

**NORTHWEST NEW JERSEY COMMUNITY ACTION
PROGRAM, INC. AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED AUGUST 31, 2024 AND 2023



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NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Northwest New Jersey Community Action Program, Inc. and Subsidiaries
Phillipsburg, New Jersey

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Northwest New Jersey Community Action Program, Inc. (Norwescap) (the Organization) and Subsidiaries, which comprise the consolidated statement of financial position as of August 31, 2024 and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Norwescap and Subsidiaries as of August 31, 2024 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Norwescap and Subsidiaries and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Norwescap and Subsidiaries' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Norwescap and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules of expenditures of federal, and state 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 New Jersey Office of Management and Budget Circular Letter 15-08 are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

The Head Start Federal Financial Report Form 425, the Head Start Attachment to Report for Grant #02CH01117705, the Schedule of WIC Expenditures, the Schedule of SHIP Expenditures, and the Schedule of CEED Expenditures which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2025, on our consideration of Norwescap and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Norwescap and Subsidiaries' 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 Norwescap and Subsidiaries' internal control over financial reporting and compliance.

Summarized, Comparative Information

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



CliftonLarsonAllen LLP

Livingston, New Jersey
February 27, 2025

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2024 AND 2023

| ASSETS | <u>2024</u> | <u>2023</u> |
|---|-----------------------------|-----------------------------|
| CURRENT ASSETS | | |
| Cash and Cash Equivalents | \$ 573,995 | \$ 1,292,675 |
| Grants Receivable | 2,844,061 | 1,964,608 |
| Inventory and Other Assets | 101,053 | 174,446 |
| Investments | 2,689,172 | 2,547,568 |
| Due from Related Party | 28,541 | 45,447 |
| Total Current Assets | <u>6,236,822</u> | <u>6,024,744</u> |
| PROPERTY AND EQUIPMENT, Net | 4,228,156 | 3,869,834 |
| RESTRICTED DEPOSITS | 306,491 | 298,660 |
| RIGHT-OF-USE ASSET, NET - OPERATING | <u>1,145,426</u> | <u>1,527,583</u> |
| Total Assets | <u><u>\$ 11,916,895</u></u> | <u><u>\$ 11,720,821</u></u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts Payable and Accrued Expenses | \$ 1,401,565 | \$ 987,506 |
| Advances from Grantors | 760,568 | 699,551 |
| Current Lease Liability - Operating | 260,504 | 407,816 |
| Total Current Liabilities | <u>2,422,637</u> | <u>2,094,873</u> |
| LONG-TERM LIABILITIES | | |
| Long-Term Lease Liability - Operating | <u>885,782</u> | <u>1,122,777</u> |
| Total Liabilities | <u>3,308,419</u> | <u>3,217,650</u> |
| NET ASSETS | | |
| Without Donor Restrictions | | |
| Operating | <u>7,108,776</u> | <u>7,003,471</u> |
| Total Net Assets Without Donor Restrictions | <u>7,108,776</u> | <u>7,003,471</u> |
| With Donor Restrictions | | |
| Restricted for Specified Purpose | <u>1,499,700</u> | <u>1,499,700</u> |
| Total Net Assets | <u>8,608,476</u> | <u>8,503,171</u> |
| Total Liabilities and Net Assets | <u><u>\$ 11,916,895</u></u> | <u><u>\$ 11,720,821</u></u> |

See accompanying Notes to Consolidated Financial Statements.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED AUGUST 31, 2024
(WITH SUMMARIZED, COMPARATIVE TOTALS FOR YEAR ENDED AUGUST 31, 2023)

| | 2024 | | | 2023 |
|---------------------------------------|-------------------------------|----------------------------|---------------------|---------------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Total |
| PUBLIC SUPPORT AND REVENUE | | | | |
| Grants and Contracts | \$ 23,758,711 | \$ - | \$ 23,758,711 | \$ 22,674,580 |
| Contributions, Fees, Rents, and Other | 1,931,101 | - | 1,931,101 | 2,528,708 |
| Contributed Services | 2,073,985 | - | 2,073,985 | 1,969,460 |
| Interest and Dividends | 145,110 | - | 145,110 | 36,625 |
| Unrealized and Realized Gain (Loss) | 1,402 | - | 1,402 | 29,552 |
| Total Public Support and Revenue | 27,910,309 | - | 27,910,309 | 27,238,925 |
| EXPENSES | | | | |
| Program Services | | | | |
| Child Enrichment | 16,147,535 | - | 16,147,535 | 13,506,616 |
| Community Action | 8,509,362 | - | 8,509,362 | 9,349,032 |
| Total Program Services | 24,656,897 | - | 24,656,897 | 22,855,648 |
| Management and General | 3,148,107 | - | 3,148,107 | 2,266,371 |
| Total Expenses | 27,805,004 | - | 27,805,004 | 25,122,019 |
| CHANGES IN NET ASSETS | 105,305 | - | 105,305 | 2,116,906 |
| Net Assets - Beginning of Year | 7,003,471 | 1,499,700 | 8,503,171 | 6,386,265 |
| NET ASSETS - END OF YEAR | <u>\$ 7,108,776</u> | <u>\$ 1,499,700</u> | <u>\$ 8,608,476</u> | <u>\$ 8,503,171</u> |

See accompanying Notes to Consolidated Financial Statements.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2024
(WITH SUMMARIZED COMPARATIVE TOTALS FOR YEAR ENDED AUGUST 31, 2023)

| | 2024 | | | | | |
|-------------------------------------|----------------------|---------------------|------------------------|------------------------|----------------------|----------------------|
| | Program Services | | | Supporting Services | | |
| | Child Enrichment | Community Action | Total Program Services | Management and General | Total | 2023 Total |
| Personnel | \$ 8,047,388 | \$ 3,542,543 | \$ 11,589,931 | \$ 2,072,176 | \$ 13,662,107 | \$ 12,556,096 |
| Fringe Benefits | 2,192,077 | 963,659 | 3,155,736 | 491,054 | 3,646,790 | 3,366,780 |
| Total Personnel and Fringe Benefits | 10,239,465 | 4,506,202 | 14,745,667 | 2,563,230 | 17,308,897 | 15,922,876 |
| Contributed Services | 2,073,985 | - | 2,073,985 | - | 2,073,985 | 1,969,460 |
| Consultant/Contractual | 372,339 | 546,521 | 918,860 | 279,922 | 1,198,782 | 886,213 |
| Travel and Transportation | 104,323 | 130,134 | 234,457 | 26,192 | 260,649 | 210,436 |
| Rents/Space | 1,001,802 | 296,115 | 1,297,917 | 82,128 | 1,380,045 | 1,346,306 |
| Consumable Supplies | 348,569 | 209,880 | 558,449 | 97,848 | 656,297 | 612,703 |
| Equipment | 6,692 | 2,702 | 9,394 | 477 | 9,871 | 32,790 |
| Communications | 128,512 | 87,466 | 215,978 | 15,073 | 231,051 | 205,267 |
| Insurance | 122,708 | 89,768 | 212,476 | 22,139 | 234,615 | 215,317 |
| Client Assistance | 1,579,611 | 2,270,159 | 3,849,770 | - | 3,849,770 | 3,146,270 |
| Other Costs | 37,594 | 207,838 | 245,432 | 57,182 | 302,614 | 326,979 |
| Total Expenses Before Depreciation | 16,015,600 | 8,346,785 | 24,362,385 | 3,144,191 | 27,506,576 | 24,874,617 |
| Depreciation | 131,935 | 162,577 | 294,512 | 3,916 | 298,428 | 247,402 |
| Total Expenses | <u>\$ 16,147,535</u> | <u>\$ 8,509,362</u> | <u>\$ 24,656,897</u> | <u>\$ 3,148,107</u> | <u>\$ 27,805,004</u> | <u>\$ 25,122,019</u> |

See accompanying Notes to Consolidated Financial Statements.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2024 AND 2023

| | <u>2024</u> | <u>2023</u> |
|---|--------------------------|----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Changes in Net Assets | \$ 105,305 | \$ 2,116,906 |
| Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities: | | |
| Depreciation | 298,428 | 247,402 |
| Unrealized and Realized (Gain) Loss | (1,402) | (29,552) |
| Donated Stock Investment | (57,803) | - |
| Noncash Lease Expense | (2,150) | 3,010 |
| Changes in Operating Assets and Liabilities: | | |
| Grants Receivable | (879,453) | 232,304 |
| Inventory and Other Assets | 73,393 | (80,365) |
| Due from Related Party | 16,906 | (24,343) |
| Accounts Payable and Accrued Expenses | 414,059 | (848,049) |
| Advances from Grantors | 61,017 | (937,509) |
| Net Cash Provided by Operating Activities | <u>28,300</u> | <u>679,804</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of Equipment | (656,750) | (1,962,086) |
| Proceeds from Sale of Investments | 57,803 | 249,544 |
| Interest Reinvested | (140,202) | (35,211) |
| Purchase of Investments | - | (2,500,000) |
| Net Cash Used by Investing Activities | <u>(739,149)</u> | <u>(4,247,753)</u> |
| NET DECREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH | <u>(710,849)</u> | <u>(3,567,949)</u> |
| Cash, Cash Equivalents, and Restricted Cash - Beginning of Year | <u>1,591,335</u> | <u>5,159,284</u> |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR | <u><u>\$ 880,486</u></u> | <u><u>\$ 1,591,335</u></u> |
| RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH: | | |
| Cash | \$ 572,946 | \$ 1,291,626 |
| Cash Equivalent | 1,049 | 1,049 |
| Restricted Deposits | 306,491 | 298,660 |
| Total Cash and Cash Equivalents | <u><u>\$ 880,486</u></u> | <u><u>\$ 1,591,335</u></u> |

See accompanying Notes to Consolidated Financial Statements.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 1 NATURE OF ACTIVITIES

The Northwest New Jersey Community Action Program, Inc. (Norwescap or the Organization) is a private, not-for-profit organization incorporated in 1965, under the laws of the state of New Jersey. Norwescap is a community action agency whose operating purpose is to aggregate federal and state government financial assistance and to provide community services that include the following programs: Child Enrichment, Nutrition and Health, Employment and Economic Development, Housing Emergency, Information and Referral, and Volunteer Services. Norwescap is substantially dependent on federal financial assistance and financial assistance from the state of New Jersey. Funding is received for various periods of time which do not necessarily coincide with Norwescap's fiscal year.

