

UNITED WAY OF CENTRAL JERSEY, INC.

***FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT***

YEAR ENDED DECEMBER 31, 2024

UNITED WAY OF CENTRAL JERSEY, INC.

TABLE OF CONTENTS

	<u>Section</u>
Financial Statements And Independent Auditors' Report	1
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 <i>Government Auditing Standards</i>	2
Independent Auditors' Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance And New Jersey Circular 15-08-OMB	3
Schedule Of Findings And Questioned Costs	4
Prior Year Findings	5

SECTION 1

UNITED WAY OF CENTRAL JERSEY, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2024

UNITED WAY OF CENTRAL JERSEY, INC.

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-3
FINANCIAL STATEMENTS	
<i>Statements of Financial Position,</i> December 31, 2024 And 2023	4
<i>Statement of Activities And Changes In Net Assets,</i> Year Ended December 31, 2024 With Summarized Information For 2023	5
<i>Statement of Functional Expenses,</i> Year Ended December 31, 2024 With Summarized Information For 2023	6
<i>Statements of Cash Flows,</i> Years Ended December 31, 2024 And 2023	7
<i>Notes To Financial Statements</i>	8-19
SUPPLEMENTAL INFORMATION	
<i>Schedule of Expenditures of Federal Awards,</i> Year Ended December 31, 2024	20
<i>Schedule of Expenditures of State Awards,</i> Year Ended December 31, 2024	21
<i>Notes To The Schedules of Expenditures of Federal And State Awards</i>	22

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
United Way of Central Jersey, Inc.
Milltown, New Jersey**

Opinion

We have audited the accompanying financial statements of the United Way of Central Jersey, Inc., which comprise the statement of financial position as of December 31, 2024 and the related statements of activities, functional expenses and cash flows for the year 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 the United Way of Central Jersey, Inc.'s as of December 31, 2024, and the changes in its net assets and its cash flows 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 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 the United Way of Central Jersey, Inc. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 the United Way of Central Jersey, Inc.'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 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, including omissions, 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.

**To the Board of Directors
United Way of Central Jersey, Inc.
Milltown, New Jersey**

In performing an audit in accordance with generally accepted 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 the United Way of Central Jersey, Inc.'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 the United Way of Central Jersey, Inc.'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.

Report on Summarized Comparative Information

We have previously audited United Way of Central Jersey, Inc.'s December 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 25, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of state awards as required by the State of New Jersey Office of Management and Budget Circular 15-08-OMB, ***Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid***, and of grant expenditures are presented for purposes of additional analysis and are 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 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

To the Board of Directors
United Way of Central Jersey, Inc.
Milltown, New Jersey

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, 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 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 information is fairly stated 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 October 22, 2025, on our consideration of United Way of Central Jersey Inc.'s internal control over financial reporting and on 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 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 United Way of Central Jersey Inc.'s internal control over financial reporting and compliance.



Philadelphia, Pennsylvania
October 22, 2025

UNITED WAY OF CENTRAL JERSEY, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2024 And 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 241,608	\$ 599,338
Investments <i>(Note 3)</i>	5,104,150	4,959,924
Accrued interest	10,635	19,056
Pledge receivables, net of allowance for uncollectible pledges of \$17,673 and \$253,544 in 2024 and 2023, respectively <i>(Note 2)</i>	61,935	50,412
Grant receivable	383,416	41,448
Prepaid expenses and other assets	70,157	50,278
Right-of-use asset <i>(Note 8)</i>	204,225	-
Property and equipment, net <i>(Note 4)</i>	727,604	807,504
Investments – beneficial interest in perpetual trust <i>(Note 5)</i>	<u>289,199</u>	<u>274,029</u>
Total Assets	<u>\$7,092,929</u>	<u>\$6,801,989</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Allocations payable	\$ 31,936	\$ 30,686
Designations payable <i>(Note 6)</i>	12,894	6,825
Accounts payable and accrued expenses	302,745	170,320
Refundable advances	19,252	-
Operating lease liability <i>(Note 8)</i>	218,269	-
Deferred revenue	<u>108,044</u>	<u>266,109</u>
Total Liabilities	<u>693,140</u>	<u>473,940</u>
Net Assets		
Without donor restrictions <i>(Note 7)</i>		
Undesignated	2,414,284	2,541,132
Designated for endowment fund	879,189	877,239
Designated for outreach and programs	<u>1,749,869</u>	<u>1,276,497</u>
	5,043,342	4,694,868
With donor restrictions <i>(Note 7)</i>	<u>1,356,447</u>	<u>1,633,181</u>
Total Net Assets	<u>6,399,789</u>	<u>6,328,049</u>
Total Liabilities and Net Assets	<u>\$7,092,929</u>	<u>\$6,801,989</u>

