

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.**

December 31, 2019



**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.**

For the Year Ended December 31, 2019

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Certified Public Accountants, PC

www.bkc-cpa.com

Independent Auditors' Report

Board of Directors
Jewish Family & Vocational Service
of Middlesex County, Inc.
Milltown, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of Jewish Family & Vocational Service of Middlesex County, Inc. (a non-profit organization) which comprise the Statement of Financial Position as of December 31, 2019, and the related Statements 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.

Management's Responsibility 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, which include 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jewish Family & Vocational Service of Middlesex County, Inc. as of December 31, 2019 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedules of Expenditures of Federal Awards, State Financial Assistance and County Financial Assistance, as required by Title 2 U.S. Code of Federal Regulation (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for the purpose of additional analysis, and are not a required part of the basic financial statements. Such information is the responsibility of management and derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for the portion marked "unaudited" on which we express no opinion 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 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 Supplemental Information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2020, on our consideration of Jewish Family & Vocational Service of Middlesex County, 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 Jewish Family & Vocational Service of Middlesex County, Inc.'s internal control over financial reporting and compliance.



BKC, CPAs, PC

September 22, 2020
Flemington, New Jersey

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Statement of Financial Position
December 31, 2019**

ASSETS

Current assets	
Cash and cash equivalents	\$ 673,572
Client fees receivable	3,259
Grants receivable, net of allowance for doubtful accounts of \$0	185,451
Prepaid expenses	26,394
Total current assets	888,676
Property and equipment, net of accumulated depreciation of \$217,213	50,999
Other assets	
Security deposits	4,011
Cash - with donor restrictions	18,089
Total other assets	22,100
Total assets	\$ 961,775

LIABILITIES AND NET ASSETS

Current liabilities	
Current maturities of Jewish Federation loan payable	\$ 8,151
Current maturities of deferred interest	3,849
Accounts payable	290,791
Accrued expenses	107,759
Payroll and related taxes payable	48,315
Deferred revenue	28,757
Total current liabilities	487,622
Long-term liabilities	
Jewish Federation loan payable, net of current maturities	81,363
Deferred interest, net of current maturities	15,819
Total liabilities	584,804
Net assets	
Without donor restrictions	301,179
With donor restrictions	75,792
Total net assets	376,971
Total liabilities and net assets	\$ 961,775

See accompanying notes to the financial statements.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2019**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
Support and revenue			
Support			
Contribution and fundraising revenue	\$ 456,092	\$ -	\$ 456,092
Jewish Federation	297,000	-	297,000
Foundation grants	2,433,696	-	2,433,696
Government grants	1,138,908	-	1,138,908
Total support	<u>4,325,696</u>	<u>-</u>	<u>4,325,696</u>
Revenue			
Client fees	252,335	-	252,335
Other income	61,221	-	61,221
Total revenue	<u>313,556</u>	<u>-</u>	<u>313,556</u>
Total support and revenue	4,639,252	-	4,639,252
Expenses			
Program services			
Counseling	453,951	-	453,951
Elderly	3,367,300	-	3,367,300
Vocational services	460,279	-	460,279
Community outreach	146,942	-	146,942
Total program services	<u>4,428,472</u>	<u>-</u>	<u>4,428,472</u>
Management and general	50,586	-	50,586
Fundraising	128,842	-	128,842
Total expenses	<u>4,607,900</u>	<u>-</u>	<u>4,607,900</u>
Increase in net assets	31,352	-	31,352
Net assets - beginning of the year	<u>269,827</u>	<u>75,792</u>	<u>345,619</u>
Net assets - end of the year	<u>\$ 301,179</u>	<u>\$ 75,792</u>	<u>\$ 376,971</u>

See accompanying notes to the financial statements.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Statement of Cash Flows
For the Year Ended December 31, 2019**

Cash flows from operating activities	
Increase in net assets	\$ 31,352
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Depreciation	15,557
(Increase) decrease in assets	
Client fees receivable	(889)
Grants receivable	148,745
Prepaid expenses	3,239
Increase in liabilities	
Accounts payable	52,127
Accrued expenses	26,390
Payroll and related taxes payable	124
Deferred revenue	24,651
Net cash provided by operating activities	<u>301,296</u>
 Cash flows from investing activities	
Purchase of property and equipment	<u>(13,502)</u>
Net cash used in investing activities	<u>(13,502)</u>
 Cash flows from financing activities	
Principal payments on Jewish Federation loan payable	(7,798)
Payments on deferred interest	(4,204)
Net cash used in financing activities	<u>(12,002)</u>
 Net increase in cash	275,792
 Cash and cash equivalents at beginning of year	<u>415,869</u>
 Cash and cash equivalents at end of year	<u><u>\$ 691,661</u></u>
 Supplemental disclosure of cash flow information	
Cash paid during the year for	
Interest	<u><u>\$ -</u></u>

