

New Jersey Civic Information Consortium

Financial Statements and
New Jersey OMB Circular Letter 15-08 Schedules
Together With Independent Auditors' Reports

December 31, 2024 and 2023

New Jersey Civic Information Consortium

Financial Statements and New Jersey OMB Circular Letter 15-08 Schedules Together With Independent Auditors' Reports

December 31, 2024 and 2023

TABLE OF CONTENTS	Page
Independent Auditors' Report	
FINANCIAL STATEMENTS	
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6
Statements of Cash Flows	7
Notes to Financial Statements	8-13
NEW JERSEY OMB CIRCULAR LETTER 15-08 SCHEDULES AND REPORTS	
Schedule of Expenditures of State Financial Assistance	14
Notes to Schedule of Expenditures of State Financial Assistance	15
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	
Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by New Jersey OMB Circular 15-08	
Schedule of Findings and Questioned Costs	21

Independent Auditors' Report

Board of Directors
New Jersey Civic Information Consortium

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of New Jersey Civic Information Consortium (the "Consortium"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the New Jersey Civic Information Consortium as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("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 Financial Statements section of our audit. We are required to be independent of the Consortium 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 Consortium's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance, as required by the State of New Jersey Department of Treasury OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2025, on our consideration of the Consortium'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 Consortium'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 Consortium's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

September 17, 2025

New Jersey Civic Information Consortium

Statements of Financial Position

	December 31,	
	2024	2023
ASSETS		
Cash	\$ 465,386	\$ 5,414,054
Investments	5,469,502	-
Promises to give	131,000	505,429
Prepaid expenses	20,262	7,930
Property and equipment, net	1,201	2,105
	<u>\$ 6,087,351</u>	<u>\$ 5,929,518</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 1,419,920	\$ 625,855
Accrued payroll	7,578	3,609
Grant advances	3,148,156	4,136,603
Total Liabilities	<u>4,575,654</u>	<u>4,766,067</u>
NET ASSETS		
Net assets - without donor restrictions	570,133	383,903
Net assets - with donor restrictions	941,564	779,548
Total Net Assets	<u>1,511,697</u>	<u>1,163,451</u>
	<u>\$ 6,087,351</u>	<u>\$ 5,929,518</u>

See notes to financial statements

New Jersey Civic Information Consortium

Statements of Activities

	Year Ended December 31, 2024			Year Ended December 31, 2023		
	Without Donor Restrictions	With Donor Restrictions	2024 Total	Without Donor Restrictions	With Donor Restrictions	2023 Total
REVENUE AND SUPPORT						
Government grants	\$ 3,988,447	\$ -	\$ 3,988,447	\$ 3,968,427	\$ -	\$ 3,968,427
Foundation grants and promises to give	5,000	604,571	609,571	806	915,429	916,235
Contributions	1,368	-	1,368	-	-	-
Interest income	58,947	-	58,947	4,120	-	4,120
Investment income	107,939	-	107,939	-	-	-
Net assets released from restrictions	442,555	(442,555)	-	135,881	(135,881)	-
Total Revenue and Support	<u>4,604,256</u>	<u>162,016</u>	<u>4,766,272</u>	<u>4,109,234</u>	<u>779,548</u>	<u>4,888,782</u>
EXPENSES						
Program services	4,122,816	-	4,122,816	3,890,128	-	3,890,128
Management and general	243,888	-	243,888	200,725	-	200,725
Fundraising	51,322	-	51,322	-	-	-
Total Expenses	<u>4,418,026</u>	<u>-</u>	<u>4,418,026</u>	<u>4,090,853</u>	<u>-</u>	<u>4,090,853</u>
Change in Net Assets	186,230	162,016	348,246	18,381	779,548	797,929
NET ASSETS						
Beginning of year	<u>383,903</u>	<u>779,548</u>	<u>1,163,451</u>	<u>365,522</u>	<u>-</u>	<u>365,522</u>
End of year	<u>\$ 570,133</u>	<u>\$ 941,564</u>	<u>\$ 1,511,697</u>	<u>\$ 383,903</u>	<u>\$ 779,548</u>	<u>\$ 1,163,451</u>