UNITED WAY OF CENTRAL JERSEY, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2024 With Summarized Information For 2023

	2024		2023	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and Revenue				
Campaign pledges	\$ 183,591	\$ 148,208	\$ 331,799	\$ 505,666
Less:				
Amounts designated by donors for specific organizations	9,611	216	9,827	2,461
Allowance and write-offs for uncollectible pledges	<u>5,427</u>	<u>7,410</u>	<u>12,837</u>	<u>121,913</u>
Campaign pledges, net	168,553	140,582	309,135	381,292
Grant income	2,506,241	-	2,506,241	2,317,887
Investment income	184,589	-	184,589	164,095
Distributions from perpetual trust	12,892	-	12,892	11,177
Service fee revenue	41	-	41	1,769
Community program income	-	151,349	151,349	237,740
Contributions of clothes and equipment	122,139	-	122,139	138,692
ERC credit <i>(Note 11)</i>	-	-	-	211,499
Miscellaneous	1,737	-	1,737	291
Net assets released from restrictions	<u>583,835</u>	<u>(583,835)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>3,580,027</u>	<u>(291,904)</u>	<u>3,288,123</u>	<u>3,464,442</u>
Program Services				
Allocations and grants				
Allocated distributions to agencies	106,249	-	106,249	135,269
Less donor designated contributions	<u>(9,827)</u>	<u>-</u>	<u>(9,827)</u>	<u>(2,461)</u>
Net distributions to agencies in Central Jersey	96,422	-	96,422	132,808
Community investment and impact	3,064,361	-	3,064,361	2,837,073
Support Services				
General and administrative expenses	151,187	-	151,187	207,815
Resource development/fund-raising	<u>217,412</u>	<u>-</u>	<u>217,412</u>	<u>160,588</u>
Total supporting services	<u>368,599</u>	<u>-</u>	<u>368,599</u>	<u>368,403</u>
Total expenses	<u>3,529,382</u>	<u>-</u>	<u>3,529,382</u>	<u>3,338,284</u>
Change in net assets	50,645	(291,904)	(241,259)	126,158
Non-Operating Changes				
Realized and change in unrealized gain	297,829	-	297,829	228,057
Net gain on beneficial interest in perpetual trust	<u>-</u>	<u>15,170</u>	<u>15,170</u>	<u>28,257</u>
Change in net assets	348,474	(276,734)	71,740	382,472
Net Assets				
Beginning of year	<u>4,694,868</u>	<u>1,633,181</u>	<u>6,328,049</u>	<u>5,945,577</u>
End of year	<u>\$5,043,342</u>	<u>\$1,356,447</u>	<u>\$6,399,789</u>	<u>\$6,328,049</u>

UNITED WAY OF CENTRAL JERSEY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2024 With Summarized Information For 2023

	2024						2023
	PROGRAM SERVICES			SUPPORT SERVICES			Total Expenses
	Community Investment	Community Impact	Total Program Expenses	Management And General	Resource Development	Total Expenses	
Allocated distributions to agencies	\$ -	\$ 96,422	\$ 96,422	\$ -	\$ -	\$ 96,422	\$ 132,808
Payroll and employee benefits							
Payroll	12,615	785,101	797,716	74,703	73,803	946,222	862,372
Payroll taxes	1,043	63,854	64,897	7,217	6,101	78,215	70,662
Employee benefits	<u>1,777</u>	<u>108,801</u>	<u>110,578</u>	<u>12,298</u>	<u>10,395</u>	<u>133,271</u>	<u>99,475</u>
	15,435	957,756	973,191	94,218	90,299	1,157,708	1,032,509
Professional fees	28,183	72,585	100,768	1,838	95,059	197,665	127,842
Advertising & Promotion	-	605	605	75	6,339	7,019	49,455
Office expense	17,445	52,362	69,807	5,191	2,608	77,606	54,486
Information Technology	17,787	17,625	35,412	7,315	2,450	45,177	37,767
Occupancy	-	18,811	18,811	1,535	1,932	22,278	21,576
Travel	43	6,445	6,488	1,526	34	8,048	8,782
Payments to Affiliates (UWW)	24,307	-	24,307	2,860	1,430	28,597	16,287
Insurance	30,258	3,607	33,865	3,560	1,780	39,205	34,896
Community program expense	634	1,682,193	1,682,827	17,672	-	1,700,499	1,677,933
Repairs and maintenance	-	43,212	43,212	365	3,069	46,646	38,908
Miscellaneous	<u>-</u>	<u>15,921</u>	<u>15,921</u>	<u>4,411</u>	<u>2,280</u>	<u>22,612</u>	<u>25,579</u>
	134,092	2,967,544	3,101,636	140,566	207,280	3,449,482	3,258,828
Depreciation	<u>-</u>	<u>59,147</u>	<u>59,147</u>	<u>10,621</u>	<u>10,132</u>	<u>79,900</u>	<u>79,456</u>
	<u>\$134,092</u>	<u>\$3,026,691</u>	<u>\$3,160,783</u>	<u>\$151,187</u>	<u>\$217,412</u>	<u>\$3,529,382</u>	<u>\$3,338,284</u>