See accompanying notes to the financial statements.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2019**

	<u>Counseling</u>	<u>Elderly</u>	<u>Vocational Citizenship and Immigration</u>	<u>Community Outreach</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Totals</u>
Salaries	\$ 280,655	\$ 510,979	\$ 248,801	\$ 67,252	\$ 29,875	\$ 38,839	\$ 1,176,401
Payroll taxes	25,084	44,993	22,126	5,989	1,409	3,525	103,126
Employee benefits	35,006	39,686	45,938	14,122	4,128	10,521	149,401
Insurance	6,755	12,359	6,214	1,657	853	680	28,518
Professional fees	19,056	34,829	17,530	4,635	5,633	1,949	83,632
Office expenses	19,551	34,514	18,091	4,816	695	9,162	86,829
Program expenses	16,354	2,596,652	53,559	35,799	1,870	4,676	2,708,910
Printing	2,922	5,188	2,625	692	40	260	11,727
Occupancy cost	38,252	68,583	35,057	9,357	4,813	3,937	159,999
Repairs and maintenance	438	1,409	394	133	-	53	2,427
Advertising	3,111	6,200	3,024	846	437	4,926	18,544
Dues and subscriptions	-	-	-	-	-	441	441
Professional development	613	1,504	556	161	-	72	2,906
Transportation	399	986	372	94	8	351	2,210
Interest	739	1,342	675	179	83	76	3,094
Miscellaneous	1,128	2,026	1,004	269	644	111	5,182
Event expenses	-	-	-	-	-	48,996	48,996
Depreciation	3,888	6,050	4,313	941	98	267	15,557
Total expenses	<u>\$ 453,951</u>	<u>\$ 3,367,300</u>	<u>\$ 460,279</u>	<u>\$ 146,942</u>	<u>\$ 50,586</u>	<u>\$ 128,842</u>	<u>\$ 4,607,900</u>

See accompanying notes to the financial statements.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Notes to the Financial Statements**

Note 1 - Summary of significant accounting policies

Nature of activities

Jewish Family & Vocational Service of Middlesex County, Inc. D/B/A Jewish Family Services of Middlesex County (the Organization) was formed on May 2, 1980 as a non-profit organization to provide youth and family services, comprehensive services to the elderly, vocational services, and immigrant resettlement program services to the community. Primary sources of revenue are derived from Governmental and Foundation grants and other charitable contributions.

Basis of presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting.

Organization status

The Organization has been notified by the Internal Revenue Service that they are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is further classified as an Organization that is not a private Organization under Section 509(a)(3) of the Code. The most significant tax positions of the Organization are its assertions that it is exempt from income taxes and its determination that no amounts are subject to unrelated business income tax (UBIT). Income generated by activities that would be considered unrelated to the Organization mission would be subject to income tax. The Organization follows the guidance of Accounting Standards Codification (ASC) Topic 740, *Accounting for Income Taxes*, related to uncertain income tax provisions, which prescribes a threshold of more likely than not, for recognition and derecognition of tax positions taken or expected to be taken in a tax return. Management has determined that it is more likely than not, that all tax positions would be sustained upon examination by taxing authorities. Accordingly, no provision for income taxes has been recorded. The Organization files a Form 990 Return of Organization Exempt From Tax, annually with the Internal Revenue Service, as well as a State equivalent filing. Both filings are subject to audit by the appropriate authority. The Organization returns before the year ended December 31, 2016 are no longer subject to examination by Federal or State authorities due to the statute of limitations.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Notes to the Financial Statements**

Note 1 - Summary of significant accounting policies (continued)

Clients and client fees receivable

In evaluating the collectability of client fees receivable, the Organization analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provisions for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, the Organization analyzes contractually due amounts and provides an allowance for doubtful accounts and provision for bad debts, if necessary.

Cash and cash equivalents

For purposes of the Statement of Cash Flows, the Organization considers all investment instruments with a maturity date of three months or less to be cash equivalents.

Contributions and grants receivable

Receivables are stated at the amount management expects to collect from balances outstanding. Management closely monitors outstanding balances throughout the year and writes off to expense all balances that are considered uncollectible.

