

**URBAN LEAGUE OF  
PALM BEACH COUNTY, INC**

FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025  
WITH COMPARATIVE TOTALS FROM JUNE 30, 2024  
TOGETHER WITH REPORT OF INDEPENDENT ACCOUNTANT

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Urban League of Palm Beach County, Inc.

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of Urban League of Palm Beach County, Inc (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flow for the year 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 Urban League of Palm Beach County, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

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

### ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

## **Report on Summarized Comparative Information**

We have previously audited Urban League of Palm Beach County, Inc.'s June 30, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 31, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 federal awards 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 26, 2025, on our consideration of Urban League of Palm Beach County, Inc's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Urban League of Palm Beach County, Inc 's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Urban League of Palm Beach County, Inc 's internal control over financial reporting and compliance.

*William Washington, CPA*

Riviera Beach, FL

September 26, 2025

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2025**  
**WITH COMPARATIVE TOTALS FROM JUNE 30, 2024**

	<u><b>JUNE 30, 2025</b></u>	<u><b>JUNE 30, 2024</b></u>
<b><u>ASSETS</u></b>		
Cash & Cash Equivalents	\$ 1,748,620	\$ 1,792,885
Grants & Contracts Receivable, Net	360,882	395,481
Contributions Receivable, Net	44,000	-
Due from Other Organization	10,624	15,609
Prepaid Expenses	66,789	43,391
Deposits	6,643	7,518
Endowment	34,711	25,000
Right of Use Asset	-	25,751
Property & Equipment - Net	<u>651,053</u>	<u>659,692</u>
<b>Total Assets</b>	<u><b>\$ 2,923,322</b></u>	<u><b>\$ 2,965,327</b></u>
 <b><u>LIABILITIES</u></b>		
Accounts Payable	57,915	91,680
Accrued Expenses	70,323	60,406
Lease Liability	-	25,751
Funds Held as Agent	7,382	-
Deferred Revenue	<u>433,210</u>	<u>408,610</u>
Total Liabilities	<u>568,830</u>	<u>586,447</u>
 <b><u>NET ASSETS</u></b>		
Without Donor Restrictions	2,329,492	2,378,880
With Donor Restrictions	25,000	-
Total Net Assets	<u>2,354,492</u>	<u>2,378,880</u>
 <b>Total Liabilities and Net Assets</b>	 <u><b>\$ 2,923,322</b></u>	 <u><b>\$ 2,965,327</b></u>

Read Accompanying Notes

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE TOTALS FROM JUNE 30, 2024**

	<u><b>JUNE 30, 2025</b></u>	<u><b>JUNE 30, 2024</b></u>
<b>SUPPORT &amp; REVENUE</b>		
Grants & Contracts	\$ 4,104,072	\$ 4,659,641
Contributions	757,613	507,231
Donated Materials & Services	313,599	338,095
Other	80,071	94,027
Total Revenue	<u>5,255,355</u>	<u>5,598,994</u>
 <b>EXPENSES</b>		
<b>Youth Program Services</b>	1,159,080	1,197,532
<b>Other Program Services</b>	3,007,955	2,952,448
Total Program Services	<u>4,167,035</u>	<u>4,149,980</u>
<b>Support Services</b>		
General & Administrative	640,859	743,725
Fundraising	471,849	473,955
Total Support Services	<u>1,112,708</u>	<u>1,217,680</u>
Total Expenses	<u>5,279,743</u>	<u>5,367,660</u>
 <b>CHANGE IN NET ASSETS</b>	 <u>(24,388)</u>	 <u>231,334</u>
 <b>BEGINNING NET ASSETS</b>	 <u>2,378,880</u>	 <u>2,147,546</u>
 <b>ENDING NET ASSETS</b>	 <u><u>\$ 2,354,492</u></u>	 <u><u>\$ 2,378,880</u></u>

Read Accompanying Notes

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE TOTALS FROM JUNE 30, 2024**

