

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2023 AND 2022  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR DECEMBER  
31, 2022)**



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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Essex County Family Justice Center, Inc.  
Newark, New Jersey

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the accompanying financial statements of Essex County Family Justice Center, Inc. (Organization) (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2023, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of these 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 these financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that these 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, 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 and *Government Auditing Standards*, we:

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

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

**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 on page 15, 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 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 August 16, 2024, on our consideration of the Organization’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization’s internal control over financial reporting and compliance.

**Report on Summarized Comparative Information**

In our opinion, the summarized, comparative information presented herein, as of and for the year ended December 31, 2022, is consistent, in all material respects with the audited financial statements from which it has been derived.



**CliftonLarsonAllen LLP**

Livingston, New Jersey  
August 16, 2024

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2023 AND 2022**

	2023	2022
<b>ASSETS</b>		
Cash	\$ 273,053	\$ 242,031
Grants Receivable	239,846	170,232
Total Assets	\$ 512,899	\$ 412,263
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 104,133	\$ 58,717
Line of Credit	-	3,216
Deferred Revenues	95,524	37,394
Total Liabilities	199,657	99,327
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Board-Designated	85,002	82,018
Undesignated	228,239	230,918
Total Net Assets	313,241	312,936
Total Liabilities and Net Assets	\$ 512,898	\$ 412,263

See accompanying Notes to Financial Statements.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR DECEMBER 31, 2022)**

	2023			2022 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>SUPPORT AND REVENUE</b>				
Contributions and Grants:				
Individuals	\$ 7,326	\$ -	7,326	\$ 44,373
Government Grants	1,155,537	-	1,155,537	1,074,504
Corporate, Foundation and Trust Grants	107,879	-	107,879	74,500
In-Kind Contributions	170,660	-	170,660	170,660
Total Support and Revenue	<u>1,441,402</u>	<u>-</u>	<u>1,441,402</u>	<u>1,364,037</u>
<b>EXPENSES</b>				
Program Services	1,024,998	-	1,024,998	899,902
Supporting Services:				
Management and General	379,735	-	379,735	340,166
Fundraising	36,364	-	36,364	69,702
Total Supporting Services	<u>416,099</u>	<u>-</u>	<u>416,099</u>	<u>409,868</u>
Total Expenses	<u>1,441,097</u>	<u>-</u>	<u>1,441,097</u>	<u>1,309,770</u>
<b>CHANGES IN NET ASSETS</b>	305	-	305	54,267
Net Assets - Beginning of Year	<u>312,936</u>	<u>-</u>	<u>312,936</u>	<u>258,669</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 313,241</u>	<u>\$ -</u>	<u>\$ 313,241</u>	<u>\$ 312,936</u>

See accompanying Notes to Financial Statements.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR DECEMBER 31, 2022)**

	2023					2022 Total
	Program Services	Supporting Services			Total	
		Management and General	Fundraising	Total Supporting Services		
Salaries	\$ 505,872	\$ 242,980	\$ 19,532	\$ 262,512	\$ 768,383	\$ 710,769
Payroll Taxes	42,707	20,513	1,649	22,162	64,869	57,230
Employee Benefits	72,105	35,670	2,700	38,370	110,474	116,018
Professional Fees	235,719	30,910	2,149	33,059	268,779	196,699
In-Kind Expense	125,935	35,897	8,827	44,724	170,660	170,660
Office Expense	8,771	2,182	297	2,479	11,249	9,727
Telephone	10,704	3,051	750	3,801	14,506	14,402
Occupancy	2,175	6,609	-	6,609	8,784	15,333
Printing	650	185	46	231	881	144
Travel	7,772	-	-	-	7,772	-
Education	1,260	-	-	-	1,260	2,000
Insurance	5,906	1,684	414	2,098	8,004	9,297
Victims' Aid	5,422	-	-	-	5,422	7,376
Miscellaneous Expense	-	54	-	54	54	115
<b>Total Expenses</b>	<b>\$ 1,024,998</b>	<b>\$ 379,735</b>	<b>\$ 36,364</b>	<b>\$ 416,099</b>	<b>\$ 1,441,097</b>	<b>\$ 1,309,770</b>

