

NEW JERSEY INSTITUTE  
FOR SOCIAL JUSTICE  
FINANCIAL STATEMENTS  
YEAR ENDING DECEMBER 31, 2021 AND 2020

NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
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YEAR DECEMBER 31, 2021 AND 2020

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
New Jersey Institute for Social Justice

### Opinion

I have audited the accompanying financial statements of New Jersey Institute for Social Justice (a nonprofit organization) which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of New Jersey Institute for Social Justice as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis of Opinion

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the New Jersey Institute for Social Justice and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Institute'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 Responsibility for the Audit of the Financial Statements

My 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 my 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, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement, 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 the 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 Institute'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Institute's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

April 25, 2022  
Hillsborough, NJ

*James M. Wood, CPA*

NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
 STATEMENTS OF FINANCIAL POSITION  
 DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
Current assets		
Cash & cash equivalents	\$ 1,125,882	\$ 963,725
Investment securities	6,823,855	6,111,829
Accounts receivable	5,918	13,693
Pledges receivable	25,000	25,000
Total financial assets	<u>7,980,655</u>	<u>7,114,247</u>
Prepaid expenses	13,833	17,284
Total current assets	<u>7,994,488</u>	<u>7,131,531</u>
Property & equipment		
Furniture & fixtures	212,445	196,567
Leasehold improvements	44,556	44,556
	<u>257,001</u>	<u>241,123</u>
Less accumulated depreciation	(235,774)	(231,486)
	<u>21,227</u>	<u>9,637</u>
Other assets		
Security deposit	11,846	11,846
	<u>11,846</u>	<u>11,846</u>
	<u>\$ 8,027,561</u>	<u>\$ 7,153,014</u>
<b>Liabilities &amp; Net Assets (Accumulated Deficit)</b>		
Current liabilities		
Accounts payable & accrued expenses	\$ 56,001	\$ 46,375
Loan payable - Paycheck Protection Program	-	324,800
	<u>56,001</u>	<u>371,175</u>
Net assets (accumulated deficit)		
Without donor restrictions		
Undesignated	112,615	(569,211)
Board designated	6,735,572	6,004,988
	<u>6,848,187</u>	<u>5,435,777</u>
With donor restrictions	1,123,373	1,346,062
	<u>7,971,560</u>	<u>6,781,839</u>
	<u>\$ 8,027,561</u>	<u>\$ 7,153,014</u>

See accompanying notes to financial statements.

**NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
STATEMENTS OF ACTIVITIES  
YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021		2020	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
<b>Public Support</b>				
Contributions	\$ 226,232	\$ -	\$ 370,368	\$ -
Foundation & corporate grants	962,333	1,589,000	134,395	2,300,800
Special event, net of				
Gross income	381,500	-	329,567	-
Direct expense	(62,660)	-	(46,341)	-
	318,840	-	283,226	-
	1,507,405	1,589,000	787,989	2,300,800
<b>Revenue</b>				
Contractual arrangements	9,837	-	18,213	-
Litigation	19,038	-	-	-
	28,875	-	18,213	-
<b>Other</b>				
Paycheck Protection Program	324,800	-	-	-
<b>Investment Income</b>				
Interest & dividends	201,370	-	116,929	-
Gains (losses) on investment securities	706,831	-	533,327	-
Investment management fees	(27,617)	-	(22,701)	-
	880,584	-	627,555	-
Subtotal	2,741,664	1,589,000	1,433,757	2,300,800
Net assets released from restriction	1,811,689	(1,811,689)	1,883,592	(1,883,592)
Total income	4,553,353	(222,689)	3,317,349	417,208
<b>Functional Expenses</b>				
Program services				
Economic Mobility	766,476	-	682,853	-
Criminal Justice	670,312	-	657,103	-
Democracy & Justice	760,650	-	817,978	-
	2,197,438	-	2,157,934	-
Supporting services				
Management & general	501,482	-	449,435	-
Fund raising	442,023	-	390,663	-
	943,505	-	840,098	-
Total expenses	3,140,943	-	2,998,032	-
Increase (decrease) in net assets	1,412,410	(222,689)	319,317	417,208
Net assets, beginning of period	5,435,777	1,346,062	5,116,460	928,854
Net assets end of period	\$ 6,848,187	\$ 1,123,373	\$ 5,435,777	\$ 1,346,062
				\$ 6,781,839
				\$ 3,734,557
				\$ 2,435,195
				\$ 329,567
				(46,341)
				283,226
				2,300,800
				3,088,789
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				5,435,777
				1,123,373
				7,971,560
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NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2021 WITH COMPARATIVE TOTALS FOR 2020