UNITED WAY OF CENTRAL JERSEY, INC.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2024 And 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
<i>Change in net assets</i>	\$ 71,740	\$ 382,472
<i>Adjustments to reconcile the net change in net assets to net cash provided by operating activities</i>		
Depreciation expense	79,900	79,456
Provision for uncollectible pledges	(235,871)	70,252
Amortization of right-of-use-asset	48,054	-
Operating lease liability	(34,010)	-
Realized gain on investments	(1,014)	(51,497)
Unrealized gain on investments	(296,815)	(176,560)
Change in net assets of beneficial interest in perpetual trust	(15,170)	(28,257)
Changes in		
Accrued interest	8,421	(15,282)
Pledge receivables	224,348	(64,878)
Grant receivable	(341,968)	112,787
Prepaid expenses and other assets	(19,879)	6,543
Allocations payable	1,250	(1,000)
Designations payable	6,069	(11,954)
Refundable advance	19,252	-
Accounts payable and accrued expenses	132,425	12,309
Deferred revenue	<u>(158,065)</u>	<u>191,845</u>
Net cash provided by (used for) operating activities	<u>(511,333)</u>	<u>506,236</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(3,125,397)	(3,376,797)
Sales and maturities of investments	3,279,000	3,029,386
Purchases of property and equipment	<u>-</u>	<u>(31,000)</u>
Net cash provided by (used for) investing activities	<u>153,603</u>	<u>(378,411)</u>
Net change in cash and cash equivalents	(357,730)	127,825
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>599,338</u>	<u>471,513</u>
End of year	<u>\$ 241,608</u>	<u>\$ 599,338</u>
SUPPLEMENTAL DISCLOSURE		
Right-of-use asset in exchange for new operating lease liability	<u>\$ 244,190</u>	<u>\$ -</u>

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 And 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF THE ORGANIZATION

The United Way of Central Jersey, Inc. (the “*United Way*” or the “*Organization*”) assesses on a continuing basis the need for human service programs within the community by fostering cooperation among local, state and national agencies, while developing a means to deploy financial resources to meet those needs. The United Way is primarily supported by donor contributions and public/private grants and is governed by a volunteer board of trustees.

ACCOUNTING METHOD

The accompanying financial statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America.

BASIS OF PRESENTATION

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The net assets without donor restrictions category represents net assets that are not subject to donor imposed restrictions, the net asset with donor restrictions category represents net assets that are subject to donor imposed time or purpose restrictions, and includes resources whereby donors have stipulated that the gift be invested and maintained in perpetuity. Income earned from such gifts is generally available for expenditures according to donor-imposed restriction, if any.

NET ASSETS

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization are classified and reported as follows:

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations and that may be expendable for any purpose in performing the primary mission of the Organization.

- ***Undesignated*** – Net assets attributable to operations include the revenues and expenses associated with the principal mission of the Organization.
- ***Designated for endowment*** – Board designated net assets include gifts and Board of Directors designations to funds functioning as endowment.
- ***Designated for building repairs and improvements*** – Net assets designated by the Board for repairs and improvements to the building.
- ***Designated for outreach and programs*** – Net assets designated by the Board to be expended for programs and services in accordance with specific budgeted grant requests.

With donor restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt, including gifts, endowment, pledges and investment returns on “true” endowment funds. Expirations of restrictions of net assets with donor restrictions are reported as net assets released from restriction.

Also included in this category are net assets subject to donor-imposed restrictions to be maintained permanently by the Organization, including gifts wherein donors stipulate that the corpus of the gift be held in perpetuity (primarily gifts for endowment) and that only the income be made available for operations or other purposes.

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

REVENUE RECOGNITION

The United Way recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and right of return – are not recognized until the conditions on which they depend have been met. The United Way reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as “net assets released from restriction”. Restricted contributions and grants, whose restrictions expire in the year received are recorded as revenue without donor restrictions.

A portion of the United Way’s revenue is derived from cost-reimbursable federal and state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the United Way has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances/deferred revenue in the statement of financial position.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

INCOME TAXES

The United Way is a not-for-profit corporation that is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and New Jersey taxation codes. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements.