	<u><b>JUNE 30, 2025</b></u>	<u><b>JUNE 30, 2024</b></u>
<b>OPERATING ACTIVITIES:</b>		
Change in Net Assets	\$ (24,388)	\$ 231,334
Adjustment to Reconcile Increase in Net Assets to Net Cash Provided by ( Used in ) Operating Activities:		
Depreciation	31,266	12,018
Changes in Operating Assets and Liabilities:		
Grants and Contract Receivable	(9,401)	(129,275)
Due from Other Organization	4,985	(7,963)
Deposits	875	-
Prepaid Expenses	(23,398)	12,194
Held as Agent	7,382	-
Deferred Revenue	24,600	(199,636)
Accrued Expenses	9,917	(97,994)
Accounts Payable	<u>(33,765)</u>	<u>58,656</u>
Net Cash Provided by ( Used in ) Operating Activities	<u>(11,927)</u>	<u>(120,666)</u>
<b>INVESTING ACTIVITIES:</b>		
Interest from Endowment	(9,711)	-
Change in Property and Equipment	<u>(22,627)</u>	<u>(184,932)</u>
Net Cash Provided by ( Used in ) Investing Activities	<u>(32,338)</u>	<u>(184,932)</u>
Increase in Cash	(44,265)	(305,598)
Cash at Beginning of Year	1,792,885	2,098,483
Cash at End of Year	<u><u>\$ 1,748,620</u></u>	<u><u>\$ 1,792,885</u></u>
<b>SUPPLEMENTAL DATA:</b>		
Interest Paid	<u>-</u>	<u>-</u>

Read Accompanying Notes

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE TOTALS FROM JUNE 30, 2024**

<b>EXPENSES</b>	<b>Youth</b>	<b>Other</b>	<b>General &amp;</b>		<b>JUNE 30,</b>	<b>JUNE 30,</b>
	<b>Programs</b>	<b>Programs</b>	<b>Admin</b>	<b>Fundraising</b>	<b>2025</b>	<b>2024</b>
					<b>Total</b>	<b>Total</b>
Conferences	\$ 3,590	\$ 2,500	\$ 280	\$ 1,695	\$ 8,065	\$ 9,535
Contracted Services	6,573	20,136	20,475	1,230	48,414	112,785
Depreciation	10,599	13,945	4,502	2,220	31,266	12,018
Fundraising Events	-	-	-	204,383	204,383	202,016
In-Kind Expense	12,955	300,645	-	-	313,600	338,095
Information Technology	40,215	54,603	15,539	39,961	150,318	167,564
Liability Insurance	13,718	18,186	5,827	3,967	41,698	43,744
Local/Conference Travel	33,242	7,789	18,081	657	59,769	74,308
Occupancy	35,560	95,470	11,433	5,637	148,100	131,003
Office Expense	48,494	54,863	9,219	17,458	130,034	136,210
Compensation & Benefits	848,144	823,022	555,503	194,641	2,421,310	2,535,815
Program Expenses	105,990	1,525,842	-	-	1,631,832	1,604,567
Land Donation	-	90,954	-	-	90,954	-
<b>Total Expenses</b>	<b>\$ 1,159,080</b>	<b>\$ 3,007,955</b>	<b>\$ 640,859</b>	<b>\$ 471,849</b>	<b>\$ 5,279,743</b>	<b>\$ 5,367,660</b>

Read Accompanying Notes

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**1. General Description of Activities and Significant Accounting Policies:**

The Urban League of Palm Beach County, Inc. (the "Organization") is a nonprofit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code.

The Organization, established in 1973, is a nonprofit, non-partisan affiliate of the National Urban League, and one of over 90 affiliates nationwide. The Organization is dedicated to creating pathways for our communities to access economic, social, and civic opportunities through education, advocacy, and training. This is accomplished through a network of specialized Pathway Centers, Youth and Education, Housing and Economic Empowerment and Workforce Development.

The significant accounting policies that follow are presented to enhance the usefulness of the financial statements to the reader.

**Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

**Financial Statement Presentation**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with the disclosure and display requirements of the Financial Accounting Standards Board (FASB) as set forth under FASB Accounting Standards Codification (FASB ASC) 958-205 *Not-for-Profit Entities, Presentation of Financial Statements*. Accordingly, the net assets of the Organization are reported in each of the following classes:

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**1. General Description of Activities and Significant Accounting Policies, Continued:**

**Financial Statement Presentation, Continued**

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Certain donor restrictions may also be perpetual in nature, such as endowments, where the original gift must be maintained in perpetuity and only the income or a designated spending amount may be used for specified purposes. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of activities.

