

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

December 31, 2023 and 2022



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

For the Years Ended December 31, 2023 and 2022

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Certified Public Accountants, PC
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Independent Auditors' Report

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

Opinion

We have audited the accompanying financial statements of Jewish Family & Vocational Service of Middlesex County, Inc. (a nonprofit organization), which comprise the Statements of Financial Position as of December 31, 2023, and 2022, and the related Statements of Activities and Changes in Net Assets, Cash Flows and Functional Expenses for the years then ended, and the related Notes to the Financial Statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Jewish Family & Vocational Service of Middlesex County, Inc. as of December 31, 2023, and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Jewish Family & Vocational Service of Middlesex County, 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Jewish Family & Vocational Service of Middlesex County, 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Jewish Family & Vocational Service of Middlesex County, 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 Jewish Family & Vocational Service of Middlesex County, 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.

Supplemental 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and other schedules included in the table of contents under Supplemental Information are 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. Except for the information marked unaudited, 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 Supplemental 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 June 7, 2024, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Jewish Family & Vocational Service of Middlesex County, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jewish Family & Vocational Service of Middlesex County, Inc.'s internal control over financial reporting and compliance.



BKC, CPAs, PC

June 7, 2024
Flemington, New Jersey

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

ASSETS

	2023	2022
Current assets		
Cash and cash equivalents	\$ 1,994,612	\$ 1,941,061
Investments	232,674	202,553
Grants receivable, net of allowance for doubtful accounts of \$11,000 and \$11,000, respectively	628,057	511,915
Pledges receivable within one year	10,707	21,695
Prepaid expenses current	13,748	103,055
Total current assets	2,879,798	2,780,279
Property and equipment, net of accumulated depreciation of \$235,411 and \$244,123 respectively	52,540	82,408
Other assets		
Right-of-use asset - finance	16,074	21,433
Right-of-use asset - operating	1,816,365	580,069
Security deposits	16,938	16,938
Pledges receivable non-current	5,808	12,980
Cash - with donor restrictions	19,194	18,350
Total other assets	1,874,379	649,770
Total assets	\$ 4,806,717	\$ 3,512,457

LIABILITIES AND NET ASSETS

Current liabilities		
Current maturities of Jewish Federation loan payable	\$ 9,750	\$ 9,323
Current maturities of finance lease	5,308	4,819
Current maturities of operating lease	117,419	64,085
Current maturities of deferred interest	2,250	2,677
Bank overdraft	172,372	445,990
Accounts payable	556,816	375,108
Accrued expenses	126,931	99,237
Payroll and related taxes payable	65,529	58,898
Refundable advances	-	144,079
Total current liabilities	1,056,375	1,204,216
Long-term liabilities		
Jewish Federation loan payable, net of current maturities	44,851	54,601
Finance lease, net of current maturities	12,290	17,598
Operating lease, net of current maturities	1,712,954	517,200
Deferred interest, net of current maturities	4,332	6,582
Total liabilities	2,830,802	1,800,197
Net assets		
Without donor restrictions	1,945,415	1,681,760
With donor restrictions	30,500	30,500
Total net assets	1,975,915	1,712,260
Total liabilities and net assets	\$ 4,806,717	\$ 3,512,457

See accompanying notes to the financial statements.

