

**AUTISM NEW JERSEY, INC.  
(A NONPROFIT ORGANIZATION)**

Independent Auditors' Report,  
Financial Statements for the  
Year Ended June 30, 2022,  
and Supplemental Schedules  
for the Year Ended June 30, 2022

# AUTISM NEW JERSEY, INC.

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees and Management of  
Autism New Jersey, Inc.

### Opinion

We have audited the accompanying financial statements of Autism New Jersey, Inc. (A Nonprofit Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Autism New Jersey, Inc. as of June 30, 2022, and the changes in 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. 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 Autism New Jersey, 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 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 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 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, including omissions, 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, 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 Autism New Jersey, 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 Autism New Jersey, 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.

#### **Other Matters**

Our audit was 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 *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* in accordance with New Jersey 15-08-OMB, 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2022, on our consideration of Autism New Jersey, 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 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 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 Autism New Jersey, Inc.'s internal control over financial reporting and compliance.



Fairfield, New Jersey  
December 14, 2022

# AUTISM NEW JERSEY, INC.

## STATEMENT OF FINANCIAL POSITION JUNE 30, 2022

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### ASSETS

#### CURRENT ASSETS:

Cash and cash equivalents	\$ 652,162
Investments	1,628,467
State grants receivable	109,258
Accounts receivable	32,747
Prepaid expenses	87,946
Total current assets	<u>2,510,580</u>

PROPERTY AND EQUIPMENT, NET 4,438

DEPOSITS 19,055

TOTAL ASSETS \$ 2,534,073

### LIABILITIES AND NET ASSETS

#### CURRENT LIABILITIES:

Accounts payable	\$ 28,449
Accrued expenses	99,809
Deferred rent	1,080
Deferred revenue	138,883
Total current liabilities	<u>268,221</u>

DEFERRED RENT, NET OF CURRENT PORTION 20,001

TOTAL LIABILITIES 288,222

NET ASSETS WITHOUT DONOR RESTRICTIONS 2,245,851

TOTAL LIABILITIES AND NET ASSETS \$ 2,534,073

# AUTISM NEW JERSEY, INC.

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2022

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### PUBLIC SUPPORT AND REVENUE:

Government grants	\$	944,818
Contributions		417,511
Conference		194,448
Program service fees		22,364
Special events		190,245
Membership dues		40,057
Non-cash contributions		146,244

Total public support and revenue 1,955,687

### EXPENSES:

Program services:		
Autism services		1,418,783
Total program services		<u>1,418,783</u>

Supporting services:		
Management and general		106,106
Fundraising		259,667
Costs of direct benefit to donors		234,352
Total supporting services		<u>600,125</u>

Total expenses 2,018,908

Changes in net assets before non-operating income (loss) (63,221)

### NON-OPERATING INCOME (LOSS):

Paycheck Protection Program loan forgiveness	213,190
Employee retention credit refund	157,202
Investment income (loss)	<u>(243,817)</u>