**Cash and Cash Equivalents**

For purposes of reporting cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three (3) months or less to be cash equivalents. The Organization's cash deposits exceeded Federal Deposit Insurance Corporation ("FDIC") limits at various times during the year ended June 30, 2025. The Organization has not experienced any loss in such accounts and believes it is not exposed to any significant credit risk on its cash balances.

**Property and Equipment**

Property and equipment are recorded at cost if purchased and at their estimated fair value if donated, less accumulated depreciation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service, as instructed by the donor. Maintenance and repairs are expensed as incurred. The Organization capitalizes all property and equipment with a cost of \$5,000 if purchased, and a fair value of \$5,000 at date of donation if received by contribution. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five to thirty years.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**1. General Description of Activities and Significant Accounting Policies, Continued:**

**Contributions**

Contributions received are recorded as with donor restriction or without donor restriction net assets depending on the existence or nature of any donor restrictions.

**Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Income Taxes**

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Furthermore, it has been determined that the Organization is not a private foundation. The Organization has adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740-10-25, *Accounting for Uncertainty in Income Taxes*. The Organization will record a liability for uncertain tax positions when it is more likely than not that a tax position would not be sustained if examined by the taxing authority. The Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. The Organization's evaluation on June 30, 2025 revealed no uncertain tax positions that would have a material impact on the consolidated financial statements. The Organization does not believe that any reasonably possible changes will occur within the next twelve (12) months that will have a material impact on the consolidated financial statements.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and according to a more natural classification in the consolidated statement of functional expenses. Accordingly, expenses that can be identified with a specific program or supporting service are charged directly to the program or supporting service. Expenses that apply to more than one functional category have been allocated among the programs and supporting services benefited.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**2. Grants and Contracts Receivable**

The Organization receives financial assistance from federal, state, and local governmental agencies in the form of grants and contracts. Revenue under these agreements is generally recognized as qualifying expenses are incurred in accordance with the terms of the respective agreements.

Funds received in advance of incurring related expenses are recorded as deferred revenue in the accompanying statement of financial position. Grants and contracts receivable represent program expenses incurred through June 30, 2025, for which reimbursement had not yet been received as of that date.

These awards are subject to audit by the respective grantor agencies. Such audits could result in the disallowance of certain costs, which may then become a liability of the Organization. In the opinion of management, any potential disallowed costs, if incurred, would not have a material effect on the Organization's financial position as of June 30, 2025.

In addition to grants and contracts receivable, other receivables include outstanding pledges from corporate and individual donors. Management evaluates the collectability of receivables on an ongoing basis and charges off amounts deemed uncollectible at the time such determination is made. While management believes that not all receivables may ultimately be collected, no allowance for doubtful accounts has been recorded as of June 30, 2025, as the potential uncollectible amount is not considered material.

As of June 30, 2025, total grants and other receivables amounted to \$404,882, as reported in the accompanying statement of financial position.

**3. Summary of Property & Equipment and Depreciation**

Autos & Trucks	\$ 94,373
Buildings	926,705
Land	13,063
Furniture & Equipment	<u>60,393</u>
Total Property & Equipment	1,094,534
Accumulated Depreciation	<u>(443,481)</u>
Property & Equipment - Net	<u>\$ 651,053</u>

**4. Compensated Absences**

Employees receive annual leave based upon length of employment. Annual leave may not be accumulated, and accordingly, no liability for compensated absences.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**5. Related Party**

The Organization received \$2,313,694 from National Urban League for services performed under multiple grant and contract agreements, which is included in grants and contracts on the statement of activities.

**6. Line of Credit**

The Organization has a revolving line of credit of \$350,000. The line bears a floating interest rate and is payable monthly. The line is secured by property, equipment, and grants and contracts receivable. There is no balance outstanding at June 30, 2025.

