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William Patterson University

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Rutgers, The State University of New Jersey

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Institute of Electrical and Electronics Engineers

Dr. Richard Horwitz  
Academy of Natural Sciences of Drexel University
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- Jersey Shore Partnership
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- Tom Condon
- Kris Conlon
- Ruth Conlan
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- Lila Cook
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- Sandra Edmonds

- Sophie Edmonds
- Jessica Egger
- Susan Elman
- Scarlet Encarnacion
- Shawn Encarnacion
- Sarah Erico
- Karen Escobedo
- Meghan Feddler
- Susie Ferrier
- Colleen Fischer
- Tiffany Fisher
- Kenny Foran
- Emma Fraser
- Bob Gaio
- Kathleen Gasienica
- Jen Gibbons
- Mario Goanos
- Frank Graf
- Lily Graf
- Andrea Habeck
- Nicole Haines
- Amanda Hawley
- Alix Hayes
- Tom Hayes
- Olivia Hayes
- Toni Hecker
- Alex Heckel
- Christine Heckel
- Faith Heckel
- Shay Heckel
- Tom Herrington
- Julianne Hines
- Jill Hoening
- Gavin Hoening
- Kimberly Hoff
- Kathleen Hoffman
- Rich Hoffman
- Kenneth Hollins
- Kerry Holzschuh
- Alyssa Houli
- Liz Hutler
- Marissa Lamello
- Glenn Jaffe
- Karen Jaffe
- Chuck Japene
- Larry Johnson
- Kaneshia Jones
- Kelly Jurgensen
- Denise Kann
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- Stacy Kiegg
- Samantha Kreisler
- Bob Kudrick
- Sima Kurepa
- Deidre Kull
- Jonathau Lauria
- Sonya Legg
- Jennifer LeVinh
- Daniel LeVill
- Amy Lim
- Meagan Loh
- Paige Loh
- Keriann Lombardi
- Anne Loso
- Ed Loso
- Jackie Ludow
- Lisa Ludow
- Jen Lyden
- Anne Marie MacDonald
- Erin Maglione
- Dave Maglione
- Lisa Maglione
- Lynne Mangini
- Jillian Marcus
- Thomas Matulewicz
- Margie McAlary
- Bob McGowan
- Maureen McGowan
- Samantha McGraw
- Alison McWilliam
- Mackenzie McQuade
- Sara Melior
- Jon Miller
- Diana Mincola
- Joe Mincola
- Suzanne Moskalis
- Peggy Mott
- Brandon Murray
- Orianna Nolan
- Craig Normand
- Kathy O’Connell
- Emily O’Conner
- Chuck Parker
- Anne-Marie Peracchio
- Joey Peracchio
- Donna Perry
- Roy Perry
- Gary Pivacnick
- Amanda Plantamura
- Pete Plantamura
- Heidi Pope
- Los Priest
- Kris Conlon Priest
- Ruth Conlon Priest
- Jaime Queen
- Bo Quinn
- Eileen Quinn
- Jack Quinn
- Judy Rector
- Heather Robinson
- George Rokkos
- John Rosendale
- Lisa Rogers
- Andrea Rudai
- Jerry Ryan
- Rachael Sacatelli
- Jody Sackett
- Julanne Sackett
- Andrew Sala
- Luisa Sala
- Alison Sbriscia
- Amaani Phillips Scarano
- Amaani Phillips Scarano
- Avery Phillips Scarano
- Elizabeth Scarano
- Nicole Scarano
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- Grace Marchisin
- Allen & Sandra Marchisin
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- Tori Shann
- William Simmons
- Sandra Snow
- Sarah Stewart
- Jenny Tomko
- Valeria Trapasso
- Connor Trautweiler
- Craig Trautweiler
- Drew Trautweiler
- KC Trautweiler
- Lindsey Gil Trautweiler
- Shane Trautweiler
- Shawn Trautweiler
- Gracianne Taylor
- Ed Trembl
- Wally Tunison
- Lucas Van Aulen
- Ryan Van Aulen
- Ted Van Aulen
- Bill VanDeventer
- Joe Varone
- Sandy Varone
- Brenda Sheree
- Terrel-Walker
- Bob Walsh
- Donald Walsh
- Elizabeth Walsh
- Victoria Walsh
- Karen Walzer
- Charlie Welch
- Shawn Welch
- Denise West
- Andrew Westhoven
- Avery Westhoven
- Molly Westhoven
- Heidi Pope Werner
- Elizabeth White
- Amy Williams
- Bertha William-Pullen
- Bill Winslow
- John Wnek
Coastal Resilience

Coastal Community Resilience Specialist Dr. Thomas Herrington continued working with coastal residents to improve their understanding of present and future climate change impacts. Dr. Herrington partnered with iSeeChange.org to create an app for residents to document and map coastal flooding in their community in real-time, which allowed the community to establish a local nuisance flood tide elevation for communicating possible flood events. Dr. Herrington is also working with professors at Monmouth University’s School of Social Work to better understand the co-production of community science and improve Sea Grant’s engagement with citizens for the collection of actionable science data.

Marine Recreation and Tourism

Marine Recreation Extension Agent Michael Danko continued partnerships with NJDEP Division of Fish and Wildlife, Marine Trades Association of New Jersey, Monmouth County Health Department, Ocean County Planning Department and others to provide funds from the New Jersey Clean Vessel Act Program to marinas for installing, operating, and maintaining pumpout facilities. Coastal water quality continues to improve and recreational boaters are now provided the necessary pumpout services to improve overall watershed function to coastal estuaries.

Shellfish Aquaculture

Aquaculture Program Coordinator Lisa Calvo worked collaboratively with educators at Upper Township Middle School and Lower Township Regional High School in Cape May County, New Jersey to provide students experiential learning opportunities on an oyster farm. The authentic experiences presented a platform for learning about sustainability, aquaculture, bay ecology, and aquaculture-related career paths.