	2021				2020			
	Program Services		Supporting Services		Program Services		Supporting Services	
	Economic Mobility	Criminal Justice	Democracy & Justice	Total	Management & General	Fund Raising	Total	Total Expenses
Salaries	\$ 509,137	\$ 363,387	\$ 484,657	\$ 1,357,181	\$ 285,309	\$ 300,264	\$ 585,573	\$ 1,942,754
Payroll tax & fringe benefits	124,478	88,844	118,493	331,815	69,755	73,411	143,166	474,981
	633,615	452,231	603,150	1,688,996	355,064	373,675	728,739	2,417,735
Professional fees	2,908	3,210	3,812	9,930	70,767	2,507	73,274	83,204
Direct project	14,647	131,525	43,638	189,810	-	-	-	189,810
Insurance	2,692	1,921	2,562	7,175	1,508	1,587	3,095	10,270
Office	16,481	11,763	15,689	43,933	9,236	9,720	18,956	62,889
Technology & communications	26,075	18,610	24,821	69,506	14,612	15,378	29,990	99,496
Travel, meals & entertainment	3,005	2,145	2,861	8,011	1,684	1,772	3,456	11,467
Dues & subscriptions	11,511	8,216	10,958	30,685	6,451	6,789	13,240	43,925
Equipment rental & repairs	1,898	1,355	1,807	5,060	1,064	1,120	2,184	7,244
Occupancy	45,213	32,270	43,039	120,522	25,336	26,664	52,000	172,522
Outside events	3,663	3,663	3,774	11,100	13,089	-	13,089	24,189
Miscellaneous	3,644	2,601	3,469	9,714	2,041	2,148	4,189	13,903
	765,352	669,510	759,580	2,194,442	500,852	441,360	942,212	3,136,654
Depreciation	1,124	802	1,070	2,996	630	663	1,293	4,289
Total functional expenses	\$ 766,476	\$ 670,312	\$ 760,650	\$ 2,197,438	\$ 501,482	\$ 442,023	\$ 943,505	\$ 3,140,943
								\$ 2,998,032

(See page 6)

See accompanying notes to financial statements.

NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2020

	2020						Total Expenses
	Program Services			Supporting Services			
	Economic Mobility	Criminal Justice	Democracy & Justice	Management & General	Fund Raising	Total	
Salaries	\$ 443,670	\$ 364,474	\$ 516,816	\$ 1,324,960	\$ 251,432	\$ 510,190	\$ 1,835,150
Payroll tax & fringe benefits	118,882	97,662	138,482	355,026	67,372	136,707	491,733
	562,552	462,136	655,298	1,679,986	318,804	646,897	2,326,883
Professional fees	9,788	1,491	1,897	13,176	68,091	69,108	82,284
Direct project	4,848	106,549	37,086	148,483	28	28	148,511
Insurance	3,013	2,475	3,510	8,998	1,708	3,465	12,463
Office	15,867	13,034	18,482	47,383	8,992	18,246	65,629
Technology & communications	25,247	20,741	29,410	75,398	14,308	29,033	104,431
Travel, meals & entertainment	6,595	5,418	7,682	19,695	3,737	7,583	27,278
Dues & subscriptions	8,107	6,660	9,443	24,210	4,594	9,322	33,532
Equipment rental & repairs	1,411	1,160	1,645	4,216	800	1,623	5,839
Occupancy	41,267	33,901	48,070	123,238	23,386	47,454	170,692
Outside events	125	225	757	1,107	2,702	2,702	3,809
Miscellaneous	3,199	2,628	3,726	9,553	1,812	3,678	13,231
	682,019	656,418	817,006	2,155,443	448,962	839,139	2,994,582
Depreciation	834	685	972	2,491	473	959	3,450
Total functional expenses	\$ 682,853	\$ 657,103	\$ 817,978	\$ 2,157,934	\$ 449,435	\$ 840,098	\$ 2,998,032

See accompanying notes to financial statements.



NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities</b>		
Increase in net assets	\$ 1,189,721	\$ 736,525
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	4,288	3,450
Gains on investment securities	(706,831)	(533,327)
Paycheck Protection Program loan forgiveness	(324,800)	-
(Increase) decrease in:		
Accounts receivable	7,775	(5,700)
Prepaid expenses	3,451	2,379
Increase (decrease) in:		
Accounts payable & accrued expenses	<u>9,626</u>	<u>(29,296)</u>
Cash provided by operating activities	183,230	174,031
<b>Cash flows from investing activities</b>		
Proceeds from sale of investment securities	150,000	700,000
Acquisition of investment securities	(155,195)	(521,136)
Acquisition of fixed assets	<u>(15,878)</u>	<u>-</u>
Cash provided by (used in) investing activities	<u>(21,073)</u>	<u>178,864</u>
<b>Cash flows from financing activities</b>		
Proceeds from loan payable	<u>-</u>	<u>324,800</u>
Cash provided by financing activities	<u>-</u>	<u>324,800</u>
Net increase in cash & cash equivalents	162,157	677,695
Cash & cash equivalents		
Beginning of year	<u>963,725</u>	<u>286,030</u>
End of year	<u>\$ 1,125,882</u>	<u>\$ 963,725</u>

accompanying notes to financial statements.

NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDING DECEMBER 31, 2021 AND 2020

(1) Summary of Significant Accounting Policies

*Nature of activities*

New Jersey Institute for Social Justice (the Institute), a public charity, is a Newark-based urban research and advocacy organization dedicated to the advancement of New Jersey's urban areas and residents. Established in 1999, the Institute's programs focus on expanding access to economic opportunity for low-income and minority residents of Newark and other urban areas of the state; promoting local, regional and state government that is effective, equitable and accountable to the concerns of urban residents and their communities; and ensuring the civil rights and other basic entitlements of minorities and low-income individuals in the state. The Institute advances this nonpartisan agenda through policy-related research and analysis, development and implementation of model programs, advocacy efforts and sustained public education.

*Basis of presentation*

In accordance with generally accepted accounting principles, the financial statements have been prepared on the accrual basis of accounting. Net assets are classified based on the existence or absence of donor-imposed restrictions and are defined as follows:

Net assets without donor restrictions - net assets not subject to donor-imposed conditions and expendable for operating purposes.

Net assets with donor restrictions - net assets subject to donor-imposed conditions that will be met by actions of the Institute and/or by the passage of time.

Included in net assets without donor restrictions are board designated net assets. Prior to fiscal year 2005, the Institute's revenues were derived primarily from the Alan V. and Amy Lowenstein Family Foundation. The funds were received as investment securities and have been designated by the Board of Trustees to provide ongoing support for programs and operations. Use of endowment assets for programs and operations are determined by the Board of Trustees.

*Cash & cash equivalents*

The financial statement item "cash & cash equivalents" consists of demand deposits, including money market funds, in depository financial institutions and highly liquid investments in money market funds.

*Investment securities*

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with gains and losses included in the statement of activities.

*Contributions*

Contributions received are recognized as revenue when pledged. Contributions are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor-imposed restrictions.

NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDING DECEMBER 31, 2021 AND 2020

*Grants*

Grants received from foundations and corporations are treated as contributions and are recorded as without or with donor restrictions depending on the nature of any donor imposed conditions. Grants which are conditional in nature are recognized when the underlying conditions are substantially satisfied.

*Contractual arrangements*

Revenue from contractual arrangements is recognized when the related services are rendered.

*Premises & equipment*

Acquisitions of premises and equipment with estimated useful lives in excess of one year are capitalized and depreciated over the estimated useful life of each asset. Leasehold improvements are amortized over the life of the asset or the length of the lease, whichever is shorter.

*Functional expenses*

Expenses are charged to each program based on direct expenditures incurred. Any expenses not directly chargeable are allocated to programs and supporting services based on applicable rates determined by management.

*Use of estimates*

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

*Concentrations of credit and funding risk*

Financial instruments

Financial instruments that potentially expose the Institute to concentrations of credit and market risk consist primarily of cash, cash equivalents, and investment securities. Cash and cash equivalents are placed in high-quality financial institutions or money market funds, and credit exposure is deemed to be limited to any one institution. The Institute did not experience any losses on cash and cash equivalents during the year ending December 31, 2021.

Investment securities

Investment securities consist of equity securities, mutual funds, index funds, and real estate investment trusts. Investment securities with readily determinable market values are carried at fair value; all investment securities are subject to market fluctuations. Future losses may be incurred in the event of a decline in fair value.

NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDING DECEMBER 31, 2021 AND 2020

Funding

During the year ended December 31, 2021, the Institute received approximately 12% of its funding from one grantor; the remaining revenue sources were diversified with no more than 7% derived from a single source.

*Fair value of financial instruments*

Financial instruments are carried at fair value which is defined 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. Fair value is determined using three levels of inputs:

- Level 1 Valuations based on quoted prices in active markets for identical assets. Valuations are based on quoted prices that are readily and regularly available in the active market.
- Level 2 Valuations based on one or more quoted price for investments that are not exchange-traded but for which all significant inputs are observable, either directly or indirectly, and for which transaction activity is unrestricted and occurs on a regular basis.
- Level 3 Valuations based on inputs that are unobservable and significant to the overall fair value measurements.