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

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue						
Support						
Contribution and fundraising revenue	\$ 327,161	\$ -	\$ 327,161	\$ 276,351	\$ 12,500	\$ 288,851
Jewish Federation	253,272	-	253,272	223,948	-	223,948
Foundation grants	4,440,174	-	4,440,174	3,934,270	-	3,934,270
Government grants	1,660,656	-	1,660,656	1,624,868	-	1,624,868
Total support	<u>6,681,263</u>	<u>-</u>	<u>6,681,263</u>	<u>6,059,437</u>	<u>12,500</u>	<u>6,071,937</u>
Revenue						
Client fees	399,137	-	399,137	403,969	-	403,969
Net assets released from restrictions	-	-	-	57,792	(57,792)	-
Total revenue	<u>399,137</u>	<u>-</u>	<u>399,137</u>	<u>461,761</u>	<u>(57,792)</u>	<u>403,969</u>
Total support and revenue	7,080,400	-	7,080,400	6,521,198	(45,292)	6,475,906
Expenses						
Program services						
Counseling	448,927	-	448,927	291,514	-	291,514
Elderly	5,449,372	-	5,449,372	4,163,545	-	4,163,545
Vocational services	316,913	-	316,913	324,007	-	324,007
Community outreach	394,969	-	394,969	954,027	-	954,027
Total program services	<u>6,610,181</u>	<u>-</u>	<u>6,610,181</u>	<u>5,733,093</u>	<u>-</u>	<u>5,733,093</u>
Management and general	234,087	-	234,087	254,741	-	254,741
Fundraising	82,510	-	82,510	55,537	-	55,537
Total expenses	<u>6,926,778</u>	<u>-</u>	<u>6,926,778</u>	<u>6,043,371</u>	<u>-</u>	<u>6,043,371</u>
Other income (expense)						
Unrealized gains	32,812	-	32,812	5,036	-	5,036
Interest income	72,548	-	72,548	6,239	-	6,239
Other income	18,572	-	18,572	21,085	-	21,085
Loss on disposal of property and equipment	(13,899)	-	(13,899)	-	-	-
Total other income	<u>110,033</u>	<u>-</u>	<u>110,033</u>	<u>32,360</u>	<u>-</u>	<u>32,360</u>
Increase in net assets	263,655	-	263,655	510,187	(45,292)	464,895
Net assets - beginning of the year	1,681,760	30,500	1,712,260	1,171,573	75,792	1,247,365
Net assets - end of the year	<u>\$ 1,945,415</u>	<u>\$ 30,500</u>	<u>\$ 1,975,915</u>	<u>\$ 1,681,760</u>	<u>\$ 30,500</u>	<u>\$ 1,712,260</u>

See accompanying notes to the financial statements.

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

	2023	2022
Cash flows from operating activities		
Increase in net assets	\$ 263,655	\$ 464,895
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	15,969	11,399
Amortization of operating lease right-of-use asset	5,359	69,391
Amortization of finance lease right-of-use asset	268,861	-
Loss on disposal of property and equipment	13,899	-
(Increase) decrease in assets		
Grants receivable	(116,142)	15,350
Pledges receivable	18,160	2,084
Prepaid expenses	89,307	(93,460)
Deposits	-	(4,438)
Increase (decrease) in liabilities		
Principal payments on operating lease	(256,069)	(62,817)
Bank overdraft	(273,618)	208,696
Accounts payable	181,708	48,100
Accrued expenses	27,694	7,054
Payroll and related taxes payable	6,631	7,281
Refundable advances	(144,079)	144,079
Net cash provided by operating activities	101,335	817,614
Cash flows from investing activities		
Purchase of investments	(30,121)	(202,553)
Purchase of property and equipment	-	(65,928)
Net cash used in investing activities	(30,121)	(268,481)
Cash flows from financing activities		
Principal payments on Jewish Federation loan payable	(9,323)	(8,915)
Principal payments on finance lease	(4,819)	(4,374)
Payments on deferred interest	(2,677)	(3,084)
Net cash used in financing activities	(16,819)	(16,373)
Net increase in cash, cash equivalents, and restricted cash	54,395	532,760
Cash, cash equivalents, and restricted cash at beginning of year	1,959,411	1,426,651
Cash, cash equivalents, and restricted cash at end of year	\$ 2,013,806	\$ 1,959,411
Supplemental disclosure of cash flow information		
Cash paid during the year for		
Interest	\$ 2,677	\$ 3,084

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, 2023**

	<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	\$ 284,021	\$ 534,996	\$ 189,599	\$ 250,863	\$ 43,855	\$ 42,035	\$ 1,345,369
Payroll taxes	24,800	45,315	16,424	21,336	8,663	3,641	120,179
Employee benefits	39,380	53,657	31,192	26,172	11,791	1,151	163,343
Insurance	2,382	4,487	1,590	2,837	21,191	353	32,840
Professional fees	12,269	-	-	-	92,734	-	105,003
Office expenses	715	1,260	-	-	14,029	1,484	17,488
Program expenses	33,048	4,637,532	42,363	48,090	302	22,060	4,783,395
Printing	-	-	-	-	7,954	-	7,954
Occupancy cost	44,486	83,088	29,446	38,961	24,447	6,529	226,957
Repairs and maintenance	455	858	304	402	70	67	2,156
Advertising	597	65,224	-	-	6,037	535	72,393
Dues and subscriptions	2,378	-	921	-	-	-	3,299
Professional development	118	223	79	105	19	17	561
Transportation	-	10,480	497	2,412	754	1,300	15,443
Interest	833	4,350	2,036	555	1,111	370	9,255
Miscellaneous	74	1,552	212	258	609	2,469	5,174
Depreciation	3,371	6,350	2,250	2,978	521	499	15,969
Total expenses	<u>\$ 448,927</u>	<u>\$ 5,449,372</u>	<u>\$ 316,913</u>	<u>\$ 394,969</u>	<u>\$ 234,087</u>	<u>\$ 82,510</u>	<u>\$ 6,926,778</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, 2022**