Management has reviewed the tax positions for each of the open tax years (2021 – 2023) or expected to be taken in United Way’s 2024 tax return and has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CONCENTRATION OF CREDIT RISK

United Way of Central Jersey occasionally maintains deposits in excess of federally insured limits. ASC 825, “*Financial Instruments*”, identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by monitoring the financial institutions in which deposits are made.

For the years ended December 31, 2024 and 2023, 52% and 47% of revenues, respectively, were derived from cost reimbursement type federal and state grants. The loss of the grants would result in a corresponding decrease in expenses, therefore it would not have a material impact on the Organization.

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows presentation, the United Way considers all unrestricted highly liquid investments with maturity of less than three months at the date of acquisition to be cash equivalents.

COMPARATIVE INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost or fair market value at the date of donation. Depreciation charges with respect to property and equipment have been made by the United Way using the straight-line method over the estimated useful lives of the assets as follows:

<u>Description</u>	<u>Estimated Life (Years)</u>
Building and improvements	15-40
Furniture and fixtures	5
Computer equipment and software	3
Equipment	5

Expenditures for maintenance and repairs are charged to activities as incurred. Expenditures for betterments and major renewals are capitalized and, therefore, would be included in property and equipment.

ALLOCATED DISTRIBUTIONS TO AGENCIES

Distributions are recorded as expenses when they are approved by the Board of Trustees and communicated to the respective agencies and are generally payable within one year.

FUNCTIONAL EXPENSES

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Salaries, benefits and related payroll expenses are allocated based on analysis of time and effort, occupancy, repairs and maintenance, miscellaneous and depreciation expenses are allocated based on salaries while all other expenses, are directly allocated to the appropriate department or cost center.

INVESTMENTS

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

LEASES

Operating leases are included in operating lease right-of-use (“ROU”) assets and ROU lease liabilities in the statement of financial position. The Organization determines whether an agreement is or contains a lease at lease inception.

ROU assets represent the Organization’s right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Organization’s leases do not provide an implicit interest rate, the incremental borrowing rate based on the information available at commencement date is used in determining the present value of lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

FINANCIAL INSTRUMENTS

The carrying value of financial instruments including cash, pledges receivable, accounts and grant receivable, allocations and designations payable and accounts payable approximate their fair value due to the relatively short maturity of these instruments.

VALUATION OF LONG-LIVED ASSETS

The Organization reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Management has determined that no assessment was required for the period presented in these financial statements.

(2) PLEDGE RECEIVABLES

Campaign receivables consist of the following at December 31:

	<u>2024</u>	<u>2023</u>
2021 – 2022 Campaign Receivables	\$ -	\$ 131,506
2022 – 2023 Campaign Receivables	-	125,622
2023 – 2024 Campaign Receivables	10,262	46,828
2024 – 2025 Campaign Receivables	<u>69,345</u>	<u>-</u>
	79,607	303,956
Less: Allowance for uncollectible pledges	<u>(17,672)</u>	<u>(253,544)</u>
Pledge receivables, net	<u>\$ 61,935</u>	<u>\$ 50,412</u>

Amounts due in less than one year were \$61,935 and \$50,412 at December 31, 2024 and 2023, respectively.

Campaign receivables are unconditional promises to give by individuals and corporations, and amounts collected by third parties on behalf of the United Way and its member agencies that have not yet been received.

The carrying amount of receivables is reduced by a valuation allowance that reflects management’s best estimate of amounts that will not be collected. The allowance is based on prior years’ experience and management’s analysis of specific promises made. In addition, amounts collected by third parties on behalf of the United Way and its member agencies are reduced by amounts deemed to be uncollectible by the third party collector.

Payments on pledges are applied to the specific pledges identified on the remittance or, if unspecified, are applied based on management’s discretion.

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

(3) INVESTMENTS

At December 31, 2024 and 2023, investments consisted of the following:

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>
Certificates of Deposit	\$ 600,000	\$ 601,648	\$ 1,200,000	\$ 1,200,389
Money Market Funds	1,557,148	1,557,148	1,845,005	1,845,005
Common Stock	13,324	28,924	13,324	31,348
Mutual Funds – Equity	957,080	1,902,565	957,081	1,609,509
U.S. Government	<u>1,009,270</u>	<u>1,013,865</u>	<u>274,001</u>	<u>273,673</u>
Total Investments	<u>\$ 4,136,822</u>	<u>\$ 5,104,150</u>	<u>\$ 4,289,411</u>	<u>\$ 4,959,924</u>

As of December 31, 2024 and 2023, net unrealized gains consist of \$967,328 and \$670,513, respectively.

