

**NEW JERSEY WORLD TRADE CENTER
SCHOLARSHIP FUND**

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2024



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**NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6



INDEPENDENT AUDITORS' REPORT

Board of Trustees
New Jersey World Trade Center Scholarship Fund
Trenton, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of New Jersey World Trade Center Scholarship Fund (the Fund), which comprise the statement of financial position as of June 30, 2024, and the related statement of activities, 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 New Jersey World Trade Center Scholarship Fund as of June 30, 2024, and the change 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 (GAAS). 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 New Jersey World Trade Center Scholarship Fund 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 New Jersey World Trade Center Scholarship Fund's ability to continue as a going concern for one year after the date 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 New Jersey World Trade Center Scholarship Fund'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 New Jersey World Trade Center Scholarship Fund'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.



CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
October 18, 2024

NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

Cash and Cash Equivalents	<u>\$ 189,490</u>
Total Assets	<u><u>\$ 189,490</u></u>

NET ASSETS

With Donor Restrictions	<u>\$ 189,490</u>
Total Net Assets	<u><u>\$ 189,490</u></u>

See accompanying Notes to Financial Statements.

**NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

	With Donor Restrictions
SUPPORT AND REVENUES	
State of New Jersey Appropriations	\$ 202,000
Contributions	1,372
Total Support and Revenues	203,372
 PROGRAM EXPENSES	
Scholarship Awards	108,000
 CHANGE IN NET ASSETS	
	95,372
Net Assets – Beginning of Year	94,118
 NET ASSETS – END OF YEAR	
	\$ 189,490

See accompanying Notes to Financial Statements.

**NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	<u>\$ 95,372</u>
NET INCREASE IN CASH	95,372
Cash and Cash Equivalents – Beginning of Year	<u>94,118</u>
CASH AND CASH EQUIVALENTS – END OF YEAR	<u><u>\$ 189,490</u></u>

See accompanying Notes to Financial Statements.

NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Program

On January 11, 2002, New Jersey Acting Governor Bennett signed into law P.L.2001, c.442, N.J.S.A.18A:71B-23.1 et seq., the “New Jersey World Trade Center Scholarship Program Act” (the Act). The Act (N.J.S.A.18A:71B-23.3a) established a nonlapsing fund, known as the New Jersey World Trade Center Scholarship Fund (the Fund), in the New Jersey Higher Education Student Assistance Authority. The Act further required that the Fund be administered by a board of trustees (N.J.S.A.18A:71B-23.4).

The Board of Trustees consists of the State Treasurer, or a designee, and ten appointed public members to administer the Fund. Board members serve without compensation but are entitled to be reimbursed for reasonable and necessary expenses incurred in the discharge of their duties. There are currently five vacancies on the Board of Trustees.

The purpose of the Fund is to award scholarships from the Fund for the costs of undergraduate study at an institution of higher education to the dependent children or surviving spouses of persons who were New Jersey residents on September 11, 2001, and who were killed in the terrorist attacks on the United States on September 11, 2001, who died as a result of injuries received in the attacks, who are missing and officially presumed dead as a direct result of the attacks, and recently expanded to families of individuals who died due to exposure to the attack sites. The terrorist attacks on the United States include the hijackings and subsequent crashes at the World Trade Center in New York City, the Pentagon in Arlington, Virginia, and in Somerset County, Pennsylvania. Scholarships from the Fund may be awarded annually, upon proper application to the Fund, to any student who qualifies under the criteria developed by the Board of Trustees.

Support of the Fund consists of annual New Jersey Legislature appropriations from the state of New Jersey’s General Fund; and moneys contributed to the Fund by public and private sources. The solicitation and raising of private funds are included in the duties of the board members. Operating expenses consist of scholarship awards.

The money contributed to scholarship awards from public and private sources did not cover fiscal year 2023 scholarship expenses and will not cover the fiscal year 2024 and future years’ budgeted scholarship expenses. Under the Fiscal 2019 Appropriations Act, the Authority, as administrator of the Fund, has and will continue to transfer student financial aid grants among accounts within the Student Assistance Programs administered by the Authority in order to ensure timely awards. Therefore, the Fund will be able to continue awarding scholarships to the remaining students.

Basis of Accounting

The financial statements of the Fund have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The financial statement presentation follows the Financial Accounting Standards Board in ASC 958 *Not-For-Profit Entities*. The Fund reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. The Fund has only net assets with donor restrictions.

Cash and Cash Equivalents

For the purpose of reporting on the statement of cash flows, the Fund considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

Public Support and Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Fund that is, in substance, unconditional. An unconditional promise to give is reported at its net realizable value. State appropriations are recorded in the year appropriated.

Use of Estimates in Preparing Financial Statements

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.

Federal Income Taxes

The Fund has been organized exclusively to provide charitable and educational services and thus is exempt from federal income taxes under Section 501(c)(3) of the Federal Internal Revenue Code.

The Fund follows the Financial Accounting Standards Board (FASB) guidance that requires a tax position to be recognized or derecognized based on a more-likely-than-not threshold. The Fund does not believe its financial statements include any uncertain tax positions. The Fund's policy is to recognize interest related to unrecognized tax benefits in interest expense and penalties in operating expenses. No interest or penalties were recognized in 2024 and 2023.

Net Assets with Donor Restrictions

In accordance with the terms of the "New Jersey World Trade Center Scholarship Program Act" and the by-laws of the "New Jersey World Trade Center Scholarship Fund," all funds are classified as net assets with donor restrictions. Net assets with donor restrictions are net assets subject to donor-imposed stipulations that will be met by actions of the Fund or by the passage of time.

NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 LIQUIDITY

The cash required to fund the New Jersey Trade Center Scholarship Fund is largely received from annual New Jersey Legislature appropriations from the state of New Jersey's General Fund and minimal moneys contributed to the Fund by public and private sources. The funds are held by the state and funded as needed consequently there is no excess cash to invest. Annually, an appropriation is provided from which the scholarships are funded.

NOTE 3 SUPPORT AND REVENUES

For the fiscal year ended June 30, 2024, the Fund received \$202,000 in appropriations from the state of New Jersey General Fund and \$1,372 in contributions derived from the Tax Years 2022 and 2023 Form NJ 1040 "check-off" box.

NOTE 4 SCHOLARSHIP AWARDS

For the year ended June 30, 2024, the Fund disbursed \$108,000 of scholarships. For the 2023/2024 academic year, the maximum award per student was \$6,000.

NOTE 5 SUBSEQUENT EVENTS

At the Fund's July 23, 2024, meeting, the Board of Trustees authorized setting the annual World Trade Center Scholarship award at an amount not to exceed \$6,000 per student for the 2024/2025 academic year.

Management evaluated subsequent events through October 18, 2024, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2024, but prior to October 18, 2024, that provided additional evidence about conditions that existed at June 30, 2024, have been recognized in the financial statements for the year ended June 30, 2024. Events or transactions that provided evidence about conditions that did not exist at June 30, 2024 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended June 30, 2024.



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