The Norwescap Holding Company, Inc. (Holding Company) is a nonprofit organization incorporated in 1994, under the laws of the state of New Jersey as a 501(c)(2) organization. The Holding Company was organized to hold title for certain real estate.

The Northwest New Jersey Echo Housing Corporation (ECHO) is a nonprofit organization incorporated in 1994, under the laws of the state of New Jersey as a 501(c)(3) organization. ECHO was organized to provide modular housing units to qualified elderly persons. The project consists of seven units which are attached to the house utilities infrastructure of related sponsors, resulting in Elderly Cottage Housing Opportunities. The project operates under Section 202 of the National Housing Act and is regulated by the U.S. Department of Housing and Urban Development (HUD) with respect to rental charges and operating methods.

ECHO is required to comply with the capital funding regulations of HUD, which require the formation of a separate, single-asset corporation to hold title to HUD-funded property and equipment, and record the revenue and expenses related to the maintenance of the property. ECHO has transferred six modular housing units to nonprofit organizations. The one remaining modular housing unit was destroyed. ECHO received approval from HUD in regards to this process.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The consolidated financial statements of Norwescap have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Norwescap and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. Also included in this classification are net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all, or part of the income earned on any related investments for general or specific purposes. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions.

Principles of Consolidation

The consolidated financial statements include the accounts for Norwescap, Holding Company, and ECHO (collectively, Norwescap entities). All of the entities are under common control. All significant intercompany balances and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

Cash and cash equivalents includes bank demand deposits, savings accounts and money market accounts. For the purposes of the consolidated statements of cash flows, Norwescap considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Grants Receivable and Allowance for Credit Losses

Revenue from grants is reported based on allowable expenses. Grants receivable are the excess of allowable expenses incurred over the cash received by Norwescap from funding agencies.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants Receivable and Allowance for Credit Losses (Continued)

Grants receivable are stated at the amounts management expects to collect from outstanding balances. The Organization charges uncollectible grants receivable to operations when determined to be uncollectible. The reserves are based on combination of historical experience, current economic conditions, management's evaluation of outstanding receivables, and forward-looking information. Management has determined there is no allowance for credit losses for the years ended August 31, 2024 and 2023.

Inventory

Inventory, which is comprised primarily of purchased goods for the co-op food program, is valued at the lower of cost or market. Donated items, which meet the criteria for recognition, are recorded at estimated fair value at the date of donation.

Fair Value

Fair value measurements are defined as the amounts that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There are three defined hierarchical levels based on the quality of inputs used that directly relate to the amount of subjectivity associated with the determination of fair value.

The fair value hierarchy defines the three levels as follows:

Level 1 – Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2 – Valuations based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated by observable market data.

Level 3 – Valuations based on unobservable inputs used when little or no market is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

In determining fair value, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as considers counterparty credit risk (or other parties, such as counterparty in a swap) in its assessment of fair value.

Gains and losses, both realized and unrealized, resulting from increases or decreases in the fair value of investments are reflected in the consolidated statement of activities and changes in net assets as increases or decreases in net assets without donor restrictions unless the use was restricted by explicit donor stipulations or by law.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Organization holds a certificate of deposit which is valued at cost plus accrued interest earned as of August 31, 2024 and 2023, which approximates market value. The Organization holds stocks in companies traded on national securities exchanges that are valued at the closing price reported in the active market in which individual securities are traded.

Property and Equipment

The Norwescap entities record land, building and equipment at cost on the date of acquisition, or at the fair value of the asset, based on values of comparable assets, at the date of gift for donated assets. Depreciation is computed on a straight-line basis over the estimated useful life as follows:

| | |
|----------------------------|----------------|
| Buildings and Improvements | 10 to 30 Years |
| Furniture and Equipment | 5 Years |
| Vehicles | 5 to 7 Years |

In the absence of donor-imposed restrictions on the use of the assets, gifts of long-lived assets are reported as unrestricted support. When an asset is sold or retired, the cost and accumulated depreciation are removed from the respective accounts. Maintenance, repairs, and minor renewals are charged to operations as incurred. Significant renewals and betterments that increase the useful life of the assets and are greater than \$5,000, are capitalized.

Federal, state, county and other funding sources may maintain an equitable interest in the property purchased with grant monies, as well as the right to determine the use of proceeds from the sale of those assets.

Advances from Grantors

Advances from grantors are the excess of grant cash received in the current fiscal year over allowable grant expenses incurred during the current fiscal year. These advances from grantors must be expended for grant purposes.

At the termination of federal, state, and other funding sources, the balance of funds unapplied are subject to disposition according to the funding source's requirements.

Revenue Recognition

Funds received from various federal and state government agencies represent grants awarded to the Organization to provide program services. Revenue with respect to these awards is recognized to the extent of expenses incurred under the award terms. Funds received in advance are accounted for as advances from grantors in the consolidated statements of financial position. Amounts that are spent in accordance with contract requirements, but not yet received, are accounted for as accounts and grants receivable in the consolidated statements of financial position.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Contributions are recognized as revenue and receivables when they are received or unconditionally pledged. There were no unconditional pledges made during the years ending August 31, 2024 and 2023.

The Norwescap entities report gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions. However, the Norwescap entities report gifts of cash and other assets subject to donor restrictions, whose restrictions are met within the same year as received, as without donor restriction contributions in the accompanying consolidated financial statements.

Income Tax Status

The Norwescap entities are exempt from income taxes under Sections 501(c)(3) and 501(c)(2) of the Internal Revenue Code and are also exempt under Title 15 of the State of New Jersey Corporations and Associations Not-for-Profit Act. The Organization follows standards that provide clarification on accounting for uncertainty in income taxes recognized in the Organization's consolidated financial statements.

The guidance prescribes a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken, or expected to be taken, in a tax return, and also provides guidance on derecognition, classification, interest and penalties, disclosure and transition. The Organization's policy is to recognize interest and penalties on unrecognized tax benefits in income tax expense. No interest and penalties were recorded during the fiscal years ended 2024 and 2023. At August 31, 2024 and 2023, there are no significant income tax uncertainties.

Interest Income

Interest income is accounted for as required by grant contract requirements. Interest income is returnable to the grantor for the following grant: Head Start (New Jersey Department of Health and Human Services). For other grants, interest income is retained and used to further program activities as stipulated in the New Jersey Department of Community Affairs and other contracts.

Use of Estimates

In preparing the consolidated financial statements in conformity with U.S. GAAP management is required 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 consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

The Organization has adopted the current expected credit losses (CECL) methodology for estimating credit losses on financial assets, effective September 1, 2023, utilizing the modified retrospective transition method. The adoption of CECL resulted in changes to the Organization's account policies, including the recognition of credit losses based on expected future credit losses rather than incurred credit losses. The Organization also updated its accounting policies for determining the recoverability of trade receivables, loans, and other financial assets. The adoption of this standard did not have a material impact on the Organization's consolidated financial statements but did change how the allowance for credit losses is determined.

Leases

The Organization leases office space. The Organization determines if an arrangement is a lease at inception. Operating leases are included in the operating ROU asset, current lease liability – operating and long-term lease liability – operating on the consolidated statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of the individual lease contracts do not provide an implicit rate, the Organization has elected to use a risk free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight line basis over the lease term.

The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right-of-use assets on the consolidated statement of financial position.

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if the Organization has obtained substantially all of the rights to the underlying asset through exclusivity, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

The Organization has evaluated events subsequent to the consolidated statement of financial position date as of February 27, 2025, the date that the consolidated financial statements were available to be issued.

Reclassifications

Certain amounts in the 2023 consolidated financial statements have been reclassified to conform to the 2024 presentation. This had no effect on the change in net assets.

NOTE 3 GRANTS RECEIVABLE

Grants receivable are comprised of the following at August 31:

| | 2024 | 2023 |
|---|---------------------|---------------------|
| Community Services Block Grant | \$ 311,776 | \$ 276,329 |
| Head Start Abbott - ECPA | 33,127 | 25,679 |
| Head Start and Early Head Start | 499,325 | 174,133 |
| Family Self Sufficiency (FSS) | 184,330 | 119,410 |
| Homeless Prevention | 22,131 | - |
| LIHEAP, Weatherization, Heating Improvement Program and the Department of Energy | 167,963 | 118,460 |
| NJ Cancer Education and Early Detection (CEED) | 129,227 | 126,514 |
| Women, Infants and Children (WIC) | 152,423 | 135,977 |
| Intensive Case Management | 14,167 | 56,525 |
| NJDA Cares Food Bank | 329,508 | 208,065 |
| Supplemental Nutrition Assistance Program (SNAP) | 55,431 | 100,255 |
| Emergency Food and Shelter Program (EFSP) | - | 174,613 |
| Neighborhood Revitalization Tax Credit (NRTC) | 167,520 | 130,411 |
| DCA-Lead-Safe Home Remediation | 80,846 | - |
| Neighborhood Preservation Program (NPP) | 68,586 | - |
| AmeriCorp | 111,825 | 35,455 |
| Other | 515,876 | 282,782 |
| Total Grants Receivable | <u>\$ 2,844,061</u> | <u>\$ 1,964,608</u> |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 4 INVESTMENTS

The following table summarizes assets which have been accounted for at fair value on a recurring basis, along with the basis of determination of fair value at August 31:

| 2024 | | | | |
|--------------|---------------------|-------------|-------------|---------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Mutual Funds | \$ 2,670,328 | \$ - | \$ - | \$ 2,670,328 |
| Equities | 7,503 | - | - | 7,503 |
| Total | <u>\$ 2,677,831</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,677,831</u> |

| 2023 | | | | |
|--------------|---------------------|-------------|-------------|---------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Mutual Funds | \$ 2,535,407 | - | - | \$ 2,535,407 |
| Equities | 1,138 | - | - | 1,138 |
| Total | <u>\$ 2,536,545</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,536,545</u> |

During the year ended August 31, 2024, approximately \$58,000 was donated to the Organization in stock, which is recorded within contributions, fees, rents and other on the consolidated statement of activities and changes in net assets.

