

# ANNUAL 2011 REPORT



Sea Grant  
NJ Sea Grant Consortium



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## 2011

The New Jersey Sea Grant Consortium is an affiliation of colleges, universities and other groups dedicated to advancing knowledge and stewardship of New Jersey's marine and coastal environment through innovative research, education and extension programs.

Founded in 1969 as the New Jersey Marine Sciences Consortium the organization has contributed leading research in the field of marine and environmental science. Since 1976 it has managed the New Jersey Sea Grant Program (NJSG), part of a national effort that funds competitive research focusing on specific priority areas. In recognition of its academic and scientific achievements, the Consortium was awarded Sea Grant College status in 1989.

The Consortium provides equal educational opportunity for all New Jersey students and citizens to learn about the marine environment. Curricula range from Pre-K through graduate level studies. Nearly 30,000 participants; students, families, teachers, scouts and the general public take part annually in the Consortium's Education Programs and special events.

For 43 years, the Consortium has served the state and the region by developing programs designed to resolve coastal issues, develop marine technology, formulate science-based policy, and improve science literacy among its citizens.

### *The NJSGC*

#### *Mission:*

*To promote the wise use of New Jersey's marine and coastal resources through research, education, and outreach*



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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 #NA10OAR4170075 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-12-806





# CHAIRMAN'S MESSAGE



DENNIS KEARNEY  
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## A Call to Arms

By DENNIS KEARNEY

New Jersey needs the New Jersey Sea Grant Consortium. Our three-legged stool – research, education and outreach – is unique. Other places conduct research, others teach, and others may bridge maritime services. But none does all three, and no institution returns as much “bang for the buck” as the NJSGC.

Every person who has drawn a breath of New Jersey salt air knows that the sea is our greatest resource. Our state is blessed with 130 miles of ocean coastline with its numerous associated bays, inlets, and rivers. These gifts annually drive a \$30 billion coastal tourism economy, and a \$2 billion fishing industry. In August 2011, Hurricane Irene dramatically underscored New Jersey's strategic link with the ocean when it led to the largest coastal evacuation in memory.

The NJSGC is one of thirty-two (32) Sea Grant programs in the United States funded by the National Oceanic and Atmospheric Administration (NOAA). Our national office recently advised us that although our funding level ranked 27th nationally, we out-performed programs funded at much higher levels on many of Sea Grant's performance metrics. Put another way: we are efficient and productive with a dollar.

My friend who is an Ironman athlete described in wondrous detail a recent training swim off Lavallette where he was accompanied by a pod of whales. On Sandy Hook, a family of dolphins swam with children inside the surf pylons. Politicians and television producers instinctively understand the allure of the boardwalk. None of this is possible without guardians like the NJSGC.

Peruse our work at your leisure on our beautiful website. The NJSGC and our member colleges and universities tirelessly strive to secure your maritime safety, health and enjoyment. So, what is my ‘call to arms?’ It is simply this: send our link [njseagrant.org/](http://njseagrant.org/) to your friends, so they can get to know us. Send an email to your New Jersey legislator and insist that he/she become familiar with the work we are doing on your behalf.



# EXECUTIVE DIRECTOR'S MESSAGE



CLAIRE  
ANTONUCCI  
Executive Director

By **CLAIRE ANTONUCCI** - Executive Director

Once again, it is my pleasure to present you with this annual report, chronicling the research, education and extension activities of the New Jersey Sea Grant Consortium in 2011. As you turn its pages, you will find descriptions of the many accomplishments made in support of our mission to promote wise and sustainable use of New Jersey's marine and coastal resources for the benefit of all.

Life in New Jersey has always been linked to our coast and its waterways. From seafood to shipping or care-free days spent on state beaches, our marine resources are of critical importance to us all. At the Consortium, we work each day to engage New Jersey's citizens and visitors with the coast and to address the many challenges resulting from our dependence on it.

From water quality to fisheries, we are well aware of the problems facing our shorelines. Solving them is a Herculean task, but I offer you an encouraging point-of-view a friend recently shared with me. In

his opinion, real and lasting change came about as the result of many small acts. Reflecting back over the past year, his opinion rings true, at least at the NJSGC, and it affirms my belief that we are on the right track. As this report shows, a whole lot happened here in 2011 and it happened little by little and bit by bit. Many positive acts have been accomplished by staff, Consortium members and our many like-minded partners and supporters in the past year, all in the name of positive change for New Jersey's coastal environment. Yes, our mission is as formidable as the challenges facing New Jersey's coast, but together we can ensure its future, even if it is in small but steady ways.

As you read this report, I hope you will be reminded of the many ways New Jersey's coastal environment contributes to your quality of life and that you will take action, even in the smallest of ways, to contribute to its future. I hope you can take inspiration from this annual report and I look forward to working with you in the year ahead.



