UNITED WAY OF NORTHERN NEW JERSEY
[a Nonprofit Organization]

Financial Statements

Years Ended June 30, 2025 and 2024

United Way of Northern New Jersey
[a Nonprofit Organization]

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June 30, 2025 and June 30, 2024

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Independent Auditor's Report

Board of Directors
United Way of Northern New Jersey
[a Non-Profit Organization]

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Way of Northern New Jersey [a Non-Profit Organization] (the "Organization"), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of United Way of Northern New Jersey [a Non-Profit Organization] as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audits 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 ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information Required Under Uniform Guidance and NJ OMB 15-08 and in Relation to the Financial Statements as a Whole

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards and schedule of state financial assistance, 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 OMB Circular 15-08, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Sax LLP

Parsippany, New Jersey
December 15, 2025

United Way of Northern New Jersey
[a Nonprofit Organization]
Statements of Financial Position
June 30, 2025 and 2024

Assets		**2025**		**2024**
Current assets				
Cash and cash equivalents	$	1,882,964	$	3,356,400
Investments		14,947,480		13,253,234
Pledges receivable (net of allowance for uncollectable)		66,207		99,562
Other receivables		320,248		452,199
Prepaid expenses		8,643		12,292
Total current assets		17,225,542		17,173,687
Property and equipment				
Furniture and equipment		215,813		215,813
Less accumulated depreciation		(210,262)		(198,796)
Property and equipment, net		5,551		17,017
Other assets				
Security deposits		2,000		2,000
Investments - endowment		2,270,969		2,156,986
Total assets	$	19,504,062	$	19,349,690

Liabilities and Net Assets				
Current liabilities				
Accounts payable and accrued expenses	$	662,500	$	347,580
Distributions, designations and grants payable		12,415		9,997
Deferred revenue		3,242,484		3,950,005
Total current liabilities		3,917,399		4,307,582
Net assets				
Without donor restriction		13,277,358		12,843,778
With donor restriction		2,309,305		2,198,330
Total net assets		15,586,663		15,042,108
Total liabilities and net assets	$	19,504,062	$	19,349,690

See Independent Auditors' Report and Notes to Financial Statements.

United Way of Northern New Jersey
[a Nonprofit Organization]
Statements of Activities and Changes in Net Assets
Years Ended June 30, 2025 and 2024

	2025			2024		
	Without donor restrictions	**With donor restrictions**	**Total**	**Without donor restrictions**	**With donor restrictions**	**Total**
Support and revenue						
Contributions of cash and other financial assets	$ 1,385,275	$ 0	$ 1,385,275	$ 1,572,189	$ 0	$ 1,572,189
Contributions of non-financial assets	199,070	0	199,070	197,941	0	197,941
Grants	5,393,947	0	5,393,947	5,620,443	0	5,620,443
Special Events, net of donor related benefit of $198,579 and $297,518, respectively	747,473	0	747,473	910,535	0	910,535
Out of Area designations	5,249	0	5,249	15,472	0	15,472
Prior year collections (write offs)	(11,380)	0	(11,380)	10,624	0	10,624
Results, gross	7,719,634	0	7,719,634	8,327,204	0	8,327,204
Less: Donor choice designations	(147,276)	0	(147,276)	(556,333)	0	(556,333)
Less: Allowance for uncollectibles	(6,338)	0	(6,338)	(6,800)	0	(6,800)
Results, net	7,566,020	0	7,566,020	7,764,071	0	7,764,071
United for ALICE	1,283,086	0	1,283,086	1,222,307	0	1,222,307
Interest and investment income, net of fees	1,615,376	239,098	1,854,474	1,561,867	247,271	1,809,138
Other income - processing, service fees, etc	89,232	0	89,232	1,509	0	1,509
	10,553,714	239,098	10,792,812	10,549,754	247,271	10,797,025
Net assets released due to satisfaction of purpose restrictions	128,123	(128,123)	0	70,397	(70,397)	0
Total support and revenue	10,681,837	110,975	10,792,812	10,620,151	176,874	10,797,025
Allocations and expenses						
Program services:						
Distributions	2,573,801	0	2,573,801	2,309,139	0	2,309,139
Program and initiatives expenses	5,142,555	0	5,142,555	4,665,091	0	4,665,091
Total program services	7,716,356	0	7,716,356	6,974,230	0	6,974,230
Support Services						
Administrative	720,572	0	720,572	681,018	0	681,018
Resource Development	1,811,329	0	1,811,329	1,877,215	0	1,877,215
Total support services	2,531,901	0	2,531,901	2,558,233	0	2,558,233
Total allocations and expenses	10,248,257	0	10,248,257	9,532,463	0	9,532,463
Increase in net assets	433,580	110,975	544,555	1,087,688	176,874	1,264,562
Net assets, beginning of year	12,843,778	2,198,330	15,042,108	11,756,090	2,021,456	13,777,546
Net assets, end of year	$ 13,277,358	$ 2,309,305	$ 15,586,663	$ 12,843,778	$ 2,198,330	$ 15,042,108

See Independent Auditors' Report and Notes to Financial Statements.