Certificate of Deposit

The Organization also has a certificate of deposit totaling \$11,341 and \$11,023 as of August 31, 2024 and 2023, respectively, which is included in investments on the consolidated statements of financial position. The certificate of deposit bears an interest rate of approximately 2.85%. Interest income on the certificate of deposit for the years ended August 31, 2024 and 2023 is \$318 and \$156, respectively.

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment, net of accumulated depreciation, at August 31, 2024 is as follows:

| | Norwescap | Company | ECHO | Total |
|------------------------------------|---------------------|-------------------|-------------|---------------------|
| Land | \$ 436,616 | \$ - | \$ - | \$ 436,616 |
| Buildings and Improvements | 3,511,583 | 1,500,009 | 736,449 | 5,748,041 |
| Furniture, Fixtures, and Equipment | 603,268 | - | - | 603,268 |
| Vehicles | 1,414,722 | - | - | 1,414,722 |
| Total | 5,966,189 | 1,500,009 | 736,449 | 8,202,647 |
| Less: Accumulated Depreciation | 2,342,051 | 895,991 | 736,449 | 3,974,491 |
| Total | <u>\$ 3,624,138</u> | <u>\$ 604,018</u> | <u>\$ -</u> | <u>\$ 4,228,156</u> |

| 2023 | | | | |
|------|--|--|--|--|
|------|--|--|--|--|

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 5 PROPERTY AND EQUIPMENT (CONTINUED)

Property and equipment, net of accumulated depreciation, at August 31, 2023 is as follows:

| | Norwescap | Company | ECHO | Total |
|------------------------------------|---------------------|-------------------|-------------|---------------------|
| Land | \$ 436,616 | \$ - | \$ - | \$ 436,616 |
| Buildings and Improvements | 3,169,072 | 1,500,009 | 736,449 | 5,405,530 |
| Furniture, Fixtures, and Equipment | 575,368 | - | - | 575,368 |
| Vehicles | 1,281,790 | - | - | 1,281,790 |
| Total | 5,462,846 | 1,500,009 | 736,449 | 7,699,304 |
| Less: Accumulated Depreciation | 2,246,594 | 846,427 | 736,449 | 3,829,470 |
| Total | <u>\$ 3,216,252</u> | <u>\$ 653,582</u> | <u>\$ -</u> | <u>\$ 3,869,834</u> |

Property and equipment purchased with federal, or state funds are vested with the Norwescap entities as long as the Norwescap entities are granted the right to carry out the various programs for which such assets were acquired. Although the government grantor may retain legal title during the term of the arrangement, it is likely that the Norwescap entities will use the assets for the remainder of their useful lives and will be permitted to keep the assets when the arrangement is terminated.

A Notice of Federal Interest has been filed with the county record of deeds for certain land and buildings on which Head Start facilities are located. The Notice of Federal Interest requires the land and buildings to be used in a manner consistent with the Head Start Act governing the financial statements under which the property was acquired. The land cannot be sold or transferred to another party without the written permission of the responsible Department of Health and Human Services official.

NOTE 6 RESTRICTED DEPOSITS — RESERVES

Cash reserves required by HUD for the year ended August 31, 2024 are comprised of the following:

| | Reserves | | |
|-----------------------------|-------------------|------------------|-------------------|
| | Moving | Replacement | Total |
| Balance - Beginning of Year | \$ 268,815 | \$ 29,845 | \$ 298,660 |
| Deposits Made | 6,733 | 212 | 6,945 |
| Interest | 328 | 558 | 886 |
| Bank Service Charge | - | - | - |
| Balance - End of Year | <u>\$ 275,876</u> | <u>\$ 30,615</u> | <u>\$ 306,491</u> |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 6 RESTRICTED DEPOSITS — RESERVES (CONTINUED)

Cash reserves required by HUD for the year ended August 31, 2023 are comprised of the following:

| | Reserves | | |
|-----------------------------|-------------------|------------------|-------------------|
| | Moving | Replacement | Total |
| Balance - Beginning of Year | \$ 268,808 | \$ 29,842 | \$ 298,650 |
| Interest | 27 | 3 | 30 |
| Bank Service Charge | (20) | - | (20) |
| Balance - End of Year | <u>\$ 268,815</u> | <u>\$ 29,845</u> | <u>\$ 298,660</u> |

Written prior approval from HUD is required to disburse funds from each reserve account. There were no disbursements from the reserves during the fiscal years ended August 31, 2024 and 2023.

NOTE 7 LINE OF CREDIT

The Organization has available a \$500,000 unsecured line of credit with a commercial bank that matures July 19, 2025. Interest is accrued on the outstanding loan balance at a rate of 8.50% for the years ended August 31, 2024 and 2023. As of August 31, 2024 and 2023, there were no balances due on the credit line.

NOTE 8 ADVANCES FROM GRANTORS

Advances from grantors are comprised of the following at August 31:

| | 2024 | 2023 |
|--|-------------------|-------------------|
| Child Care Resource and Referral | \$ 240,016 | \$ 186,344 |
| NJ Department of Agriculture CARES | 53,168 | 26,381 |
| State Food Purchase Program | 11,198 | 27,840 |
| ACES Innovation | - | 9,650 |
| EFSP National Program | 9,090 | - |
| Financial Empowerment | 20,000 | - |
| Family Success Center | - | 21,400 |
| Congressional Earmarks Initiative - SBA | 279,227 | 350,000 |
| County Councils for Young Children - Warren | - | 27,194 |
| County Councils for Young Children - Hunterdon | - | 8,020 |
| County Councils for Young Children - Morris | 15,853 | 7,406 |
| Food Bank | 86,070 | - |
| Other | 45,946 | 35,316 |
| Total | <u>\$ 760,568</u> | <u>\$ 699,551</u> |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 9 LEASES

Leases – ASC 842

The Organization leases office and classroom space for various terms under long-term, noncancelable lease agreements. The leases expire at various terms expiring through 2031. In the normal course of business, it is expected that the leases will be renewed or replaced by similar leases. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Additionally, the agreements usually require the Organization to pay real estate taxes, insurance, and repairs. Rental space is charged to rents/space in the consolidated statements of functional expenses and is primarily for Head Start facilities. Rental of certain facilities is contingent upon the continuance of federal and state funding for which the programs are dependent. Norwescap has no sublease rentals.

The following table provides quantitative information concerning the Organization's leases as of August 31:

| | <u>2024</u> | <u>2023</u> |
|--|-------------------|-------------------|
| Lease Costs: | | |
| Operating Lease Costs | \$ 446,324 | \$ 374,923 |
| Short-term Lease Costs | 113,774 | 126,961 |
| Total Lease Costs | <u>\$ 560,098</u> | <u>\$ 501,884</u> |
| Other Information: | | |
| Cash Paid for Amounts Included in the Measurement of Lease Liabilities: | | |
| Operating Cash Flows from Operating Leases | \$ 448,881 | \$ 371,912 |
| Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities | \$ 88,909 | \$ 1,855,645 |
| Weighted-Average Remaining Lease Term - Operating Leases | 5.6 Years | 5.8 Years |
| Weighted-Average Discount Rate - Operating Leases | 3.40% | 3.35% |

The Organization classifies the total discounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for financing lease liabilities as of August 31, 2024 is as follows:

| <u>Year Ending June 30,</u> | <u>Operating</u> |
|-----------------------------|---------------------|
| 2025 | \$ 294,065 |
| 2026 | 217,258 |
| 2027 | 206,508 |
| 2028 | 174,508 |
| 2029 | 126,410 |
| Thereafter | 238,160 |
| Undiscounted Cash Flows | 1,256,909 |
| Less: Imputed Interest | (110,623) |
| Total Present Value | <u>\$ 1,146,286</u> |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 9 LEASES (CONTINUED)

Leases – ASC 842 (Continued)

As of August 31, 2024, the Organization has two additional operating leases, primarily for facility rental, that has not yet commenced of \$44,497. The operating leases will commence fiscal year 2024 with lease term of 1 year.

NOTE 10 CONTRIBUTIONS, FEES, RENTS, AND OTHER

Contributions, fees, rents, and other revenue is comprised of the following at August 31:

| | 2024 | 2023 |
|-------------------|---------------------|---------------------|
| Contributions | \$ 1,267,990 | \$ 2,051,441 |
| Fees | 47,675 | 35,570 |
| Food Distribution | - | 33,640 |
| Rents | 28,108 | 20,713 |
| Other | 587,328 | 387,344 |
| Total | <u>\$ 1,931,101</u> | <u>\$ 2,528,708</u> |

NOTE 11 RETIREMENT BENEFITS

Norwescap maintains a defined-contribution pension plan. The benefit plan is a tax-deferred annuity plan, whereby employees elect to voluntarily contribute up to the maximum amount allowed in accordance with Section 403(b) of the Internal Revenue Code. Employer contributions are made based on years of service with Norwescap and also based on a percentage of the compensation of the employee for that year. Employer contributions will be made whether or not an employee is making contributions to the plan. Pension expense for the years ended August 31, 2024 and 2023, was \$340,241 and \$309,774, respectively, and is recorded in fringe benefits on the consolidated statement of functional expenses.

NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consists of the following:

| | 2024 | 2023 |
|---|---------------------|---------------------|
| Northwest New Jersey Echo Housing, Inc. | <u>\$ 1,499,700</u> | <u>\$ 1,499,700</u> |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

The amount of \$1,499,700 is a HUD-funded Section 202 Capital Advance to pay for the construction of the HUD project. HUD holds a nonamortizing mortgage on the property under the terms of the Capital Advance agreement with HUD. No repayment is required so long as the owner complies with the HUD Regulatory Agreement to make available rental housing to very low-income elderly persons for a term of 40 years, beginning August 9, 1996 through August 9, 2036. Failure to comply with the terms of the Capital Advance and HUD's agreements may result in foreclosure under the mortgage. Management believes that the possibility that repayment will occur is remote and that treatment of the Capital Advance as net assets with donor restrictions is appropriate. There has been no change in the status of ECHO as of the report date.