The following summarizes the investment return on long-term investments for the year ended December 31:

	<u>2024</u>	<u>2023</u>
Dividends and interest, net of investment expenses of \$2,124 and \$23,386, respectively	\$ 184,589	\$ 164,095
Realized gain	1,014	51,497
Change in unrealized gain (loss)	<u>296,815</u>	<u>176,560</u>
Total investment income (loss) on long-term investments	<u>\$ 482,418</u>	<u>\$ 392,152</u>

United Way utilized various methods to measure the fair value of its investments on a recurring basis. Generally accepted accounting principles establish a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are described below:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that United Way has the ability to access.
- Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.
- Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the United Way’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The inputs methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

The summary of inputs used to value United Way’s investments and beneficial interest in perpetual trust at December 31, 2024 and 2023 are as follows:

<u>Investments</u>	<u>2024</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of Deposit	\$ 601,648	\$ -	\$ 601,648	\$ -
Money Market Funds	1,557,148	1,557,148	-	-
Common Stock	28,924	28,924	-	-
Mutual Funds - Equity	1,902,565	1,902,565	-	-
U.S. Government	<u>1,013,865</u>	<u>-</u>	<u>1,013,865</u>	<u>-</u>
Totals	<u>\$5,104,150</u>	<u>\$3,488,637</u>	<u>\$1,615,513</u>	<u>\$ -</u>
Beneficial interest in Perpetual Trust	<u>\$ 289,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289,199</u>

<u>Investments</u>	<u>2023</u>			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of Deposit	\$1,200,389	\$ -	\$1,200,389	\$ -
Money Market Funds	1,845,005	1,845,005	-	-
Common Stock	31,348	31,348	-	-
Mutual Funds - Equity	1,609,509	1,609,509	-	-
U.S. Government	<u>273,673</u>	<u>-</u>	<u>273,673</u>	<u>-</u>
Totals	<u>\$4,959,924</u>	<u>\$3,485,862</u>	<u>\$1,474,062</u>	<u>\$ -</u>
Beneficial interest in Perpetual Trust	<u>\$ 274,029</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 274,029</u>

The changes in financial instruments for which United Way used Level 3 inputs to determine fair value are as follows for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 274,029	\$ 245,772
Unrealized gain – change in valuation	<u>15,170</u>	<u>28,257</u>
Balance, end of year	<u>\$ 289,199</u>	<u>\$ 274,029</u>

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

(4) PROPERTY AND EQUIPMENT

The components of property and equipment are as follows at December 31:

	<u>2024</u>	<u>2023</u>
Land	\$ 40,000	\$ 40,000
Building and improvements	2,227,218	2,227,218
Furniture and fixtures	66,674	66,674
Equipment	<u>105,697</u>	<u>105,697</u>
	2,439,589	2,439,589
Less: Accumulated depreciation	<u>(1,711,985)</u>	<u>(1,632,085)</u>
Property and equipment, net	<u>\$ 727,604</u>	<u>\$ 807,504</u>
Depreciation expense	<u>\$ 79,900</u>	<u>\$ 79,456</u>

Depreciation included as a charge to expense amounted to \$79,900 and \$79,456 for the years ended December 31, 2024 and 2023, respectively.

(5) BENEFICIAL INTEREST IN PERPETUAL TRUST

The United Way of Central Jersey, Inc. is the beneficiary of a trust created by a donor, the assets of which are not in the possession of the United Way. The United Way has legally enforceable rights and claims to such assets, including the right to a 1/3 interest in the income generated, which is to be used for the benefit of the citizens of South River, New Jersey. Net realized and unrealized gains and losses related to the beneficial interest are reported as changes in net assets with donor restriction. The fair value of the United Way's share in the beneficial interest at December 31, 2024 and 2023 is \$289,199 and \$274,029, respectively.

(6) ASSETS HELD FOR OTHERS (DONOR-CHOICE DESIGNATIONS)

At December 31, 2024 and 2023, the United Way, acting as an intermediary organization, had \$12,894 and \$6,825, respectively, in unspent contributions received on behalf of other member agencies. These amounts will be spent on behalf of, or transferred to, the respective member agencies based upon requests or when restrictions imposed by the donor have been satisfied and in accordance with United Way Worldwide Guidelines.

