contract labor	31,607	4,250	1,736	3,292	27	32,339	8,997	671	82,919	
Awards/grants to individuals	-	-	55,051	-	-	342,470	-	-	397,521	
Supplies	6,247	-	1,713	459	219	4,565	10,540	469	24,211	
Website & maintenance	104	-	22	9	-	35	55	9	234	
Telephone & communications	5,531	-	1,943	413	325	1,903	6,484	366	16,965	
Printing & copying	-	-	-	-	-	-	283	307	590	
Postage & shipping	28	-	14	1	4	10	198	30	286	
Lease/occupancy	14,947	-	5,498	973	1,270	5,247	4,232	1,029	33,196	
Donated use of facility	3,701	-	777	314	-	1,244	706	319	7,062	
Equipment rental	102	-	21	9	-	34	19	9	194	
Computer equipment	23,729	-	7,313	1,804	985	11,198	31,755	1,852	78,636	
Travel	4,363	535	186	-	64	32,916	338	-	38,402	
Conferences, conventions & meetings	964	-	-	-	1,335	1,204	-	720	4,224	
Dues & subscriptions	-	-	-	-	-	1,500	210	-	1,710	
Insurance	-	-	-	-	-	-	4,262	-	4,262	
Miscellaneous	1,997	-	561	162	79	682	839	467	4,787	
Total expenses	\$ 415,755	\$ 34,812	\$ 171,264	\$ 27,074	\$ 48,881	\$ 599,023	\$ 255,321	\$ 28,460	\$ 1,580,588	

See Accompanying Notes.

Notes to Financial Statements

DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

United Voices for Newcomer Rights (UVNR) is a community-led organization that was founded in 2015 by refugee/newcomer families, UNM students, and community advocates. UVNR works to improve the lives of newcomers (refugees, asylum seekers, or other immigrants) by addressing both immediate needs as well as longer-term systemic change. To do this effectively, we believe in working with refugee/immigrant community leaders and building the capacity of local communities to address issues concerning them.

UVNR works towards social justice, racial equity and inclusion, leadership development, and policy and system change that promotes the well-being of newcomers, while also providing direct services that address newcomers' urgent needs, and facilitate their engagement in their communities and in social change efforts. Recognizing the commonalities in resettlement challenges, UVNR uses the inclusive, non-stigmatized term "newcomers" to encompass refugees, immigrants, asylum-seekers, and other migrant groups to emphasize the importance of building solidarity among these groups.

Basis of Accounting and Presentation. UVNR uses the accrual method of accounting and reports information regarding its financial position and activities according to two classes of net assets. The classification is based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of UVNR and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Represent net assets that are not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Represent net assets subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by actions of UVNR and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. UVNR does not have any donor-imposed restrictions that are perpetual in nature. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Receivables:

Accounts Receivable. Accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded in revenue when received. Accounts receivable are determined delinquent based upon how recently payment has been received, but UVNR does not charge interest on delinquent accounts.

Grants and Other Receivables. Grants and other receivables are reflected at net realizable value. UVNR provides an allowance for doubtful accounts, when deemed necessary, which is based on review of outstanding receivables, historical collection, and other information and conditions. Uncollectible accounts are written off when identified by management. No interest is charged on receivables. At December 31, 2023, in the opinion of management, no allowance is necessary for doubtful accounts.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents. For purposes of the statements of cash flows, UVNR considers cash on hand, cash in banks, money market accounts, and highly-liquid investments with original maturities of three months or less to be cash and cash equivalents.

Contributions. Contributions, including unconditional promises to give and bequests, are recognized as revenues in the period received and are recognized at fair value. Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided when, based upon management's judgment, a potential default exists. The determination includes such factors as prior collection history, type of contribution, and nature of fundraising activity.

Donated Professional Services. UVNR pays for most professional services requiring specific expertise. Donated professional services that require specific expertise, if material, are recorded in the combined financial statements.

Donated Materials and Products. Donated materials and products are recorded at the estimated fair value at the date of donation.

Fixed Assets and Depreciation. Property, building and equipment are recorded at cost. Purchases of property and equipment with a cost in excess of \$5,000 and a useful life of more than one year are capitalized. Donated items are recorded at estimated fair value on the date of donation. Depreciation is calculated on a straight-line basis over the estimated useful lives of the related assets.

Functional Expense Allocations. The costs of providing UVNR's various programs and activities have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs, fundraising, and support services benefited.