United Way of Northern New Jersey
[a Nonprofit Organization]
Statement of Functional Expenses
For the Period July 1, 2024 through June 30, 2025

	Program Expenses	Support Services			
	Equity for ALICE	Administrative	Resource Development	Total Support Services	Total
Distributions and grants	$ 598,012	-	-	-	$ 598,012
Direct program services	1,975,789	-	-	-	1,975,789
Gifts in Kind	199,070	-	-	-	199,070
Salaries/wages	2,982,431	$ 508,466	$ 853,759	$ 1,362,225	4,344,656
Payroll taxes	234,016	48,458	91,792	140,250	374,266
Benefits	785,419	100,405	311,529	411,934	1,197,353
Conferences	62,595	6,674	12,503	19,177	81,772
Depreciation	8,462	803	2,201	3,004	11,466
Equipment maintenance and rental	92,103	8,002	109,845	117,847	209,950
Information technology	19,235	4,158	13,837	17,995	37,230
Insurance	17,522	1,662	4,558	6,220	23,742
Interest and bank fees	84,909	16,119	37,967	54,086	138,995
Meetings	14,477	1,196	6,203	7,399	21,876
Memberships and subscriptions	4,453	511	1,777	2,288	6,741
Occupancy	50,965	3,951	10,837	14,788	65,753
Postage	4,553	388	3,447	3,835	8,388
Printing and promotional	5,990	-	45,983	45,983	51,973
Professional fees	439,688	14,927	164,137	179,064	618,752
Supplies	58,357	585	15,353	15,938	74,295
Travel	18,442	362	5,775	6,137	24,579
UWW dues/payments to affiliates	59,868	3,905	10,710	14,615	74,483
Events fundraising	-	-	95,322	95,322	95,322
Cost of direct benefits to donors	-	-	198,579	198,579	198,579
Event summit	-	-	-	-	-
Events friendraising	-	-	13,794	13,794	13,794
Total Expenses	7,716,356	720,572	2,009,908	2,730,480	10,446,836
Less expenses included with revenues in the statement of activities					
Cost of direct benefits to donors	-	-	(198,579)	(198,579)	(198,579)
Total Functional Expenses	$ 7,716,356	$ 720,572	$ 1,811,329	$ 2,531,901	$ 10,248,257

See Independent Auditors' Report and Notes to Financial Statements.

United Way of Northern New Jersey
[a Nonprofit Organization]
Statement of Functional Expenses
For the Period July 1, 2023 through June 30, 2024

	Program Expenses	Support Services			
	Equity for ALICE	Administrative	Resource Development	Total Support Services	Total
Distributions and grants	$ 491,111	-	-	-	$ 491,111
Direct program services	1,818,528	-	-	-	1,818,528
Gifts in Kind	197,941	-	-	-	197,941
Salaries/wages	2,296,764	$ 458,836	$ 890,748	$ 1,349,584	3,646,348
Payroll taxes	188,045	42,592	100,678	143,270	331,315
Benefits	674,079	97,238	322,070	419,308	1,093,387
Conferences	32,648	8,662	8,430	17,092	49,740
Depreciation	18,950	1,850	5,552	7,402	26,352
Equipment maintenance and rental	78,322	8,733	93,534	102,267	180,589
Information technology	23,537	2,122	19,113	21,235	44,772
Insurance	16,057	1,568	4,705	6,273	22,330
Interest and bank fees	97,331	9,935	28,941	38,876	136,207
Meetings	16,211	2,195	6,197	8,392	24,603
Memberships and subscriptions	2,614	367	1,852	2,219	4,833
Occupancy	51,865	3,246	9,742	12,988	64,853
Postage	3,128	263	2,778	3,041	6,169
Printing and promotional	12,495	-	37,295	37,295	49,790
Professional fees	652,690	17,103	116,204	133,307	785,997
Supplies	33,972	2,061	26,662	28,723	62,695
Travel	10,045	89	4,083	4,172	14,217
UWW dues/payments to affiliates	61,523	4,988	14,971	19,959	81,482
Events fundraising	-	-	115,406	115,406	115,406
Cost of direct benefits to donors	-	-	165,863	165,863	165,863
Event summit	196,374	19,170	57,699	76,869	273,243
Events friendraising	-	-	10,555	10,555	10,555
Total Expenses	6,974,230	681,018	2,043,078	2,724,096	9,698,326
Less expenses included with revenues in the statement of activities					
Cost of direct benefits to donors	-	-	(165,863)	(165,863)	(165,863)
Total Functional Expenses	$ 6,974,230	$ 681,018	$ 1,877,215	$ 2,558,233	$ 9,532,463

See Independent Auditors' Report and Notes to Financial Statements.