Stormwater Management

Water Resources Extension Agent Sara Mellor organized a Department of Public Works Rain Garden training session at the Long Branch Public Library in September, where staff learned how to install a 280 square foot rain garden that will treat 29,200 gallons of stormwater annually at the Ocean Township Community Pool. Following excavation and preparation, the rain garden was planted by volunteers from the Whale Pond Brook Watershed Association with plants purchased by the Ocean Township Environmental Commission. The prime location makes this installation a great demonstration project for what homeowners can do on their own property!
Extension

Living Shorelines
Coastal Processes Specialist Jon Miller worked with a group of students and professors from Stevens Institute of Technology and Rutgers University on the development of a conceptual design for an urban ecosystem island off the coast of Bayonne that would incorporate several living shorelines techniques. Extension agents continue working with staff from The Nature Conservancy and Partnership for the Delaware Estuary to evaluate the costs and effectiveness of several recently constructed living shorelines projects.

Coastal Hazards
Mid-Atlantic Coastal Storms Fellow Laura Lemke continued working with Coastal Processes Specialist Jon Miller on the development of an index for assessing the erosion potential of approaching storms, and recently published an article on her work in Shore and Beach. Former Coastal Ecosystems Extension Agent Amy Williams also presented “Sharks vs. Rip Currents” at many schools, libraries, and festivals throughout the state to raise awareness of beach safety and ocean hazards.

Communications

State of the Shore
The 17th annual State of the Shore media event was held in Asbury Park in May. Coastal Processes Specialist Dr. Jon K. Miller and NJDEP Commissioner Catherine R. McCabe reported on beach conditions, coastline forecasts, and important pre-summer updates. Former Coastal Ecosystems Extension Agent Dr. Amy Williams also spoke about rip current safety. The event drew considerable press coverage and attention.

New Jersey’s “Favorite Beaches” Survey and Ceremony
Several thousand voters participated in NJSGC’s “Favorite Beaches” poll, with Ocean City remaining the top overall victor. A public boardwalk ceremony attracted dozens of bystanders and press associates prior to the July Fourth holiday. Representatives from Monmouth and Ocean counties were also recognized during a live “sneak peek” radio broadcast on 94.3 “The Point.”

Jersey Shore Photo Contest Calendar
NJSGC’s revamped “Jersey Shore” photo contest debuted with the “Favorite Beaches” poll. After dozens of entries and thousands of votes, the Top 12 images were used to create NJSGC’s 2020 calendar. The competition which embraced natural elements of the state’s beautiful coastline, garnered vast social media promotion. A downloadable desktop version is available (free of charge) on the NJSGC website.
Education

K-12 Education
In 2019, NJSGC educators facilitated marine and coastal science learning experiences for close to 19,000 K-12 students from throughout the State of New Jersey as well as from parts of Pennsylvania and New York. Over 250 visiting school districts took part in field trips that provided outdoor learning experiences designed to develop understanding and awareness of marine and coastal ecosystems.

Programs are correlated to New Jersey Student Learning Standards to supplement formal instruction in schools.

Ocean Fun Days
Celebrating its 16th year in 2019, Ocean Fun Days continues to be NJSGC’s premier public outreach event drawing approximately 15,000 visitors over a 2-day period in May. Hosted at Island Beach State Park and Gateway National Recreation Area – Sandy Hook in conjunction with New Jersey Natural Gas, visitors to this family-friendly event are treated to free field trips, laboratory activities and presentations from NJSGC and its partners. A variety of exhibitors shares environmentally-relevant information and encourages stewardship of New Jersey’s coastal resources.

Community Partnerships
NJSGC continues working with diverse audiences and partners, including the Central Jersey Chapter of North American Association of Negro Business and Professional Women’s Association, Inc.

Educators worked with 35 minority students from Asbury Park in an effort to develop environmental literacy, provide career awareness, and encourage workforce development.

Professional Development & Student Research
NJSGC collaborates with extension agents and scientists to help develop curriculum. New ocean acidification material was produced and shared with over 175 educators at conferences/workshops in 2019. Approximately 40 graduate and undergraduate college students were also supported with NJSGC funds across the research portfolio. Students supported by NJSGC-funded research gain valuable real-world experience that prepares them for careers in ocean and coastal sciences. Skills learned such as experimental design, field methods, lab techniques, and data management and analysis enable students to collaborate with scientists and professionals in stakeholder-driven research that addresses NJSGC’s areas of focus. Omanki Goswami (Rutgers University – Newark) represented NJSGC as part of the 2019 John A. Knauss Fellowship Program.
**Research Awards**

**OMNIBUS RESEARCH 2018-2020**

**Impacts of thin layer sediment deposition on salt marsh ecosystems**
Dr. Kenneth W. Able - Rutgers, The State University of New Jersey

**Atlantic and Gulf Shellfish Seed Biosecurity Collaborative (Aquaculture NSI)**
Dr. David Bushek - Rutgers, The State University of New Jersey

**Establishing shellfish hatchery biosecurity certification standards to facilitate interstate transport of shellfish seed (Aquaculture NSI)**
Dr. David Bushek - Rutgers, The State University of New Jersey

**River plumes as a control on microplastic entry into the food chain**
Dr. Nicole Fahrenfeld - Rutgers, The State University of New Jersey

**Enhancing Bivalve Aquaculture through Species Improvement and Diversification (Aquaculture NSI)**
Dr. Ximing Guo - Rutgers, The State University of New Jersey

**Optimizing fishing regulations for New Jersey’s multi-species recreational bottom fishery to improve economic outcomes and angler satisfaction**
Dr. Olaf P. Jensen - Rutgers, The State University of New Jersey