Income Taxes. UVNR is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and it is determined not to be a private foundation within the meaning of Section 509(a) of the Code.

UVNR is exempt from federal income taxes.

Revenues. Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of restrictions on net assets by fulfillment of the donor-stipulated purpose or by passage of the stipulated time period are reported as reclassifications between the applicable classes of net assets. UVNR recognizes revenue within the fiscal year in which services are provided.

Subsequent Events. UVNR has evaluated subsequent events through September 20, 2024, the date which the financial statements were available to be issued. Management believes no material subsequent events have arisen that would require adjustment or disclosure.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates. The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 2. CASH

Cash is as follows at December 31:

	2023
Cash Accounts	
Checking	\$ 20,141
Savings	58
Total cash	<u>\$ 20,199</u>

NOTE 3. ACCOUNTS RECEIVABLE

Accounts receivable are as follows at December 31:

	2023
Accounts receivable	\$ 101,192
Contracts receivable	59,953
Grants receivable	94,802
Deposits receivable	1,553
	<u>257,500</u>
Less allowance for doubtful accounts	-
Total	<u>\$ 257,500</u>

NOTE 3. LEASE LIABILITY AND RIGHT-TO-USE LEASE ASSETS

UVNR (lessee) leases certain office space under an operating lease. Monthly payments range from \$1,550 to \$1,650. The lease agreement has been recorded at the present value of the future lease payments for the remaining term of the agreement using the facts and circumstances available on January 1, 2023. The liability is measured at a discount rate equal to the incremental borrowing rate at the commencement of the lease. UVNR has also recorded an intangible right-to-use lease asset as a result of implementing *Leases* (Topic 842).

	2023
Right-to-use lease assets	\$ 96,931
Accumulated amortization	<u>(27,506)</u>
Net book value	<u>\$ 69,425</u>

NOTE 3. LEASE LIABILITY AND RIGHT-TO-USE LEASE ASSETS (CONTINUED)

The present value of the future minimum lease obligations for the right-to-use lease asset as of December 31, 2023 is as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 29,792	\$ 2,848	\$ 32,640
2025	32,360	1,300	33,660
2026	8,345	70	8,415
2027	-	-	-
2028	-	-	-
	<u>\$ 70,497</u>	<u>\$ 4,218</u>	<u>\$ 74,715</u>

NOTE 4. RESTRICTIONS OF NET ASSETS

Net assets with donor restrictions at December 31 are available for the following purposes:

	<u>2023</u>
Programs aiding families	<u>\$ 39,477</u>
Total	<u>\$ 39,477</u>

Net assets released from restrictions for the year ended December 31 were comprised of the following:

	<u>2023</u>
Early childhood education	<u>\$ 274,021</u>
Total	<u>\$ 274,021</u>

NOTE 5. CONTINGENCY

UVNR's federal grants and programs are subject to audit by various grantor agencies. These audits may result in disallowance of claimed reimbursable expenses under rules and regulations of the various programs. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date. Management believes that UNVR is following grantor restrictions.

NOTE 6. LIQUIDITY AND AVAILABILITY RESOURCES

Financial assets available for general expenditure, that is without donor or other restrictions limited their use, within one year of the statements of financial position, comprise the following:

	<u>2023</u>
Cash	\$ 20,199
Receivables	257,500
Total	<u>\$ 277,699</u>

As part of UVNR's liquidity management plan, cash in excess of short-term requirements is maintained in cash accounts, making it available for any unexpected liquidity needs.



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SUPPLEMENTARY INFORMATION



Schedule of Expenditures of Federal Awards

FOR THE YEAR ENDED DECEMBER 31, 2023

Federal Agency / Assistance Listings Program Title	Assistance Listings Number	Pass-through Entity Identifying Number	Passed Through to Subrecipient	Total Federal Expenditures
U.S. Department of Health and Human Services				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	\$ 346,271	\$ 799,006
Total U.S. Department of Health and Human Services			<u>346,271</u>	<u>799,006</u>
Total Expenditures of Federal Awards			<u>\$ 346,271</u>	<u>\$ 799,006</u>

See Notes to Schedule of Expenditures of Federal Awards.

Notes to Schedule of Expenditures of Federal Awards

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE A. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of United Voices for Newcomer Rights (UVNR) and is presented on the accrual basis of accounting and in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements of Federal Awards* (Uniform Guidance).