United Way of Northern New Jersey
[a Nonprofit Organization]
Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	2025		2024	
Cash Flows from Operating Activities				
Change in net assets		$ 544,555		$ 1,264,562
Adjustments to reconcile change in net assets to net cash (used for) provided by operating activities:				
Net unrealized and realized (gain) loss on investments	$ (1,484,325)		$ (1,475,070)	
Depreciation	11,466		26,352	
Increase (decrease) in assets:				
Pledges receivable	33,355		56,191	
Prepaid expenses and other current assets	135,600		153,480	
(Increase) decrease in liabilities:				
Accounts payable and accrued expenses	314,920		(104,877)	
Distributions, designations and grants payable	2,418		2,907	
Deferred revenue	(707,521)		(1,547,897)	
Net adjustments to reconcile net change in net assets to net cash used for operating activities		(1,694,087)		(2,888,914)
Net Cash used for Operating Activities		(1,149,532)		(1,624,352)
Cash Flows from Investing Activities				
Expenditures for property and equipment	0		(6,165)	
Proceeds from investments	2,464,319		4,969,254	
Purchases of investments	(2,788,223)		(5,329,064)	
Net Cash (used for) provided by Investing Activities		(323,904)		(365,975)
Net Decrease in Cash and Cash Equivalents		(1,473,436)		(1,990,327)
Cash and Cash Equivalents at Beginning of Period		3,356,400		5,346,727
Cash and Cash Equivalents at End of Period		$ 1,882,964		$ 3,356,400
Supplementary Information:				
Interest paid		$ 0		$ 0
Taxes paid		$ 0		$ 0

See Independent Auditors' Report and Notes to Financial Statements.

Note 1 – Organization and Purpose:

United Way of Northern New Jersey [a Non-Profit Organization] boldly founded a movement in 2009 to better understand, support, and amplify the needs of workers putting in the hours but struggling financially. We call these low-wage workers ALICE® (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed). Today, we remain dedicated to building a future where ALICE and those in poverty can save for an emergency, access quality care for vulnerable family members, and have the opportunity to achieve their potential in the workplace.

We are ensuring ALICE is no longer undercounted and overlooked.

Our nationally renowned research and analysis engine, United For ALICE, places a spotlight on ALICE's unique struggle. Earning too little to afford the basics and too much for government support, ALICE has few places to turn for help when facing impossible choices.

Pay for quality child care or the heating bill? Groceries or a costly medication? These are the tradeoffs ALICE has to weigh while serving as our child care providers, nursing home staff, cashiers, delivery drivers, etc.

Using our data and research, champions for ALICE are innovating, advocating, and collaborating on solutions that strive to ensure opportunity and stability for ALICE households at the local, state, and national levels.

At this United Way, we show up for ALICE by investing in ALICE's future in the workplace, at home, and across the community.

We are an independent nonprofit organization that runs this national research and analysis project but also serves communities across five counties which account for 1,700 square miles and over 1.2 million residents. An affiliate of United Way Worldwide, United Way of Northern New Jersey [a Non-Profit Organization] pays dues to United Way Worldwide in return for the benefits of branding, promotion, leadership, and support to local United Ways. Payments made are disclosed on the statement of functional expenses under the caption "UWW dues/payments to affiliates".

Note 2 – Summary of Significant Accounting Policies:

A. Basis of Presentation – External financial reporting by not-for-profit organizations requires that resources be classified for accounting and reporting purposes into net asset categories based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of United Way of Northern New Jersey [a Non-Profit Organization] and changes therein are classified as follows:

   - Net assets without donor restrictions: Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization.

   - Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

   The Organization follows the simultaneous release accounting policy for donor-restricted contributions whose restrictions are met in the same reporting period in which the contribution is received. Under this policy, such contributions are reported directly as support without donor restrictions, rather than being recorded first as restricted and subsequently released.

Note 2 – Summary of Significant Accounting Policies *(Continued)*:

Certain reclassifications have been made to the 2024 financial statements in order to conform to the 2025 financial statements.

B. Revenue and Support Recognition – The Organization derives its revenue primarily from contributions and grants which follows the guidance under Topic 958 – *Non-Profit Entities*. Additionally, the Organization receives support from fundraising activities, such as special events services related to United For ALICE. Under ASC Topic 606, revenue is recognized when performance obligations to a customer are satisfied, and revenue is earned.

Special Events

Fundraising revenue is comprised of payments received from third parties (individuals and corporations) to support and/or attend fundraising events. Fundraising revenue includes an exchange transaction component for the value of the goods or services received, which follows revenue recognition guidance under ASC Topic 606. The amount paid by individuals and corporations that is above the value of goods or services is considered a contribution. Revenue is recognized at the time the fundraising event occurs.

United For ALICE

Existing states that are part of the ALICE network are required to pay a membership fee over a 2 year period. As part of their membership, each state receives access to various data, surveys, a data refresh, and other benefits. The various benefits received by members are not available separately and are dependent on one another to derive any benefit to the member. As a result, the benefits are not capable of being distinct from one another and therefore there is one performance obligation that is recognized ratably over the membership period of 2 years.