The following valuation techniques are used for assets measured at fair value:

Cash equivalents - The carrying value approximates fair value due to its short term nature. Cash equivalents, defined as highly liquid dollar-denominated funds, are classified as Level 1 investments.

Equity securities - Investments in equity securities are measured at fair value using the quoted market price and are classified as Level 1.

Mutual funds - Investments in mutual and exchange-traded funds are measured at fair value using the quoted market prices and are classified as Level 1.

Index funds - Investments in index funds are exchange-traded and are classified as Level 1.

*Accounting for uncertainty in income taxes*

The Institute's accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable. Management is not aware of any violation of tax status or exposure to uncertain tax positions that could require accrual or which could affect its liquidity or future cash flows. The Institute's exempt organization filings for the years ended September 30, 2019 and 2018, the three-month period ended December 31, 2019, and the years ended December 31 2021 and 2020 are subject to examination by the Internal Revenue Service and the State of New Jersey. Further, the Internal Revenue Service may examine the Institute's financial activities for income and unrelated business income tax for those periods.

NEW JERSEY INSTITUTE FOR SOCIAL JUSTICE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDING DECEMBER 31, 2021 AND 2020

*New accounting pronouncements*

The Financial Accounting Standards Board issued Update No. 2016-02, *Leases* (Topic 842), in February 2016. Under this guidance, lessees are required to record most leases on their balance sheets but recognize expenses in the income statement. All entities will classify leases to determine how to recognize lease-related revenue and expense. Disclosures are required by lessees and lessors to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The amendments in this Update are effective for fiscal years beginning after December 15, 2021. Management is evaluating the impact of this updated guidance on its financial statements.

**(2) Investment Securities**

As of December 31, 2021 and 2020 consist of the following:

	<u>Fair</u> <u>Value</u>	<u>Cost</u>
<u>2021</u>		
Equities	\$ 606,160	\$ 369,291
Bond funds	1,430,998	1,455,782
Equity funds	4,338,389	3,161,849
Real estate funds	<u>448,308</u>	<u>547,190</u>
	<u>\$6,823,855</u>	<u>\$5,534,112</u>
 <u>2020</u>		
Equities	\$ 574,618	\$ 369,660
Bond funds	1,393,852	1,420,542
Equity funds	3,808,029	3,090,876
Commodity funds	149,705	402,075
Real estate funds	<u>185,625</u>	<u>144,007</u>
	<u>\$6,111,829</u>	<u>\$5,427,160</u>

**(3) Commitments**

The Institute is obligated under the terms of leases for office space and certain equipment as follows for future years ending December 31:

2022	\$9,998
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Management expects to renew the Institute's lease for office space in 2022.

Rent expense totaled \$119,973 and \$128,781 for the period ended December 31, 2021 and 2020 respectively.

**(4) Retirement Plan**

The Institute sponsors a 401(k) profit sharing plan covering substantially all full time employees. Contributions to the plan are at the discretion of the Board of Trustees. For the year ended December 31, 2021 and 2020, contributions to the plan totaled \$53,068 and \$48,602, respectively.

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(5) **Income Tax Status**

The Institute qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for income taxes except for unrelated business income tax applicable to certain investment income. All applicable returns for the exempt organization are filed in a timely manner; all payments for unrelated business income tax are made in a timely manner. The Institute is liable for payment of payroll taxes as an employer; all such amounts are paid in a timely manner as required by state and federal regulations.

(6) **Net Assets**

Board-Designated Net Assets - Endowment

Since inception of the Institute, the Board of Trustees has designated certain contributions and bequests as a general endowment fund to support the mission of the Institute. As a board designation, the endowment is included in net assets without donor restrictions.

Amounts are released from the board-designated endowment as required to support operating activities. As the Institute's program services mature and the associated revenues expand, the Institute expects to release smaller amounts from the endowment. The Institute plans to allow its endowment to grow where investment income will enhance operating activities.

To achieve that objective, the Institute has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well diversified asset mix which includes equity and debt securities, mutual funds, and real estate investment partnerships. The intended result is a consistent inflation-protected rate of return that has sufficient liquidity to make needed annual distributions while growing the endowment if possible. Actual returns in any given year may vary. Investment risk is measured in terms of the total endowment fund; investment assets and allocation thereto is managed to provide an acceptable level of risk.