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# THE NEW JERSEY SEA GRANT COLLEGE PROGRAM

NJSGC's mission is to provide research and outreach programs that promote better understanding, conservation and use of New Jersey's coastal resources. To do so, it works closely with coastal communities, marine researchers, water dependent industries, government agencies, citizen groups and individuals to foster environmental stewardship, long-term economic development and responsible use of New Jersey's coastal and ocean resources. NJSGC is part of a nationwide network of 32 state programs housed within the National Oceanic and Atmospheric Administration. Most of these 32 state programs are hosted by a single academic institution; however, as a consortium NJSGC is able to utilize the intellectual power and knowledge of its 22 member institutions to achieve its mission. The consortium concept greatly enhances our ability to meet the goals and outcomes of our strategic and implementation plans. Our plans are based on our coastal stakeholders needs within the state, but they are also aligned with National Sea Grant's strategic and implementation plans in order to increase the impact of our activities at state, regional and national levels. NJSGC has continued its regional and national participation in Sea Grant through regional research planning (New York Bight and Mid-Atlantic), the Mid-Atlantic Sea Grant Extension Program, Assembly of Sea Grant Extension Program Leaders and the Sea Grant Association.

NJSGC invests in high-priority, stakeholder-driven research through competitive grants to scientists and educators in New Jersey. To enhance this process, NJSGC established a standing stakeholder driven Sea Grant Advisory Board that advises not only for research priorities but also for extension, education and communications. Similarly, the Sea Grant Advisory Committee, a standing committee of the NJSGC Board of Trustees, also offers advice and guidance, as well as strengthening the link between NJSGC staff and the Board of Trustees.

NJSGC awards approximately one third of its federal dollars annually towards research that addresses issues such as resiliency of coastal communities and their shorelines, human impacts and coastal processes, impacts on coastal ecosystems including invasive species and water quality, and natural and human impacts on fisheries and their management. The collective expertise and interaction of NJSGC extension agents, educators and communications specialists in conjunction with our Sea Grant-funded investigators provide the foundation for the timely, relevant and meaningful dissemination of research results that can be applied by our coastal stakeholders.

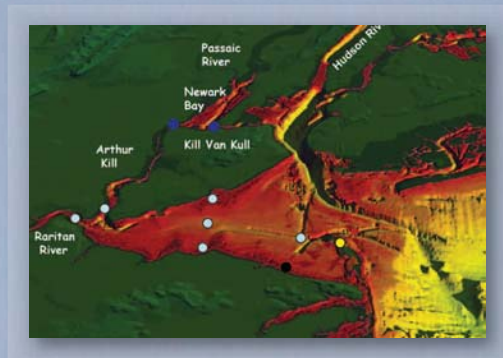




# OMNIBUS RESEARCH AWARDS

## Dr. Robert Chant

Rutgers, The State University of New Jersey  
*Meteorological modulation of the exchange between  
Raritan Bay and the Coastal Ocean*  
R/6010-0013



## Dr. Michael Peek

William Paterson University  
*Assessing Genetic Diversity and Plant  
Performance in Natural and Restored Populations  
of American Beachgrass, Ammophila breviligulata*  
R/6010-0030



## Dr. Olaf Jensen

Rutgers, The State University of New Jersey  
*Reducing Uncertainty in Stock-Recruitment  
Relationships and Fishery Reference Points  
using Bayesian Meta-analysis*  
R/6010-0011



- Janet Nye

## Program Development Grants

### Mr. John Tiedemann

Monmouth University  
*Assessing Impacts of  
Catch and Release  
Practices on Striped  
Bass, Implications for  
Conservation and  
Management*

### Dr. Peter F. Straub

The Richard Stockton  
College of New Jersey  
*Underwater Survey and  
Mapping of Temperate  
Artificial and Natural  
Reef Habitats for  
Modeling of  
Productivity and  
Trophic  
Linkage to Black Sea  
Bass and Tautog  
Fisheries*

## Dr. Eric Powell

Rutgers, The State University of New Jersey  
*Collection of Sex Ratio Data  
for Summer Flounder  
Landings: Commercial  
and Recreational*  
R/6010-0012





# EXTENSION PROGRAM

By **DR. PETER M. ROWE, Director, NJS GC Extension Program**

The New Jersey Sea Grant Consortium Extension Program had an active and productive year in 2011. Extension staff engaged their coastal stakeholder communities within the state, regionally and nationally by delivering new, continuing and expanded projects. Our agents and specialists met and provided technical assistance to coastal stakeholders both individually and in groups via educational activities and tours, invited presentations at conferences, workshops, symposia, seminars and outreach events, and also through memberships on boards, advisory councils, committees and associations.