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

(7) NET ASSETS

Net assets designated by the Board consisted of the following at December 31:

	<u>2024</u>	<u>2023</u>
Designated for endowment fund	\$ 879,189	\$ 877,239
Designated for outreach and programs	<u>1,749,869</u>	<u>1,276,497</u>
Total designated by the Board	<u>\$2,629,058</u>	<u>\$2,153,736</u>

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

	<u>2024</u>	<u>2023</u>
<u>Subject to expenditure for a special purpose:</u>		
Abriendo Puertas	\$ 17,909	\$ 20,221
Adopt-a-Family	1,877	3,893
Back to School Supplies	4,264	5,216
COVID-19 Relief and Recovery	109,460	121,965
Early Grade Reading Fund	68,275	68,275
Family Financial Opportunity Center	41,078	26,000
Homeless Kitchens	2,448	2,448
Humanitarian Assistance Fund	83,912	82,503
Kjeldsen Children's Fund	38,310	35,003
Make it Count (Homeless) Fund	552	-
Nurse Family Partnership	198,162	376,402
Oral Health Project	29,521	29,521
Parent-Child Home Program	130,434	131,060
Place Based Child Success Projects	63,455	160,181
STEM Programs	16,441	16,441
Volunteer Income Tax Assistance (VITA)	55,423	130,064
Women's Initiatives	<u>65,145</u>	<u>61,361</u>
	<u>926,666</u>	<u>1,270,554</u>
<u>Subject to the passage of time:</u>		
Time restricted campaign pledges	<u>140,582</u>	<u>88,598</u>
	<u>140,582</u>	<u>88,598</u>
<u>Perpetual in nature:</u>		
Beneficial interest in perpetual trust	<u>289,199</u>	<u>274,029</u>
	<u>\$1,356,447</u>	<u>\$ 1,633,181</u>

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

Net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by donors as follows for the year ended December 31:

	<u>2024</u>
Net assets released	
Abriendo Puertas	\$ 4,628
Adopt-a-Family	3,372
Alliance for Children	998
Back to School Supplies	3,202
COVID-19 Relief and Recovery	12,505
Immigration Programs	30
Nurse Family Partnership	178,379
Parent-Child Home Program	626
Place Based Child Success Projects	96,726
Time restricted campaign pledges	88,598
Volunteer Income Tax Assistance (VITA)	<u>194,771</u>
	<u>\$ 583,835</u>

(8) LEASES

United Way leases office space in New Jersey under a lease agreement with an initial term greater than 12 months. United Way determines whether an agreement is or contains a lease at lease inception. Right-of-use assets represent United Way's right to use an underlying asset for the lease term and lease liabilities represent United Way's obligation to make lease payments arising from the lease, measured at an amount equal to the present value of the minimum lease payments over the remaining expected term of the lease. Amortization expense and interest expense related to United Way's operating leases are included in occupancy and office expense on the statement of functional expenses.

In determination of the lease term, United Way considers the likelihood of lease renewal options and lease termination provisions.

The discount rate for a lease is derived from the rate implicit in the lease whenever readily determinable or United Way's incremental borrowing rate.

The following quantitative data related to United Way's operating leases for the year ended December 31, 2024 is as follows:

Operating Lease Amounts:

Right-of-use assets	\$ 204,225
Lease liabilities	218,269

Other Information:

Operating outgoing cash flows for operating leases	\$ 34,010
Weighted-average remaining lease term	4.08 years
Weighted average discount rate	3.80%

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

Lease cost information for the year ended December 31, 2024 is as follows:

Operating lease cost \$ 48,054

Future lease payments at December 31, 2024 are as follows:

<u>Fiscal Year</u>	<u>Total</u>
2025	\$ 53,430
2026	55,382
2027	56,615
2028	57,848
2029	<u>4,830</u>
Total undiscounted cash flows	228,105
Less: present value adjustment	<u>(9,836)</u>
Lease liability	<u>\$ 218,269</u>

(9) RETIREMENT PLAN

The United Way maintains a defined contribution pension plan that covers all eligible full time employees. The employer's contribution is based on five percent of employees' annual salary. The pension expense for the years ended December 31, 2024 and 2023 was \$37,468 and \$34,105, respectively. The employees may also make voluntary contributions into a separate employer sponsored defined contribution plan.

(10) ADMINISTRATIVE COST RATIO (UNAUDITED)

The United Way calculates the ratio of support services to total revenue using the data on the IRS Form 990. This form is readily accessible and universally used to calculate the ratio for a nonprofit organization. The calculation method utilized is as follows:

	<u>2024</u>	<u>2023</u>
Supporting Services		
Administrative (management and general) expenses (IRS Form 990, Part IX, Line 25, Column C)	\$ 151,187	\$ 207,815
Fundraising expenses (IRS Form 990, Part IX, Line 25, Column D)	<u>217,412</u>	<u>160,588</u>
Total supporting services	<u>\$ 368,599</u>	<u>\$ 368,403</u>
Revenue (IRS Form 990, Part I, Line 12)	<u>\$ 3,283,291</u>	<u>\$ 3,532,539</u>
Administrative cost ratio	11%	10%

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

(11) FINANCIAL ASSETS AND LIQUIDITY RESOURCES

The United Way strives to maintain liquid financial assets to be available as its general expenditures, liabilities and other obligations become due. Financial assets in excess of daily cash requirements are invested in certificates of deposit and other short-term investments. As part of the United Way's liquidity management, it has a practice to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

The following table reflects the United Way's financial assets as of December 31, 2024 and 2023, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions. Amounts not available to meet general expenditures within one year may include net assets with donor restrictions.