**7. Leases**

The Organization leased facilities under a long-term, non-cancelable operating lease agreement, which expired on June 30, 2025, the Organization's fiscal year-end.

In accordance with ASC 842, the Organization recognized a right-of-use asset and a lease liability over the term of the lease. Since the final lease payment was made as of June 30, 2025, there are no remaining lease liabilities or right-of-use assets reported on the statement of financial position as of that date.

The Organization elected the following accounting policies and practical expedients:

- Use of an incremental borrowing rate (prime plus 2%) where the implicit rate was not determinable;
- Short-term lease exemption for leases with terms of 12 months or less; and
- Non-separation of lease and non-lease components for facility leases.

Total lease expense for the year ended June 30, 2025, was \$27,571. This amount has been recognized in program expenses in the accompanying statement of functional expenses.

**9. 403(b) Retirement Plan:**

The Organization sponsors a 403(b) defined contribution retirement plan for eligible employees. Employees may contribute through payroll deductions, subject to IRS limits. After one year of service, the Organization provides a 3% matching contribution, with full vesting after three years of continuous service.

Employer contributions totaled \$ 45,762 for the year ended 6/30/2025.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**9. Concentration of Risks**

The Organization is dependent on funding from state and local governments and various other contributors. The amount of contributions is dependent on the funds available and the budgets at the state and local levels. Lack of funding could have a significant detrimental effect on the continued operations of the Organization.

**10. Donated Professional Services and Materials**

The Organization receives in-kind contributions in the form of professional services and the use of facilities. These contributions are recognized at their estimated fair value on the date of donation, in accordance with U.S. GAAP, when the services received (a) create or enhance nonfinancial assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased by the Organization if not provided by donation.

For the year ended June 30, 2025, the Organization received donated professional services valued at \$283,599, which supported the Organization's Senior Jobs program, and donated use of facilities valued at \$30,000, which supported other program activities.

The total value of in-kind contributions recognized was \$313,599. These amounts were recorded as contributions in-kind in the accompanying statement of activities and as program services in the statement of functional expenses. Fair value estimates are based on information provided by third-party service providers and management's evaluation of comparable market rates.

**11. Agency Endowment Fund Held at Community Foundation**

The Organization is the beneficiary of an agency endowment fund held at the Community Foundation for Palm Beach and Martin Counties. The fund was established for the benefit of the Organization; however, in accordance with applicable accounting standards (FASB ASC 958-605), because the assets were contributed by the Organization and are held by the Community Foundation for the Organization's benefit, the fair value of the fund is recorded as an asset in the Organization's financial statements.

As of 6/30/2025, the fair value of the endowment fund held at the Community Foundation was \$34,711. Distributions from the fund are made at the discretion of the Foundation, in accordance with its spending policy, and are used to support the Organization's operations and mission.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**12. Transfer of Land for Affordable Housing Development**

During the year ended 6/30/2025, the Organization transferred five parcels of land to Habitat for Humanity Greater Palm Beach County (Habitat) for the development of affordable housing. The land was transferred at a nominal value of \$10 to support the Organization's mission and further affordable housing initiatives in the community.

In connection with this arrangement, Habitat has agreed to donate \$20,000 to the Organization upon the sale of each completed home. These donations are conditional on the sale of the homes and will be recognized as contribution revenue when the conditions are substantially met or explicitly waived.

As of September 26, 2025, no amounts have been recognized related to the conditional contributions, as the sales of the homes have not yet occurred.

The net book value of the land at the time of transfer was \$ 90,954, which has been recorded in the accompanying statement of activities under program expense.

**13. Availability and Liquidity**

The following represents the Organization's financial assets at June 30, 2025:

Financial assets at year-end:	
Cash and cash equivalents	\$1,748,620
Receivables, net	404,882
Prepaid expenses	<u>66,789</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$2,220,291</u>

The goal is generally to maintain financial assets to meet 60 days of operating expenses (approximately \$565,000). As part of its liquidity plan, the Organization has a \$350,000 line of credit available to meet cash flow needs.

**14. Prior Period Adjustment**

Beginning net assets as of July 1, 2024, were adjusted for an immaterial prior period correction. The previously reported amount was \$ 2,353,880 and the restated amount is \$2,378,880. Management determined the adjustment was not material to prior period financial statements.