See notes to financial statements

New Jersey Civic Information Consortium

Statements of Functional Expenses

	Year Ended December 31, 2024			Year Ended December 31, 2023			
	Program Services	Management and General	Fundraising	2024 Total	Program Services	Management and General	2023 Total
Salaries	\$ 129,054	\$ 49,547	\$ 32,542	\$ 211,143	\$ 108,208	\$ 29,908	\$ 138,116
Payroll taxes and fringe benefits	<u>38,415</u>	<u>18,126</u>	<u>7,035</u>	<u>63,576</u>	<u>16,724</u>	<u>9,936</u>	<u>26,660</u>
Total salaries and benefits	167,469	67,673	39,577	274,719	124,932	39,844	164,776
Grants awarded	3,292,755	-	-	3,292,755	3,427,194	-	3,427,194
Professional fees	643,220	154,369	3,545	801,134	315,922	139,553	455,475
Advertising	98	-	-	98	3,262	596	3,858
Training and education	-	-	-	-	4,000	-	4,000
Office	873	2,328	-	3,201	1,053	1,417	2,470
Membership dues and subscriptions	2,101	15,280	8,200	25,581	500	13,688	14,188
Insurance	-	3,334	-	3,334	-	2,911	2,911
Meetings	6,711	-	-	6,711	4,295	-	4,295
Travel	9,589	-	-	9,589	8,970	-	8,970
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,110</u>	<u>2,110</u>
Total Expenses Before Depreciation	4,122,816	242,984	51,322	4,417,122	3,890,128	200,119	4,090,247
Depreciation	<u>-</u>	<u>904</u>	<u>-</u>	<u>904</u>	<u>-</u>	<u>606</u>	<u>606</u>
Total Expenses	<u>\$ 4,122,816</u>	<u>\$ 243,888</u>	<u>\$ 51,322</u>	<u>\$ 4,418,026</u>	<u>\$ 3,890,128</u>	<u>\$ 200,725</u>	<u>\$ 4,090,853</u>

See notes to financial statements

New Jersey Civic Information Consortium

Statements of Cash Flows

	Year Ended December 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 348,246	\$ 797,929
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	904	606
Unrealized gain on investments	(107,939)	-
Change in operating assets and liabilities		
Promises to give	374,429	(505,429)
Prepaid expenses	(12,332)	7,133
Accounts payable and accrued expenses	794,065	439,186
Accrued payroll	3,969	3,609
Grant advances	(988,447)	31,573
Net Cash from Operating Activities	412,895	774,607
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	-	(2,711)
Proceeds from sales of investments	14,556,384	-
Purchases of investments	(19,917,947)	-
Net Cash from Investing Activities	(5,361,563)	(2,711)
 Change in Cash	(4,948,668)	771,896
 CASH		
Beginning of year	5,414,054	4,642,158
End of year	\$ 465,386	\$ 5,414,054

See notes to financial statements

New Jersey Civic Information Consortium

Notes to Financial Statements
December 31, 2024 and 2023

1. Organization and Tax Status

In 2018, the State of New Jersey created the New Jersey Civic Information Consortium (the "Consortium"), via statute Titles 18A:64-94 through 102, in response to the growing local news crisis impacting communities across the State's 21 counties.

The Consortium consists of the following member universities: The College of New Jersey; Montclair State University; the New Jersey Institute of Technology; Rowan University; Rutgers University, and Kean University. The purpose of the Consortium shall be to advance research and innovation in the field of media and technology to benefit the State's civic life and evolving information needs.

A first-in-the-nation project, the Consortium builds on the foundation laid by public media in the United States, and reimagines how public funding can be used to address the growing problem of news deserts and misinformation, and to support more informed communities. The Consortium provides grants for projects that achieve the following goals:

- Improve the quantity and quality of civic information in New Jersey communities;
- Give residents enhanced access to useful government data and public information through innovative applications, platforms, and technologies;
- Train students, professionals, and community members in the practice of community storytelling, journalism, and media production;
- Nurture better civic engagement and dialogue inside and between New Jersey communities;
- Better meet the information needs of low-income communities and racial and ethnic communities that have been underserved by the media;
- Invest in research and practices that can help media outlets become more closely connected to their audiences and more sustainable without government support.

In May 2021, the Consortium was granted tax exempt status as a 501(c)(3) Type I supporting organization under Internal Revenue Code Section 509(a)(3).

The Consortium is exempt from income taxes under Section 509(a)(3) of the Internal Revenue Code and corresponding provisions of New Jersey State law. Accordingly, no income tax expense or liability is recorded in the financial statements.