On November 18, 2015, the Project received final written approval from HUD to transfer three modular housing units to the Volunteers of America located in Blackwood, New Jersey, with the intention of providing transitional housing for homeless veterans.

On July 20, 2019, the Project received final written approval from HUD to transfer the remaining seven modular housing units to Operation Safe Haven located in Franklinville, New Jersey. The Project moved six units and destroyed one unit. They also received approval from HUD to withdraw \$194,609 from their reserve account to help pay the cost associated with moving the units.

NOTE 13 CONCENTRATIONS OF CREDIT RISKS

The Organization receives approximately 83% and 81% of its funding from various federal and state governmental agencies as of August 31, 2024 and 2023, respectively. The operations of the Organization are subject to the administrative directives, rules and regulations of federal and state regulatory agencies. Such administrative directives, rules and regulations are subject to changes that may occur because of inadequate funding with little notice to pay for the related costs, including the additional administrative burden, to comply with a change.

The Organization participates in federal, and state assisted grant programs. These programs are subject to program compliance audits by the grantors and their representatives. The Organization is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management of the Organization is not aware of any material items of noncompliance which would result in the disallowance of grant program expenditures.

The Organization maintains cash balances at one financial institution. At times, cumulative balances may exceed insured limits.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 14 FUNCTIONAL EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis on the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefits. General and administrative expenses are those not directly identifiable with any specific function, but which provide for the overall support and direction of Norwescap.

Expenses that are allocated based on time and effort are: personnel, fringe benefits, consultants/contractual and consumable supplies. Expenses that are allocated based on square footage are: rents/space, consumable supplies, equipment, communications, insurance, other costs and depreciation.

NOTE 15 IN-KIND CONTRIBUTIONS

Contributed Property and Equipment

Donations of property and equipment are recorded as contributions at their estimated fair value on the date of the gift. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor restrictions regarding how long those donated assets must be maintained, the Norwescap entities report expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Norwescap entities reclassify net assets with donor restrictions to net assets without donor restrictions at that time. Proceeds from the sale of fixed assets, if unrestricted, are transferred to net assets without donor restrictions, or, if restricted, to defer amounts restricted for fixed asset acquisitions.

Contributed Services

Contributed services are recorded at fair value and recognized as revenues and expenses in the period received if they meet the requirements for recognition under U.S. GAAP.

During fiscal years ended August 31, 2024 and 2023, contributed services recorded in the consolidated financial statements were used primarily in the Head Start program. These early childhood program aid instruction and related services are valued consistent with such services provided for in the Phillipsburg Board of Education contracts. Norwescap also receives free rent for classroom space from the town of Phillipsburg, New Jersey.

In-kind donations received during the years ended August 31, 2024 and 2023, consisted of the following:

| | 2024 | 2023 |
|---------------------------------------|---------------------|---------------------|
| Space/Rent | \$ 50,499 | \$ 52,924 |
| Services | 123,252 | 100,016 |
| Supplies and Discounted Supplies | 30,670 | 18,196 |
| Volunteer Hours | 1,082,263 | 1,009,733 |
| ECPA Expenses | 787,301 | 788,591 |
| Total Contributed Nonfinancial Assets | <u>\$ 2,073,985</u> | <u>\$ 1,969,460</u> |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 15 IN-KIND CONTRIBUTIONS (CONTINUED)

Contributed Services (Continued)

Valuation techniques and inputs utilized in valuing these contributed nonfinancial assets are as follows:

| <u>Contributed Nonfinancial Assets</u> | <u>Valuation Techniques and Inputs</u> |
|--|--|
| Volunteer Hours | Based on Average Rates for Professionals or Volunteer Services |
| Space/Rent, Services, and Supplies | Estimated Based on Estimates of Retail Values for Similar Products and Services |
| Early Childhood Program Aid Expenses | Based on Payroll, Fringe, and Other Expenses Allowed to be Recorded With as In-Kind Expenses |

All gifts-in-kind received by the Organization for the years ended August 31, 2024 and 2023, were considered without donor restrictions and able to be used by the Organization as determined by management.

Contributed Goods

Through its Food Bank program, Norwescap solicits and receives food commodities which are to be distributed to qualified charitable organizations in specified areas. The fair value of food commodities received is recognized as revenue in circumstances in which Norwescap has sufficient discretion over the use and disposition of the items to recognize a contribution. Accordingly, the recognition of contributed goods as revenue is limited to circumstances in which Norwescap takes constructive possession of the contributed goods and Norwescap is the recipient of the gift, rather than an agent or intermediary.

In circumstances in which Norwescap is functioning as an agent or intermediary with respect to the contributed goods, Norwescap does not report an asset when the food commodities are received from a resource provider or donor, nor is an expense reported when the items are remitted to the ultimate beneficiary.

During the years ended August 31, 2024 and 2023, Norwescap distributed approximately 2,550,000 and 1,885,000 pounds of food, respectively, to qualified charitable organizations. The value of these commodities has not been reported in the consolidated financial statements as Norwescap determined it has no variance power over the distribution of these goods.

Norwescap receives food commodities for distribution to eligible recipients in The Emergency Food Assistance Program for a fee and participates in the New Jersey State Food Purchase Program (SFPP). Under SFPP, Norwescap receives, purchases, and distributes food to qualified recipients in exchange for a fee. Norwescap also receives and distributes food commodities under other similar government programs. These are recorded on the schedule of expenditures of federal and state awards.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 15 IN-KIND CONTRIBUTIONS (CONTINUED)

Contributed Goods (Continued)

During the years ended August 31, 2024 and 2023, Norwescap distributed approximately 1,101,000 and 549,000 pounds of food commodities under these programs, which are included in the total poundage 2,550,000 and 1,885,000 above, respectively.

NOTE 16 LIQUIDITY AND AVAILABILITY

The following represents the Organization's financial assets reduced by amounts not available for general use within one year of the consolidated statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for general expenditure in the following year.

| | 2024 | 2023 |
|---|----------------------------|----------------------------|
| Cash and Cash Equivalents | \$ 573,995 | \$ 1,292,675 |
| Grants Receivable, Net | 2,844,061 | 1,964,608 |
| Investments | <u>2,677,831</u> | <u>2,536,545</u> |
| Total Financial Assets | 6,095,887 | 5,793,828 |
| Less: Amounts Not Available to be Used Within One Year | | |
| Net Assets With Donor Restrictions | <u>-</u> | <u>-</u> |
| Financial Assets Available to Meet General Expenditures Over the Next 12 Months | <u><u>\$ 6,095,887</u></u> | <u><u>\$ 5,793,828</u></u> |

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Additionally, the Organization has a line of credit for \$500,000 fully available. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2024

| Federal Grantor/Pass-Through Grantor/Program or Charter Title | Federal Assistance Listing Number | Pass-Through Entity ID Number | Grant/Project Number | Grant Period | Grants Awards | Cumulative Program Disbursements | Loan at the Beginning of FY 2024 | Current Year Program Disbursements |
|--|-----------------------------------|-------------------------------|----------------------|---------------------|---------------|----------------------------------|----------------------------------|------------------------------------|
| <u>DIRECT ASSISTANCE:</u> | | | | | | | | |
| <u>U.S. Department of Health and Human Services:</u> | | | | | | | | |
| <i>Head Start Cluster</i> | | | | | | | | |
| Head Start/EHS | 93.600 | | 02CH011177-05-00 | 09/01/23 - 08/31/24 | \$ 8,088,881 | \$ 8,088,881 | \$ - | \$ 8,088,881 |
| Head Start/EHS | 93.600 | | 02CH011177-05-01 | 09/01/23 - 08/31/24 | 630,182 | 630,182 | - | 630,182 |
| Head Start/EHS | 93.600 | | 02CH011177-05-02 | 09/01/23 - 08/31/24 | 65,744 | 65,744 | - | 65,744 |
| Head Start/EHS | 93.600 | | 02CH011177-05-03 | 09/01/23 - 08/31/24 | 207,054 | 207,054 | - | 207,054 |
| Total Head Start Cluster | | | | | 8,991,861 | 8,991,861 | - | 8,991,861 |
| Phillips Cullinary Project | 93.570 | | 90EE13848-01-00 | 09/01/23- 09/29/25 | 150,000 | 21,841 | - | 21,841 |
| Total U.S. Department of Health and Human Services | | | | | 9,141,861 | 9,013,702 | - | 9,013,702 |
| <u>U.S. Small Business Administration</u> | | | | | | | | |
| Small Business Financial Assistance-Sullivans | 59.059 | | SBAHQ2310144 | 09/01/23- 08/31/25 | 350,000 | 70,773 | - | 70,773 |
| Total U.S. Small Business Administration | | | | | 350,000 | 70,773 | - | 70,773 |
| <u>U.S. Department of Health and Housing and Urban Development:</u> | | | | | | | | |
| HUD Continuum of Care | 14.267 | | NJ0313L2F162109 | 09/01/23- 08/31/24 | 64,728 | 59,053 | - | 59,053 |
| Supportive Housing For the Elderly - ECHO Program | 14.157 | | 031-EE022 | 08/09/96 - 08/09/36 | 1,499,700 | 1,499,700 | 1,499,700 | - |
| Total U.S. Department of Health and Housing and Urban Development | | | | | 1,564,428 | 1,558,753 | 1,499,700 | 59,053 |
| <u>U.S. Department of Agriculture:</u> | | | | | | | | |
| Rural Development Grant(RBDG) | 10.531 | | 35-019-469059162 | 07/27/23- 06/27/26 | 77,979 | 25,891 | - | 25,891 |
| Total U.S. Department of Agriculture | | | | | 77,979 | 25,891 | - | 25,891 |
| <u>Corporation for National Community Service:</u> | | | | | | | | |
| RSVP | 94.002 | | 23SRANJ002 | 04/01/24- 03/31/25 | 256,842 | 109,073 | - | 109,073 |
| RSVP | 94.002 | | 23SRANJ002 | 04/01/23- 03/31/24 | 256,842 | 238,196 | - | 163,834 |
| Total Corporation for National Community Service | | | | | 513,684 | 347,269 | - | 272,907 |
| Total Direct Assistance | | | | | 11,647,952 | 11,016,388 | 1,499,700 | 9,442,326 |
| <u>PASS-THROUGH ASSISTANCE:</u> | | | | | | | | |
| <u>U.S. Department of Health and Human Services:</u> | | | | | | | | |
| Passed through New Jersey Department of Human Services | | | | | | | | |
| <i>CCDF Cluster</i> | | | | | | | | |
| CCRR - Sussex/Warren & Hunterdon | 93.575 | UC24023 | | 10/01/23 - 9/30/24 | 2,833,973 | 2,305,240 | - | 2,305,240 |
| CCRR - Sussex/Warren & Hunterdon | 93.575 | UC23023 | | 10/01/22 - 9/30/23 | 2,633,213 | 2,398,705 | - | 258,804 |
| Total CCDF Cluster | | | | | 5,467,186 | 4,703,945 | - | 2,564,044 |
| Healthy Families | 93.558 | 25CF0120 | | 07/01/24-06/30/25 | 469,680 | 77,676 | - | 77,676 |
| Healthy Families | 93.558 | CF0120 | | 07/01/23-06/30/24 | 486,280 | 405,819 | - | 351,730 |
| Total | | | | | 955,960 | 483,495 | - | 429,406 |
| Family Success Center | 93.667 | 25CF0118 | | 07/01/24 - 06/30/25 | 256,800 | 42,335 | - | 42,335 |
| Family Success Center | 93.667 | CF0118 | | 07/01/23 - 06/30/24 | 256,800 | 244,138 | - | 191,966 |
| Total | | | | | 513,600 | 286,473 | - | 234,301 |

See Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED AUGUST 31, 2024

| Federal Grantor/Pass-Through Grantor/Program or Charter Title | Federal Assistance Listing Number | Pass-Through Entity ID Number | Grant/Project Number | Grant Period | Grants Awards | Cumulative Program Disbursements | Loan at the Beginning of FY 2024 | Current Year Program Disbursements |
|---|-----------------------------------|-------------------------------|----------------------|---------------------|----------------|----------------------------------|----------------------------------|------------------------------------|
| <u>PASS-THROUGH ASSISTANCE (CONTINUED):</u> | | | | | | | | |
| <u>U.S. Department of Health and Human Services (CONTINUED):</u> | | | | | | | | |
| SHIP | 93.779 | DOAS24SHF009 | | 04/01/24 - 03/31/25 | \$ 38,000 | \$ 13,003 | \$ - | \$ 13,003 |
| SHIP | 93.779 | DOAS23SHF020 | | 04/01/23 - 03/31/24 | 35,000 | 35,000 | - | 21,899 |
| Total | | | | | <u>73,000</u> | <u>48,003</u> | <u>-</u> | <u>34,902</u> |
| Passed through Division of Aging Services | | | | | | | | |
| Project Healthy Bones | 93.044 | 24-14-090 | | 01/01/24-12/31/24 | 8,084 | 4,694 | | 4,694 |
| Friendship at Heart | 93.044 | 24-14-092 | | 01/01/24-12/31/24 | 21,020 | 21,020 | | 21,020 |
| Evidence Based | 93.044 | 24-14-099 | | 01/01/24-12/31/24 | <u>22,009</u> | <u>11,208</u> | <u>-</u> | <u>11,208</u> |
| Total | | | | | 51,113 | 36,922 | - | 36,922 |
| Passed through New Jersey Department of Community Affairs | | | | | | | | |
| LIHEAP Weatherization 2024 | 93.568 | 2024-05130-0287-00 | | 10/01/23-12/31/24 | 194,054 | 2,596 | - | 2,596 |
| LIHEAP Weatherization 2023 | 93.568 | 2023-05130-0419-01 | | 01/01/23-07/31/24 | 154,750 | 130,481 | - | 130,481 |
| LIHEAP Weatherization 2022 | 93.568 | 2022-05130-0500-02 | | 07/1/22 -09/30/23 | 113,728 | 113,728 | - | 25,001 |
| HIP 2024 | 93.568 | 2024-05124-0270-00 | | 10/01/23-12/31/24 | 203,336 | 37,600 | - | 37,600 |
| HIP 2023 | 93.568 | 2023-05124-0396-00 | | 01/01/23-12/31/23 | 177,583 | 163,433 | - | 155,643 |
| HIP 2022 | 93.568 | 2022-05124-0507-01 | | 07/01/22-09/30/23 | 227,709 | 227,709 | - | 45,633 |
| LIHEAP Assistance 2024 | 93.568 | 2024-05131-0255-00 | | 10/01/23 -09/30/24 | 259,313 | 259,313 | - | 259,313 |
| LIHEAP Assistance 2023 | 93.568 | 2023-05131-0179-01 | | 10/01/22 -09/30/23 | <u>369,313</u> | <u>369,313</u> | <u>-</u> | <u>37,843</u> |
| Total | | | | | 1,699,786 | 1,304,173 | - | 694,110 |
| Community Services Block Grant 2024 | 93.569 | 2024-05235-0069-02 | | 10/01/23 -09/30/24 | 859,234 | 807,444 | - | 807,444 |
| Community Services Block Grant 2023 | 93.569 | 2023-05232-0046-02 | | 10/01/22 -09/30/23 | <u>850,009</u> | <u>850,009</u> | <u>-</u> | <u>119,634</u> |
| Total | | | | | 1,709,243 | 1,657,453 | - | 927,078 |
| Passed through New Jersey Department of Health | | | | | | | | |
| NJ Cancer Education & Early Detection (CEED) | 93.283 | DCHS25CED002 | | 07/01/24 - 06/30/25 | 511,753 | 37,348 | - | 37,348 |
| NJ Cancer Education & Early Detection (CEED) | 93.283 | DCHS24CED011 | | 07/01/23 - 06/30/24 | <u>261,392</u> | <u>261,392</u> | <u>-</u> | <u>230,988</u> |
| Total | | | | | <u>773,145</u> | <u>298,740</u> | <u>-</u> | <u>268,336</u> |
| Total U.S. Department of Health and Human Services | | | | | 11,243,033 | 8,819,204 | - | 5,189,099 |

See Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED AUGUST 31, 2024

| Federal Grantor/Pass-Through Grantor/Program or Charter Title | Federal Assistance Listing Number | Pass-Through Entity ID Number | Grant/Project Number | Grant Period | Grants Awards | Cumulative Program Disbursements | Loan at the Beginning of FY 2024 | Current Year Program Disbursements |
|--|-----------------------------------|-------------------------------|----------------------|---------------------|---------------|----------------------------------|----------------------------------|------------------------------------|
| <u>PASS-THROUGH ASSISTANCE (CONTINUED):</u> | | | | | | | | |
| <u>U.S. Department of Education:</u> | | | | | | | | |
| Passed through New Jersey Department of Community Affairs | | | | | | | | |
| County Councils for Young Children (Race to the Top) - Warren | 84.412 | CF0178 | | 01/01/24 - 12/31/24 | \$ 80,250 | \$ 47,010 | \$ - | \$ 47,010 |
| County Councils for Young Children (Race to the Top) - Warren | 84.412 | CF0124 | | 01/01/23 - 12/31/23 | 75,000 | 48,766 | - | 19,710 |
| County Councils for Young Children (Race to the Top) - Hunterdon | 84.412 | CF0176 | | 01/01/24 - 12/31/24 | 80,250 | 45,688 | - | 45,688 |
| County Councils for Young Children (Race to the Top) - Hunterdon | 84.412 | CF0125 | | 01/01/23 - 12/31/23 | 75,000 | 74,037 | - | 25,807 |
| County Councils for Young Children (Race to the Top) - Morris | 84.412 | CF0177 | | 01/01/24 - 12/31/24 | 80,250 | 24,272 | - | 24,272 |
| County Councils for Young Children (Race to the Top) - Morris | 84.412 | CF0126 | | 01/01/23 - 12/31/23 | 75,000 | 74,514 | - | 25,670 |
| Total U.S. Department of Education | | | | | 465,750 | 314,287 | - | 188,157 |
| <u>U.S. Department of Agriculture:</u> | | | | | | | | |
| Passed through New Jersey Department of Health | | | | | | | | |
| Women, Infants, and Children | 10.557 | DFHS24WIC013 | | 10/01/23 - 09/30/24 | 1,001,617 | 871,197 | - | 871,197 |
| Women, Infants, and Children | 10.557 | DFHS23WIC003 | | 10/01/22 - 09/30/23 | 1,000,583 | 986,719 | - | 118,789 |
| Total | | | | | 2,002,200 | 1,857,916 | - | 989,986 |
| Community Health Worker (HUB) | 93.495 | CHW20231208 | | 12/01/23-06/30/24 | 19,384 | 19,384 | - | 19,384 |
| Total | | | | | 19,384 | 19,384 | - | 19,384 |
| The Child and Adult Food Program | 10.558 | | | 10/01/23 - 09/30/24 | 296,368 | 296,368 | - | 296,368 |
| The Child and Adult Food Program | 10.558 | | | 10/01/22 - 09/30/23 | 301,818 | 301,818 | - | 25,510 |
| The Emergency Food Assistance Program TEFAP 24 | 10.558 | | | 10/01/23 - 09/30/24 | 40,925 | 93,030 | - | 93,030 |
| The Emergency Food Assistance Program TEFAP 23 | 10.558 | | | 10/01/22 - 09/30/23 | 20,926 | 20,926 | - | 7,176 |
| Total | | | | | 660,037 | 712,142 | - | 422,084 |
| <i>Child Nutrition Cluster</i> | | | | | | | | |
| Summer Food Service Program for Children | 10.559 | 213104 | | 06/1/24-09/30/24 | 7,945 | 7,945 | - | 7,945 |
| Summer Food Service Program for Children | 10.559 | 213104 | | 06/1/23-09/30/23 | 14,203 | 14,203 | - | 5,437 |
| Total Child Nutrition Cluster | | | | | 22,148 | 22,148 | - | 13,382 |
| Total U.S. Department of Agriculture | | | | | 2,703,769 | 2,611,590 | - | 1,444,836 |

See Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED AUGUST 31, 2024

| Federal Grantor/Pass-Through Grantor/Program or Charter Title | Federal Assistance Listing Number | Pass-Through Entity ID Number | Grant/Project Number | Grant Period | Grants Awards | Cumulative Program Disbursements | Loan at the Beginning of FY 2024 | Current Year Program Disbursements |
|--|-----------------------------------|-------------------------------|----------------------|-------------------|---------------|----------------------------------|----------------------------------|------------------------------------|
| <u>PASS-THROUGH ASSISTANCE (CONTINUED):</u> | | | | | | | | |
| <u>U.S. Department of Energy:</u> | | | | | | | | |
| Passed-through New Jersey Department of Community Affairs | | | | | | | | |
| DOE Weatherization Bill 2023 | 81.042 | 2023-05565-0158-01 | | 01/01/23-06/30/27 | \$ 762,376 | \$ 30,189 | \$ - | \$ 30,189 |
| DOE Weatherization 2023 | 81.042 | 2023-05228-0934-03 | | 07/01/23-06/30/24 | 206,706 | 206,706 | - | 206,706 |
| Total U.S. Department of Energy | | | | | 969,082 | 236,895 | - | 236,895 |
| <u>U.S. Department of Health and Housing and Urban Development:</u> | | | | | | | | |
| Homeless Prevention & Rapid Re-Housing-2023 | 14.231 | 2023-02156-0436-01 | | 05/01/23-09/30/24 | 136,156 | 5,833 | - | 5,833 |
| Homeless Prevention & Rapid Re-Housing-2019 | 14.231 | 2019-02156-0360-12 | | 12/01/18-09/04/23 | 377,919 | 377,919 | - | 1,000 |
| Total U.S. Department of Health and Housing and Urban Development | | | | | 514,075 | 383,752 | - | 6,833 |
| <u>NJ Department of State:</u> | | | | | | | | |
| NJ Commission of National and Community Services-AmeriCorps | 94.006 | AC24Form-014 | | 09/01/23-08/31/24 | 295,107 | 183,146 | - | 183,146 |
| NJ Commission of National and Community Services-AmeriCorps ARP | 94.006 | AC24ARP-007 | | 09/01/23-08/31/24 | 80,000 | 44,199 | - | 44,199 |
| NJ Commission of National and Community Services-AmeriCorps | 94.006 | AC23Form-007 | | 09/01/22-08/31/23 | 418,461 | 204,248 | - | 39,522 |
| Total NJ Department of State | | | | | 793,568 | 431,593 | - | 266,867 |
| Total Federal Awards | | | | | \$ 28,337,229 | \$ 23,813,709 | \$ 1,499,700 | \$ 16,775,013 |

See Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED AUGUST 31, 2024

| State Awards | Grant Number | Grant Period | Grant Award | Cumulative Program Disbursements | Current-Year Program Disbursements |
|---|------------------------|-------------------|----------------|--|--|
| <u>New Jersey Department of Community Affairs:</u> | | | | | |
| Neighborhood Revitalization Tax Credit Project 20 | 2020-02240-0272-07 | 03/01/20-12/30/23 | \$ 345,000 | \$ 340,108 | \$ 17,402 |
| Neighborhood Revitalization Tax Credit Project 21 | 2021-02240-0328-05 | 03/01/21-12/31/24 | 190,000 | 141,138 | 73,215 |
| Neighborhood Revitalization Tax Credit Project 23 | 2021-02240-0852-00 | 03/01/23-12/31/25 | 687,654 | 314,282 | 314,282 |
| Neighborhood Revitalization Tax Credit Project 23 | 2023-02240-0851-00 | 03/01/23-12/31/25 | 373,637 | 55,785 | 55,785 |
| Total | | | 1,596,291 | 851,313 | 460,684 |
| Lead-Safe Home Remediation Grant 2022 | 2022-02333-0349-02 | 05/01/22-10/30/24 | 45,000 | 45,000 | 45,000 |
| Lead-Safe Home Remediation Grant 2023 | 2023-02335-0207-01 | 03/01/23-12/31/25 | 4,000,000 | 600 | 600 |
| Lead-Safe Home Remediation Grant 2024 | 2023-02335-0966-00 | 01/01/24-12/31/25 | 300,000 | 35,246 | 35,246 |
| Total | | | 4,345,000 | 80,846 | 80,846 |
| Careers Life Warren | 25CW0064 | 07/01/24-06/30/25 | 160,500 | 25,569 | 25,569 |
| Careers Life Warren | CW0064 | 07/01/23-06/30/24 | 160,500 | 153,991 | 121,418 |
| Careers Life Hunterdon | 25CW0015 | 07/01/24-06/30/25 | 160,500 | 19,612 | 19,612 |
| Careers Life Hunterdon | CW0015 | 07/01/23-06/30/24 | 160,500 | 155,377 | 131,650 |
| Careers Life Somerset | 25CW0065 | 07/01/24-06/30/25 | 160,500 | 30,450 | 30,450 |
| Careers Life Somerset | CW0065 | 07/01/23-06/30/24 | 160,500 | 160,500 | 129,967 |
| Total | | | 963,000 | 545,499 | 458,666 |
| Financial Empowerment Pilot Program | 2022-05275-0830-03 | 07/01/22-12/31/23 | 299,163 | 299,163 | 77,399 |
| Financial Empowerment Pilot Program | 2023-05275-0954-01 | 09/01/23-12/31/24 | 300,000 | 219,143 | 219,143 |
| Total | | | 599,163 | 518,306 | 296,542 |
| Universal Services Fund 2024 | 2024-05133-0013-00 | 07/01/23-06/30/25 | 126,037 | 28,364 | 28,364 |
| Universal Services Fund 2023 | 2023-05133-0014-00 | 07/01/22-06/30/24 | 126,037 | 126,037 | 103,576 |
| Total | | | 252,074 | 154,401 | 131,940 |
| Prevention of Homelessness 2019 Somerset County | 2019-02150-0594-05 | 08/01/19-07/31/24 | 297,600 | 70,337 | 18,689 |
| Prevention of Homelessness 2024 Somerset County | 2023-02150-0987-00 | 03/01/24-02/28/25 | 85,986 | 7,083 | 7,083 |
| Prevention of Homelessness 2023 Morris County | 2019-02150-0593-05 | 08/01/19-07/31/24 | 333,000 | 62,212 | 15,048 |
| Total | | | 716,586 | 139,632 | 40,820 |
| Total New Jersey Department of Community Affairs | | | 8,472,114 | 2,289,997 | 1,469,498 |
| <u>New Jersey Department of Education:</u> | | | | | |
| Headstart Abbott - ECPA Phillipsburg | 20-218-200-321-000-019 | 07/01/24-06/30/25 | 435,663 | 3,015 | 3,015 |
| Headstart Abbott - ECPA Phillipsburg | 20-218-200-321-000-019 | 07/01/23-06/30/24 | 415,007 | 415,007 | 399,416 |
| Headstart Abbott - ECPA Newton | 20-218-200-325-011-05 | 07/01/24-06/30/25 | 127,754 | 5,050 | 5,050 |
| Headstart Abbott - ECPA Newton | 20-218-200-325-011-05 | 07/01/23-06/30/24 | 120,720 | 112,270 | 106,263 |
| Headstart Abbott - ECPA Hopatcong | 20-218-200-325-000-00 | 07/01/24-06/30/25 | 139,918 | 2,823 | 2,823 |
| Headstart Abbott - ECPA Hopatcong | 20-218-200-325-000-00 | 07/01/23-06/30/24 | 128,661 | 119,226 | 115,145 |
| Headstart Abbott - ECPA Flemmington-Raritan | 20-218-200-325-000-00 | 07/01/24-06/30/25 | 141,010 | 8,242 | 8,242 |
| Headstart Abbott - ECPA Flemmington-Raritan | 20-218-200-325-000-00 | 07/01/23-06/30/24 | 96,915 | 96,915 | 96,915 |
| Headstart Abbott - ECPA Wantage | 20-218-200-325-000-00 | 07/01/24-06/30/25 | 145,275 | 107 | 107 |
| Headstart Abbott - ECPA Wantage | 20-218-200-325-000-00 | 01/01/24-06/30/24 | 41,871 | 41,871 | 41,871 |
| Total New Jersey Department of Human Services | | | 1,792,794 | 804,526 | 778,847 |

See Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED AUGUST 31, 2024

| State Awards | Grant Number | Grant Period | Grant Award | Cumulative Program Disbursements | Current-Year Program Disbursements |
|---|-----------------|----------------------|----------------------|--|--|
| <u>New Jersey Department of Agriculture:</u> | | | | | |
| State Food Purchase Pgm | EFONRW | 07/01/2022- 06/30/23 | \$ 128,566 | \$ - | \$ 2,317 |
| State Food Purchase Pgm | EFONRW | 07/01/2023- 06/30/24 | 128,566 | - | 149,475 |
| Total | | | 257,132 | - | 151,792 |
| Food Bank Cares Grant 22-23 | NJDA-NRW CARES | 07/01/2022- 09/30/23 | 2,550,000 | 2,550,000 | 26,381 |
| Food Bank Cares Grant 23-24 | NJDA-NRW CARES | 07/01/2023- 09/30/24 | 2,550,000 | 2,496,832 | 2,288,767 |
| Food Bank Cares Grant 24-25 | NJDA-NRW CARES | 07/01/2024- 06/30/25 | 2,550,000 | 329,508 | 329,508 |
| Total | | | 7,650,000 | 5,376,340 | 2,644,656 |
| Total New Jersey Department of Agriculture | | | 7,907,132 | 5,376,340 | 2,796,448 |
| <u>New Jersey Department of Human Services:</u> | | | | | |
| | IC24002 | 01/01/24 - 12/30/24 | 85,000 | 56,667 | 56,667 |
| Intensive Case Management(ICM) | IC23002 | 01/01/23 - 12/30/23 | 85,000 | 85,000 | 28,475 |
| Total New Jersey Department of Human Services | | | 170,000 | 141,667 | 85,142 |
| <u>New Jersey Department of Children and Families:</u> | | | | | |
| ACES Innovation | CF0088 | 07/01/23 - 06/30/24 | 1,155,564 | 1,143,015 | 1,133,915 |
| Total New Jersey Department of Children and Families | | | 1,155,564 | 1,143,015 | 1,133,915 |
| Total State of New Jersey Financial Assistance | | | <u>\$ 19,497,604</u> | <u>\$ 9,755,545</u> | <u>\$ 6,263,850</u> |

See Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
AUGUST 31, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance, include the federal and state grant activity of Northwest New Jersey Community Action Program, Inc (Norwescap entities) and Subsidiaries' and are presented on the accrual basis of accounting. The information in the schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey Office of Management and Budget Circular Letter 15-08. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the consolidated financial statements.