**Innovative Restoration Aquaculture of Freshwater Mussels in the Tidal Freshwater Zone of the Delaware Estuary Watershed for Water Quality Improvement (Aquaculture NSI)**
Dr. Danielle Kreeger - Partnership for the Delaware Estuary, Inc

**Measuring dune, beach, and nearshore response to an extreme event: Atlantic City, New Jersey**
Kimberly McKenna - Stockton University

**Interactions among horseshoe crabs and intertidal oyster farms in the Delaware Estuary**
Dr. Daphne Munroe - Rutgers, The State University of New Jersey

**Quantifying the effects of a changing climate on summer flounder recruitment**
Dr. Malin Pinsky - Rutgers, The State University of New Jersey

**“Green” retrofit of stormwater BMPs for pollution prevention in urban coastal communities of New Jersey**
Dr. Dibyendu Sarkar - Stevens Institute of Technology

**Developing Indices of Vulnerability to Climate Change for Ground Fishing Communities in the Northeast (NOAA/National Marine Fisheries Service)**
Dr. Kevin St. Martin - Rutgers, The State University of New Jersey

**Engaging Undergraduates in Fisheries Population and Ecosystem Dynamics**
Dr. John Wiedenmann - Rutgers, The State University of New Jersey

**Assessing the Susceptibility of Atlantic Sea Scallops and Surf Clams to Ocean Acidification Using Glider-based Coastal Monitoring and Larval Transport Models (Mid-Atlantic Ocean, Coastal, and Estuarine Acidification Graduate Research Fellowship)**
Elizabeth Wright-Fairbanks - Rutgers, The State University of New Jersey

**Budget Overview - Fiscal Year 2019**

**SOURCE OF FUNDS**

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>Total Funding</th>
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<tbody>
<tr>
<td>State Funding</td>
<td>$406,642</td>
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<tr>
<td>Federal Funding</td>
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<td>Other Funding</td>
<td>$313,343</td>
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**INVESTMENT OF FEDERAL FUNDS**

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<tr>
<th>Category</th>
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<tr>
<td>Research</td>
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<tr>
<td>Education</td>
<td>$497,193</td>
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<tr>
<td>Administration</td>
<td>$211,584</td>
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<tr>
<td>Fellowships</td>
<td>$173,073</td>
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<tr>
<td>Communications</td>
<td>$132,951</td>
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<tr>
<td>Extension</td>
<td>$510,000</td>
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For complete financials, visit http://njseagrant.org/annual-report-2019
This publication is the result of work sponsored by New Jersey Sea Grant with funds from the National Oceanic and Atmospheric Administration (NOAA) Office of Sea Grant, U.S. Department of Commerce, under NOAA grant #NA10OAR4170085 and the New Jersey Sea Grant Consortium. The statements, findings, conclusions, and recommendations are those of the author(s) and do not necessarily reflect the views of New Jersey Sea Grant or the U.S. Department of Commerce. NJSG-20-958
NEW JERSEY SEA GRANT CONSORTIUM, INC.
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR’S REPORTS
WITH SUPPLEMENTARY INFORMATION
September 30, 2019 and 2018
INDEPENDENT AUDITOR’S REPORT

To the Board of Trustees of
New Jersey Sea Grant Consortium, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of New Jersey Sea Grant Consortium, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management’s Responsibility 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; this includes 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements 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 entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 9 to the financial statements, New Jersey Sea Grant Consortium, Inc. adopted ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. Our opinion is not modified with respect to that matter.
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Jersey Sea Grant Consortium, Inc. as of September 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are 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 April 24, 2020, on our consideration of New Jersey Sea Grant Consortium, 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 New Jersey Sea Grant Consortium, Inc.'s internal control over financial reporting and compliance.

German, Vreeland & Associates, LLP
Cedar Knolls, New Jersey
April 24, 2020
NEW JERSEY SEA GRANT CONSORTIUM, INC.  
STATEMENTS OF FINANCIAL POSITION  
September 30, 2019 and 2018

**ASSETS**  

<table>
<thead>
<tr>
<th>Current assets</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$219,926</td>
<td>$403,478</td>
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<tr>
<td>Accounts receivable</td>
<td>7,095</td>
<td>5,850</td>
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<tr>
<td>Grants and contracts receivable</td>
<td>558,756</td>
<td>432,084</td>
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<tr>
<td>Accrued interest</td>
<td>1,610</td>
<td>1,579</td>
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<tr>
<td>Prepaid expenses and other assets</td>
<td>56,836</td>
<td>57,099</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td><strong>844,223</strong></td>
<td><strong>900,090</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Investments</th>
<th>2019</th>
<th>2018</th>
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<tr>
<td></td>
<td>526,842</td>
<td>591,529</td>
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<table>
<thead>
<tr>
<th>Property and equipment, net</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>421,215</td>
<td>489,288</td>
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<table>
<thead>
<tr>
<th><strong>TOTAL ASSETS</strong></th>
<th>2019</th>
<th>2018</th>
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</thead>
<tbody>
<tr>
<td></td>
<td><strong>$1,792,280</strong></td>
<td><strong>$1,980,907</strong></td>
</tr>
</tbody>
</table>