Total non-operating income 126,575

CHANGES IN NET ASSETS 63,354

NET ASSETS AT BEGINNING OF YEAR 2,182,497

NET ASSETS AT END OF YEAR \$ 2,245,851

# AUTISM NEW JERSEY, INC.

## STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2022

	<u>Program Services</u>	<u>Supporting Services</u>			<u>Total</u>
	<u>Autism Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Costs of Direct Benefit to Donors</u>	
Personnel costs:					
Salaries and wages	\$ 914,302	\$ 42,082	\$ 178,296	\$ -	\$ 1,134,680
Fringe benefits	88,029	5,771	17,621	-	111,421
Payroll taxes	75,349	4,264	15,244	-	94,857
Total personnel costs	<u>1,077,680</u>	<u>52,117</u>	<u>211,161</u>	<u>-</u>	<u>1,340,958</u>
Occupancy	78,101	3,797	14,954	-	96,852
Consultants	119,837	3,252	14,211	-	137,300
Equipment, repairs and maintenance	19,846	816	3,211	-	23,873
Technology and communications	41,639	1,002	7,252	-	49,893
Professional fees	-	39,410	-	-	39,410
Insurance	9,165	446	1,760	-	11,371
Printing and postage	18,012	1,446	2,706	-	22,164
Meetings and conferences	26,625	3,418	2,960	-	33,003
Facility and Catering	10,000	-	-	79,428	89,428
Prizes and promotional material	-	-	-	154,924	154,924
Advertising and marketing	1,974	-	-	-	1,974
Supplies	5,752	146	571	-	6,469
Dues and subscriptions	1,658	7	242	-	1,907
Travel, meals and entertainment	7,193	-	575	-	7,768
	<u>1,417,482</u>	<u>105,857</u>	<u>259,603</u>	<u>234,352</u>	<u>2,017,294</u>
Total expenses before depreciation					
Depreciation	<u>1,301</u>	<u>249</u>	<u>64</u>	<u>-</u>	<u>1,614</u>
Total expenses	<u>\$ 1,418,783</u>	<u>\$ 106,106</u>	<u>\$ 259,667</u>	<u>\$ 234,352</u>	<u>\$ 2,018,908</u>

# AUTISM NEW JERSEY, INC.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2022

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### CASH FLOWS FROM OPERATING ACTIVITIES:

Changes in net assets	\$ 63,354
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	1,614
Paycheck Protection Program forgiveness	(213,190)
Unrealized loss on investments	317,332
Realized (gain) on investments	(56,463)
(Increase) decrease in operating assets:	
State grants receivable	(51,845)
Accounts receivable	(21,094)
Prepaid expenses	(48,189)
Deposits	15,945
Increase (decrease) in operating liabilities:	
Accounts payable	(6,595)
Accrued expenses	34,892
Deferred revenue	89,553
Deferred rent	16,605
Net cash provided by operating activities	<u>141,919</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchases of investments	(163,365)
Proceeds from sale of investments	150,775
Net cash (used in) investing activities	<u>(12,590)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	129,329
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>522,833</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 652,162</u>



# AUTISM NEW JERSEY, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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### 1. NATURE OF ACTIVITIES

Autism New Jersey, Inc. (the “Organization”) was incorporated to assist families, individuals and agencies concerned with the welfare and education of children and adults with autism. Funding for the Organization is derived from contributions and State of New Jersey contracts. The Organization provides a variety of programs including information and advocacy, parent and professional education and support services, which promote the general well-being of individuals with autism living in New Jersey.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of accounting** --- The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

**Basis of presentation** --- The financial statements are prepared using guidance provided by the American Institute of Certified Public Accountants’ Audit and Accounting Guide, Nonprofit Organizations and other pronouncements applicable to not-for profit organizations.

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) and Accounting Standards Codification (ASC) Paragraphs 958-205-45-2(a) through(d), which establishes standards for external financial reporting by nonprofit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories according to the existence or absence of donor-imposed restrictions; net assets with donor restrictions and net assets without donor restrictions.

ASC Paragraphs 958-605-45-3 through 7, *Contributions Received*, requires that unconditional promises to give be recorded as receivables and revenue and requires the Organization to distinguish between contributions received for each net asset category in accordance with donor imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net assets without donor restrictions* - Net assets that are not subject to donor-imposed stipulations.

*Net assets with donor restrictions* - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, 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.

**Cash and cash equivalents** --- For cash flow purposes, the Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. There were no restricted cash components as of June 30, 2022.

**Fair value of financial assets and liabilities** --- ASC 820, Fair Value Measurements, provides a framework for measuring fair value under GAAP, and applies to all assets and liabilities that are being reported. ASC 820 sets out a fair value hierarchy and defines fair value as 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.

# AUTISM NEW JERSEY, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022 (CONTINUED)

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

**Fair value of financial assets and liabilities (cont.)** --- The Fair value hierarchy is defined as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities that the reporting entity has the ability to access at the measurement date. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted price in an active market provides the most reliable evidence of fair value and shall be used to measure fair value whenever available.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;

Level 3 – Inputs are unobservable inputs for the assets and liabilities. Unobservable inputs shall be used to measure fair value to the extent that the observable inputs are not available. Unobservable inputs shall be developed based on the best information available in the circumstances, which might include the reporting entity's own data.