Once again, our staff enthusiastically received thousands of visitors at our major outreach events, Coast Day NJ and Ocean Fun Days. The Director of Research and Extension, Dr. Peter Rowe, continued his involvement in Sea Grant Extension at the regional (Mid-Atlantic Sea Grant Extension) and national (At-large member of the Assembly for Sea Grant Extension Program Leaders Executive Committee) levels.

The Extension Program continued its success in obtaining grants and contracts from the State of New Jersey, in particular funds that supported the Clean Vessel Act, the Clean Marina Program, and the Marina Industry Enhancement project. At the national level we completed our Coastal Communities Climate Adaptation Initiative award ( [www.njseagrant.org/images/extension/pdfs/New-Jersey-Coastal-Community-Resilience-Demonstration-Project.pdf](http://www.njseagrant.org/images/extension/pdfs/New-Jersey-Coastal-Community-Resilience-Demonstration-Project.pdf) ) and started our Aquatic Invasive Species Mid-Atlantic award with the other Mid-Atlantic Sea Grant programs by selecting a social science research project that addresses the biological and social impact of aquatic hitchhikers in the live bait trade. Our National Strategic Investment with Rutgers University for shellfish aquaculture extension also completed its first full year.

The Extension Program was saddened by the departure of Coastal Communities Agent Jenny McCormick-Tirrito, but excited by the addition of Caroline McLaughlin (Coastal Communities Agent) and Lisa Calvo (Shellfish Aquaculture Program Coordinator). In addition to Director Dr. Peter Rowe, full-time staff at Sandy Hook included Michael Danko, Marine Recreation Agent and Ms. McLaughlin. The Extension Program maintained its successful Memoranda of Agreement with Stevens Institute of Technology to retain the services of Dr. Jon Miller, Coastal Processes Specialist, and with Rutgers University Cooperative Extension for two Water Resources Agents, Amy Boyajian and Jillian Thompson. Ms. Calvo is supported by a National Strategic Investment (NSI) Aquaculture Extension Grant through an MOA with Rutgers University.

The following summaries highlight the agents and specialists and some of their projects and activities in 2011.

## **CAROLINE McLAUGHLIN – Coastal Communities Agent**

Caroline McLaughlin joined us in August 2011 taking on some of Jenny Tirrito's projects and assisting Mike Danko with his main marina related projects. In the short time Caroline has been with us she has enthusiastically taken the initiative on several new projects that align with our coastal stakeholders and her expertise. She also took on some of Jenny Tirrito's projects including the NJ Coastal Access Website and Coastal Heritage Guide Website. She has enhanced the Heritage Guide by uploading the heritage site photos and information onto Google Panoramio resulting in nearly 2800 total views on Google Earth. Caroline has maintained our presence on the HEP Public Access Workgroup and has established relationships with ANJEC, Long Branch Environmental Commission, JCNERR, MODC Energy and Environment Committee, and is a member of NJDEP Economic Growth and Green Energy committees for Sustainable Jersey Climate Adaptation Task Force (CATF) and the Sustainable Business Initiative Education Committee (SBI). She has collaborated with our water resources agents to develop materials on municipal stormwater management. One of Caroline's most exciting projects is the establishment of a Community Supported Fishery (CSF) Pilot Project that will launch in summer of 2012. Caroline teamed up with RCE and Sea Salt CSA to institute the project and is also working with Agent Lisa Calvo to bring this opportunity to fledgling shellfish cooperatives in New Jersey.





# EXTENSION PROGRAM

## DR. JON MILLER - Coastal Processes Specialist

Dr. Jon Miller, located at Stevens Institute of Technology, continues as NJSGC's Coastal Processes Specialist and in 2011 led the way in finding solutions to adapt to or mitigate coastal hazards by working to educate coastal community leaders and citizens on the importance of being coastally aware. His activities include NJSGC outreach, education and press events, development and maintenance of a coastal processes website, efforts in shore protection systems, and outreach and research on sheltered shorelines. Dr. Miller was heavily involved in education and outreach efforts aimed at reducing the exposure of New Jersey beach communities and increasing their ability to recover from coastal hazards.



Dr. Miller continued his involvement in the Rip Current Awareness program that has distributed more than 2,400 warning signs since its inception. These signs and accompanying brochures are still available to our coastal communities. In 2011, Dr. Miller guided five Stevens Institute undergraduates in developing a rip current reporting application for smartphones to be tested by lifeguard groups and to be modeled and used by researchers and National Weather Service for forecasting. He presented his Rip Current Jeopardy computer based game at major public events and provided lifeguard training on rip currents to the City of Long Branch. Jon worked with the Girl Scouts of the Jersey Shore who adopted rip current

safety as a theme for their summer 2011 outreach projects. He was honored with the Good Neighbor Community Award for his assistance in their rip current project. The Girls Scouts will continue their work with Dr. Miller in 2012 by attaching QR tags to the existing signs that will take users to important rip current information.