**LIABILITIES AND NET ASSETS**  

<table>
<thead>
<tr>
<th>Current liabilities</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$96,750</td>
<td>$81,714</td>
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<tr>
<td>Accrued rent</td>
<td>3,899</td>
<td>3,899</td>
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<tr>
<td>Due to subrecipients</td>
<td>429,630</td>
<td>333,583</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>37,281</td>
<td>234,440</td>
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<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>567,560</strong></td>
<td><strong>653,636</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Long-term liabilities</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued rent, net of current portion</td>
<td>19,492</td>
<td>23,391</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>587,052</strong></td>
<td><strong>677,027</strong></td>
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<table>
<thead>
<tr>
<th>Net assets</th>
<th>2019</th>
<th>2018</th>
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<tbody>
<tr>
<td>Net assets without donor restrictions</td>
<td>1,205,228</td>
<td>1,303,880</td>
</tr>
<tr>
<td>Net assets with donor restrictions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>1,205,228</strong></td>
<td><strong>1,303,880</strong></td>
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<table>
<thead>
<tr>
<th><strong>TOTAL LIABILITIES AND NET ASSETS</strong></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$1,792,280</strong></td>
<td><strong>$1,980,907</strong></td>
</tr>
</tbody>
</table>

See accompanying notes.
NEW JERSEY SEA GRANT CONSORTIUM, INC.  
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
Years Ended September 30, 2019 and 2018

<table>
<thead>
<tr>
<th>SUPPORT AND REVENUE</th>
<th>2019 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
<th>2018 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants and contract revenue</td>
<td>$2,229,176</td>
<td>$ -</td>
<td>$2,229,176</td>
<td>$1,866,373</td>
<td>$ -</td>
<td>$1,866,373</td>
</tr>
<tr>
<td>Contributions</td>
<td>9,803</td>
<td>-</td>
<td>9,803</td>
<td>8,448</td>
<td>-</td>
<td>8,448</td>
</tr>
<tr>
<td>Educational and service program revenue</td>
<td>219,554</td>
<td>-</td>
<td>219,554</td>
<td>211,039</td>
<td>-</td>
<td>211,039</td>
</tr>
<tr>
<td>Membership dues</td>
<td>36,385</td>
<td>-</td>
<td>36,385</td>
<td>34,300</td>
<td>-</td>
<td>34,300</td>
</tr>
<tr>
<td>Investment income</td>
<td>18,696</td>
<td>-</td>
<td>18,696</td>
<td>6,015</td>
<td>-</td>
<td>6,015</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>14,485</td>
<td>-</td>
<td>14,485</td>
<td>11,041</td>
<td>-</td>
<td>11,041</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total support and revenue</strong></td>
<td>2,528,099</td>
<td>-</td>
<td>2,528,099</td>
<td>2,137,216</td>
<td>-</td>
<td>2,137,216</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>2019 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
<th>2018 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational activities</td>
<td>519,684</td>
<td>-</td>
<td>519,684</td>
<td>400,607</td>
<td>-</td>
<td>400,607</td>
</tr>
<tr>
<td>Research activities</td>
<td>1,731,541</td>
<td>-</td>
<td>1,731,541</td>
<td>1,550,411</td>
<td>-</td>
<td>1,550,411</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>2,251,225</td>
<td>-</td>
<td>2,251,225</td>
<td>1,951,018</td>
<td>-</td>
<td>1,951,018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CHANGE IN NET ASSETS</th>
<th>2019 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
<th>2018 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>(98,652)</td>
<td>-</td>
<td>(98,652)</td>
<td>(222,883)</td>
<td>-</td>
<td>(222,883)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET ASSETS, Beginning of year</th>
<th>2019 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
<th>2018 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,303,880</td>
<td>-</td>
<td>1,303,880</td>
<td>1,526,763</td>
<td>-</td>
<td>1,526,763</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET ASSETS, End of year</th>
<th>2019 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
<th>2018 WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,205,228</td>
<td>$ -</td>
<td>$1,205,228</td>
<td>$1,303,880</td>
<td>$ -</td>
<td>$1,303,880</td>
<td></td>
</tr>
</tbody>
</table>

See accompanying notes.
NEW JERSEY SEA GRANT CONSORTIUM, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended September 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>Educational Activities</th>
<th>Research Activities</th>
<th>Total Program Services</th>
<th>General and Administrative</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$ 301,886</td>
<td>$ 362,877</td>
<td>$ 664,763</td>
<td>$ 177,663</td>
<td>$ 842,426</td>
</tr>
<tr>
<td>Payroll taxes and benefits</td>
<td>87,771</td>
<td>123,090</td>
<td>210,861</td>
<td>53,019</td>
<td>263,880</td>
</tr>
<tr>
<td>Payments to subrecipients</td>
<td>-</td>
<td>1,189,291</td>
<td>1,189,291</td>
<td>-</td>
<td>1,189,291</td>
</tr>
<tr>
<td>Professional fees</td>
<td>38,951</td>
<td>14,386</td>
<td>53,337</td>
<td>20,615</td>
<td>73,952</td>
</tr>
<tr>
<td>Supplies</td>
<td>8,998</td>
<td>4,077</td>
<td>13,075</td>
<td>9,029</td>
<td>22,104</td>
</tr>
<tr>
<td>Advertising</td>
<td>1,900</td>
<td>-</td>
<td>1,900</td>
<td>-</td>
<td>1,900</td>
</tr>
<tr>
<td>Telephone</td>
<td>4,683</td>
<td>6,228</td>
<td>10,911</td>
<td>4,193</td>
<td>15,104</td>
</tr>
<tr>
<td>Postage</td>
<td>820</td>
<td>2,362</td>
<td>3,182</td>
<td>2,327</td>
<td>5,509</td>
</tr>
<tr>
<td>Occupancy</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>51,651</td>
<td>51,651</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>380</td>
<td>-</td>
<td>380</td>
<td>3,848</td>
<td>4,228</td>
</tr>
<tr>
<td>Printing</td>
<td>2,739</td>
<td>2,665</td>
<td>5,404</td>
<td>140</td>
<td>5,544</td>
</tr>
<tr>
<td>Conferences and training</td>
<td>21,836</td>
<td>14,211</td>
<td>36,047</td>
<td>2,044</td>
<td>38,091</td>
</tr>
<tr>
<td>Dues and subscriptions</td>
<td>95</td>
<td>-</td>
<td>95</td>
<td>6,030</td>
<td>6,125</td>
</tr>
<tr>
<td>Awards</td>
<td>35,297</td>
<td>650</td>
<td>35,947</td>
<td>-</td>
<td>35,947</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2,624</td>
<td>-</td>
<td>2,624</td>
<td>302</td>
<td>2,926</td>
</tr>
<tr>
<td><strong>Total expenses before depreciation</strong></td>
<td><strong>507,980</strong></td>
<td><strong>1,719,837</strong></td>
<td><strong>2,227,817</strong></td>
<td><strong>330,861</strong></td>
<td><strong>2,558,678</strong></td>
</tr>
<tr>
<td>Depreciation</td>
<td>11,704</td>
<td>11,704</td>
<td>23,408</td>
<td>44,665</td>
<td>68,073</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$ 519,684</strong></td>
<td><strong>$ 1,731,541</strong></td>
<td><strong>$ 2,251,225</strong></td>
<td><strong>$ 375,526</strong></td>
<td><strong>$ 2,626,751</strong></td>
</tr>
</tbody>
</table>