NOTE 2. SUBRECIPIENTS

UVNR had two subrecipients during the year ended December 31, 2023: Centro Savila (\$290,611) and the University of New Mexico Health & Health Sciences (\$55,660).

NOTE 3. INDIRECT COST RATE

UVNR elected not to use the 10% de minimis indirect cost rate.



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COMPLIANCE SECTION





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**REPORT OVER INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON THE AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS***

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees

United Voices for Newcomer Rights

Albuquerque, New Mexico

We have audited, in accordance with the 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 financial statements of United Voices for Newcomer Rights (UVNR) (a non-profit organization), which comprise the statement of financial position as of December 31, 2023, and the related statement of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 20, 2024.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered UVNR'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UVNR's internal control. Accordingly, we do not express an opinion on the effectiveness of UVNR'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 UVNR'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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001 that we consider to be a significant deficiency.

COMPLIANCE AND OTHER MATTERS

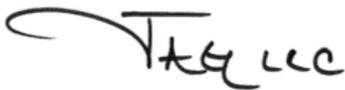
As part of obtaining reasonable assurance about whether UVNR's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

UVNR'S RESPONSE FO FINDING

UVNR's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. UVNR's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 UVNR'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
September 20, 2024



Jaramillo Accounting Group LLC

Certified Public Accountants

Audit, Fraud, Consulting

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees

United Voices for Newcomer Rights

Albuquerque, New Mexico

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

OPINION ON EACH MAJOR FEDERAL PROGRAM

We have audited United Voices for Newcomer Right's (UVNR) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of UVNR's major federal programs for the year ended December 31, 2023. UVNR's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, UVNR complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

BASIS FOR OPINION ON EACH MAJOR FEDERAL PROGRAM

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of UVNR and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of UVNR's compliance with the compliance requirements referred to above.

RESPONSIBILITIES OF MANAGEMENT FOR COMPLIANCE

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to UVNR's federal programs.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF COMPLIANCE

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on UVNR's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about UVNR's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 UVNR's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of UVNR's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of UVNR's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

OTHER MATTERS

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001. Our opinion on each major federal program is not modified with respect to these matters. *Government Auditing Standards* requires the auditor to perform limited procedures on UVNR's response to the noncompliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. UVNR's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on UVNR's response to the internal control over compliance findings identified in our audit described in accompanying Schedule of Findings and Questioned Costs. UVNR's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
September 20, 2024

Summary Schedule of Prior Audit Findings

FOR THE YEAR ENDED DECEMBER 31, 2023

Financial Statement Findings:

None

Federal Awards Findings:

None

Schedule of Findings and Questioned Costs

DECEMBER 31, 2023

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- | | |
|---|------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| • Material weakness(es) identified: | No |
| • Significant deficiency(ies) identified that are not considered to be material weakness(es)? | Yes |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|------------|
| 1. Internal control over major federal programs: | |
| • Material weakness(es) identified? | No |
| • Significant deficiency(ies) identified that are not considered to be material weakness(es)? | Yes |
| 2. Type of auditor's report issued on Compliance for major federal programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(1) of the Uniform Guidance: | Yes |

Identification of Major Federal Programs

<u>Assistance Listings Number</u>	<u>Assistance Listings Program Title</u>
93.243	Substance Abuse and Mental Health Services Projects
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

SECTION II: FINANCIAL STATEMENT FINDINGS

None

Schedule of Findings and Questioned Costs (Continued)