Jon continued his authorship of the State of the Shore report highlighting the status of New Jersey's beaches in relation to the previous winter storm season. Furthermore, Dr. Miller gave nine interviews for print, radio and TV on shore protection, Hurricane Irene, rip currents, coastal hazards, storm preparedness, and tsunamis. His Stevens-NJSGC coastal processes website generated 70 visits from 15 states and 14 countries per month.

Dr. Miller has continued to contribute his knowledge and expertise by connecting with partners and stakeholders through a variety of presentations, committees, and outreach activities. Relevant issues include sheltered shorelines, sustainable shoreline protection, coastal engineering, coastal hazards, beach maintenance, coastal zone management, climate change and sea level rise at the local, state, regional and national level. Stakeholders, partners and collaborators included the American Littoral Society, Metropolitan Water Front Alliance, Jersey Shore Partnership, Oradell Elementary School, Central Jersey Branch of the American Society of Civil Engineers, NJDEP, JCNERR, Wisconsin Sea Grant, Mid-Atlantic Sea Grant Regional Research Planning, MAST, NOAA, American Shore and Beach Preservation Association, FEMA, USACOE, EPA, NY NJ Harbor Estuary Program, and the North Hudson Sewerage Authority.

## MICHAEL DANKO - Marine Recreation Agent

Michael Danko's extension activities and programs target New Jersey coastal boaters and marinas in order to promote both a healthy coastal ecosystem and economy through environmental stewardship. For 2011, he again focused his activities on his three main projects: Clean Vessel Act Program through NJDEP Division of Fish and Wildlife, Clean Marina Program through NJDEP Office of Coastal Management, and Marina Industry Enhancement through NJDOT OMR IBOATNJ. He also continued maintenance of the Shrinkwrap Recycling Program, the Boat Ramp Guide, and the distribution of Marine Fisheries Regulation Cards and Posters to participating marinas in the Marina Display Case Project. Through one hundred meetings, site visits, and presentations Mike met directly with over 500 marina owners and operators or interested coastal stakeholders. Tens of thousands of pieces of informational materials were distributed to marinas and boaters including fish regulation cards, Clean Marina tip sheets, fish regulation posters, circle hook brochures, and pumpout guides. He was also able to increase his program's capabilities with the addition of Caroline McLaughlin, who assisted him on some of his many projects.





# EXTENSION PROGRAM



In 2011, Mike continued to grow the New Jersey Clean Marina Program. He procured the signs and flags for the marinas receiving Clean Marina status. The Program added five certified marinas in 2011 bringing the cumulative total to 45 marinas. To increase marina and boater awareness of the program, Mike implemented an advertising campaign on social media sites. Through the Marina Industry Enhancement project, Mike continued to assist marinas, especially marinas in progress to Clean Marina status, to receive funds to implement vessel wash wastewater best management practices to meet state regulations. Up to 15 marinas received minigrants, mostly from funds received through an award of \$130,000 from the National Fish and Wildlife Foundation bringing the total to 40 marinas receiving funds. As a result of Mike's success, he was invited to present on his MIE work at the International Marina and Boatyard Conference Clean Marina Workshop and the American Boating Congress. This effort was also highlighted in his social media campaign to promote clean boating tips. Mike continued his longstanding New Jersey Clean Vessel Act (CVA) Program which provides sewage pumpout facilities for recreational boaters. Over 15,000 pumpout guides were distributed in 2011. Many of Mike's programs' constituents reside on Barnegat Bay, so his activities support the Governor's Barnegat Bay Initiative.

## AMY BOYAJIAN and JILLIAN THOMPSON - Water Resources Agents

Amy Boyajian and Jillian Thompson, located at the Water Resources Program at Rutgers Cooperative Extension, have dedicated their time and energy to promote best management practices that result in improved water quality in our watersheds and by making known the connection between healthy watersheds and healthy estuarine and coastal waters. They contribute to NJSGC Extension through a MOA. Their extension activities target communities, municipal officials, schools, watershed groups and individuals that are interested in promoting improved water quality of watersheds including our coastal waters.

In 2011, Amy and Jillian reached over 4,300 individuals at nearly 90 workshops and meetings and over 8,500 individuals through the RCE Water Resources website. They distributed over 500 rain barrels and helped install over 55 rain gardens resulting in at least 1.8 million gallons of treated stormwater. As a result of their work, Amy and Jillian were justly recognized. As co-editors of the *Rain Garden Manual of New Jersey*, they received the New Jersey Chapter of American Society of Landscape Architects Merit Award in Landscape Architectural Communication. They also received the National Association of County Agricultural Agents (NACAA) Communications Award and were national finalists for the NACAA Learning Module for the *Rain Garden Outreach Manual*.