See accompanying notes.
NEW JERSEY SEA GRANT CONSORTIUM, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2018

<table>
<thead>
<tr>
<th>Program Services</th>
<th>Educational Activities</th>
<th>Research Activities</th>
<th>Total Program Services</th>
<th>General and Administrative</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$264,201</td>
<td>$383,104</td>
<td>$647,305</td>
<td>$196,949</td>
<td>$844,254</td>
</tr>
<tr>
<td>Payroll taxes and benefits</td>
<td>75,338</td>
<td>121,931</td>
<td>197,269</td>
<td>64,503</td>
<td>261,772</td>
</tr>
<tr>
<td>Payments to subrecipients</td>
<td>-</td>
<td>961,790</td>
<td>961,790</td>
<td>-</td>
<td>961,790</td>
</tr>
<tr>
<td>Professional fees</td>
<td>5,541</td>
<td>12,440</td>
<td>17,981</td>
<td>20,872</td>
<td>38,853</td>
</tr>
<tr>
<td>Supplies</td>
<td>15,179</td>
<td>6,399</td>
<td>21,578</td>
<td>10,450</td>
<td>32,028</td>
</tr>
<tr>
<td>Advertising</td>
<td>1,394</td>
<td>300</td>
<td>1,694</td>
<td>-</td>
<td>1,694</td>
</tr>
<tr>
<td>Telephone</td>
<td>1,906</td>
<td>9,418</td>
<td>11,324</td>
<td>4,091</td>
<td>15,415</td>
</tr>
<tr>
<td>Postage</td>
<td>2,003</td>
<td>2,297</td>
<td>4,300</td>
<td>734</td>
<td>5,034</td>
</tr>
<tr>
<td>Occupancy</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>50,505</td>
<td>50,505</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>316</td>
<td>-</td>
<td>316</td>
<td>6,963</td>
<td>7,279</td>
</tr>
<tr>
<td>Printing</td>
<td>3,537</td>
<td>6,323</td>
<td>9,860</td>
<td>779</td>
<td>10,639</td>
</tr>
<tr>
<td>Conferences and training</td>
<td>13,103</td>
<td>34,232</td>
<td>47,335</td>
<td>1,809</td>
<td>49,144</td>
</tr>
<tr>
<td>Dues and subscriptions</td>
<td>13</td>
<td>73</td>
<td>86</td>
<td>6,030</td>
<td>6,116</td>
</tr>
<tr>
<td>Awards</td>
<td>300</td>
<td>400</td>
<td>700</td>
<td>550</td>
<td>1,250</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>6,072</td>
<td>-</td>
<td>6,072</td>
<td>181</td>
<td>6,253</td>
</tr>
<tr>
<td><strong>Total expenses before depreciation</strong></td>
<td><strong>388,903</strong></td>
<td><strong>1,538,707</strong></td>
<td><strong>1,927,610</strong></td>
<td><strong>364,416</strong></td>
<td><strong>2,292,026</strong></td>
</tr>
<tr>
<td>Depreciation</td>
<td>11,704</td>
<td>11,704</td>
<td>23,408</td>
<td>44,665</td>
<td>68,073</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$400,607</strong></td>
<td><strong>$1,550,411</strong></td>
<td><strong>$1,951,018</strong></td>
<td><strong>$409,081</strong></td>
<td><strong>$2,360,099</strong></td>
</tr>
</tbody>
</table>

See accompanying notes.
NEW JERSEY SEA GRANT CONSORTIUM, INC.
STATEMENTS OF CASH FLOWS
Years Ended September 30, 2019 and 2018

CASH FLOWS FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>$ (98,652)</td>
<td>$ (222,883)</td>
</tr>
</tbody>
</table>

Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>68,073</td>
<td>68,073</td>
</tr>
<tr>
<td>Unrealized (gain) loss on investments</td>
<td>(5,840)</td>
<td>3,244</td>
</tr>
</tbody>
</table>

Change in net assets and liabilities

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>(1,245)</td>
<td>(2,737)</td>
</tr>
<tr>
<td>Grants and contracts receivable</td>
<td>(126,672)</td>
<td>410,019</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>(31)</td>
<td>828</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>263</td>
<td>126</td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>15,036</td>
<td>2,849</td>
</tr>
<tr>
<td>Due to subrecipients</td>
<td>96,047</td>
<td>(342,215)</td>
</tr>
<tr>
<td>Accrued rent</td>
<td>(3,899)</td>
<td>(3,899)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>(197,159)</td>
<td>201,016</td>
</tr>
<tr>
<td>Net cash (used in) provided by operating activities</td>
<td>(254,079)</td>
<td>114,421</td>
</tr>
</tbody>
</table>