	<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	\$ 209,693	\$ 437,632	\$ 197,797	\$ 334,958	\$ 45,761	\$ 30,067	\$ 1,255,908
Payroll taxes	18,103	37,781	17,076	28,917	3,951	2,596	108,424
Employee benefits	9,601	16,370	29,809	18,401	35,603	768	110,552
Insurance	3,098	6,465	2,922	4,948	23,786	444	41,663
Professional fees	-	-	299	298	58,090	-	58,687
Office expenses	-	-	-	-	64,697	-	64,697
Program expenses	11,751	3,564,384	41,536	497,622	29	2,377	4,117,699
Printing	-	-	-	-	9,230	4,090	13,320
Occupancy cost	34,657	72,329	32,691	55,360	7,563	4,969	207,569
Repairs and maintenance	-	-	-	-	2,775	-	2,775
Advertising	-	-	-	-	-	9,513	9,513
Dues and subscriptions	-	-	-	-	1,729	-	1,729
Professional development	-	-	-	2,190	-	-	2,190
Transportation	-	23,651	-	7,884	-	-	31,535
Interest	211	1,124	535	151	286	86	2,393
Miscellaneous	26	402	281	1,148	995	466	3,318
Depreciation	4,374	3,407	1,061	2,150	246	161	11,399
Total expenses	<u>\$ 291,514</u>	<u>\$ 4,163,545</u>	<u>\$ 324,007</u>	<u>\$ 954,027</u>	<u>\$ 254,741</u>	<u>\$ 55,537</u>	<u>\$ 6,043,371</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.

Income taxes

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, 2020, 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.

Change in accounting standards

ASU 2016-02: In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU 2018-10, Codification Improvements to Topic 842, Leases; ASU 2018-11, Leases (Topic 842): Targeted Improvements; ASU 2018-20, Narrow-scope Improvements for Lessors; and ASU 2019-01, Leases (Topic 842): Codification Improvements. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating and finance leases on the balance sheet.

As a result of adopting the new standards effective January 1, 2022, the Company recorded a right-of-use asset and a lease liability payable and utilized all the available practical expedients. These included transition elections that permitted it to not reassess its prior conclusions about lease identification, lease classification and initial direct costs for existing or expired leases.

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:

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

Note 1 - Summary of significant accounting policies (continued)
Property and equipment (continued)

	Estimated Useful Life
Leasehold improvements	39 years
Furniture and fixtures	5 years
Transportation equipment	7 years
Monroe multimedia equipment	5 years
Office equipment	5 years

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.

Net asset classifications

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.

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

Note 1 - Summary of significant accounting policies (continued)
Contributions (continued)

Gifts of cash and other non-capital assets are reported as revenue 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.

Advertising expenses

All advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2023 and 2022, was \$72,393 and \$9,513, respectively.

Reclassifications

Certain items in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Note 2 - Concentrations
Cash

The Organization maintains its cash in bank deposit accounts, which may at times, exceed federally insured limits. At December 31, 2023, and 2022, the Organization had \$670,000 and \$1,460,000 of uninsured cash in its accounts, respectively.

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 61% of the total support and revenue for the year ended December 31, 2023, and approximately 59% of the total support and revenue for the year ended December 31, 2022.

Major vendor

A major vendor is defined as one generating 10% or greater of the Organization's expenses or accounts payable. For the years ended December 31, 2023 and 2022, there were two major vendors that accounted for 72% and 78% of the accounts payable balance, respectively.