Unless otherwise noted, the fair values of financial instruments (except investments) approximate their carrying values. The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Organization uses the income approach to reflect the fair value of unconditional promises to give. The fair value measurement reflects the current market expectations about those future amounts. The present value of those promises is reduced by a discount rate adjustment to arrive at an estimate of future cash flows for the asset.

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

**Accounts receivable** --- Accounts receivable are stated at the amounts management expects to collect from outstanding balances. Annually, the Organization performs an assessment of its individual accounts and provides for probable uncollectible amounts through an allowance for doubtful accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to accounts receivable. As of June 30, 2022, the assessment revealed that the allowance, if any, would be trivial in nature and, therefore, no allowance has been applied.

**Prepaid expenses** --- Prepaid expenses consist of amounts paid in advance for items that had not yet occurred as of the end of the year.

# AUTISM NEW JERSEY, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022 (CONTINUED)

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

**Property and equipment** --- Property and equipment are recorded at cost and are depreciated using the straight-line method over the estimated useful lives of the assets, generally three to seven years. The Organization's policy is to capitalize fixed assets with a purchase price of \$5,000 or more. Expenditures for maintenance, repairs and renewals of minor items are charged to operations as incurred. When property and equipment is sold or otherwise disposed of, the asset accounts and related accumulated depreciation account is relieved and any gain or loss is included in the statement of activities.

Contributed property and equipment is recorded at fair value at the date of donation. When a donor stipulation accompanies the donated asset, the contribution is recorded as support with donor restrictions. Annually, the depreciation portion is released from restriction. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions.

**Impairment of long-lived assets** --- The Organization continually evaluates whether current events or circumstances warrant adjustments to the carrying value or estimated useful lives of fixed assets in accordance with the provisions of ASC 360-10-05, *Impairment or Disposals of Long-Lived Assets*.

#### **Revenue and support recognition** ---

*Government grants* --- Government grant funds are recognized as conditional contributions which contain both a barrier and right of return of the assets. Various grants are paid using a cost-reimbursement model, whereas the Organization recognizes revenue when services are performed and bills for services after service delivery. Other grants contain the ability to access funds in advance. Revenue from these grants are recognized when services have been performed. The terms of the grants specify that the Organization must incur certain qualifying expenses (or costs) in compliance with rules and regulations established by Federal and State governments, through the Office of Management and Budget and their cognizant agency. Any unused assets are forfeited, and any unallowed costs are required to be refunded.

*Contributions* --- Contributions, including unconditional promises to give, are recorded when received. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give are recorded at their net realizable value, using interest rates consistent with unsecured individual credit rates applicable to the years in which the promises to give are to be received.

*Conference and fundraising revenue* --- Revenue received in advance of events are accounted for as deferred revenue in the statement of financial position.

*Membership dues* --- Revenues from dues are recognized during the period in which they are earned. Revenues from dues received in advance are deferred until earned and reflected as deferred revenue in the statement of financial position.

*Program service fees* --- To the extent that program service fees contain both a barrier of entry and right of return of the asset, the Organization recognizes the revenue in the statements of activities to the extent that expenses have been incurred for the purpose specified by the grantor during the period. Grant revenue and program service fees without such stipulations are treated as contributions or are recognized at the time of service delivery. In applying these concepts, the legal and contractual requirements of each individual program are used as a guideline.

# AUTISM NEW JERSEY, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022 (CONTINUED)

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

**Donated services** --- The Organization records various types of in-kind contributions. Contributed services are recognized at fair market value of the services received in the year the services are utilized when those services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

**Income taxes** --- The Organization is a not-for-profit organization described under Section 501(c)(3) of the Internal Revenue Code ("I.R.C.") and is therefore exempt from federal income taxes under Section 501(a) of the I.R.C. The Organization is also exempt under Title 15 of the State of New Jersey *Corporations and Associations Not for Profit Act*. Accordingly, no provision for Federal or State income taxes has been presented in the accompanying financial statements.