CASH FLOWS FROM INVESTING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of investments</td>
<td>250,527</td>
<td>75,000</td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(180,000)</td>
<td>-</td>
</tr>
<tr>
<td>Net cash provided by investing activities</td>
<td>70,527</td>
<td>75,000</td>
</tr>
</tbody>
</table>

NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(183,552)</td>
<td>189,421</td>
</tr>
</tbody>
</table>

CASH AND CASH EQUIVALENTS, Beginning of year

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>403,478</td>
<td>214,057</td>
</tr>
</tbody>
</table>

CASH AND CASH EQUIVALENTS, End of year

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 219,926</td>
<td>$ 403,478</td>
</tr>
</tbody>
</table>

SUPPLEMENTAL CASH FLOW INFORMATION:

No amounts were paid for interest or income taxes for the years ended September 30, 2019 and 2018.

See accompanying notes.
NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the New Jersey Sea Grant Consortium, Inc. ("NJSGC") have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Organization – NJSGC is a 501(c)(3) institution dedicated to the care, conservation and sustainable-utilization of New Jersey's marine and coastal resources. The Sandy Hook-based Consortium currently consists of twenty-two colleges, universities and other organizations dedicated to advancing knowledge and stewardship of New Jersey's marine and coastal environment, and meets its mission through innovative research, education and extension programs.

New Jersey's coastline is a natural treasure and NJSGC is dedicated to understanding and caring for this resource. NJSGC programs range from sponsored research and marine science education for school-children to extension services for coastal municipalities, maritime businesses and the public.

Since NJSGC was founded in 1969, it has contributed leading research in the field of marine and environmental science. Since 1976, it has managed the New Jersey Sea Grant Program ("NJSGP"), part of a national network administered by the National Oceanic and Atmospheric Administration ("NOAA") that funds competitive research focusing on specific priority areas as well as education and outreach activities.

The Extension Program at NJSGC provides useful information to people employed or interested in fields related to marine resources-fishermen, coastal engineers, maritime industry personnel, resource managers, decision makers, and the general public. Extension Program personnel expertise includes biology, sociology, economics, public policy, and engineering. Each Extension Program professional works directly with coastal communities and business professionals to transfer information and effect change by applying science-based information to daily decision-making.

The Education Program at NJSGC is committed to assuring that New Jerseyans understand, value, and appreciate their marine and coastal environment and are able to apply sound evidence and science-based information to make well-informed decisions regarding its use, management, and care. This is accomplished through the wide range of educational services and products that the Education Program provides. The Program's teaching and learning activities range from direct instruction such as field trips, camps, scout programs, in-school presentations, college coursework, public outreach events to information preparation and dissemination including fact sheets, posters, lesson plans, activity guides, video conferences, web-based publications and other teaching materials.

Learn more about the NJSGC by visiting www.njseagrant.org.

Basis of Presentation – NJSGC reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors; net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

Cash and Cash Equivalents – For purposes of the Statements of Cash Flows, NJSGC considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.
NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Revenue and Support Recognition – Contributions are recognized when the donor makes a promise to give to NJSGC that is, in substance, unconditional. Donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. However, the receipt of restricted contributions whose restrictions expire or are otherwise satisfied within the period of receipt are reported as unrestricted revenues in the statements of activities.

NJSGC accounts for those contract revenues which have been determined to be exchange transactions in the statements of activities to the extent that expenses have been incurred for the purpose specified by the grantor during the period. Program revenues received in advance of their usage are classified as deferred revenue in the statements of financial position. In applying this concept, the legal and contractual requirements of each individual contract are used as guidance.

Additional unrestricted revenues are obtained from educational and service program revenue, membership dues, and investment income. These revenues are used to offset program expenses as well as the cost of property and equipment acquisitions and general and administrative expenses.

Tax Status and Incorporation – NJSGC is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for Federal income taxes. NJSGC has no uncertain tax positions at September 30, 2019 and 2018. There are no tax years prior to 2016 open for examination by the Internal Revenue Service. Also, there were no interest or penalties related to income taxes included in the financial statements.

Valuation of Long-Lived Assets – In accordance with the accounting pronouncements related to accounting for the impairment or disposal of long-lived assets, NJSGC reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Management has determined that no assessment was required for the periods presented in these financial statements.

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 included in the financial statements. Accordingly, actual results could differ from those estimates.

Advertising – Advertising is expensed in the period incurred. Advertising expense was $1,900 and $1,694 for the years ended September 30, 2019 and 2018, respectively.

Property, Equipment and Depreciation – Property and equipment of $5,000 or greater is recorded at cost when purchased, or at fair value at date of gift. Depreciation is provided for by the straight-line method over the estimated useful lives of the assets. Major renewals and betterments are charged to fixed assets; maintenance, minor repairs and replacements which do not improve or extend the life of the respective assets are expensed currently.

Accounts Receivable – Accounts receivable are stated at amounts management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of September 30, 2019 and 2018 all accounts receivable were deemed collectible.
NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont’d)

Expense Classification – The expenses of NJSGC are presented in the statements of activities under the following classifications which describe NJSGC program activities:

Educational activities – supports the educational goals of NJSGC by planning and conducting a wider range of K-12, college, teacher, and public education programs.

Research activities – aids and encourages scholarly activities in marine related subjects through cost reimbursement contracts. This category also includes a management program that administers aforementioned research contracts, an extension program that applies results of research contracts and a communications program that broadcasts scholarly information in marine related to a wide expanse of user groups.