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

Note 3 - Restricted cash

Cash, cash equivalents, and restricted cash consists of the following as of December 31, 2023 and 2022:

	2023	2022
Cash and cash equivalents	\$ 1,994,612	\$ 1,941,061
Cash with donor restrictions	19,194	18,350
Total cash, cash equivalents, and restricted cash as shown on the statement of cash flows	\$ 2,013,806	\$ 1,959,411

Note 4 - Fair value measurement

Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Soup Kitchen has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 inputs must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement

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

Note 4 - Fair value measurement (continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs

The following table sets forth by level, within the fair value hierarchy, the Organization's investment assets at fair value as of December 31, 2023:

<u>Description</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Total
Cash, Sweep and Money market funds	\$ 3,152	\$ 3,152
Other investments	229,522	229,522
Total investments	<u>\$ 232,674</u>	<u>\$ 232,674</u>

Note 5 - Grants receivable

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

Note 6 - Pledges receivable

Pledges are recognized when a donor makes a promise to give to the Organization, that is in substance, unconditional. The pledges are expected to be collected in one to five years, with the donors designating their terms of payment.

Pledges receivable at December 31 were as follows:

	2023	2022
Gross pledges receivable	\$ 17,300	\$ 36,115
Less: uncollectible allowance	-	-
Less: unamortized discount	(785)	(1,440)
Net pledges receivable	<u>\$ 16,515</u>	<u>\$ 34,675</u>
Amounts due in		
Less than one year		\$ 10,707
One to five years		5,808
Total		<u>\$ 16,515</u>

Pledges due in more than one year are recognized at fair value using present value techniques with a discount rate at the prime rate on the date the promise to give was received by the Organization. The discount rate at December 31, 2023 was 2.77%.

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

Note 7 - Property and equipment

Property and equipment consist of the following as of December 31:

	2023	2022
Leasehold improvement	\$ -	\$ 38,580
Furniture and fixtures	60,738	60,738
Transportation equipment	86,732	86,732
Monroe multimedia equipment	4,833	4,833
Office equipment	135,648	135,648
Total	287,951	326,531
Less: accumulated depreciation	235,411	244,123
Property and equipment, net	\$ 52,540	\$ 82,408

Depreciation expense for the years ended December 31, 2023 and 2022, was \$15,969 and \$11,399, respectively.

Note 8 - 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, 2023 and 2022:

	2023	2022
Cash and cash equivalents	\$ 2,013,806	\$ 1,959,411
Grants receivable	628,057	511,915
Pledges receivable within one year	10,707	21,695
Total financial assets	2,885,244	2,695,574
Less those unavailable for general expenditures within one year due to:		
Donor - restricted for Charlotte Eder Fund	-	-
Donor - restricted for SJ Harris	(5,000)	(5,000)
Donor - restricted for Wallerstein	(7,500)	(7,500)
Donor - restricted for Rose Wachtel Memorial Fund	(18,000)	(18,000)
Financial assets available to meet cash needs for general expenditure within one year	\$ 2,854,744	\$ 2,665,074

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due

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

Note 9 - 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, 2023 and 2022 was \$54,601 and \$63,924, respectively.

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, 2023, and thereafter is as follows:

2024	\$	9,750
2025		10,196
2026		10,663
2027		11,151
2028		11,662
Thereafter		1,179

Note 10 - Leasing agreements

The Company leases a healthcare computer software system which expires December 2026. The monthly payment is \$561.

The Company leases office space in North Brunswick, New Jersey and Monroe Township, New Jersey. The leases expire March 2031 and June 2033, respectively. The monthly payment is \$13,141 until November and the Organization moved to the new Monroe location on December 15, 2023.

The following summarizes the items on the balance sheet as of December 31, 2023:

Finance lease ROU assets		
Equipment lease	\$	21,433
Accumulated amortization		(5,359)
Total finance lease ROU assets	\$	<u>16,074</u>

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

Note 10 - Leasing agreements (continued)

Finance lease liabilities	
Current portion	\$ 5,308
Long-term portion	12,290
Total finance lease liabilities	<u>\$ 17,598</u>
Operating lease ROU assets	<u>\$ 1,816,365</u>
Operating lease liabilities	
Current portion	\$ 117,419
Long-term portion	1,712,954
Total operating lease liabilities	<u>\$ 1,830,373</u>