New states are required to enter into an initial 2 to 3-year membership which provides many of the similar benefits that are received by existing states within the ALICE network. New states are required to pay the total membership over the 2 to 3-year period and the Organization recognizes the revenue ratably over the membership period of years.

Contributions and Grants

Contributions, grants and related pledge receivables are recognized when a donor makes a pledge to the United Way of Northern New Jersey [a Non-Profit Organization] that is, in substance, unconditional. Contributions received are recorded as without donor restrictions unless there is existence and/or nature of any donor stipulation.

Contributions receivable due within one year are recorded at their net realizable value. Contributions receivable due in more than one year are recorded at the present value of their net realizable value, using risk free interest rates applicable to the years in which the contributions are received to discount the amounts. As of June 30, 2025 and June 30, 2024, United Way of Northern New Jersey [a Non-Profit Organization] did not have any contributions receivable due in more than one year.

United Way of Northern New Jersey [a Non-Profit Organization] closely monitors pledges receivable. The receivables are evaluated and an allowance for doubtful accounts is established based on a history of past write-offs and collections and other factors that might result in uncollectible balances. The allowance at June 30, 2025 and June 30, 2024 was $6,338 and $8,241, respectively.

Note 2 – Summary of Significant Accounting Policies *(Continued)*:

The Organization recognizes an allowance for expected credit losses on other receivables, in accordance with FASB Accounting Standards Update ("ASU") 2016-13, *Financial Instruments – Credit Losses* (Topic 326"). The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the financial instrument. The expected credit losses on accounts receivable are estimated based on historical credit loss experience, again analysis, and management's assessment of current conditions and reasonable and supportable expectations of future conditions. The Organization assesses collectability by pooling receivables where similar characteristics exist and evaluates receivables individually when specific customer balances no longer share those risk characteristics and are considered at-risk or uncollectible. Other receivables balances are charged against the allowance for credit losses after recovery efforts have ceased.

United Way of Northern New Jersey [a Non-Profit Organization] receives contributions of nonfinancial assets from volunteers, officers and directors, and other organizations to support administrative, fundraising, and programmatic efforts. No amounts have been reflected in the financial statements because the criteria for recognition of such volunteer efforts have not been satisfied.

Funding received from government grant agencies are cost reimbursement in nature. Grant agencies are not directly receiving commensurate value for the services provided to ALICE; therefore, grant revenue follows recognition guidance under ASC 958. Funds received from government agencies are required to be spent in accordance with the approved budget and allowable cost guidelines from the federal government, therefore, making the funding received a conditional contribution under ASC 958. Revenue is recognized as conditions are met and services are provided to ALICE. Private grants and contributions, also considered to be conditional, are recognized as revenue upon the satisfaction of conditions. Government or private grant dollars received in advance of conditions being met are recorded as deferred revenue until conditions are satisfied and revenue can be recognized.

The Organization recognizes private grants and contributions as revenue when the award is received if they are deemed unconditional. Private grants and contributions with donor stipulations are reported as restricted support. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. However, restricted contributions whose restrictions expire or are otherwise satisfied within the period are reported as unrestricted revenue in the statements of activities and changes in net assets.

C. Donor Designated Funds – United Way of Northern New Jersey [a Non-Profit Organization] receives funds that are considered pass through items that have been designated by the donor to other nonprofit entities. These funds have been recorded as liabilities until the funds are disbursed as they are not pledges or revenue to United Way of Northern New Jersey [a Non-Profit Organization]. These funds also include several charitable giving campaigns run by local companies for which United Way of Northern New Jersey [a Non-Profit Organization] is processing the transactions for the employer.

D. Cash and Cash Equivalents – United Way of Northern New Jersey [a Non-Profit Organization] considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. Within cash and cash

Note 2 – Summary of Significant Accounting Policies *(Continued)*:

equivalents are money market funds which totaled $1,225,131 and $1,673,229 as of June 30, 2025 and 2024, respectively.

E. Investments – Securities purchased for investment are carried at fair value; those received as gifts are recorded at fair value at the date of gift.

F. Property, Equipment, and Depreciation – Property and equipment are recorded at cost, except for donated items that are recorded at fair value on the date of donation. The Organization capitalizes all property and equipment with a useful life of more than one year and a cost of at least $5,000. Donated property and equipment is recorded as restricted support when donors stipulate how long the assets must be used. In the absence of such stipulations, contributions of property and equipment are recorded as net assets without restrictions. Depreciation is provided for over the useful life of the underlying asset, ranging between a 3 to 10 year period, using the straight-line method. Depreciation expense amounted to $11,465 and $26,352 respectively, for the period from July 1, 2024 through June 30, 2025, and the period from July 1, 2023 through June 30, 2024, respectively.

   Major replacements and improvements of property and equipment are capitalized. Minor replacements, repairs, and maintenance are charged to expense as incurred. Upon retirement or sale, the cost of the assets disposed, and the related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recorded in operations.