See accompanying Notes to Financial Statements.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR DECEMBER 31, 2022)**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in Net Assets	\$ 305	\$ 54,267
Changes in Certain Assets and Liabilities:		
Grants Receivable	(69,614)	38,061
Accounts Payable and Accrued Expenses	45,416	(27,268)
Deferred Revenue	58,130	(44,213)
Net Cash Provided by Operating Activities	34,237	20,847
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net Borrowings from Line of Credit	(3,216)	3,216
 <b>NET INCREASE IN CASH</b>	31,021	24,063
Cash - Beginning of Year	242,031	217,968
 <b>CASH - END OF YEAR</b>	\$ 273,052	\$ 242,031

See accompanying Notes to Financial Statements.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 1 NATURE OF ACTIVITIES**

Essex County Family Justice Center, Inc. (Organization) is the first Family Justice Center in the state of New Jersey and was established in 2010 to provide accessible and coordinated services to victims of domestic violence. The Family Justice Center Model is designed to reduce the barriers and fragmentation of existing services and meet the diverse needs of victims by bringing government and nongovernment agencies together in one place. The U.S. Department of Justice, Office on Violence Against Women, recognizes the Family Justice Center Model as a best practice in the field of domestic violence intervention and prevention.

The Organization's main revenue sources are government grants, grants from corporations, foundations, and trusts, and contributions from the general public.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

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

**Adoption of New Accounting Standards**

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

**Financial Statement Presentation**

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

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

*Net Assets With Donor Restrictions* – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Grants Receivable**

Grants receivable are stated at the amount management expects to collect from outstanding balances. The Organization charges uncollectible grants receivable to operations when determined to be uncollectible based on historical trends. At December 31, 2023 and 2022, management determined an allowance for uncollectible grants receivable was not deemed necessary.

**Property and Equipment**

Property and equipment is stated at cost on the date of acquisition, or fair value on the date of gift for donated assets. Significant additions, renewals, or betterments greater than \$2,500 are capitalized while replacements, maintenance, and repairs which do not improve or extend the life of an asset, are expensed.

**Donated Services and Facilities**

Amounts are reported in the financial statements for voluntary donations of services when those services create or enhance nonfinancial assets or require specialized skills provided by individuals possessing those skills, and which typically would be purchased if not provided by donation. Donated services are recorded as contributions at their estimated fair value at the date of donation. The amount of donated security services for each of the years ended December 31, 2023 and 2022 was \$44,680, and is included in in-kind contributions and in-kind expense on the statement of activities and changes in net assets, and statement of functional expenses, respectively. The Organization also regularly receives services from volunteers who are not acting in a professional capacity. Such volunteer services do not meet the criteria for financial statement recognition and are not included in the financial statements.

The Organization receives donated office space, used for its program services and administrative offices, and parking space from Essex County at two separate locations in Newark, New Jersey. Donated facilities are recorded as contributions at their estimated fair value at the date of donation. The amount of donated office facilities for the each of the years ended December 31, 2023 and 2022 was \$113,396. Donated parking totaled \$12,584 for the year ended December 31, 2023 and 2022. Donated office space and parking are included in in-kind contributions and in-kind expense on the statement of activities and changes in net assets and statement of functional expenses, respectively.

**Revenue Recognition**

Contributions are recognized as revenue when they are received or unconditionally pledged. Conditional contributions are not recognized until the conditions are substantially met or explicitly waived.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition (Continued)**

Contributions are recorded as revenue as either with or without donor restrictions according to donor stipulations that limit the use of these assets due to time or purpose restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. Contributions with restrictions that are met in the same reporting period as they are received are reported as unrestricted support.

Funds received from various federal, state and local agencies represent grants awarded to the Organization to provide program services. Revenue with respect to these awards is considered a conditional contribution and is not recognized until the conditions related to this revenue are substantially met. Funds received in advance of the conditions being satisfied are reported as deferred revenue in the statements of financial position. Amounts that are spent in accordance with contract requirements, but not yet received, are reported grants receivable in the statements of financial position.

**Income Taxes**

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision has been made for federal or state income taxes.

The Organization follows accounting standards that provide 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 also provides guidance on derecognition, classification, interest and penalties, disclosure and transition. The Organization's policy is to recognize interest and penalties on unrecognized tax benefits in income tax expense. No interest or penalties were recorded during the years ended December 31, 2023 and 2022. At December 31, 2023 and 2022, there are no significant income tax uncertainties that are expected to have a material impact on the Organization's financial statements.