All expenses which were not directly associated with the above service categories are categorized as general and administrative expenses. Additionally, there is a de minimis amount of fundraising expense that has been included in general and administrative expenses.

NOTE 2 – GRANTS AND CONTRACTS RECEIVABLE AND DEFERRED REVENUE

NJSGC operates under various grants and contracts. At September 30, 2019 and 2018, NJSGC was due certain amounts from funding sources which resulted from expenditures incurred in excess of payments received. In addition, NJSGC received funds from certain funding sources which represent payments in excess of expenditures incurred which has been recorded as deferred revenue. The following details grants and contracts receivable and deferred revenue at September 30, 2019 and 2018:

<table>
<thead>
<tr>
<th>Funding Agency</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Department of Commerce</td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Oceanic and Atmospheric Administration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sea Grant Programs</td>
<td>$411,540</td>
<td>$371,273</td>
</tr>
<tr>
<td>U.S. Department of Commerce-Coastal Zone Management</td>
<td>9,179</td>
<td>8,306</td>
</tr>
<tr>
<td>U.S. Department of the Interior Fish and Wildlife Service</td>
<td>5,027</td>
<td>7,541</td>
</tr>
<tr>
<td>U.S. Department of Environmental Protection</td>
<td>21,371</td>
<td>15,640</td>
</tr>
<tr>
<td>State of New Jersey – Department of Environmental Protection</td>
<td>111,639</td>
<td>29,324</td>
</tr>
<tr>
<td><strong>Grants and Contracts Receivable</strong></td>
<td><strong>$558,756</strong></td>
<td><strong>$432,084</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funding Agency</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Department of Commerce</td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Oceanic and Atmospheric Administration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sea Grant Programs</td>
<td>$8,482</td>
<td>$209,410</td>
</tr>
<tr>
<td>State of New Jersey – Department of Agriculture</td>
<td>13,262</td>
<td>16,483</td>
</tr>
<tr>
<td>State of New Jersey – Department of Environmental Protection</td>
<td>-</td>
<td>4,150</td>
</tr>
<tr>
<td>Other</td>
<td>15,537</td>
<td>4,397</td>
</tr>
<tr>
<td><strong>Deferred Revenue</strong></td>
<td><strong>$37,281</strong></td>
<td><strong>$234,440</strong></td>
</tr>
</tbody>
</table>
NEW JERSEY SEA GRANT CONSORTIUM, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2019 and 2018

NOTE 3 – FAIR VALUE MEASUREMENTS
NJSGC has provided fair value disclosure information for relevant assets in these financial statements. The following table summarizes assets which have been accounted for at fair value on a recurring basis as of September 30, 2019 and 2018, along with the basis for the determination of fair value:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th></th>
<th>2018</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quoted Prices</td>
<td>Observable</td>
<td>Unobservable</td>
<td></td>
</tr>
<tr>
<td></td>
<td>In Active Markets</td>
<td>Measurement</td>
<td>Measurement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Level 1)</td>
<td>Criteria (Level 2)</td>
<td>Criteria (Level 3)</td>
<td></td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>$ 526,842</td>
<td>$ 526,842</td>
<td>$ -</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$ 526,842</td>
<td>$ 526,842</td>
<td>$ -</td>
<td></td>
</tr>
</tbody>
</table>

NJSGC values such assets using quoted market prices in active markets (Level 1) for identical assets to the extent possible. If such markets are not available, NJSGC values such assets using observable measurement criteria, including quoted market prices of similar assets 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, NJSGC develops measurement criteria based on the best information available (Level 3).

NOTE 4 – PROPERTY AND EQUIPMENT
Property and equipment, net of accumulated depreciation, at September 30, 2019 and 2018 consisted of the following:

<table>
<thead>
<tr>
<th>Estimated Life</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Years)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building improvements</td>
<td>$1,157,887</td>
<td>$1,157,887</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>40,531</td>
<td>40,531</td>
</tr>
<tr>
<td></td>
<td>1,198,418</td>
<td>1,198,418</td>
</tr>
<tr>
<td>Less: Accumulated depreciation</td>
<td>(777,203)</td>
<td>(709,130)</td>
</tr>
<tr>
<td></td>
<td>$ 421,215</td>
<td>$ 489,288</td>
</tr>
</tbody>
</table>

Depreciation expense totaled $68,073 and $68,073 for the years ended September 30, 2019 and 2018, respectively.

NOTE 5 – RETIREMENT PLAN
NJSGC has a 403(b) contributory defined contribution retirement plan (the “Plan”) for those employees who meet eligibility requirements. Employees must have one year of service and 1,000 hours to be eligible to participate in the Plan. Participants must contribute a minimum of 2 percent of eligible salaries in order to receive a 6 percent contribution from NJSGC to the Plan. Pension expense was $43,857 and $42,940 for the years ended September 30, 2019 and 2018, respectively.
NOTE 6 - LEASED FACILITIES
NJSGC occupies facilities owned by the National Park Service at Fort Hancock, New Jersey. NJSGC pays for all operating costs including, but not limited to, utilities, repairs and maintenance. NJSGC entered into a twenty-year lease agreement expiring June 30, 2025, which was amended in 2012 and calls for minimum lease payments of $3,383 annually. Rental expense for these facilities for the years ended September 30, 2019 and 2018 was $3,383 and $3,383, respectively.

Future minimum lease payments under operating leases as of September 30, 2019 are:

<table>
<thead>
<tr>
<th>Year Ended September 30</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$ 3,899</td>
</tr>
<tr>
<td>2021</td>
<td>3,899</td>
</tr>
<tr>
<td>2022</td>
<td>3,899</td>
</tr>
<tr>
<td>2023</td>
<td>3,899</td>
</tr>
<tr>
<td>Thereafter</td>
<td>7,795</td>
</tr>
<tr>
<td>Total</td>
<td>$23,391</td>
</tr>
</tbody>
</table>

NOTE 7 - CONCENTRATIONS OF CREDIT RISK
Financial investments which potentially subject NJSGC to concentrations of credit risk consist of cash and receivables. In an attempt to limit credit risk, NJSGC places all funds with high quality financial institutions. Management has not experienced any losses. Receivables are due from various governmental agencies with which NJSGC has a long history of collecting payments, which reduces credit risk.