   Long-lived assets held and used by the Organization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived assets may be impaired, an evaluation of recoverability would be performed.

G. Income Taxes – United Way of Northern New Jersey [a Non-Profit Organization] is a not-for-profit corporation exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, no provision for income taxes has been recorded in the statements of activities and changes in net assets.

   The Financial Accounting Standards Board issued guidance on accounting for uncertainty in income taxes. Management evaluated the Organization's tax positions and concluded that the organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

H. Functional Allocation of Expenses – The costs of providing program and supporting services have been summarized on a functional basis. Expenses are allocated to each function or program based on time spent by United Way of Northern New Jersey [a Non-Profit Organization] staff in each of these areas which is consistent with the benefit derived by each program. In recognition of the work in focusing more closely on efforts that support the strategic vision of the Organization to achieve a lasting impact in the communities served, all programmatic activity is aligned into what is called Equity for ALICE.

I. Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Note 2 – Summary of Significant Accounting Policies *(Continued)*:

J. United Way of Northern New Jersey [a Non-Profit Organization] has evaluated for any subsequent events through December 15, 2025, which is the date these financial statements were available to be issued.

Note 3 – Property and Equipment:

Property and Equipment as of June 30, 2025 and 2024 consist of the following:

	Estimated Useful Lives		June 30, 2025		June 30, 2024
Equipment	5-10 years	$	206,891	$	206,891
Furniture and fixtures	5-10 years		8,922		8,922
Subtotals			215,813		215,813
Less: Accumulated depreciation			(210,262)		(198,796)
Totals		$	5,551	$	17,017

Note 4 – Fair Value Measurements:

United Way of Northern New Jersey [a Non-Profit Organization] values its financial assets and liabilities based on the price 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. In order to increase consistency and comparability in fair value instruments, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices in active markets 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: 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 with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to level 3 inputs.

In determining fair value, United Way of Northern New Jersey [a Non-Profit 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 in its assessment of fair value.

Note 4 – Fair Value Measurements (*Continued*):

Financial assets carried at fair value at June 30, 2025 and June 30, 2024 are classified in the tables below in one of the three categories described above.

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
Investments:				
Mutual Funds:				
Equity Funds:				
Index	$ 763,413	$ 0	$ 0	$ 763,413
Large Cap - US	6,892,175	0	0	6,892,175
Large Cap - Non-US	3,236,453	0	0	3,236,453
Mid Cap - US	721,682	0	0	721,682
Small Cap - US	1,499,112	0	0	1,499,112
Bond Funds:				
Index	3,083,770	0	0	3,083,770
Corporate debt securities	1,021,844	0	0	1,021,844
Total	$ 17,218,449	$ 0	$ 0	$ 17,218,449

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
Investments:				
Mutual Funds:				
Equity Funds:				
Index	$ 685,600	$ 0	$ 0	$ 685,600
Large Cap - US	6,067,145	0	0	6,067,145
Large Cap - Non-US	2,566,534	0	0	2,566,534
Small Cap - US	2,126,586	0	0	2,126,586
Bond Funds:				
Index	3,080,104	0	0	3,080,104
Corporate debt securities	884,251	0	0	884,251
Total	$ 15,410,220	$ 0	$ 0	$ 15,410,220

Instruments in mutual funds are valued at the net asset value of shares held by United Way of Northern New Jersey [a Non-Profit Organization] at period end. Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. As of June 30, 2025 and 2024, total cost basis for the above securities was $14,569,912 and $14,200,500, respectively.

Note 5 – Endowment:

United Way of Northern New Jersey's [a Non-Profit Organization] endowment consists of funds established for a variety of purposes. Its endowment includes donor restricted endowment funds. As required by accounting principles generally accepted in the United States of America ("GAAP"), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law:

The Organization has interpreted the New Jersey Uniform Prudent Management of Institutional Funds Act ("NJUPMIFA") as requiring the preservations of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, United Way of Northern New Jersey [a Non-Profit Organization] classifies as net assets with donor restrictions (a) the original value of the gifts donated to the endowment in perpetuity: (b) the original value of subsequent gifts to the endowment in perpetuity; and (c) accumulations to the endowment in perpetuity made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor restricted endowment fund that is not classified as endowment in perpetuity is classified as endowment subject to appropriation and expenditure when a particular event occurs; or endowment subject to spending policy and appropriation, until those amounts are appropriated for expenditure by United Way of Northern New Jersey [a Non-Profit Organization] in a manner consistent with the standard of prudence prescribed by NJUPMIFA. In accordance with NJUPMIFA, United Way of Northern New Jersey [a Non-Profit Organization] considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds.

1. The duration and preservation of the fund.
2. The purposes of United Way of Northern New Jersey and the donor restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of United Way of Northern New Jersey.
7. The investment policies of United Way of Northern New Jersey.