**15. Date of Management Review**

Subsequent events have been evaluated through September 26, 2025, which is the date the financial statements were available for issued.



**William Washington**

Certified Public Accountant

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**Independent Auditor's 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***

To the Board of Directors  
Urban League of Palm Beach County, Inc.  
West Palm Beach, FL

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 Urban League of Palm Beach County, Inc (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flow for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 26, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Urban League of Palm Beach County, Inc '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 Urban League of Palm Beach County, Inc 's internal control. Accordingly, we do not express an opinion on the effectiveness of Urban League of Palm Beach County, Inc 's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or 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 Urban League of Palm Beach County, Inc '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 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.

*William Washington, CPA*

Riviera Beach, FL  
September 26, 2025



**William Washington**  
Certified Public Accountant

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors  
Urban League of Palm Beach County, Inc.  
West Palm Beach, FL

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Urban League of Palm Beach County, Inc 's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Urban League of Palm Beach County, Inc 's major federal programs for the year ended June 30, 2025. Urban League of Palm Beach County, Inc 's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Urban League of Palm Beach County, Inc complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of Urban League of Palm Beach County, Inc 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 Urban League of Palm Beach County, Inc '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 Urban League of Palm Beach County, Inc 's federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Urban League of Palm Beach County, Inc 's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Urban League of Palm Beach County, Inc 's compliance with the requirements of each major federal program as a whole.

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

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

*William Washington, CPA*  
Riviera Beach, FL  
September 26, 2025

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

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Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U. S. Department of Labor Pass through National Urban League The Urban Seniors Jobs Program	17.235	405-5333-PBCFL	\$ 1,848,535
U. S. Department of Housing & Urban Developmet Pass-through National Urban League Homeownership Initiative	14.022	403-5290-23	15,400
Comprehensive Housing Counseling	14.169	403-5285-23	24,827
U. S. Department of Labor Pass through National Urban League Workforce Pathways for Youth	17.28	405-5387-24	48,981
Centers for Disease Control and Prevention (CDC) Pass through National Urban League Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects	93.185	501-5654-PBCFL	21,000
U. S. Department of Housing & Urban Developmet Pass-through Palm Beach County and Delray Beach Community Development Block Grant	14.218		22,295
U. S. Department of Health and Human Services Pass through Urban League of Broward County Cooperative Agreement to Support Navigators in Federally-Facilitated Exchanges (ACA)	93.332		33,791
Total			<u><u>\$ 2,014,829</u></u>

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2025**

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**NOTE 1—BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Organization under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 US. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of 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 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- (a) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles *Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (b) Pass-through entity identifying numbers are presented where available.
- (c) The Organization did elect to use the 10 percent de minimis indirect cost rate.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2025**

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**Section A-SUMMARY OF AUDITOR'S RESULTS**

- (a) The auditor's report expresses an unmodified opinion on the financial statements of UL.
- (b) No material weaknesses relating to the audit of the financial statements are reported in the independent auditor's 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. No significant deficiencies were reported.
- (c) No instances on noncompliance material to the financial statements of UL were disclosed during the audit.
- (d) No material weaknesses relating to the audit of the major federal program are reported in the independent auditor's report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance. No significant deficiencies were reported.
- (e) The independent auditor's report on compliance for each major federal program for UL expresses an unmodified opinion.
- (f) No audit findings relative to the major federal program for UL are reported in this schedule.
- (g) The program tested as a major program is U.S. Department of Labor, Urban Senior Jobs CFDA 17.235.
- (h) The threshold used for distinguishing between Type A and B programs was \$750,000.
- (i) The UL was determined to be a low-risk auditee.

**Section B-FINDINGS---FINANCIAL STATEMENT AUDIT**

No material weakness was identified during the audit of the financial statements nor was any instances of noncompliance material to the financial statements of UL during the audit.

**Section C-FINDINGS AND QUESTIONED COSTS---MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None noted.

**Section D** No prior audit finding for federal programs. No corrective action plan is required.

**Section E** No prior year financial statement findings.