Property and equipment

Property and equipment are stated at cost and depreciated over the estimated useful life of each asset. Depreciation is provided by use of the straight-line method over the following estimated useful lives:

	<u>Estimated Useful Life</u>
Leasehold improvements	39 years
Furniture and fixtures	5 years
Transportation equipment	7 years
Office equipment	5 years

Property and equipment (continued)

Additions and improvements, which extend the useful lives of the respective assets, are charged to asset accounts and are depreciated accordingly, while general repairs and maintenance are expensed as incurred. There is no formal capitalization policy. The cost and related accumulated depreciation of assets sold or retired are eliminated from the accounts and any gains or losses are included in the changes in net assets.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Notes to the Financial Statements**

Note 1 - Summary of significant accounting policies (continued)

Net assets are classified based on the existence or absence of donor-imposed restrictions. Net assets are defined as follows:

Net assets without donor restrictions - net assets not subject to donor-imposed stipulations, and therefore, are expendable for operating purposes.

Net assets with donor restrictions - net assets subject to donor-imposed stipulations that will be met by actions of the Organization and/or by the passage of time.

Revenue recognition

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. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Contributions

Contributions of cash and other assets, including unconditional promises to give, are considered to be available for unrestricted use unless specifically restricted by the donor and are recognized as support in the period the unconditional promise is given. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Gifts of cash and other non-capital assets are reported as net assets with donor restrictions if the gifts 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 Statements of Activities as net assets released from donor restrictions. If a restriction is fulfilled in the same period in which the contribution is received, the support is reported as without donor restrictions.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Schedule of Functional Expenses. Accordingly, certain costs have been allocated among the programs and services benefited. Management and general expenses include those expenses that are not directly identifiable with any specific function but provide for the overall support and direction of the Organization. Indirect expenses have been allocated based on salary expenditures.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Notes to the Financial Statements**

Note 1 - Summary of significant accounting policies (continued)

Advertising expenses

All advertising costs are expensed as incurred. Advertising expense for the year ended December 31, 2019 was \$18,544.

Note 2 - Concentrations

Cash

The Organization maintains its cash in bank deposit accounts, which may at times, exceed federally insured limits. At December 31, 2019, the Organization had \$0 of uninsured cash in its accounts.

Significant donor

A significant donor is defined as one generating 10% or greater of the Organization's total support and revenue. One donor generated approximately 59% of the net total support and revenue for the year ended December 31, 2019.

Major vendor

A major vendor is defined as one generating 10% or greater of the Organization's expenses or accounts payable. For the year ended December 31, 2019 there were two major vendors that accounted for 51% of the accounts payable balance.

Note 3 - Client fees receivable

Client fees receivable consists of amounts owed to the Organization for services provided. Management monitors outstanding client balances and reserves those balances that are deemed uncollectible.

There was no bad debt expense for the year ended December 31, 2019.

Note 4 - Grants receivable

Included in grants receivable are amounts owed to the Organization from various state and local governmental entities.

Note 5 - Property and equipment

Property and equipment at December 31, 2019 consists of the following:

Leasehold improvement	\$ 38,580
Furniture and fixtures	60,738
Transportation equipment	29,272
Monroe multimedia equipment	4,833
Office equipment	134,789
Total	<u>268,212</u>
Less: accumulated depreciation	217,213
Property, and equipment, net	<u>\$ 50,999</u>

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Notes to the Financial Statements**

Note 5 - Property and equipment (continued)
Depreciation expense for the year ended December 31, 2019 was \$15,557.

Note 6 - Availability of financial assets
The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the balance sheet date.

Financial assets at December 31, 2019

Cash and cash equivalents	\$	691,661
Grants receivable		185,451
Client fees receivable		3,259
Total financial assets		880,371
Less those unavailable for general expenditures within one year due to:		
Donor - restricted for Charlotte Eder Fund		(57,792)
Donor - restricted for Rose Wachtel Memorial Fund		(18,000)
Financial assets available to meet cash needs for general expenditure within one year		\$ 804,579

Note 7 - Jewish Federation loan payable
The Organization entered into an agreement with Jewish Federation of Greater Middlesex County (Jewish Federation) in August 2008. The agreement allows the Organization to draw funds up to a sum not to exceed \$400,000. The Organization shall repay the loan by making monthly payments of \$1,000 beginning August 2010. Interest is imputed at 4.485%. The balance of the debt as of December 31, 2019 was \$89,514.