2. Summary of Significant Accounting Policies

Basis of Accounting and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly actual results could differ from those estimates.

New Jersey Civic Information Consortium

Notes to Financial Statements
December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (*continued*)

Net Asset Presentation

The Consortium reports information regarding financial position and activities in two classes of net assets: without and with donor restrictions.

Without donor restrictions – consist of resources available for the general support of the Consortium’s operations. Net assets without donor restrictions may be used at the discretion of the Consortium’s management and Board of Directors.

With donor restrictions – represent amounts restricted by donors to be used for specific activities or at some future date, or which require the Consortium to maintain in perpetuity, including funds that are subject to restrictions or gift instruments requiring that the principal be invested in perpetuity and the income be used for specific or general purposes. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Earnings related to net assets with donor restrictions will be included in net assets without donor restrictions unless otherwise specifically required to be included in net assets with donor restrictions by the donor or by applicable law.

Revenue Recognition

Contributions and Promises to Give

The Consortium recognizes unconditional contributions and promises to give as revenue when they are received and records these revenues as with donor restrictions or without donor restrictions according to donor stipulations that limit the use of these assets due to either a time or purpose restriction. Contributions received with donor restrictions that are met in the year of receipt are recorded as revenues without donor restrictions. When a restriction expires or is met, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. Contributions to be received in future periods are discounted at an appropriate risk adjusted discount rate. Amortization of discounts on multi-year promises to give is recorded as additional contribution revenue as either with or without donor restrictions based on donor-imposed restrictions, if any, on the related contributions.

Government Grants

Since 2021, the Consortium has received funding each year in the form of a grant from the State of New Jersey, administered through the Office of the Secretary of Higher Education (“OSHE”), in support of the furtherance of the Consortium’s mission.

During the year ended December 31, 2022, the Consortium received a \$1,000,000 grant from OSHE of which \$105,031 of funds were expended. During the year ended December 31, 2023, the Consortium recognized the amounts previously recorded as grant advances as eligible costs were incurred.

New Jersey Civic Information Consortium

Notes to Financial Statements
December 31, 2024 and 2023

2. Summary of Significant Accounting Policies *(continued)*

Revenue Recognition (continued)

During the year ended December 31, 2022, the Consortium received an additional \$4,000,000 grant from OSHE, with grant period of July 1, 2022 to June 30, 2023, where the funds were advanced in October 2022. During the year ended December 31, 2023, \$3,863,397 of funds were expended. The remaining \$136,603 was recognized as a grant advance as of December 31, 2023 and was recognized as revenue as eligible costs were incurred as of December 31, 2024.

During the year ended December 31, 2023, the Consortium received an additional \$4,000,000 grant from OSHE, with grant period of July 1, 2023 to June 30, 2024, where the funds were advanced in October 2023. During the year ended December 31, 2023, there were no funds expended and the full \$4,000,000 was recognized as a grant advance. During the year ended December 31, 2024, \$3,851,844 was recognized as revenue as eligible costs were incurred and the remaining \$148,156 is recognized as a grant advance.

During the year ended December 31, 2024, the Consortium received an additional \$3,000,000 grant from OSHE, with grant period of July 1, 2024 to June 30, 2025. During the year ended December 31, 2024, there were no funds expended and the full \$3,000,000 was recognized as a grant advance.

Concentration of Revenue

During the years ended December 31, 2024 and 2023, the Consortium received 84% and 81%, respectively, of its total revenues and support from the State of New Jersey-Office of the Secretary of Higher Education.

Investment Valuation and Income Recognition

Investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Cash

Cash includes cash deposited with banks.

Concentrations of Credit Risk

Financial instruments that potentially subject the Consortium to concentrations of credit and market risk consist principally of cash on deposit with financial institutions. Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") are insured up to \$250,000. At times cash balances may exceed the FDIC limit. Investment holdings at financial institutions insured by the Securities Investor Protection Corporation ("SIPC") are insured up to \$500,000 (\$250,000) for cash holdings. As of December 31, 2024 and 2023, the Consortium's uninsured cash on deposit totaled approximately \$197,186 and \$4,392,000. As of December 31, 2024 and 2023, the Consortium's uninsured investment holdings totaled approximately \$5,469,500 and \$0.