The Company did not have access to the rate implicit in the operating lease, as such they utilized the risk-free rate as the discount rate. The following summarizes other information related to the leases as of December 31, 2023:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from finance leases (i.e., interest)	\$ 1,952
Financing cash flows from finance leases (i.e., principal portion)	4,780
Operating cash flows from operating leases	113,648
Right-of-use assets obtained in exchange for finance lease liabilities	-
Right-of-use assets obtained in exchange for operating lease liabilities	1,505,157
Weighted-average remaining lease term in years for finance leases	3.00 years
Weighted-average remaining lease term in years for operating leases	12.75 years
Weighted-average discount rate for finance leases	9.72%
Weighted-average discount rate for operating leases	3.45%

Future minimum lease payments at December 31, 2022 are as follows:

	Finance	Operating
2024	\$ 6,732	\$ 177,136
2025	6,732	179,179
2026	6,732	182,950
2027	-	185,637
2028	-	187,805
Thereafter	-	1,397,136
Total lease payments	<u>20,196</u>	<u>2,309,843</u>
Less: present value discount	(2,598)	(479,470)
Total lease liabilities	<u>\$ 17,598</u>	<u>\$ 1,830,373</u>

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

Note 10 - Leasing agreements (continued)

Rent expense for the years ended December 31, 2023 and 2022 was \$160,286 and \$159,239, respectively.

Note 11 - Net assets with donor restrictions

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

	2023	2022
Subject to expenditures for specified purposes		
For the senior community of Monroe Township	\$ -	\$ -
Donor - restricted for SJ Harris	5,000	5,000
Donor - restricted for Wallerstein	7,500	7,500
Permanently restricted		
Rose Wachtel Memorial Fund	18,000	18,000
Total net assets with donor restrictions	\$ 30,500	\$ 30,500

Note 12 - 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 13 - 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 employer's contributions after completing three years of service. During the years ended December 31, 2023 and 2022, the Organization contributed \$30,063 and \$16,197, respectively, to the 403(b) Plan in the form of matching contributions.

Note 14 - 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.

During the years ended December 31, 2023 and 2022, Jewish Federation contributed a total of \$253,272 and \$223,948, respectively, to the Organization. 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.

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

Note 14 - Related party transactions (continued)

	2023	2022
Deferred interest	\$ 6,582	\$ 9,258
Loan payable	54,601	63,924
Total proceeds received	\$ 61,183	\$ 73,182

Note 15 - Employee retention credit

The Organization's Management is claiming a refund of \$650,661, with the Department of Treasury- Internal Revenue Service. This relates to 941s filed in employer's quarterly federal tax returns of 2020 and 2021. Since the potential refund is material and uncertain the Organization's Management has decided not to include the contingent asset as part of disclosure in the Organization's financial statements as per ASU 310-10-35.

Note 16 - Subsequent events

The Organization's Management has determined that no material events or transactions occurred subsequent to December 31, 2023, and through June 7, 2024, 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, 2023**

Grantor	Program Name	Grant/Project Number	Federal Assistance Listing Number	Grant Expenditures
U.S. Department of Homeland Security				
Direct programs	Citizenship and Integration	21-CICET00175 & CICET00284	97.010	\$ 125,000
FEMA	Emergency Food and Shelter National Board Program	Phase 39 & 40	97.024	26,400
Total U.S Department of Homeland Security				<u>151,400</u>
U.S. Department of Health & Human Services				
Direct programs				
Administration on Aging	Senior Medicare Patrol	90MPPG0016/58	93.048	649,929
The Corporation for National and Community Service	Retired Senior Volunteer Program	21SRBNJ013	94.002	75,000
U.S. Department of Transportation				
Passthrough				
NJ Transit	Enhance Mobility for Seniors and Persons with Disabilities	FY 2019	20.513	25,000
Total expenditures of Federal Awards				<u>\$ 901,329</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, 2023**

Grantor	Program Title	State Account Number	Grant Award Amount	Program Grant Period	Grant Expenditures
State of New Jersey Department of Children and Families	Women's Center	23 ASMW & MW0021	\$ 150,000	1/1/23 - 12/31/23	\$ 156,129
	State Survivor Grant	FY 2024 Survivor Grant	\$ 98,839	10/1/23 - 6/30/24	\$ 49,420
		FY 2023 Survivor Grant	\$ 82,680	10/1/22 - 6/30/23	41,340
					<u>90,760</u>
Total expenditures of State Financial Assistance					<u><u>\$ 246,889</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, 2023**

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	23-654R	\$ 19,411	01/1/23 - 12/31/23	<u>\$ 19,411</u>
Total expenditures of County Financial Assistance					<u><u>\$ 19,411</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, 2023**