The loan contains covenants related to Jewish Federation having access to the Organization's records for monitoring, holding multiple seats on both the Executive Board and the Board of Directors, as well as the preparation of vision statements to be achieved to serve the needs of the Organization's constituents. The loan is secured by assets of the Organization.

The long-term debt maturing over the next five years ending December 31, and thereafter is as follows:

2020	\$	8,151
2021		8,525
2022		8,915
2023		9,323
2024		9,750
Thereafter		44,850

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Notes to the Financial Statements**

Note 8 - Net assets with donor restrictions

Components of net assets with donor restrictions as of December 31, 2019 were as follows:

Subject to expenditures for specified purposes:

For the senior community of Monroe Township	\$ 57,792
Permanently restricted:	
Rose Wachtel Memorial Fund	18,000
Total net assets with donor restrictions	\$ 75,792

Note 9 - In-kind donations

The Organization receives various in-kind donations throughout the year. The values of these donations are immaterial and are not reflected in the financial statements.

Note 10 - Operating leases

The Organization rents office space under three leases with aggregate monthly payments of \$13,228 expiring through June 2022. In addition, one of the office space agreements provides for the allocation of monthly common area maintenance charges (CAM), which are included in monthly rent expense. The Organization rents other space on a month-to-month basis as needed.

Rent expense for the year ended December 31, 2019 was \$159,211.

The following is a schedule by years of the remaining future minimum lease payments required under the operating leases that have initial or remaining non-cancellable lease terms in excess of one year at December 31:

2020	\$ 155,471
2021	82,692
2022	41,346

Note 11 - Employee savings plan

The Organization offers employees a 403(b) Thrift Plan in which substantially all eligible employees participate. The employees can invest a portion of their earnings to maximum allowable levels in the plan. There is an employer match of up to 3% of compensation. Employees become vested in the plan after completing three years of service. During the year ended December 31, 2019, the Organization contributed \$18,878 to the 403(b) Plan in the form of matching contributions.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Notes to the Financial Statements**

Note 12 - Related party transactions

Jewish Federation is the umbrella organization of the area’s Jewish Community. Jewish Federation brings together agencies, organizations and communities to support the Jewish people and fulfill their needs. Jewish Federation raises funds through its annual campaign to coordinate services and help support agencies that touch the lives and improve the quality of life of Jewish people in its county.

Jewish Federation contributed a total of \$297,000 to the Organization during the year ended December 31, 2019. The Jewish Federation has advanced funds in the form of direct, non-interest-bearing loans to the Organization. Interest on the loan has been imputed and treated as deferred interest.

Deferred interest	\$ 19,668
Loan payable	89,514
Total proceeds received	\$ 109,182

Note 13 - Change in Accounting Standards

On January 1, 2019 The Company adopted Accounting Standards Update, (ASU) 2014-09, *Revenue from Contracts with Customers* issued by the Financial Accounting Standards Board (FASB). This standard and all subsequent amendments to the ASU, create a single framework for recognizing revenue from contracts with customers. As a result of this adoption, Management has determined that the Company’s method of recording revenue did not require a material change in order to be compliant with the standard.

ASU 2016-02: The FASB issued ASU 2016-02, *Leases*. This ASU recognizes as liabilities non-cancellable leases. The liability is offset by an amortizable asset called a right to use. This ASU will be effective to the Organization in the year ending December 31, 2021. Management has not completed its assessment of the impact of this change.

ASU 2018-08: The FASB adopted ASU 2018-08 *Not for Profit Entities*. This update requires that grant funds be recorded as donations with restrictions. This ASU will be effective to the Company in the year ending December 31, 2020. Management has not completed its assessment of the impact of this change.

Note 14 - Subsequent events

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (The “COVID-19 outbreak”) and the risks to the international community as a virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Notes to the Financial Statements**

Note 14 - Subsequent events (continued)

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Company's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the fiscal year 2020.

As a result of the pandemic, the Organization applied for and received a Paycheck Protection Program loan of \$242,500. The intent is to use the proceeds primarily to offset the Organization's personnel, rent, and utility costs.