New Jersey Civic Information Consortium

Notes to Financial Statements
December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (continued)

Promises to Give Receivable

Receivables related to promises to give are stated at the amount management expects to collect from outstanding balances. At December 31, 2024, management has determined that all outstanding balances are expected to be collected.

Property and Equipment

Property and equipment are recorded at cost. The Consortium capitalizes property and equipment if its value is greater than \$1,000. Depreciation is provided using the straight-line method over the estimated useful life of 3 years.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Program service expenses consist of costs expended to execute and fulfill the purpose of the Consortium. Management and general expenses are those expenses that are not directly identifiable with any other specific function but provide for the overall support of the Consortium.

Professional fees and consulting expenses are related to more than one function and have been allocated among program services and management and general in reasonable ratios determined by management based on time and costs where efforts are made.

Accounting for Uncertainty in Income Taxes

The Consortium recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that the Consortium had no uncertain tax positions that would require financial statement recognition or disclosure. The Consortium is not subject to examinations by the applicable taxing jurisdictions for periods prior to December 31, 2021.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 17, 2025.

New Jersey Civic Information Consortium

Notes to Financial Statements
December 31, 2024 and 2023

3. Liquidity and Availability of Resources

The Consortium's available financial assets and resources available to meet cash needs for general expenditures within one year from the date of the statements of financial position were as follows at December 31:

	2024	2023
Financial Assets		
Cash	\$ 465,386	\$ 5,414,054
Investments	5,469,502	-
Promises to give, net	131,000	505,429
Total Financial Assets	6,065,888	5,919,483
Less		
Grant advances	(3,148,156)	(4,136,603)
Restricted by donor	(941,564)	(779,548)
Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	\$ 1,976,168	\$ 1,003,332

The Consortium monitors the availability of resources to meet its operating needs and contractual commitments. As part of its liquidity management, the Consortium has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Consortium considers all expenditures related to its ongoing mission related activities, as well as services undertaken to support these activities, to be general expenditures.

4. Investments

Investments are carried at fair value. Investments held by the Consortium at December 31, 2024 are all Level 1, consisting of U.S. treasury securities and U.S. treasury money funds.

5. Net Assets With Donor Restrictions

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

	2024	2023
Purpose restricted:		
News coverage	\$ 841,564	\$ 584,119
Time restricted	100,000	195,429
Total Net Assets With Donor Restrictions	\$ 941,564	\$ 779,548

New Jersey Civic Information Consortium

Notes to Financial Statements
December 31, 2024 and 2023

5. Net Assets With Donor Restrictions (*continued*)

Net assets with donor restrictions were released from restrictions consisted of the following for the years ended December 31:

Purpose restricted:	2024	2023
News coverage	\$ 342,555	\$ 35,881
Time restricted	100,000	100,000
Total Net Assets With Donor Restrictions	<u>\$ 442,555</u>	<u>\$ 135,881</u>

6. Property and Equipment

Property and equipment at December 31 consists of the following:

	2024	2023
Office equipment	\$ 2,711	\$ 2,711
Accumulated depreciation	<u>(1,510)</u>	<u>(606)</u>
	<u>\$ 1,201</u>	<u>\$ 2,105</u>

7. Accrued Time Off

The Consortium's policy is to accrue paid time off for vacation. The paid time off begins to accrue immediately at time of starting employment. Per the Consortium's employee handbook, employees may carry over a maximum of 80 hours of unused paid time off time to the following year. As of December 31, 2024 and 2023, \$6,751 and \$6,538 has been accrued for paid time off.

8. Related Party Transactions (*not disclosed elsewhere*)

On July 1, 2022, the Consortium entered into an eighteen-month consulting agreement with Chadwick Management LLC, a company which is wholly owned by a Board member. For the years ended December 31, 2024 and 2023, consulting expenses paid to Chadwick Management LLC amounted to \$120,105 and \$120,000. The agreement has been extended into 2025 until a permanent Executive Director has been employed.

During the years ended December 31, 2024 and 2023, grants awarded to member universities and their related organizations totaled \$228,779 and \$267,070.