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, 2023. 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.
Schedules of IOLTA Discretionary Grant Requirements
For the Years Ended December 31,**

<u>Expenditure</u>	<u>2023</u>			<u>2022</u>		
	<u>Expended Amount</u>	<u>Budget (Unaudited)</u>	<u>Variance</u>	<u>Expended Amount</u>	<u>Budget (Unaudited)</u>	<u>Variance</u>
Personnel: Salaries and fringe benefits	<u>\$ 33,000</u>	<u>\$ 33,000</u>	<u>\$ -</u>	<u>\$ 27,000</u>	<u>\$ 27,000</u>	<u>\$ -</u>
Total personnel	<u>33,000</u>	<u>33,000</u>	<u>-</u>	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Total	<u><u>\$ 33,000</u></u>	<u><u>\$ 33,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 27,000</u></u>	<u><u>\$ 27,000</u></u>	<u><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.**
**Schedules of Conference on Jewish Material Claims Against Germany Expenditures
For the Years Ended December 31,**

Expenditure	2023			2022		
	Expended Amount	Budget (Unaudited)	Variance	Expended Amount	Budget (Unaudited)	Variance
Personnel	\$ 66,692	\$ 66,692	\$ -	\$ 65,384	\$ 65,384	\$ -
Personnel socialization	-	-	-	-	-	-
Personal/nursing care	3,173,310	2,958,036	(215,274)	2,654,001	2,663,426	9,425
Meals on wheels	75,000	75,000	-	70,000	70,000	-
Administrative overhead	250,429	250,429	-	250,429	250,429	-
Chore/housekeeping services	746,587	913,313	166,726	759,649	770,000	10,351
Client transportation	18,000	18,000	-	18,000	18,000	-
Medical equipment	-	-	-	-	-	-
Dental program	1,600	2,873	1,273	7,873	7,873	-
Emergency Assistance	-	-	-	14,187	15,000	813
Total	<u>\$ 4,331,618</u>	<u>\$ 4,284,343</u>	<u>\$ (47,275)</u>	<u>\$ 3,839,523</u>	<u>\$ 3,860,112</u>	<u>\$ 20,589</u>

Claims conference funds received in 2023:

\$4,331,618

Claims conference funds received in 2022:

\$3,839,523

Note:

Grant funds were applied exclusively for the purposes for which they were granted.

See independent auditors' report.

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Schedule of NJ Transit Grant Revenue and Expenses
For the Year Ended December 31, 2023**

Revenue	\$ 25,000
Expenditures	
Salaries and fringe benefits	17,000
Maintenance and repairs	1,500
Materials consumed	1,500
Insurance	5,000
	<u>25,000</u>
Excess (shortage)	<u><u>\$ -</u></u>

Questioned costs

None

Equipment purchased with NJ Transit funds

None

Adjustments to NJ Transit expenditure reports

None

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.
North Brunswick, 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, 2023, 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 June 7, 2024.

Report 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.

Report 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

June 7, 2024
Flemington, New Jersey



Certified Public Accountants, PC

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**Independent Auditors' Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance**

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal Program

We have audited the Jewish Family & Vocational Service of Middlesex County, Inc.'s (the Organization) compliance with the types of compliance requirements as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2023. The Organization's major federal and state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal Program

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

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

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 the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization'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 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 the Organization's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization'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 the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 and 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 and 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 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.

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


BKC, CPAs, PC

June 7, 2024
Flemington, New Jersey

**JEWISH FAMILY & VOCATIONAL
SERVICE OF MIDDLESEX COUNTY, INC.
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023**

Financial Statements

Type of auditors' report issued Unmodified

Internal Control Over Financial Reporting:

1. Were material weakness(es) identified? Yes X No
2. Were significant deficiencies identified? Yes X No

Noncompliance material to basic financial statements noted? Yes X No

Federal Awards

Internal Control Over Major Programs:

1. Were material weakness(es) identified? Yes X No
2. Were significant deficiencies identified? Yes X No

What was the type of auditors' report issued on compliance for major programs? Unmodified

Were any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section .516(a)? Yes X No

Identification of Major Programs:

<i>Number(s)</i>	<i>Name of Federal Program or Cluster</i>
93.048	Senior Medicare Patrol

What was the dollar threshold used to distinguish between Type A and Type B programs? \$750,000

Did the auditee qualify as a low-risk auditee? Yes X No