The Organization adheres to FASB ASC Topic 740, *Income Taxes*, which provides guidance and clarification on accounting for uncertainty in income taxes recognized in the Organization's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on de-recognition, classification, interest and penalties, disclosures and transition. For the year ended June 30, 2022, the Organization has no material uncertain tax positions to be accounted for in the financial statements.

Annually, the Organization files a federal informational tax return with the United States Internal Revenue Service. Additionally, the Organization files charities registrations in the various states where they solicit contributions. The Organization is subject to tax examinations generally for three years since their latest filing.

**Use of 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Advertising expenses** --- The Organization expenses costs of advertising when incurred. Total advertising costs for the year ended June 30, 2022 was \$1,974.

**Functional allocation of expenses** --- Expenses are charged to the program or supporting service based on direct expenditures incurred. Any program or supporting service expenditure not directly chargeable is allocated based on an indirect cost pool that is reasonable and consistently applied. Program expenses are those related to the Organization's autism services. Management and general relate to administrative expenses related to those programs. Fundraising includes direct costs of cultivating donors.

Allocated indirect expenditures include salaries and related payroll expenses, which are allocated on the basis of estimates of time and effort, supported by labor distribution reports, time sheets and time analysis. The direct and indirect labor hours cost pool serves as the basis for allocating all other indirect expenses.

# AUTISM NEW JERSEY, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022 (CONTINUED)

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### 3. RISKS AND UNCERTAINTIES

Arising from cash deposits in excess of insured limits: The Organization maintains its cash in bank deposit accounts. During the year, cash balances can exceed federally insured limits of \$250,000. Management believes that the Organization has no significant risk of loss on these amounts due to the failure of the institution.

Investments: Investments are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment assets reported in the Statement of Financial Position.

Funding dependence: Approximately 48% of the funding for the Organization comes from state assistance annually. This funding is dependent upon monies from state funding programs and, accordingly, there is no guarantee that such funding will continue.

### 4. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following descriptions of the valuation techniques applied to the Organization's major categories of assets measured at fair value on a recurring basis:

Fixed income: Investments in fixed income holdings are valued based on market data and/or quoted market prices from active markets.

Equities: Valued based on market data and/or quoted market prices from active markets.

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

The following tables present the Organization's financial assets which are measured and recorded at fair value on a recurring basis as of June 30, 2022.

	Fair Value (Level 1)
Fixed income	\$ 526,050
Equities	<u>1,102,417</u>
Total Investments	<u>\$ 1,628,467</u>

# AUTISM NEW JERSEY, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022 (CONTINUED)

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### 5. INVESTMENTS

The cost basis and estimated fair value of investments by the Organization at June 30, 2022 are as follows:

	<u>Cost</u>	<u>Gross unrealized holdings gains</u>	<u>Gross unrealized holdings losses</u>	<u>Estimated Fair Value</u>
Fixed Income	\$ 657,702	\$ -	\$ 131,653	\$ 526,050
Equities	<u>1,005,135</u>	<u>97,282</u>	<u>-</u>	<u>1,102,417</u>
Total	<u>\$ 1,662,837</u>	<u>\$ 97,282</u>	<u>\$ 131,653</u>	<u>\$ 1,628,467</u>

The composition of investment returns included in net assets in the statement of activities for the year ended June 30, 2022 is as follows:

Interest and dividend income	\$ 30,765
Realized gains/(losses)	56,463
Investment fees	(13,713)
Change in net unrealized gains/(losses)	<u>(317,332)</u>
Total	<u>\$ 243,817</u>

### 6. PREPAID EXPENSES

Prepaid expenses consisted of the following as of June 30, 2022:

Insurance	\$ 10,515
Information Technology and Communications	8,703
Leases	456
Occupancy	7,080
Payroll	50,071
Conferences	11,121
Total	<u>\$ 87,946</u>

### 7. PROPERTY AND EQUIPMENT

A summary of the Organization's property and equipment as of June 30, 2022 are as follows:

Equipment	\$ 302,819
Furniture	81,586
Website development	13,950
Total	<u>398,355</u>
Less: accumulated depreciation	<u>393,917</u>
Total	<u>\$ 4,438</u>

The total depreciation expense charged to operations for the year ended June 30, 2022 was \$1,614.