They have achieved their success and the positive impacts for their stakeholders and the environment by expanding their current programs, developing new ones, and increasing their partnerships and leveraging funding. Rain garden programs included Rain Garden Landscaper Training, Stormwater Management in Your Backyard, and Stormwater Management in Your Schoolyard. Rain Barrel programs included the Rain Barrel Art Program/ "One Barrel at a Time Co-op" and the "Build a Rain Barrel" Workshops.



Their newest program, Green Infrastructure for Environmental Justice Communities, has expanded their reach into under-served communities such as Newark and Camden. Their efforts have expanded geographically beyond New Jersey with presentations, installations and workshops given in Delaware, Rhode Island, Massachusetts, Pennsylvania and New York. Partners included schools, municipalities, counties, nongovernmental organizations, business and industry, and other partners such as USEPA, NJDEP, ANJEE, and other academic institutions. Leveraged funding for their projects came from USDA, USEPA, NJDEP, and the Camden County Municipal Utilities Authority.



# EXTENSION PROGRAM

## LISA CALVO – Shellfish Aquaculture Program Coordinator

Lisa Calvo joined the NJSGC Extension Program in September 2011 as part of the National Strategic Investment award that NJSGC received in 2010. Lisa is supported through an MOA with Rutgers University. Her aquaculture work focuses on the oyster industry in southern New Jersey, in particular the Delaware Bay. In the short time she has been on board, she has established industry contacts and is beginning the research and extension outlined in the NSI award.

Lisa engaged the shellfish aquaculture industry through several meetings and a needs assessment survey. As a result of this assessment Lisa hosted the first Delaware Bay Shellfish Growers Forum that focused on identifying Industry needs and interests including the exploration of shared service models. This interest resulted in Lisa hosting the "Cooperative Approaches in Shellfish Aquaculture Workshop" which attracted 38 attendees including members from industry, government, and academic organizations. In collaboration with Caroline McLaughlin, the oyster industry has become interested in community supported fisheries. Lisa has also continued her Project PORTS activities that reach many schools and hundreds of students on the value and ecologic importance of oysters. Lisa has already begun field studies with oyster industry partners to test stocks for baseline disease resistance, *Vibrio* reduction, and growout methods. As part of her grantsmanship, Lisa and an industry partner have been funded by USDA SARE Farmers Grant to study the improvement and demonstration of subtidal cage-culture methods to cultivate oysters in Delaware Bay, New Jersey. Some of her partners include the American Littoral Society, Haskin Shellfish Research Laboratory, NJ Department Agriculture and Ocean County RCE.

# COMMUNICATIONS

## By KIM KOSKO, Director of Communications

The 2011 New Jersey Sea Grant Consortium's Communications team, led by Director Kim Kosko included a small but highly productive, award-winning staff of talented media professionals consisting of full-time Communication Specialist Marsha Samuel and part-time Graphic Designer and Communication Associate, Rory Joyce. Communications is one of the core program components that functions primarily as an in-house publications, advertising and marketing agency providing diversified creative and production services from the organization. The Communications staff is responsible for effectively conveying information to the media, individuals and targeted user groups. While most of this information is marine science oriented and more often than not based on NJSGC's own research and program activities it also integrates input from other agencies, organizations and stakeholders who are also working to increase understanding of New Jersey's coastal ocean environment.

The Communications team designs, produces and distributes publications and other resource materials to appropriate audiences and embraces all means and mediums including conventional print, electronic technology, radio and TV, web and social media to develop innovative and creative methods of transmitting and sharing information.

The Communications team played an integral role and contributed to the success of all NJSGC activities but coordinated a number of department-specific special events and projects in 2011 which included:

### Ninth Annual State of the Shore Media Event

Representatives from dozens of television, radio, web and wire services, and newspaper outlets throughout the Tri-State area attended the Communication's Department's pre-summer premier media event. The 2011 New Jersey: Ninth Annual State of the Shore Report, written and presented by Dr. Jon Miller, Coastal Process Specialist for the NJMSC/NJSG was the showcase and anchor publication for the event. Project partners included the NJDEP, NJ Division





# COMMUNICATIONS

of Travel and Tourism, Stevens Institute of Technology and the Richard Stockton College Coastal Resource Center. Department of Environmental Protection Deputy Commissioner Irene Kropp Martin and Division of Travel and Tourism Executive Director Grace Hanlon were on hand to give remarks in support of the state's coastal health and thriving beach tourism industry. Brief remarks and presentations about the state's Barnegat Bay Initiative and New Jersey Sea Grant research projects were also part of the agenda.