DECEMBER 31, 2023

SECTION III: FEDERAL AWARDS FINDINGS

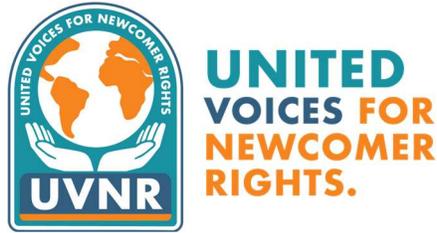
2023-001	OVERPAYMENTS TO SUBRECIPIENT
Federal Program Information	Significant Deficiency Compliance Areas: Allowable Costs, Cash Management Assistance Listings Number: 93.243 Award Period: 12/31/2022 - 12/30/2024 Questioned Costs: None
Condition	During our testing of subrecipient disbursements, we found that management does not require invoices from subrecipients before making disbursements. Instead, they allocate a predetermined monthly amount based on prorated subaward totals, making adjustments upon receipt of invoices and again at year-end. An error in a subrecipient's invoice led to an overpayment of \$27,525 and remained uncorrected during the year. As a result, UVNR over recognized federal revenue by the same amount. An audit adjustment was made to correct both federal expenditures and revenues in 2023.
Criteria	<p>An improper payment, as defined in 2 CFR §200.1, is any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements.</p> <p>According to §200.303 Internal controls of 2 CFR Part 200, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Specific to the Organization, federal reimbursement requests are completed monthly.</p>
Effect	Overstatement of federal revenues and expenditures, respectively. The overpayment would also necessitate certain adjustments to the award amounts given to the subrecipient in the following year.
Cause	Management admittedly overlooked the error in the subrecipient's submitted invoice during review.
Recommendation	UVNR should implement procedures to ensure thorough monitoring and accurate accounting of all subrecipient expenditures. Subrecipients should be required to submit properly supported invoices with their reimbursement requests. It is also recommended that authorized grant personnel diligently review and approve these invoices to ensure that reimbursements are made only for actual expenditures.
Management Response	<p>Corrective Action:</p> <ol style="list-style-type: none"> 1. Meet with subrecipient to clarify compliance issues with 2023 disbursements and to discuss plans of action for 2024 through grant period end (occurred on 9/10/24). 2. Subrecipient will invoice monthly providing grant personnel with an invoice and general ledger of expenses. 3. Grant personnel will adopt a policy of reviewing subrecipient's monthly invoices and supporting documents, including adding a requirement for grant personnel to approve and sign subrecipient invoices before drawing down from the federal award's payment management system. 4. Signed and approved grant invoices and supporting documentation will also be shared with accounts for approval before drawing down from the federal award's payment management system. 5. Grant personnel will meet regularly with accountants for thorough and continuous monitoring of the award, including accurate accounting of subrecipient funds.
	<p>Due Date of Completion: September 30, 2024 - ongoing</p>
	<p>Responsible Party(ies): Co-Executive Directors</p>



**UNITED
VOICES FOR
NEWCOMER
RIGHTS.**

**OTHER
INFORMATION**





CORRECTIVE ACTION PLAN

September 20, 2024

U.S. Department of Health and Human Services

United Voices for Newcomer Rights respectfully submits the following corrective action plan for the year ended December 31, 2023.

Name and address of independent public accounting firm:

Jaramillo Accounting Group LLC (JAG)
4700 Lincoln Rd NE
Albuquerque NM 87109

Audit period: Year ended December 31, 2023

The finding from the December 31, 2023 Schedule of Findings and Questioned Costs is discussed below. The finding is numbered consistently with the numbers assigned in the Schedule.

SECTION II – FEDERAL AWARD FINDINGS

SIGNIFICANT DEFICIENCY

2023-001 OVERPAYMENTS TO SUBRECIPIENT

RECOMMENDATION

UVNR should implement procedures to ensure thorough monitoring and accurate accounting of all subrecipient expenditures. Subrecipients should be required to submit properly supported invoices with their reimbursement requests. It is also recommended that authorized grant personnel diligently review and approve these invoices to ensure that reimbursements are made only for actual expenditures.

MANAGEMENT RESPONSE

Correction Action:

1. Meet with subrecipient to clarify compliance issues with 2023 disbursements and to discuss plans of action for 2024 through grant period end (occurred on 9/10/24).
2. Subrecipient will invoice monthly providing grant personnel with an invoice and general ledger of expenses.
3. Grant personnel will adopt a policy of reviewing subrecipient's monthly invoices and supporting documents, including adding a requirement for grant personnel to approve and sign subrecipient invoices before drawing down from the federal award's payment management system.

4. Signed and approved grant invoices and supporting documentation will also be shared with accounts for approval before drawing down from the federal award's payment management system.
5. Grant personnel will meet regularly with accountants for thorough and continuous monitoring of the award, including accurate accounting of subrecipient funds.

Due Date of Completion: September 30, 2024 - ongoing

Responsible Party: Co-Executive Directors

If the U.S. Department of Health and Human Services has any questions regarding this plan, please call Danielle at 505.595.4875 or Ryeora at 505.705.2440.

Respectfully submitted,



Danielle Parker
Co-Executive Director



Ryeora Choe, PhD
Co-Executive Director

JARAMILLO ACCOUNTING GROUP LLC (JAG)

CERTIFIED PUBLIC ACCOUNTANTS

4700 LINCOLN RD NE, ALBUQUERQUE, NM 87109

T: 505.323.2035

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