From time to time, the fair market value of assets associated with donor-restricted endowment funds may fall below the level that the donor or NJUPMIFA requires United Way of Northern New Jersey [a Non-Profit Organization] to retain as a fund of perpetual duration. There were no such deficiencies as of June 20, 2025 and 2024.

Spending Policy and How the Investment Objectives Related to Spending Policy:

United Way of Northern New Jersey [a Non-Profit Organization] has an annual endowment spending policy that is specifically designed to assist in funding annual programming objectives and to preserve the value of the investment portfolio over time.

For the general endowment fund, the spending policy is between 5% and 6% of the fund value averaged over the preceding five-year period as of December 31 of that period. In establishing this policy, United Way of Northern New Jersey [a Non-Profit Organization] considered the long term expected return on its endowment. Accordingly, over the long term, United Way of Northern New Jersey [a Non-Profit Organization] expects the current spending policy to allow its endowment to grow and maintain its value to support operations in the future. To meet these objectives, United Way of Northern New Jersey [a Non-Profit Organization] utilizes a total return investment

Note 5 – Endowment (*Continued)*:

approach which emphasizes total investment return, consisting of investment income and realized and unrealized gains or losses and, accordingly, invests in equities, fixed income, and money market accounts.

For the donor restricted endowment funds, there are a range of separate funds which have donor-imposed restrictions as to time and purpose, as well as varying valuation dates and formulas for the calculation of same.

Endowment net asset composition by type of fund and changes in endowment net assets for the years ended June 30, 2025 and 2024 consist of the following:

	June 30, 2025		
	Net assets without donor restrictions	Net assets with donor restrictions	Total
General endowment	$ 0	$ 1,357,284	$ 1,357,284
Donor restricted endowment funds	0	913,685	913,685
Total Endowment Funds	$ 0	$ 2,270,969	$ 2,270,969
Endowment net assets, at beginning of period			
General endowment	$ 0	$ 1,263,806	$ 1,263,806
Donor restricted endowment funds	0	893,180	893,180
Investment return			
General endowment	0	165,917	165,917
Donor restricted endowment funds	0	76,188	76,188
Appropriation of endowment assets for expenditure			
General endowment	0	(72,439)	(72,439)
Donor restricted endowment funds	0	(55,683)	(55,683)
Endowment net assets, at end of period	$ 0	$ 2,270,969	$ 2,270,969

Note 5 – Endowment (*Continued)*:

	June 30, 2024		
	Net assets without donor restrictions	Net assets with donor restrictions	Total
General endowment	$ 0	$ 1,263,806	$ 1,263,806
Donor restricted endowment funds	0	893,180	893,180
Total Endowment Funds	$ 0	$ 2,156,986	$ 2,156,986
Endowment net assets, at beginning of period			
General endowment	$ 0	$ 1,142,587	$ 1,142,587
Donor restricted endowment funds	0	813,848	813,848
Investment return			
General endowment	0	191,616	191,616
Donor restricted endowment funds	0	79,332	79,332
Appropriation of endowment assets for expenditure			
General endowment	0	(70,397)	(70,397)
Donor restricted endowment funds	0	0	0
Endowment net assets, at end of period	$ 0	$ 2,156,986	$ 2,156,986

Note 6 – Investments:

	June 30, 2025	June 30, 2024
Interest and dividends, net of fees	$ 370,149	$ 334,068
Net realized and unrealized gains (losses)	1,484,325	1,475,070
Total	$ 1,854,474	$ 1,809,138

Note 7 – Concentrations of Credit Risk:

United Way of Northern New Jersey's [a Non-Profit Organization] financial instruments that are exposed to concentrations of credit risk consist primarily of its cash, cash equivalents, receivables, and investments. United Way of Northern New Jersey's [a Non-Profit Organization] financial instruments are placed with a wide array of institutions that have high credit ratings. Cash equivalents and investments are in certificates of deposit, treasury bills, money market funds, and high-quality equities. This investment policy limits United Way of Northern New Jersey's [a Non-Profit Organization] exposure to concentrations of credit risk. United Way of Northern New Jersey [a Non-Profit Organization] frequently has cash in excess of FDIC $250,000 limitations. At June 30, 2025 and June 30, 2024, this amount was $201,464 and $295,281, respectively. United Way of Northern New Jersey [a Non-Profit Organization] has a longstanding history of collecting its pledges receivable, which are from contribution pledges

Note 7 – Concentrations of Credit Risk *(Continued)*:

from numerous donors throughout the tri-state region. An allowance for uncollectible has historically been established for amounts whose collection is questionable.

Note 8 – Contributions of Nonfinancial Assets:

For the years ended June 30, 2025 and 2024, contributed nonfinancial assets recognized within the Statement of Activities included:

	June 30, 2025	June 30, 2024
Holiday Gifts	$ 108,304	$ 102,398
School Supplies	90,766	95,543
Total Contributions nonfinancial	$ 199,070	$ 197,941

United Way of Northern New Jersey [a Non-Profit Organization] recognized nonfinancial assets within revenue, including Holiday Gifts and School Supplies. Nonfinancial contributions are recorded at estimated fair value when received. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Holiday Gifts were distributed to families experiencing financial hardship through our Gifts of the Season program. School Supplies were distributed to local schools through our Tools for School annual school supplies drive.