Other than above, the Organization's management has determined that no material events or transactions occurred subsequent to December 31, 2019 and through September 22, 2020, the date of the Organization's financial statements issuance, which require additional disclosure in the Organization's financial statements.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2019**

Grantor	Program Name	Grant/Project Number	CFDA	Grant Expenditures
U.S. Department of Health & Human Services				
Direct programs				
Administration on Aging	Senior Medicare Patrol	90MPPG001601	93.048	\$ 319,231
U.S. Department of Homeland Security				
Direct programs	Citizenship and Integration	DHS-17-CIS-010-002	97.010	<u>125,000</u>
Total expenditures of Federal Awards				<u><u>\$ 444,231</u></u>

See independent auditors' report.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2019**

<u>Grantor</u>	<u>Program Title</u>	<u>State Account Number</u>	<u>Grant Award Amount</u>	<u>Program Grant Period</u>	<u>Grant Expenditures</u>
State of New Jersey Department of Children and Families	Women's Center	19 ASMW	\$ 150,000	1/1/19 - 12/31/19	\$ 150,000
	NJ Division of Child Protection and Permanency	19 FNMM	\$ 113,863	1/1/19 - 12/31/19	<u>113,863</u>
Total expenditures of State Financial Assistance					<u><u>\$ 263,863</u></u>

See independent auditors' report.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Schedule of Expenditures of County Financial Assistance
For the Year Ended December 31, 2019**

Grantor	Program Title	County Account Number	Grant Award Amount	Program Grant Period	Grant Expenditures
County of Middlesex Human Services Advisory Council	Elder Day Care, Clinical/Spot, Essential Needs Food Pantry, Vocational Support	19-654R	\$ 30,875	01/1/19 - 12/31/19	<u>\$ 30,875</u>
Total expenditures of County Financial Assistance					<u><u>\$ 30,875</u></u>

See independent auditors' report.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.**
**Notes to Schedules of Expenditures of Federal Awards,
State Financial Assistance and County Financial Assistance
December 31, 2019**

Note A - Basis of accounting

The accompanying Schedules of Expenditures of Federal Awards, State Financial Assistance and County Financial Assistance include the federal, state and county grant activity of Jewish Family & Vocational Service of Middlesex County, Inc. under programs of the federal, state and county governments for the year ended December 31, 2019. The information in this Schedule 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* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Jewish Family & Vocational Service of Middlesex County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Jewish Family & Vocational Service of Middlesex County.

Note B - Summary of significant accounting policies

(1) Expenditures reported on the schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note C - Indirect cost rate

The Organization has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

See independent auditors' report.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Schedule of IOLTA Discretionary Grant Requirements
For the Year Ended December 31, 2019**

<u>Expenditure</u>	<u>Expended Amount</u>	<u>Budget (Unaudited)</u>	<u>Variance</u>
Personnel: Salaries and fringe benefits	\$ 20,500	\$ 20,500	\$ -
Total personnel	<u>20,500</u>	<u>20,500</u>	<u>-</u>
Totals	<u>\$ 20,500</u>	<u>\$ 20,500</u>	<u>\$ -</u>

Questioned costs:

None

Equipment purchased with IOLTA funds:

None

Adjustments to IOLTA expenditure reports:

None

See independent auditors' report.

**JEWISH FAMILY & VOCATIONAL SERVICE
OF MIDDLESEX COUNTY, INC.**
**Schedule of Conference on Jewish Material Claims Against Germany Expenditures
For the Year Ended December 31, 2019**

Expenditure	Expended Amount	Budget (Unaudited)	Variance
Personnel	\$ 65,384	\$ 65,384	\$ -
Personnel socialization	6,775	6,775	-
Personal/nursing care	1,284,258	1,284,873	(615)
Meals on wheels	75,070	75,070	-
Administrative overhead	110,764	110,764	-
Chore/housekeeping services	782,241	806,454	(24,213)
Client transportation	15,000	15,000	-
Medical equipment	6,281	6,281	-
Dental program	3,779	3,779	-
 Totals	 <u>\$ 2,349,552</u>	 <u>\$ 2,374,380</u>	 <u>\$ (24,828)</u>

Questioned costs:

None

Claims Conference Funds Received:

\$2,349,552

See independent auditors' report.



Certified Public Accountants, PC

www.bkc-cpa.com

**Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with Government Auditing Standards**

Board of Directors
Jewish Family & Vocational Service
of Middlesex County, Inc.
Milltown, New Jersey

We have audited, 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, the Financial Statements of Jewish Family & Vocational Service of Middlesex County, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 22, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jewish Family & Vocational Service of Middlesex County, Inc.'s internal control over financial reporting (internal control) to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Jewish Family & Vocational Service of Middlesex County, 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 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 combination of deficiencies, in internal control less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 the Organization'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 tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of the audit performed in accordance with *Government Accounting Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BKC, CPAs, PC

September 22, 2020
Flemington, New Jersey