**Use of Estimates**

In preparing financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Summarized, Comparative Financial Information**

The financial statements include certain prior year, summarized, comparative information in total but not by net asset class or functional area. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Subsequent Events**

The Organization has evaluated events subsequent to the statement of financial position date as of December 31, 2023 through August 16, 2024, the date that the financial statements were available to be issued.

**NOTE 3 GRANTS RECEIVABLE**

Grants receivable consist of the following:

	2023	2022
New Jersey Victims' Assistance Grant	\$ 117,890	\$ 109,619
Improving Criminal Justice Responses Grant	56,130	35,851
Justice for Families Grant	25,468	9,478
Office for Victims of Crime	19,917	15,284
Stop VAWA Grant	20,441	-
Total	\$ 239,846	\$ 170,232

**NOTE 4 LINE OF CREDIT**

The Organization has a revolving line of credit with a bank providing for maximum borrowings of \$100,000 through August 1, 2024. The line is secured by substantially all of the Organization's assets. Borrowings under the revolving line of credit bear interest at the bank's prime rate (7.50% at December 31, 2023). There were no outstanding borrowings of as of December 31, 2023. There were outstanding borrowings of \$3,216 against the line of credit as of December 31, 2022.

**NOTE 5 BOARD-DESIGNATED NET ASSETS**

The Organization's Board of Trustees has designated funds totaling \$85,002 and \$82,018 as of December 31, 2023 and 2022, respectively, to create an internal line of credit to manage operating cash flow needs.

**NOTE 6 CONTRIBUTED NONFINANCIAL ASSETS**

Contributed nonfinancial assets received during the years ended December 31, 2023 and 2022 consisted of the following:

	2023	2022
Use of Program and Administrative Offices	\$ 113,396	\$ 113,396
Use of Parking Spaces	12,584	12,584
Security Services	44,680	44,680
Total Contributed Nonfinancial Assets	\$ 170,660	\$ 170,660

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 6 CONTRIBUTED NONFINANCIAL ASSETS (CONTINUED)**

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

<u>Contributed Nonfinancial Asset</u>	<u>Valuation Techniques and Inputs</u>
Use of Program and Administrative Offices	Estimated Based on Fair Market Value of Rent for Similar Properties in the Same Geographic Area
Use of Parking Spaces	Based on Actual Parking Rates at the Parking Facility Utilized
Security Services	Based on Actual Rates Charged by the Sheriff's Office Providing the Security

The Organization's policy related to gifts-in-kind is to utilize the assets and services received to carry out the mission of the Organization. All gifts-in-kind received by the Organization for the years ended December 31, 2023 and 2022 were without donor restrictions.

**NOTE 7 FUNCTIONAL EXPENSES**

Directly identifiable expenses are charged to programs and supporting services. Certain categories of expenses are attributed to more than one program or supporting function and, therefore, require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, employee benefits, professional fees related to information technology, in-kind expenses, office expenses, telephone, occupancy, printing, and insurance, which are allocated based on time and effort.

**NOTE 8 CONCENTRATIONS**

The Organization maintains cash balances at a financial institution. At times, cumulative balances may exceed the federally insured limit.

The Organization receives a large portion of its funding from various federal, state and local governmental agencies. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to changes that may occur because of inadequate funding with little notice to pay for the related costs, including the additional administrative burden, to comply with a change. A material reduction of such support could have a significant impact on the Organization's operations. Management, however, does not expect that its support will be materially reduced.

Approximately 80% and 79% of the Organization's total support and revenue for the years ended December 31, 2023 and 2022, respectively, were from government agencies.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**NOTE 9 LIQUIDITY AND AVAILABILITY**

The following represents the Organization's financial assets at December 31, 2023 and 2022, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

	2023	2022
Financial Assets:		
Cash	\$ 273,053	\$ 242,031
Grants Receivable	239,846	170,232
Total Financial Assets	512,899	412,263
Less Amounts Not Available to be Used Within One Year:		
Board-Designated Net Assets	(85,002)	(82,018)
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ 427,897	\$ 330,245

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization also has a line of credit that is fully available for operating needs. Board-designated net assets could be made available for operations through Board resolution, if necessary.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2023**