Note 9 – Liquidity and Availability:

The following reflects the financial assets of the United Way of Northern New Jersey [a Non-Profit Organization] as of June 30, 2025 and 2024, reduced by amounts not available for general use:

	June 30, 2025	June 30, 2024
Financial assets at year end:		
Cash and equivalents	$ 1,882,964	$ 3,356,400
Investments	17,218,449	15,410,220
Pledges receivable, net	66,207	99,562
Other receivables	320,248	452,199
Less those unavailable for general expenditures within one year, due to:		
Restricted by donor for time or purpose	(722,812)	(611,837)
Restricted by donor in perpetuity	(1,586,493)	(1,586,493)
Financial assets available to meet cash needs for general expenditures within one year	$ 17,178,563	$ 17,120,051

Note 9 – Liquidity and Availability *(Continued)*:

United Way of Northern New Jersey [a Non-Profit Organization] receives restricted donations. Because a donor's restriction requires resources to be used in a particular manner, the organization must maintain sufficient resources to meet those responsibilities to those donors.

As part of United Way of Northern New Jersey's [a Non-Profit Organization] liquidity management, it is a goal to structure financial assets to be available as its general expenditures, liabilities, and other obligations come due. To achieve that goal, all programs have budgets, and results are reviewed monthly with senior management and program leads. Significant variances are identified for follow up and appropriate action. In addition, cash balances are reviewed daily, forecasts are prepared bi-weekly, and 12-month forecasts are prepared for the Board in conjunction with the issuance of period end financial statements.

Note 10 – Employee Benefit Retirement Plan:

United Way of Northern New Jersey [a Non-Profit Organization] has a non-contributory, defined contribution plan (the "Plan") for the benefit of its employees. All salaried employees with one year of service working at least 1,000 hours per year who have attained age 21 are eligible under the Plan. Any new employees that have 18 months of previous service with nonprofit health or human service agencies, within the past three years, have the one-year service requirement waived. Employees are 100 percent vested after five years of eligibility in the Plan. The Plan requires that every year United Way of Northern New Jersey [a Non-Profit Organization] contribute 3 percent as a safe harbor election to the Plan with an additional employer discretionary contribution, currently 7 percent. Contributions to the plan for the period of July 1, 2024 through June 30, 2025, and July 1, 2023 through June 30, 2024, were $379,119 and $321,852, respectively. It is the policy of United Way of Northern New Jersey [a Non-Profit Organization] to fund the Plan currently.

Note 11 – Net Assets:

Net assets consist of funds that are with and without donor restrictions. Net assets without donor restrictions represent net assets that are not subject to donor restrictions, as well as voluntary reserves such as separate components of board-designated net assets. United Way of Northern New Jersey [a Non-Profit Organization] does not have any board-designated net assets.

Note 11 – Net Assets (*Continued)*:

Changes to net assets with donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors for the years ended June 30, 2025 and 2024 are as follows:

	Balance July 1, 2024	Increase/Decrease	Balance June 30, 2025
Equity for ALICE	$ 611,837	$ 110,975	$ 722,812
Total	$ 611,837	$ 110,975	$ 722,812

	Balance July 1, 2023	Increase/Decrease	Balance June 30, 2024
Equity for ALICE	$ 434,963	$ 176,874	$ 611,837
Total	$ 434,963	$ 176,874	$ 611,837

Changes to net assets with donor restrictions that are endowment in perpetuity, the income from which is appropriated to support specific purposes as well as defray operating expenses for programmatic purposes, are as follows:

	Balance July 1, 2024	Increase/Decrease	Balance June 30, 2025
Equity for ALICE	$ 1,586,493	$ 0	$ 1,586,493
Total	$ 1,586,493	$ 0	$ 1,586,493

	Balance July 1, 2023	Increase/Decrease	Balance June 30, 2024
Equity for ALICE	$ 1,586,493	$ 0	$ 1,586,493
Total	$ 1,586,493	$ 0	$ 1,586,493

United Way of Northern New Jersey
[a Nonprofit Organization]
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor	Federal Assistance Listing Number	NJ Pass-Through Grant Award Number	Total Federal Expenditures
US Small Business Association			
Congressional Grants	59.059		$ 72,030
Department of the Treasury			
Volunteer Income Tax Assistance Matching Grant Program	21.009		270,000
Passed through the New Jersey Department of Community Affairs			
COVID- 19 Coronavirus State and Local Fiscal Recovery Funds	21.027	G2024-40	852,293
Total federal expenditures			**$ 1,194,323**

United Way of Northern New Jersey
[a Nonprofit Organization]
Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2025