Financial Assets	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 241,608	\$ 599,338
Investments	5,104,150	4,959,924
Accrued interest	10,635	19,056
Grants receivable	383,416	41,448
Pledges receivable	<u>61,935</u>	<u>50,412</u>
	5,801,744	5,670,178
Less:		
Board designated endowment fund	(879,189)	(877,239)
Designated for outreach and programs	(1,749,869)	(1,276,497)
Net assets with donor restrictions	<u>(926,666)</u>	<u>(1,270,554)</u>
Total financial assets available within one year	<u>\$ 2,246,020</u>	<u>\$ 2,245,888</u>

The Board does not intend to spend from the Board-designated endowment fund. However, expenditures may be made from the Board-designated for outreach and programs funds in accordance with Board-approved budgeted expenditures. The Board recognizes that amounts from other Board-designated funds could be made available, if necessary, with Board approval.

(12) COVID-19

Under the provisions of the Coronavirus Aid, Relief, and Economic Security Act (the "**CARES Act**") signed into law on March 27, 2020 and the subsequent extension of the CARES Act, United Way believes that it is eligible for a refundable employee retention credit. The tax credit is equal to 50% of qualified wages paid to employees during a quarter, capped at \$10,000 of qualified wages per employee through December 31, 2020. Additional relief provisions were passed by the United States government, which extend and slightly expand the qualified wage caps on these credits through December 31, 2021. Based on these additional provisions, the tax credit is now equal to 70% of qualified wages paid to employees during a quarter, and the limit on qualified wages per employee has been increased to \$10,000 of qualified wages per quarter. During the fiscal year ended December 31, 2023, United Way received \$211,499 related to the CARES Employee Retention Credit ("**ERC**").

The ERC program are subject to audit by the Federal Government for eligibility and related costs.

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO FINANCIAL STATEMENTS – (Continued)

December 31, 2024 And 2023

(13) SUBSEQUENT EVENTS

Subsequent events after the balance sheet date through the date that the financial statements were available for issuance, October 22, 2025, have been evaluated in the preparation of the financial statements.

SUPPLEMENTAL INFORMATION

UNITED WAY OF CENTRAL JERSEY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2024

	<u>Contract Number</u>	<u>Federal ALN</u>	<u>Expenditures</u>	<u>Awards To Subrecipients</u>
U.S. Department of Health and Human Services				
Maternal, Infant and Early Childhood Home Visiting Grant Program Passed through State of New Jersey Department of Children and Families Nurse Family Partnership	25MF0121	93.870	\$ 594,518	\$ 567,058
TANF Early Starts Kid's Needs & Tip/Initiative For Parents Grant Program Passed through State of New Jersey Department of Children and Families Nurse Family Partnership	MF0121	93.558	<u>115,834</u> <u>710,352</u>	<u>103,779</u> <u>670,837</u>
U.S. Department of Education Summer Steam Stars Program	S215K220113	84.215K	<u>72,633</u>	<u>-</u>
U.S. Department of Labor Community Projects	CP-39525-23-60-A-34	17.289	<u>235,502</u>	<u>-</u>
U.S. Department of the Treasury				
Volunteer Income Tax Assistance (VITA) Matching Grant Program Passed through State of New Jersey Department of Children and Families Coronavirus State and Local Fiscal Recovery Funds	24VITA0228	21.009	90,000	<u>-</u>
Coronavirus State and Local Fiscal Recovery Funds	25MF1021	21.027	67,620	-
Coronavirus State and Local Fiscal Recovery Funds	MF0121	21.027	<u>51,376</u>	<u>-</u>
			<u>208,996</u>	<u>-</u>
U.S. Department of Homeland Security Emergency Food and Shelter National Board Program	41-5994-00	97.024	<u>7,716</u>	<u>-</u>
Total Federal Expenditures			<u>\$ 1,235,199</u>	<u>\$ 670,837</u>

UNITED WAY OF CENTRAL JERSEY, INC.