NOTE 2 SUBRECIPIENTS

During the year ended August 31, 2024, the Norwescap entities did not provide any funds relating to their programs to subrecipients.

NOTE 3 INDIRECT COSTS

The Norwescap entities did not elect to use the de minimis cost rate when allocating indirect costs to programs. The Norwescap entities is operating under an approved cost allocation plan.

NOTE 4 LOAN AND LOAN GUARANTEE PROGRAMS

As of August 31, 2024, \$1,499,700 was outstanding on the federal loan program (Northwest New Jersey Echo Housing Corporation (ECHO) Program).



**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 Trustees
Northwest New Jersey Community Action Program, Inc. and Subsidiaries
Phillipsburg, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applied to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, the consolidated financial statements of Northwest New Jersey Community Action Program, Inc. and Subsidiaries (Norwescap) (the Organization), which comprise the consolidated statement of financial position as of August 31, 2024, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon, dated February 27, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

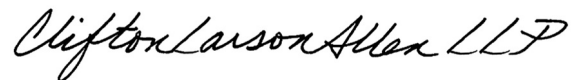
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Livingston, New Jersey
February 27, 2025



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

Board of Trustees
Northwest New Jersey Community Action Program, Inc. and Subsidiaries
Phillipsburg, New Jersey

Report on Compliance for Each Major Program

Opinion on Compliance for Each Major Program

We have audited Northwest New Jersey Community Action Program, Inc. and Subsidiaries' (Norwescap) (the Organization) compliance with the types of compliance requirements identified as subject to audit OMB *Compliance Supplement* and the New Jersey Office of Management and Budget (NJOMB) Circular Letter 15-08 that could have a direct and material effect on each of Norwescap's major federal and state programs for the year ended August 31, 2024. Norwescap's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Norwescap 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 and state programs for the year ended August 31, 2024.

Basis for Opinion on Each Major Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJOMB Circular Letter 15-08 (NJOMB). Our responsibilities under those standards, and the Uniform Guidance and NJOMB are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' 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 Norwescap's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and NJOMB 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 Norwescap's compliance with the requirements of each major federal and state, program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and NJOMB, 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 Norwescap'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 Norwescap'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 and NJOMB, but not for the purpose of expressing an opinion on the effectiveness of Norwescap'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 and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and NJOMB. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Livingston, New Jersey
February 27, 2025

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2024

Section I – Summary of the Auditors' Results

Consolidated Financial Statements

- | | | | |
|--|------------|------------------------------|--|
| 1. Type of auditors' report issued: | Unmodified | | |
| 2. Internal control over financial reporting: | | | |
| • Material weakness(es) identified? | _____ yes | _____ <u>x</u> no | |
| • Significant deficiency(ies) identified? | _____ yes | _____ <u>x</u> none reported | |
| 3. Noncompliance material to basic financial statements noted? | | | |
| | _____ yes | _____ <u>x</u> no | |

Federal and State Awards

- | | | | |
|--|------------|------------------------------|--|
| 1. Internal control over major federal programs: | | | |
| • Material weakness(es) identified? | _____ yes | _____ <u>x</u> no | |
| • Significant deficiency(ies) identified? | _____ yes | _____ <u>x</u> none reported | |
| 2. Type of auditors' report issued on compliance for major federal programs: | | | |
| | Unmodified | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance or NJOMB Circular Letter 15-08? | | | |
| | _____ yes | _____ <u>x</u> no | |

Identification of Major Federal and State Programs

| AL Number(s) | Grant Number | Federal/State Program Name or Cluster |
|-----------------|--------------|---------------------------------------|
| <u>Federal:</u> | | |
| 93.575 | UC24023 | CCRR - Sussex/Warren & Hunterdon |
| | UC23023 | CCRR - Sussex/Warren & Hunterdon |
| 10.557 | DFHS24WIC013 | Women, Infants, and Children |
| | DFHS23WIC003 | Women, Infants, and Children |

**NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED AUGUST 31, 2024**

Section I – Summary of the Auditors' Results (Continued)

State:

| | |
|----------------|-----------------------------|
| NJDA-NRW CARES | Food Bank Cares Grant 22-23 |
| NJDA-NRW CARES | Food Bank Cares Grant 23-24 |
| NJDA-NRW CARES | Food Bank Cares Grant 24-25 |
| CF0088 | ACES Innovation |

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

\$750,000

Auditee qualified as low-risk auditee?

 x yes no

Section II – Financial Statement Findings

None

Section III – Compliance Findings

None

Section IV – Prior Audit Findings

None

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
HEAD START FEDERAL FINANCIAL REPORT FORM 425
YEAR ENDED AUGUST 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

FEDERAL FINANCIAL REPORT

(Follow form instructions)

| | | | | | | | |
|---|--|---------------------|--|---|--|--|--|
| 1. Federal Agency and Organizational Element to Which Report is Submitted | | | | 2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) | | | |
| HHS-ADMINISTRATION FOR CHILDREN & FAMILIES | | | | 02CH01117705 | | | |
| 3. Recipient Organization (Name and complete address including Zip code) | | | | | | | |
| NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC | | | | | | | |
| OLD FIRTH SCHOOL, PROSPECT ST, PHILLIPSBURG, NJ 08865 | | | | | | | |
| 4a. UEI | | 4b. EIN | | 5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) | | 6. Report Type | |
| ZD5YANB61KL4 | | 1221777156A1 | | F597P | | <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Final | |
| 7. Basis of Accounting | | | | | | | |
| <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual | | | | | | | |
| 8. Project/Grant Period (Month, Day, Year) | | | | 9. Reporting Period End Date (Month, Day, Year) | | | |
| From: September 1, 2023 | | | | To: August 31, 2024 | | | |
| | | | | August 31, 2024 | | | |
| 10. Transactions | | | | | | | |
| Cumulative | | | | | | | |
| (Use lines a-c for single or combined multiple grant reporting) | | | | | | | |
| Federal Cash (To report multiple grants separately, also use FFR Attachment): | | | | | | | |
| a. Cash Receipts | | | | | | \$8,991,861.00 | |
| b. Cash Disbursements | | | | | | \$8,991,861.00 | |
| c. Cash on Hand (line a minus b) | | | | | | \$0.00 | |
| (Use lines d-o for single grant reporting) | | | | | | | |
| Federal Expenditures and Unobligated Balance: | | | | | | | |
| d. Total Federal funds authorized | | | | | | \$8,991,861.00 | |
| e. Federal share of expenditures | | | | | | \$8,991,861.00 | |
| f. Federal share of unliquidated obligations | | | | | | \$0.00 | |
| g. Total Federal share (sum of lines e and f) | | | | | | \$8,991,861.00 | |
| h. Unobligated balance of Federal funds (line d minus g) | | | | | | \$0.00 | |
| Recipient Share: | | | | | | | |
| i. Total recipient share required | | | | | | \$2,073,985.00 | |
| j. Recipient share of expenditures | | | | | | \$2,073,985.00 | |
| k. Remaining recipient share to be provided (line i minus j) | | | | | | \$0.00 | |
| Program Income: | | | | | | | |
| l. Total Federal share of program income earned | | | | | | \$0.00 | |
| m. Program income expended in accordance with the deduction alternative | | | | | | \$0.00 | |
| n. Program income expended in accordance with the addition alternative | | | | | | \$0.00 | |
| o. Unexpended program income (line l minus line m and line n) | | | | | | \$0.00 | |
| 11. Indirect Expense | | | | | | | |
| a. Type | | b. Rate | | c. Period From | | d. Base | |
| | | | | Period To | | e. Amount Charged | |
| | | | | | | f. Federal Share | |
| | | | | | | | |
| | | | | | | | |
| g. Totals: | | | | \$0.00 | | \$0.00 | |
| | | | | \$0.00 | | \$0.00 | |
| 12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation: | | | | | | | |
| 13. Certification: By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and intent set forth in the award documents. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001) | | | | | | | |
| a. Typed or Printed Name and Title of Authorized Certifying Official | | | | | | c. Telephone (Area code, number, and extension) | |
| Hajjar, Wissam | | | | | | | |
| Senior Accountant | | | | | | d. Email Address | |
| | | | | | | hajjarw@norwescap.org | |
| b. Signature of Authorized Certifying Official | | | | | | e. Date Report Submitted (Month, Day, Year) | |
| Hajjar, Wissam | | | | | | December 10, 2024 | |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
ATTACHMENT TO REPORT FOR HEAD START GRANT #02CH01117705 (UNAUDITED)
YEAR ENDED AUGUST 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

ANNUAL REPORT

Box 12 Remarks

| | |
|-----------------|---------------------|
| CAN # 3-G024122 | \$ 8,855,187 |
| CAN # 3-G024120 | 35,081 |
| CAN # 3-G024121 | 101,593 |
| Total | <u>\$ 8,991,861</u> |