State Grantor Department	Program Title	State Grant Award Number	Grant Award Period From	Grant Award Period To	Fiscal Year Grant Expenditures	Total Grant Expenditures
New Jersey Department of Community Affairs	Coronavirus State and Local Fiscal Recovery Funds - United in Care Program	G2024-40	10/25/24	12/31/26	$ 852,293	$ 852,293
New Jersey Department of Community Affairs	Volunteer Income Tax Assistance Matching Grant - VITA 2025	2025-05212-0093-00	07/01/24	12/31/25	750,000	750,000
	United in Care 2024	2024-05437-0521-00	07/01/23	12/31/25	375,000	375,000
	United in Care 2025	2024-05437-0265-00	07/01/24	12/31/25	850,000	850,000
New Jersey Department of State	Volunteer Generation Fund	VG25-VolunteerGen-009	10/01/24	09/30/25	52,609	52,609
Total state expenditures					**$ 2,879,902**	**$ 2,879,902**

United Way of Northern New Jersey
[a Nonprofit Organization]
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
Year Ended June 30, 2025

Note 1 - General Information

The accompanying schedule of expenditures of federal awards and schedule of expenditures of state financial assistance presents the activities in all the federal and state financial award programs of the Organization. All financial awards received directly from federal and state agencies as well as financial awards passed through other governmental agencies or not-for-profit organizations are included on the schedule.

Note 2 - Basis of Accounting

The accompanying schedule of expenditures of federal awards and schedule of expenditures of state financial assistance (the "Schedules") includes the grant activity of the Organization and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and *NJ OMB Circular 15-08*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

Note 3 - Indirect Cost Rate

The Organization did not elect to use the ten percent *de-minimis* cost rate.

Note 4 - Relationship to Basic Financial Statements

Federal and state award expenditures are reported on the statements of activities as functional and supporting expenses. In certain programs, the expenditures reported in the basic financial statements may differ from the expenditures reported in the schedule of expenditures of federal awards financial assistance due to program expenditures exceeding grant limitations or capitalization policies required by U.S. GAAP.

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*

Independent Auditor's Report

Board of Directors
United Way of Northern New Jersey
[a Non-Profit Organization]

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the United Way of Northern New Jersey [a Non-Profit Organization] (the "Organization"), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered United Way of Northern New Jersey's [a Non-Profit Organization] 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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of United Way of Northern New Jersey's [a Non-Profit Organization] internal control. Accordingly, we do not express an opinion on the effectiveness of United Way of Northern New Jersey's [a Non-Profit Organization] internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the United Way of Northern New Jersey's [a Non-Profit Organization] financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Sax LLP

Parsippany, New Jersey
December 15, 2025

Report on Compliance for Each Major Federal and State Program; Report on Internal Control Over Compliance Required by OMB Uniform Guidance and NJ OM Circular 15-08

Independent Auditor's Report

Board of Directors
United Way of Northern New Jersey
[a Non-Profit Organization]

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the United Way of Northern New Jersey [a Non-Profit Organization] compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and *NJ OMB Circular 15-08* that could have a direct and material effect on each of the Organization's major federal and state programs for the year ended June 30, 2025. The Organization's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the 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 June 30, 2025.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); 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 *NJ OMB Circular 15-08*. Our responsibilities under those standards and the Uniform Guidance and NJ OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance and NJ OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance and NJ OMB Circular 15-08, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and NJ OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Sax LLP

Parsippany, New Jersey
December 15, 2025

United Way of Northern New Jersey
[a Nonprofit Organization]
Schedule of Findings and Questioned Costs – Federal Awards
Year Ended June 30, 2025

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Noncompliance material to combined financial statements noted?	No

Federal Awards

Internal control over the program	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for the program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	No

Identification of major federal programs

Assistance Living #	Name of Federal Program
21.027	U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold to distinguish between Type A and Type B Programs	$750,000
Auditee qualified as low risk auditee?	Yes

Section II. Financial Statement Findings

None

Section III. Findings and Questioned Costs for Federal Awards and Contracts

None

United Way of Northern New Jersey
[a Nonprofit Organization]
Schedule of Findings and Questioned Costs – State Financial Assistance
Year Ended June 30, 2025

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Noncompliance material to combined financial statements noted?	No

State Awards

Internal control over the program	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Type of auditor's report issued on compliance for the program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance and NJ OMB Circular 15-08?	No

Identification of major state programs

Contract Number	State Program
2024-05437-0265-00	New Jersey Department of Community Affairs United in Care 2025

Dollar threshold to distinguish between Type A and Type B Programs	$750,000
Auditee qualified as low risk auditee?	Yes

Section II. Financial Statement Findings

None

Section III. Findings and Questioned Costs for State Financial Assistance

None

United Way of Northern New Jersey
[a Nonprofit Organization]
Schedule of Prior Year Findings
Year Ended June 30, 2025

There were no findings for the year ended June 30, 2024.