The event provided millions of residents in New Jersey, New York and Pennsylvania and Connecticut with a reinforcing reminder about the importance of the State's coastal resources and their economic value to the State especially during the all-important summer tourism season. NJSGC's reputation as an accurate and relevant information source about the condition of the State's beaches and current coastal issues was further strengthened by this much-anticipated, well attended annual media event.



## New Jersey's Top Ten Beaches Survey, Photo Contest and Calendar

The Consortium's popular New Jersey Top Ten Beaches survey project was designed four years ago in cooperation with the Richard Stockton College's Coastal Research Center to make people feel more connected to and protective of New Jersey's beaches. It's become a highly competitive but still friendly annual event among New Jersey beachgoers and the tourism community.

In 2011, the basic format of the survey remained the same, but there was an added new development to the project with a NJ Top Ten Beach Photo Contest, designed to celebrate and embrace the natural elements of New Jersey Beaches through photography. Three of the State's most notable photographers representing southern (Al Campbell), central (Paul Scharff) and northern (Dwight Hiscano) New Jersey served as the panel of judges. They selected 24 photos from hundreds of entries and those finalists were posted on the NJTTB web site so visitors could vote for their favorite dozen photos. The winning images were featured at NJSGC's annual State of The Shore media event when the top vote getters in the Top Ten Beaches were revealed and eventually used to create a special limited edition calendar for 2012, NJ Shore Shots.

## The Stew Tweed Fisheries and Aquaculture Scholarship



NJSGC established a scholarship fund in 2008 to honor the memory of Stew Tweed who worked as a Marine Agent for the NJSSEP between 1978 and 2005. The scholarship is designed to perpetuate Stew's combined passion for shellfish culture and marine science education and for taking fisheries and marine-related technology and scientific information and finding ways to apply them to the real world of shellfish aquaculture and commercial fisheries. A generous group of industry leaders and individual benefactors recruited by Project Coordinator Kim Kosko established enough "seed" money to found and fund the aquaculture scholarship program. Each year, scholarships are awarded to support one graduating high-school senior (\$1,000) and one undergraduate/graduate student (\$1,500) pursuing studies or an outstanding research or technology project focusing on fisheries or aquaculture. Congressman Frank Pallone (NJ-6th District) who once worked for NJ Sea Grant Extension and a former colleague of Stew Tweed presented the scholarships awards during NJSGC's Ocean Fun Days an annual education-oriented outreach event.

## Awards and Accolades

NJSGC Communications received a number of awards and accolades in 2011 including a prestigious APEX Award for its first exclusively electronic 2010 Annual Report publishing effort. The award was given for the report's excellence in graphic design, editorial content and success in achieving overall communications excellence. Like many organizations and private sector businesses, NJSGC has shifted significantly from hard copy to electronic, web-based publishing. This award demonstrated that new technologies and publishing on-line can be just as, or even more effective and attractive as publishing using conventional printing methods.

The NJ Top Ten Beaches project was honored with a Governor's Tourism Award in 2011. The highly coveted Awards for Tourism Excellence were presented to 15 organizations for excellence and creative accomplishments in tourism marketing and promotion during the 2011 Governor's Conference on Tourism at the Trump Marina in Atlantic City.



# EDUCATION PROGRAM

**By CLAIRE ANTONUCCI, Director of Education**

Each year, the education staff of the New Jersey Sea Grant Consortium works with thousands of New Jersey's citizens and visitors to increase understanding and appreciation of our state's marine and coastal environment and the resources it provides. 2011 was no exception. Most of this work was accomplished by



providing active learning experiences for participants, especially children, out of doors on the beaches, bays and shorelines of New Jersey. Teaching and learning activities ranged from direct instruction (field trips, camps, scout programs, in-school presentations, teacher training, college coursework, public outreach events) to information preparation and dissemination (fact sheets, lesson plans, activity guides, curriculum development). All activities and products were designed around the principal that learning by doing is best.

Education highlights for 2011 include:

- Over 23,000 participants in the Consortium's field trip programs, known collectively as The Coastal Experience.

Groups of school-aged children, scout troops and teachers learned about a wide range of coastal topics from the habits of New Jersey's native fish species to the composition and origins of beach sand. They also had the opportunity to practice scientific sampling and testing methods from benthic sampling to water quality testing. By working closely with NJS GC education staff each learner was encouraged to connect with the coast and adopt habits and behaviors that can contribute towards its care. Participants came from near and far including a group of students, parents, teachers and administrators from Ripley, Ohio. While most

programs occurred on Sandy Hook, NJS GC staff did branch out to new coastal sites in 2011, delivering education programs at waterfront locations in Keansburg, Perth Amboy and Red Bank.