ADMINISTRATIVE COSTS

| | <u>Head Start</u> | <u>Early Head Start</u> | <u>Total</u> |
|---------------|-------------------|-----------------------------|---------------------|
| Personnel | \$ 153,722 | \$ 272,700 | \$ 426,422 |
| Fringe | 37,807 | 76,195 | 114,002 |
| Supplies | 21,354 | 5,969 | 27,323 |
| Contractual | 17,404 | 24,634 | 42,038 |
| Other | 47,144 | 52,222 | 99,366 |
| Indirect Cost | 246,109 | 379,759 | 625,868 |
| Total | <u>\$ 523,540</u> | <u>\$ 811,479</u> | <u>\$ 1,335,019</u> |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF WIC EXPENDITURES
YEAR ENDED AUGUST 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

| | Final Budget (Unaudited) | Expenditure Report Results | CPA Audited Results | Questioned Costs |
|---|--------------------------------|----------------------------------|---------------------------|---------------------|
| Grant Period: 10/01/23 - 09/30/24 Report Period: 10/1/23 - 8/31/24 | | | | |
| I. WIC, GRANT NUMBER: DFHS24WIC013 | | | | |
| Category | | | | |
| A. Personnel | | | | |
| Salaries/Wages | \$ 606,118 | \$ 559,373 | \$ 559,373 | \$ - |
| Fringe Benefits | 188,100 | 156,704 | 156,704 | - |
| B. Consultants | - | - | - | - |
| C. Other Cost Categories | | | | |
| Office Expense and Related Cost | 48,775 | 55,316 | 55,316 | - |
| Program Expense and Related Cost | - | - | - | - |
| Staff Training and Education Costs | - | - | - | - |
| Travel, Conferences, and Meetings | 22,671 | 6,631 | 6,631 | - |
| Equipment and Other Capital Expenditures | - | - | - | - |
| Facility Costs | 60,203 | 23,735 | 23,735 | - |
| DFP/OA | - | - | - | - |
| Sub-Grants | - | - | - | - |
| Reserve | - | - | - | - |
| Other | - | - | - | - |
| Total Direct Cost | 925,867 | 801,759 | 801,759 | - |
| Indirect Cost | 75,750 | 69,438 | 69,438 | - |
| Total Cost | 1,001,617 | 871,197 | 871,197 | - |
| Less: Program Income | - | - | - | - |
| Net Total Cost | \$ 1,001,617 | \$ 871,197 | \$ 871,197 | \$ - |
| Grant Period: 10/01/22 - 09/30/23 Report Period: 9/1/23 - 9/30/23 | | | | |
| II. WIC GRANT NUMBER: DFHS23WIC003 | | | | |
| Category | | | | |
| A. Personnel | | | | |
| Salaries/Wages | \$ 601,956 | \$ 79,719 | \$ 79,719 | \$ - |
| Fringe Benefits | 193,012 | 17,498 | 17,498 | - |
| B. Consultants | - | - | - | - |
| C. Other Cost Categories | | | | |
| Office Expense and Related Cost | 59,389 | 11,413 | 11,413 | - |
| Program Expense and Related Cost | - | - | - | - |
| Staff Training and Education Costs | - | - | - | - |
| Travel, Conferences, and Meetings | 16,361 | 1,899 | 1,899 | - |
| Equipment and Other Capital Expenditures | - | - | - | - |
| Facility Costs | 56,347 | 2,133 | 2,133 | - |
| DFP/OA | - | - | - | - |
| Sub-Grants | - | - | - | - |
| Reserve | - | - | - | - |
| Other | - | - | - | - |
| Total Direct Cost | 927,065 | 112,662 | 112,662 | - |
| Indirect Cost | 73,518 | 6,127 | 6,127 | - |
| Total Cost | 1,000,583 | 118,789 | 118,789 | - |
| Less: Program Income | - | - | - | - |
| Net Total Cost | \$ 1,000,583 | \$ 118,789 | \$ 118,789 | \$ - |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF SHIP EXPENDITURES
YEAR ENDED AUGUST 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

| | Final Budget (Unaudited) | Expenditure Report Results | CPA Audited Results | Questioned Costs |
|---|--------------------------------|----------------------------------|---------------------------|---------------------|
| Grant Period: 04/01/24 - 03/31/25 Report Period: 4/1/24-8/31/24 | | | | |
| I. SHIP, GRANT NUMBER: DOAS24SHF009 | | | | |
| Category | | | | |
| A. Personnel | | | | |
| Salaries/Wages | \$ 18,078 | \$ 5,111 | \$ 5,111 | \$ - |
| Fringe Benefits | 2,847 | 877 | 877 | - |
| B. Consultants | 190 | 73 | 73 | - |
| C. Other Cost Categories | | | | |
| Office Expense and Related Cost | 3,881 | 1,627 | 1,627 | - |
| Program Expense and Related Cost | 4,144 | 1,910 | 1,910 | - |
| Staff Training and Education Costs | - | - | - | - |
| Travel, Conferences, and Meetings | - | - | - | - |
| Equipment and Other Capital Expenditures | - | - | - | - |
| Facility Costs | 5,630 | 2,165 | 2,165 | - |
| DFP/OA | - | - | - | - |
| Sub-Grants | - | - | - | - |
| Reserve | - | - | - | - |
| Other | - | - | - | - |
| Total Direct Cost | 34,770 | 11,763 | 11,763 | - |
| Indirect Cost | 3,230 | 1,240 | 1,240 | - |
| Total Cost | 38,000 | 13,003 | 13,003 | - |
| Less: Program Income | - | - | - | - |
| Net Total Cost | \$ 38,000 | \$ 13,003 | \$ 13,003 | \$ - |

| | Final Budget (Unaudited) | Expenditure Report Results | CPA Audited Results | Questioned Costs |
|---|--------------------------------|----------------------------------|---------------------------|---------------------|
| Grant Period: 04/01/23 - 03/31/24 Report Period: 9/1/23-3/31/24 | | | | |
| II. SHIP, GRANT NUMBER: DOAS23SHF020 | | | | |
| Category | | | | |
| A. Personnel | | | | |
| Salaries/Wages | \$ 12,727 | \$ 7,150 | \$ 7,150 | \$ - |
| Fringe Benefits | 2,212 | 1,343 | 1,343 | - |
| B. Consultants | 175 | 102 | 102 | - |
| C. Other Cost Categories | | | | |
| Office Expense and Related Cost | 3,380 | 2,163 | 2,163 | - |
| Program Expense and Related Cost | 4,459 | 4,078 | 4,078 | - |
| Staff Training and Education Costs | - | - | - | - |
| Travel, Conferences, and Meetings | - | - | - | - |
| Equipment and Other Capital Expenditures | - | - | - | - |
| Facility Costs | 9,072 | 5,328 | 5,328 | - |
| DFP/OA | - | - | - | - |
| Sub-Grants | - | - | - | - |
| Reserve | - | - | - | - |
| Other | - | - | - | - |
| Total Direct Cost | 32,025 | 20,164 | 20,164 | - |
| Indirect Cost | 2,975 | 1,735 | 1,735 | - |
| Total Cost | 35,000 | 21,899 | 21,899 | - |
| Less: Program Income | - | - | - | - |
| Net Total Cost | \$ 35,000 | \$ 21,899 | \$ 21,899 | \$ - |

NORTHWEST NEW JERSEY COMMUNITY ACTION PROGRAM, INC. AND SUBSIDIARIES
SCHEDULE OF CEED EXPENDITURES
YEAR ENDED AUGUST 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

| | Final Budget (Unaudited) | Expenditure Report Results | CPA Audited Results | Questioned Costs |
|---|--------------------------------|----------------------------------|---------------------------|---------------------|
| Grant Period: 07/01/24 - 06/30/25 Report Period: 7/1/24-8/31/24 | | | | |
| I. CEED, GRANT NUMBER: DCHS25CED002 | | | | |
| Category | | | | |
| Personnel Costs | | | | |
| Salaries/Wages | \$ 88,270 | \$ 9,622 | \$ 9,622 | \$ - |
| Fringe Benefits | 29,629 | 4,051 | 4,051 | - |
| Other Direct Costs | | | | |
| Facility Costs | 7,394 | 551 | 551 | - |
| Professional Service Agreements | 138,295 | 22,148 | 22,148 | - |
| Supplies | 3,798 | 369 | 369 | - |
| Travel | 6,598 | 74 | 74 | - |
| Other | 227,015 | 533 | 533 | - |
| Total Direct Cost | 500,999 | 37,348 | 37,348 | - |
| Indirect Cost | 10,754 | - | - | - |
| Total Cost | 511,753 | 37,348 | 37,348 | - |
| Less: Program Income | - | - | - | - |
| Net Total Cost | <u>\$ 511,753</u> | <u>\$ 37,348</u> | <u>\$ 37,348</u> | <u>\$ -</u> |

| | Final Budget (Unaudited) | Expenditure Report Results | CPA Audited Results | Questioned Costs |
|---|--------------------------------|----------------------------------|---------------------------|---------------------|
| Grant Period: 07/01/23 - 06/30/24 Report Period: 9/1/23-6/30/24 | | | | |
| II. CEED, GRANT NUMBER: DCHS24CED011 | | | | |
| Category | | | | |
| Personnel Costs | | | | |
| Salaries/Wages | \$ 68,918 | \$ 58,995 | \$ 58,995 | \$ - |
| Fringe Benefits | 26,790 | - | 22,603 | - |
| | - | 22,603 | - | - |
| Other Direct Costs | | | | |
| Facility Costs | 8,810 | 5,835 | 5,835 | - |
| Professional Service Agreements | 142,463 | 134,586 | 134,586 | - |
| Supplies | 3,798 | 2,525 | 2,525 | - |
| Travel | 5,125 | 930 | 930 | - |
| Other | - | 26 | 26 | - |
| Total Direct Cost | 255,904 | 225,500 | 225,500 | - |
| Indirect Cost | 5,488 | 5,488 | 5,488 | - |
| Total Cost | 261,392 | 230,988 | 230,988 | - |
| Less: Program Income | - | - | - | - |
| Net Total Cost | <u>\$ 261,392</u> | <u>\$ 230,988</u> | <u>\$ 230,988</u> | <u>\$ -</u> |



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