# AUTISM NEW JERSEY, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022 (CONTINUED)

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### 8. DEFERRED REVENUE

Deferred revenue consisted of the following at June 30, 2022:

Fundraising events	\$	29,775
Memberships		21,323
Advertising income		11,065
Conferences		76,720
		<hr/>
Total	\$	<u>138,883</u>

### 9. PAYCHECK PROTECTION PROGRAM LOAN

On February 11, 2021 and April 15, 2020, the Organization obtained Paycheck Protection Program loans in the amounts of \$213,190 and \$213,875, respectively, pursuant to the terms of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) enacted March 27, 2020. Under the CARES Act, so long as the Organization incurs certain qualifying expenses, they may apply for and receive forgiveness on the loans by the Small Business Administration (“SBA”). Any loan balance remaining following forgiveness by the SBA will be fully amortized over the remaining term of the loan. Interest is specified at a rate of 1.00%. The funding is uncollateralized.

On May 12, 2021, the SBA granted full forgiveness of the Paycheck Protection Loan received on April 15, 2020. On February 4, 2022, the SBA granted full forgiveness of the Paycheck Protection Loan received on February 11, 2021, which is recognized in non-operating activities on the statement of activities for the year ended June 30, 2022.

### 10. COMMITMENTS

**Building lease** --- On February 4, 2020, the Organization extended the current lease of its building, which houses the program, management and fundraising functions of the Organization by sixty-five (65) months, commencing on July 1, 2021 and terminating on November 30, 2026 (monthly installments of approximately \$4,300), with no obligation to pay rent from July 1, 2021 through November 30, 2021. The contract details escalation clauses for taxes and other building operating expenses. Rent expense for the year ended June 30, 2022 was approximately \$76,157.

**Equipment leases** --- The Organization also leases copiers and various other equipment for program and business use expiring in various years through 2027.

**Future minimum payments** --- Future minimum payments due under all operating leases in effect at June 30, 2022 are as follows:

2023	\$	61,054
2024		57,286
2025		57,158
2026		58,587
2027		60,052
Thereafter		<hr/>
	\$	<u>294,137</u>

# AUTISM NEW JERSEY, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022 (CONTINUED)

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### 11. NON-CASH CONTRIBUTIONS

Various non-cash items are donated to the Organization annually. Amounts used internally, are reflected in revenue as non-cash contributions on the Statement of Activities and in expenses on the Statement of Functional Expenses in the following categories. Total non-cash contributions for the year ended June 30, 2022 were:

<u>Functional Classification:</u>	<u>Natural Classification:</u>	<u>Amount</u>
Management and General	Professional fees	\$ 2,212
Fundraising	Event expenses	<u>144,032</u>
	Total non-cash contributions	<u>\$ 146,244</u>

### 12. RETIREMENT PLAN

The Organization maintains a Simple IRA plan (the "Plan"), that covers all employees who have attained the age of 18 years and who have completed two months of service. The Plan provides that eligible employees may defer payment of taxes on a portion of their salary as allowed by Section 401(k) of the Internal Revenue Code. The employer's matching contributions are equal to 100% of the participant's elective deferrals up to 3% of the employee's eligible compensation. For the year ended June 30, 2022, retirement plan expenses were \$18,243.

### 13. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization has in place material long-term contractual commitments, detailed in Note 10. Total annual expenditures from those contracts are included in the general expenditures of the Organization.

Management anticipates meeting general expenditures within one year of the date of the statement of financial position with the funding provided by anticipated contributions from the general public and government grant funds.