Endowment net assets activity as of December 31, 2021 and 2020 for the year then ended is as follows:

Endowment net assets, 12/31/19	\$5,662,433
Investment return, net	627,555
Distributions & appropriations pursuant to spending policy	<u>(285,000)</u>
Endowment net assets, 12/31/20	6,004,988
Investment return, net	880,584
Distributions & appropriations pursuant to spending polity	<u>(150,000)</u>
Endowment net assets, 12/31/21	<u>\$6,735,572</u>

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With Donor Restrictions

As of December 31, 2021 and 2020, net assets with donor restrictions subject to specified use are as follows:

	<u>2021</u>	<u>2020</u>
Criminal Justice	\$ 554,549	\$ 532,486
Economic Mobility	308,868	393,820
Democracy & Justice	259,956	380,486
Trustee Social Justice Legal Fund	-	39,270
	<u>\$1,123,373</u>	<u>\$1,346,062</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose as follows for the year ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Criminal Justice	\$ 814,937	\$ 868,792
Economic Mobility	381,951	349,379
Democracy & Justice	575,531	665,421
Trustee Social Justice Legal fund	39,270	-
	<u>\$1,811,689</u>	<u>\$1,883,592</u>

**(7) Recurring Fair Value Measurements**

The Institute has provided fair value disclosure information for relevant assets in these financial statements. The following tables summarize assets which have been accounted for at fair value on a recurring basis as of December 31, 2021 and 2020, along with the basis for the determination of fair value:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>December 31, 2021</u>				
Equities	\$ 606,160	\$ -	\$ -	\$ 606,160
Bond funds	1,430,998	-	-	1,430,998
Equity funds	4,338,389	-	-	4,338,389
Real estate funds	448,308	-	-	448,308
Money market funds	50,633	-	-	50,633
	<u>\$6,874,488</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$6,874,488</u>

<u>December 31, 2020</u>				
Equities	\$ 574,618	\$ -	\$ -	\$ 574,618
Bond funds	1,393,852	-	-	1,393,852
Equity funds	3,808,029	-	-	3,808,029
Commodity funds	149,705	-	-	149,705
Real estate funds	185,625	-	-	185,625
Money market funds	32,075	-	-	32,075
	<u>\$6,143,904</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$6,143,904</u>

Financial instruments are presented in the following line items of the statements of financial position:

	<u>2021</u>	<u>2020</u>
Cash & cash equivalents	\$1,125,882	\$ 963,725
Investment securities	6,823,855	6,111,829
	<u>\$7,949,737</u>	<u>\$7,075,554</u>

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For applicable assets, the Institute values such assets using quoted market prices in active markets for identical assets to the extent possible (Level 1). To the extent that such market prices are not available, the Institute next attempts to value such assets using observable measurement criteria, including quoted market prices of similar assets and liabilities in active and inactive markets and other corroborated factors (Level 2). In the event that quoted market prices in active markets and other observable measurement criteria are not available, the Institute develops measurement criteria based on the best information available (Level 3).

**(8) Paycheck Protection Program Loans**

In response to the coronavirus pandemic, the United States Congress passed the Coronavirus Aid, Relief and Economic Security Act (CARES) which provides direct economic assistance and loans to business entities. In May 2020, the Institute received a loan of \$324,800 under the Paycheck Protection Program (PPP) which is a component of the CARES Act. The Institute met the criteria for loan forgiveness recognizing \$324,800 as income during the year ended December 31, 2021.

**(9) Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, are comprised of the following as of December 31, 2020:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$1,125,882	\$ 963,725
Investment securities	6,823,855	6,111,829
Accounts receivable	5,918	13,693
Pledges receivable	<u>25,000</u>	<u>25,000</u>
Financial assets	7,980,655	7,114,247
Less:		
Donor restrictions	<u>1,123,373</u>	<u>1,346,062</u>
Financial assets available for general expenditure	<u>\$6,857,282</u>	<u>\$5,768,185</u>

**(10) Risks and Uncertainties**

Coronavirus

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which has spread throughout the United States. On March 21, 2020, the governor of New Jersey declared a health emergency and issued an order to close all nonessential businesses and activities until further notice. As of the date of these financial statements, all activities of the Institute are operating primarily virtually.

Further, the coronavirus pandemic may affect donor's and grantor's ability to contribute to activities of the Institute. The overall impact on the Institute's operations, earnings, cash flows and financial position cannot reasonably be estimated as of the date to there financial statements.



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**(11) Subsequent Events**

The Institute has evaluated the need for adjustments resulting from subsequent events through April 25, 2022, the date the financial statements were available to be issued. Based upon this evaluation, no adjustments or additional disclosures were required to the financial statements as of December 31, 2021.