NOTE 8 - CONCENTRATION OF GRANT REVENUE
For the years ended September 30, 2019 and 2018, approximately 72% and 80%, respectively, of the NJSGC support came from the Department of Commerce, Sea Grant Program.

NOTE 9 - NEW ACCOUNTING PRONOUNCEMENTS
In August 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. This pronouncement addresses the complexity and understandability of net asset classification, information about liquidity and availability of resources, and the information provided about expenses and investment return. NJSGC has adjusted the presentation of these financial statements accordingly. The ASU has been applied retrospectively to all periods presented.

In February 2016, FASB issued ASU 2016-02, Leases (Topic 842) which will require leases to be recorded as an asset on the statement of financial position for the right to use the leased asset and a liability for the corresponding lease obligation for leases with terms of more than twelve months. ASU 2016-02 is effective for not-for-profit organizations for fiscal years beginning after December 15, 2020, with early adoption permitted. NJSGC is evaluating the impact the pronouncement may have on the financial statements.
NEW JERSEY SEA GRANT CONSORTIUM, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2019 and 2018

NOTE 10 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS
The following reflects NJSGC's financial assets as of the statement of financial position date, 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. NJSGC has an investment account which is an operating reserve for expenses in the event needed. NJSGC does not believe it is necessary to draw on its investments currently, which are, therefore, designated as operating reserves:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$219,926</td>
<td>$403,478</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>7,095</td>
<td>5,850</td>
</tr>
<tr>
<td>Grants and contracts receivables</td>
<td>558,756</td>
<td>432,084</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>1,610</td>
<td>1,579</td>
</tr>
<tr>
<td>Investments</td>
<td>526,842</td>
<td>591,529</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>1,314,229</td>
<td>1,434,520</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractual or donor-imposed restrictions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating reserves</td>
<td>(526,842)</td>
<td>(591,529)</td>
</tr>
<tr>
<td>Financial assets available to meet cash needs for general expenditures within one year</td>
<td>$787,387</td>
<td>$842,991</td>
</tr>
</tbody>
</table>

NOTE 11 - SUBSEQUENT EVENTS
The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. Therefore, NJSGC expects this matter to negatively impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.
<table>
<thead>
<tr>
<th>Federal Grantor</th>
<th>Federal CFDA Number</th>
<th>Pass-Through Entity Identifying Number</th>
<th>Passed Through to Subrecipients</th>
<th>Total Federal Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Department of Commerce</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Oceanic and Atmospheric Administration</td>
<td>11.417</td>
<td>$875,215</td>
<td>$1,808,310</td>
<td></td>
</tr>
<tr>
<td>Sea Grant Support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through New Jersey Department of Environmental Protection</td>
<td>11.419</td>
<td>CP18-032</td>
<td>24,203</td>
<td>31,973</td>
</tr>
<tr>
<td>Coastal Zone Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total U.S Department of Commerce</td>
<td></td>
<td></td>
<td>$899,418</td>
<td>$1,840,283</td>
</tr>
<tr>
<td>U.S Department of the Interior Fish and Wildlife Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through New Jersey Department of Environmental Protection</td>
<td>15.616</td>
<td>FG19-044</td>
<td></td>
<td>50,476</td>
</tr>
<tr>
<td>Clean Vessel Act</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total U.S Department of the Interior Fish and Wildlife Service</td>
<td></td>
<td></td>
<td>-</td>
<td>50,476</td>
</tr>
<tr>
<td>Environmental Protection Agency</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through New Jersey Department of Environmental Protection</td>
<td>66.605</td>
<td>SR18-010</td>
<td>177,558</td>
<td>177,558</td>
</tr>
<tr>
<td>Performance Partnership Grants</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Expenditures of Federal Awards</td>
<td></td>
<td></td>
<td>$1,076,976</td>
<td>$2,068,317</td>
</tr>
</tbody>
</table>

See Independent Auditor's Report.
See accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.
## State Grantor

<table>
<thead>
<tr>
<th>Pass through Grantor/Program Title</th>
<th>Award Number</th>
<th>Award Period</th>
<th>Passed Through to Subrecipients</th>
<th>Total State Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>NJ Department of Commerce:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NJ Department of Environmental Protection</td>
<td>MOA</td>
<td>08/24/18-08/24/19</td>
<td>$64,852</td>
<td>$64,852</td>
</tr>
<tr>
<td>Characterization of Phytoplankton in Barnegat Bay</td>
<td>MOA</td>
<td>01/31/18-08/31/19</td>
<td>$47,463</td>
<td>$47,463</td>
</tr>
<tr>
<td>Branch Scale Arsenic Treatability Study</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total NJ Department of Commerce</td>
<td></td>
<td></td>
<td>112,315</td>
<td>112,315</td>
</tr>
<tr>
<td>NJ Department of Agriculture:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fisheries Development</td>
<td>MOA</td>
<td>02/01/07-09/30/19</td>
<td></td>
<td>221</td>
</tr>
<tr>
<td>Total State Financial Assistance</td>
<td></td>
<td></td>
<td>112,315</td>
<td>112,315</td>
</tr>
<tr>
<td>Total Federal Awards and State Financial Assistance</td>
<td></td>
<td></td>
<td>$1,189,291</td>
<td>$2,180,853</td>
</tr>
</tbody>
</table>