The following reflects the Organization's financial assets as of June 30, 2022, reduced by amounts not available for general use:

Financial assets at year-end	\$ 2,510,580
Less those unavailable for general expenditures within one year, due to:	
Prepaid expenses	<u>87,946</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 2,422,634</u>



# AUTISM NEW JERSEY, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022 (CONTINUED)

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### 14. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 14, 2022, the date on which the financial statements were available to be issued and have determined that there are no subsequent events that require disclosure.

**COVID-19** --- The Organization is evaluating the impact of COVID-19 and its pervasive impact to the overall economy and has determined it cannot reasonably estimate the financial impact, if any, on its operations, assets and material accounting estimates at this time.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees and Management of  
Autism New Jersey, Inc.

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 Standard* issued by the Comptroller General of the United States, the financial statements of Autism New Jersey, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, 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 December 14, 2022

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Autism New Jersey, Inc.'s internal control over financial reporting (internal control) to determine the 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 Autism New Jersey, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Autism New Jersey, 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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.

Fairfield, New Jersey  
December 14, 2022

# AUTISM NEW JERSEY, INC.

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2022

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### SUMMARY OF AUDITORS' RESULTS

A. *Financial Statements*

Type of auditors' opinion(s) issued: **Unmodified**

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes        X   no
- Significant deficiency(ies) identified that are not  
considered to be material weaknesses? \_\_\_\_\_ yes        X   reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes        X   no

### FINDINGS – FINANCIAL STATEMENT AUDIT

The audit did not disclose any findings or questioned costs required to be reported under generally accepted auditing standards.

# **AUTISM NEW JERSEY, INC.**

## **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2022**

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### **STATUS OF PRIOR YEAR FINDINGS**

In accordance with Government Auditing Standards, our procedures included a review of all prior year recommendations.

**There were no prior year findings.**

**AUTISM NEW JERSEY, INC.**

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2022**

Grantor/Program title/Pass-through grantor/Program Title	State Contract Number	Contract Period	Grant Award	Current Year Expenditures
New Jersey Department of Children and Families				
Staff and parent training	21LMLR	7/1/2021-6/30/2022	\$ 450,000	\$ 450,000
<i>Total New Jersey Department of Children and Families</i>			<u>450,000</u>	<u>450,000</u>
New Jersey Department of Health				
Early Identification and Monitoring	22EIM HELP	7/1/2021-6/30/2022	\$ 250,000	\$ 250,000
Early Identification and Monitoring	22EIM VDID	7/1/2021-6/30/2022	\$ 100,000	\$ 100,000
Special Child Health Case Management 2022	22CSE	7/1/2021-6/30/2022	\$ 144,818	\$ 144,818
<i>Total New Jersey Department of Health</i>			<u>494,818</u>	<u>494,818</u>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<u><u>\$ 944,818</u></u>	<u><u>\$ 944,818</u></u>

# AUTISM NEW JERSEY, INC.

## NOTES TO THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE FOR THE YEAR ENDED JUNE 30, 2022

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### 1. BASIS OF PRESENTATION

The accompanying schedule of state financial assistance presents the state grant activity of Autism New Jersey, Inc., and is presented on the accrual basis of accounting. The information in the schedule is presented in accordance with requirements of *New Jersey 15-08-OMB, Government Audit Standards, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

### 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 15-08-OMB*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Organization has not elected to use the 10-percent de minimus indirect cost rate allowed under *New Jersey 15-08-OMB*.

### 3. YELLOW BOOK AND SINGLE AUDIT POLICY

The State of New Jersey requires all organizations that disburse federal grant, state grant or state aid funds to recipients that expend \$750,000 or more in federal or state financial assistance within their fiscal year to have annual single audits or program-specific audits performed in accordance with the Uniform Guidance and New Jersey 15-08-OMB.

All organizations that disburse federal grant, state grant or state aid funds to recipients that expend less than \$750,000 in federal or state financial assistance within their fiscal year, but expend \$100,000 or more in state and/or federal financial assistance within their fiscal year must have either a financial statement audit performed in accordance with Government Auditing Standards (Yellow Book) or a program-specific audit performed in accordance the Uniform Guidance.