- A long-standing partnership with Brookdale Community College allowed the NJS GC to offer college-level programs in the marine sciences to 143 undergraduate students from the Consortium's many member institutions. Courses ranged from Introduction to Oceanography to SCUBA.

- 138 children in grades 3 through 8 spent part of their summer vacation learning marine science by

investigating Sandy Hook's bay, beach and maritime forest alongside NJS GC staff. Inside NJS GC's Building #22 classroom, campers enjoyed laboratory investigations including squid and shark dissections and plankton sampling and identification.



# EDUCATION PROGRAM



- Along with Rutgers University and the Sandy Hook Foundation, the NJSGC received funding from the National Science Foundation to develop a geoscience education project for school-aged children based on research studies being conducted on Sandy Hook. During 2011, the project was field tested by 22 teachers and administrators from Red Bank, NJ who continue to work with NJSGC and Rutgers education staff and research scientists to develop curricula designed to get school students and their teachers involved in geoscience research.

- Continuing agreements with Monmouth University and Seton Hall University allowed the Consortium to work with 8 pre-service education students over the summer of 2011. The future educators helped lead field trips and summer camp. They also developed their own marine science lessons and were afforded the opportunity to try them out on K-12 students visiting the Consortium.



- In 2011, record numbers of visitors turned out for the two public outreach coordinated annually by NJSGC education staff. Sponsored by New Jersey Natural Gas, *Ocean Fun Days* attracted over 9,000 visitors in 2011. A trolley tour of Sandy Hook's historic and natural sites, contributed by the Sandy Hook Foundation, was a popular new feature. An additional 5,000 visitors turned out for *Coast Day NJ*, NJSGC's fall outreach event held in Cape May, NJ.



**NEW JERSEY SEA GRANT CONSORTIUM, INC.**

**Financial Statements**

**September 30, 2011 and 2010**

**With Independent Auditors' Reports**



**New Jersey Sea Grant Consortium, Inc.**  
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**September 30, 2011 and 2010**

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## Independent Auditors' Report

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

We have audited the accompanying statements of financial position of New Jersey Sea Grant Consortium, Inc. as of September 30, 2011 and 2010 and the related statements of activities and changes in net assets, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of New Jersey Sea Grant Consortium, Inc.'s management. 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our 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, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 29, 2012 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.





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 are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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.

A handwritten signature in blue ink that reads "WithumSmith+Brown, PC".

May 29, 2012



**New Jersey Sea Grant Consortium, Inc.**  
**Statements of Financial Position**  
**September 30, 2011 and 2010**

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	<b>2011</b>	<b>2010</b>
<b>Assets</b>		
Current assets		
Cash	\$ 667,279	\$ 687,138
Investments	516,290	510,897
Accounts receivable	8,585	33,148
Grants and contracts receivable	242,502	343,280
Prepaid expenses and other current assets	42,094	39,200
Total current assets	<u>1,476,750</u>	<u>1,613,663</u>
Property and equipment, net	<u>981,450</u>	<u>1,062,277</u>
	<u><u>\$ 2,458,200</u></u>	<u><u>\$ 2,675,940</u></u>
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 122,036	\$ 126,983
Deferred revenue	89,233	42,421
Total current liabilities	<u>211,269</u>	<u>169,404</u>
Long-term liabilities		
Accrued rent	39,071	10,281
Net assets		
Unrestricted	<u>2,207,860</u>	<u>2,496,255</u>
	<u><u>\$ 2,458,200</u></u>	<u><u>\$ 2,675,940</u></u>

The Notes to Financial Statements are an integral part of these statements.



**New Jersey Sea Grant Consortium, Inc.**  
**Statements of Activities and Changes in Net Assets**  
**Years Ended September 30, 2011 and 2010**

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	<b>2011</b>	<b>2010</b>
	<b>Unrestricted</b>	<b>Unrestricted</b>
Support and revenues		
Grants and contract revenue	\$ 1,722,379	\$ 1,585,716
Contributions	22,393	422,221
Educational and service program revenue	209,764	151,029
Membership dues	38,000	37,250
Interest income	7,351	12,405
Loss on sale of asset	(2,786)	(48,711)
Other income	21,344	42,316
	<u>2,018,445</u>	<u>2,202,226</u>
Expenses		
Program services		
Educational activities	429,419	482,548
Research activities	1,521,988	1,240,092
	<u>1,951,407</u>	<u>1,722,640</u>
General and administrative	355,433	496,415
	<u>2,306,840</u>	<u>2,219,055</u>
Changes in net assets	(288,395)	(16,829)
Net assets, beginning of year	<u>2,496,255</u>	<u>2,513,084</u>
Net assets, end of year	<u><u>\$ 2,207,860</u></u>	<u><u>\$ 2,496,255</u></u>

The Notes to Financial Statements are an integral part of these statements.