Grantor Pass-Through Grantor/Program Title	ALN Number	Grant Number	Grant Period	Award Amount	Expenditures
U.S. Department of Justice Office on Violence Against Women					
Justice for Families Program	16.021	2015-FJ-AX-0023	10/1/2015 - 12/31/2023	\$ 1,050,000	\$ 45,644
Justice for Families Program	16.021	15JOVW-23-GG-00335-JFFX	10/1/2023 - 9/30/2026	599,512	25,468
Improving Criminal Justice Responses Program	16.590	2016-WE-AX-0004	10/1/2016 - 9/30/2023	1,750,000	296,119
U.S. Department of Justice Office of Justice Programs Office for Victims of Crime					
Crime Victim Assistance Discretionary Grants	16.582	15POVC-22-GK-04378-NONF	10/1/2022-09/30/2024	399,992	121,005
<u>NJ Department of Law and Public Safety</u>					
STOP VAWA Grant Program	16.588	VAWA 59-22	7/1/2023-6/30/2024	45,000	20,441
Competitive Victim Assistance Grant (VAG) Program	16.575	VAG-47-20	9/17/2021-8/31/2023	275,000	98,301
Competitive Victim Assistance Grant (VAG) Program	16.575	VAG-49-20	9/17/2021-8/31/2023	275,000	86,770
Competitive Victim Assistance Grant (VAG) Program	16.575	VAG-48-20	9/17/2021-8/31/2023	275,000	86,232
Competitive Victim Assistance Grant (VAG) Program	16.575	VAG 11-21	9/1/23 - 12/31/23	182,053	43,009
Competitive Victim Assistance Grant (VAG) Program	16.575	VAG 12-21	9/1/23 - 12/31/23	182,053	43,344
Competitive Victim Assistance Grant (VAG) Program	16.575	VAG 13-21	9/1/23 - 12/31/23	182,053	31,537
					<u>389,193</u>
Total Expenditures of Federal Awards					<u>\$ 897,870</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Essex County Family Justice Center, Inc. (Organization) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE 2 SUBRECIPIENTS**

During the year ended December 31, 2023, the Organization did not provide any funds relating to their federal or state programs to subrecipients.

**NOTE 3 INDIRECT COSTS**

The Organization elected to use the de minimis cost rate when allocating indirect costs to federal and state programs.

**NOTE 4 LOAN AND LOAN GUARANTEE PROGRAMS**

As of December 31, 2023, the Organization did not have any loan or loan guarantee programs.



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

Board of Trustees  
Essex County Family Justice Center, Inc.  
Newark, New Jersey

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 Essex County Family Justice Center, Inc. (Organization), (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 16, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

Board of Trustees  
Essex County Family Justice Center, Inc.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization’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 entity’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.



**CliftonLarsonAllen LLP**

Livingston, New Jersey  
August 16, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDE**

Board of Trustees  
Essex County Family Justice Center, Inc.  
Newark, New Jersey

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

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

We have audited Essex County Family Justice Center, Inc.'s (Organization) 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 the Organization's major federal programs for the year ended December 31, 2023. The Organization's major federal programs are identified in the Summary of Auditors' Results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization 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 December 31, 2023.

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

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

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal 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 Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with 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 the Organization'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 the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

Board of Trustees  
Essex County Family Justice Center, Inc.

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

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

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



**CliftonLarsonAllen LLP**

Livingston, New Jersey  
August 16, 2024

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2023**

**I. SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

The auditors' report issued on the basic financial statements of Essex County Family Justice Center, Inc. was an unmodified opinion.

Internal control over financial reporting:

- Material weaknesses identified?  Yes  No
- Significant deficiencies identified that are not considered to be material weaknesses?  Yes  No

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major programs:

- Material weaknesses identified?  Yes  No
- Significant deficiencies identified that are not considered to be material weaknesses?  Yes  No

The auditors' report issued on compliance for major programs was an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?  Yes  No

The following federal programs were designated as major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
16.575	Competitive Victim Assistance Grant (VAG) Programs

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000  
 Auditee qualified as a low-risk auditee?  Yes  No

**ESSEX COUNTY FAMILY JUSTICE CENTER, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023**

**II. FINANCIAL STATEMENT FINDINGS**

NONE

**III. COMPLIANCE FINDINGS**

NONE

**IV. FOLLOW-UP OF PRIOR AUDIT FINDINGS**

NONE



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