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**New Jersey OMB Circular Letter 15-08
Schedules and Reports**

New Jersey Civic Information Consortium

Schedule of Expenditures of State Financial Assistance Year Ended December 31, 2024

State of New Jersey Grantor / Pass-through Grantor / Program or Project Title	State Grant Number	Grant Period	Grant Award Amount	Current Year State Expenditures	Expenditures To Date
State of New Jersey - Office of the Secretary of Higher Education					
NJCIC FY23 Grant	21 100 074 2400 065	7/1/2022- 6/30/2023	4,000,000	136,603	4,000,000
NJCIC FY24 Grant	21 100 074 2400 065	7/1/2023 - 6/30/2024	4,000,000	3,851,844	3,851,844
NJCIC FY25 Grant	21 100 074 2400 065	7/1/2024 - 6/30/2025	<u>3,000,000</u>	-	-
Total State Financial Assistance			<u>\$11,000,000</u>	<u>\$ 3,988,447</u>	<u>\$ 7,851,844</u>

See Independent Auditors' Report and Notes to Schedule of Expenditures of State Financial Assistance.

New Jersey Civic Information Consortium

Notes to Schedule of Expenditures of State Financial Assistance
Year Ended December 31, 2024

1. Basis of Presentation

The accompanying Schedule of Expenditures of State Financial Assistance (the "Schedule") includes the New Jersey State award activity of New Jersey Civic Information Consortium (the "Consortium") under programs of the State of New Jersey government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of the New Jersey Office of Management and Budget Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* ("New Jersey State Circular 15-08"). Because the Schedule presents only a selected portion of the operations of the Consortium, it is not intended to and does not represent the financial position, changes in net assets or cash flows of the Consortium.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in New Jersey OMB Circular Letter 15-08, wherein certain types of expenditures are not allowed or are limited to reimbursement.

3. Indirect Cost Rate

The Consortium has not elected to use the 10-percent de minimis indirect cost rate as allowed under New Jersey OMB Circular Letter 15-08.

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 Auditors' Report

**Board of Directors
New Jersey Civic Information Consortium**

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 New Jersey Civic Information Consortium (the "Consortium"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated September 17, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Consortium'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Consortium's internal control. Accordingly, we do not express an opinion on the effectiveness of the Consortium's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Consortium's 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 result 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.

PKF O'Connor Davies, LLP

September 17, 2025

**Report on Compliance for Each Major State Program and Report on
Internal Control Over Compliance Required by the New Jersey OMB Circular Letter 15-08**

Independent Auditors' Report

**Board of Directors
New Jersey Civic Information Consortium**

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited New Jersey Civic Information Consortium's (the "Consortium") compliance with the types of compliance requirements subject to audit in the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the Consortium's major state programs for the year ended December 31, 2024. The Consortium's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Consortium 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 state programs for the year ended December 31, 2024.

Basis for Opinion on Each Major 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; and the audit requirements of New Jersey Department of Treasury OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* ("New Jersey State Circular 15-08"). Our responsibilities under those standards and the New Jersey OMB Circular Letter 15-08 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Consortium 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 state program. Our audit does not provide a legal determination of the Consortium'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 Consortium's 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 the Consortium'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 New Jersey OMB Circular Letter 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 Consortium's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the New Jersey OMB Circular Letter 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 Consortium'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 Consortium'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 New Jersey OMB Circular Letter 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Consortium'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 state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 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 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 Auditors' Responsibilities for the Audit of Compliance section above 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, 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 have not been 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 New Jersey OMB Circular Letter 15-08. Accordingly, this report is not suitable for any other purpose.

PKF O'Connor Davies, LLP

September 17, 2025

New Jersey Civic Information Consortium

Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

____ Yes No
____ Yes None reported

Noncompliance material to financial statements noted?

____ Yes No

State Financial Assistance

Internal control over major state programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

____ Yes No
____ Yes None reported

Type of auditors' report issued on compliance for major state programs:

Unmodified

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

____ Yes No

Identification of major state programs:

<u>State Grant Number</u>	<u>Name of State Program</u>
21 100 074 2400 065	State of New Jersey - Office of the Secretary of Higher Education

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

\$750,000 (state programs)

Auditee qualified as low-risk auditee?

Yes ____ No

Section II – Financial Statement Findings

During our audit, we noted no material findings for year ended December 31, 2024.

Section III – State Financial Assistance Findings and Questioned Costs

During our audit, we noted no material instances of noncompliance and none of the costs reported in the Schedule of Expenditures of State Financial Assistance are questioned or recommended to be disallowed.