SCHEDULE OF EXPENDITURES OF STATE AWARDS – (Continued)

Year Ended December 31, 2024

<u>State Grantor/ Pass-Through Grantor/Program Title</u>	<u>Contract Number</u>	<u>Grant Award Amount</u>	<u>Grant Period</u>	<u>Expenditures</u>	<u>Awards To Subrecipients</u>
State of New Jersey Department of Children & Families					
Nurse Family Partnership	MF0121	\$1,271,935	7/1/23 – 6/30/24	<u>\$ 478,697</u>	<u>\$ 444,765</u>
Total Expenditures				<u><u>\$ 478,697</u></u>	<u><u>\$ 444,765</u></u>

UNITED WAY OF CENTRAL JERSEY, INC.

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended December 31, 2024

(1) BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal and State of New Jersey awards includes the grant activity of United Way of Central Jersey, Inc. from the respective sources and is presented on the accrual basis of accounting. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) INDIRECT RATE

United Way of Central Jersey Inc. does not have a federally negotiated indirect cost rate and has not elected to use the 10% de minimis indirect cost rate.

(4) SUBRECIPIENTS

United Way of Central Jersey Inc. passed through \$1,115,602 to subrecipients.

SECTION 2

**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 GOVERNMENT AUDITING STANDARDS**

**Board of Directors
 United Way of Central Jersey, Inc.
 Milltown, New Jersey**

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 Way of Central Jersey, Inc., which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 22, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered United Way of Central Jersey, Inc.'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 United Way of Central Jersey, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of United Way of Central Jersey, Inc.'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 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. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether United Way of Central Jersey, Inc.'s financial statements are free of 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*.

**Board of Directors
United Way of Central Jersey, Inc.
Milltown, New Jersey**

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 United Way of Central Jersey, Inc.'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Tait, Weller & Baker LLP

**Philadelphia, Pennsylvania
October 22, 2025**

SECTION 3

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
AS REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Board of Directors
United Way of Central Jersey, Inc.
Milltown, New Jersey

Report On Compliance For Each Major Federal and State Program

Opinion On Each Major Federal and State Program

We have audited the compliance of United Way of Central Jersey, Inc. compliance requirements described in the *OMB Compliance Supplement* and *New Jersey State Compliance Supplement* that could have a direct and material effect on each of United Way of Central Jersey, Inc.'s major federal and state programs for the year ended December 31, 2024. United Way of Central Jersey, Inc.'s major programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, United Way of Central Jersey, Inc. complied, in all material respects, with the types of compliance requirements referred to above that have a direct and material effect on its major federal and state programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal and State Program

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 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); and State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. 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 United Way of Central Jersey, Inc. 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 and state program. Our audit does not provide a legal determination of United Way of Central Jersey, Inc.'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 United Way of Central Jersey, Inc.'s federal and state programs.

**Board of Directors
United Way of Central Jersey, Inc.
Milltown, New Jersey**

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 United Way of Central Jersey Inc.'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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, and State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* 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 United Way of Central Jersey Inc.'s compliance with the requirements of each major federal and state program as a whole.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of United Way of Central Jersey Inc.'s compliance.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance and State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, 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 United Way of Central Jersey Inc.'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 United Way of Central Jersey, Inc.'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 New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of United Way of Central Jersey, Inc.'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.

Report on 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 or state 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 or state 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 or state 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.

**Board of Directors
United Way of Central Jersey, Inc.
Milltown, New Jersey**

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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 and State of New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.


TAIT, WELLER & BAKER, LLP

**Philadelphia, Pennsylvania
October 22, 2025**

SECTION 4

UNITED WAY OF CENTRAL JERSEY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2024

Part 1 – Summary of Auditors' Results

Financial Statements Section

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Yes No

Significant deficiencies identified that were not considered to be material weaknesses?

Yes No

Noncompliance material to the basic financial statements noted?

Yes No

Federal and State Awards

Internal control over major programs:

Material weakness(es) identified?

Yes No

Significant deficiencies identified that were not considered to be material weaknesses?

Yes No

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance and New Jersey Circular 15-08-OMB

Yes No

Identification of major programs:

Federal ALN

93.870

Name of Federal Program

Maternal, Infant and Early Childhood Home Visiting Grant

State Contract Number

MF0121

Name of State Program

Nurse Family Partnership

Dollar threshold used to distinguish between Type A and Type B Programs:

\$750,000

Auditee qualified as low-risk Auditee?

Yes No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – (Continued)

Year Ended December 31, 2024

Part 2 –Financial Statement Findings

None

Part 3 –Federal and State Award Findings and Questioned Costs

None

SECTION 5

UNITED WAY OF CENTRAL JERSEY, INC.

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Year Ended December 31, 2024

There were no prior year audit findings.