**New Jersey Sea Grant Consortium, Inc.**  
**Statements of Cash Flows**  
**Years Ended September 30, 2011 and 2010**

	2011	2010
<b>Cash flows from operating activities</b>		
Changes in net assets	\$ (288,395)	\$ (16,829)
Adjustments to reconcile changes in net assets to net cash (used) provided by operating activities		
Depreciation	78,041	81,887
Bad debts	61,313	--
Loss on sale of asset	2,786	48,711
Reclass of construction in progress to property and equipment	--	191,081
Changes in net assets and liabilities		
Accounts receivable	(437)	(26,165)
Grants and contracts receivable	64,465	68,890
Prepaid expenses and other current assets	(2,894)	3,986
Accounts payable and accrued expenses	(4,947)	(6,948)
Accrued rent	28,790	10,281
Deferred revenue	46,812	23,173
Net cash (used) provided by operating activities	<u>(14,466)</u>	<u>378,067</u>
<b>Cash flows from investing activities</b>		
Sale of investments	--	502,269
Interest earned on investments	(5,393)	--
Purchase of property and equipment	--	(1,011,509)
Proceeds from sale of asset	--	10,249
Net cash used by investing activities	<u>(5,393)</u>	<u>(498,991)</u>
Net decrease in cash	(19,859)	(120,924)
<b>Cash</b>		
Beginning of year	<u>687,138</u>	<u>808,062</u>
End of year	<u>\$ 667,279</u>	<u>\$ 687,138</u>

**Supplemental disclosure of cash flow information**

No amounts were paid for interest or income taxes for the years ended September 30, 2011 and 2010.

The Notes to Financial Statements are an integral part of these statements.



**New Jersey Sea Grant Consortium, Inc.  
Statements of Functional Expenses  
Year Ended September 30, 2011**

	Program Services			General and Administrative	Total
	Educational Activities	Research Activities	Program Services		
Salaries	\$ 189,055	\$ 456,596	\$ 645,651	\$ 162,218	\$ 807,869
Payroll taxes and benefits	48,432	142,974	191,406	39,157	230,563
Payments to subrecipients	--	802,088	802,088	--	802,088
Professional fees	20,574	34,543	55,117	43,892	99,009
Supplies	19,589	17,540	37,129	13,790	50,919
Advertising	3,020	2,677	5,697	--	5,697
Telephone	--	9,051	9,051	5,789	14,840
Postage	2,384	4,942	7,326	1,422	8,748
Occupancy	--	--	--	70,008	70,008
Repairs and maintenance	--	565	565	2,680	3,245
Printing	5,810	10,591	16,401	2,349	18,750
Fleet costs	2,500	7,500	10,000	--	10,000
Depreciation	61,319	12,401	73,720	4,321	78,041
Conference and training	11,441	15,783	27,224	4,595	31,819
Dues and subscriptions	22	517	539	5,212	5,751
Awards	--	3,300	3,300	--	3,300
Bad debt expense	61,313	--	61,313	--	61,313
Miscellaneous	3,960	920	4,880	--	4,880
	<u>\$ 429,419</u>	<u>\$ 1,521,988</u>	<u>\$ 1,951,407</u>	<u>\$ 355,433</u>	<u>\$ 2,306,840</u>

The Notes to Financial Statements are an integral part of this statement.

**New Jersey Sea Grant Consortium, Inc.  
Statements of Functional Expenses  
Year Ended September 30, 2010**

	Program Services			General and Administrative	Total
	Educational Activities	Research Activities	Program Services		
Salaries	\$ 225,318	\$ 377,375	\$ 602,693	\$ 240,387	\$ 843,080
Payroll taxes and benefits	66,089	136,585	202,674	89,859	292,533
Payments to subrecipients	--	648,416	648,416	--	648,416
Professional fees	43,346	4,809	48,155	34,987	83,142
Supplies	29,943	12,493	42,436	21,908	64,344
Advertising	5,860	1,032	6,892	360	7,252
Telephone	149	5,587	5,736	8,091	13,827
Postage	2,306	4,452	6,758	3,442	10,200
Occupancy	--	--	--	84,307	84,307
Repairs and maintenance	--	--	--	4,206	4,206
Printing	8,314	12,146	20,460	839	21,299
Transportation	40	--	40	44	84
Fleet costs	12,990	7,528	20,518	--	20,518
Depreciation	65,165	12,401	77,566	4,321	81,887
Conference and training	17,053	8,966	26,019	3,428	29,447
Dues and subscriptions	22	6,652	6,674	122	6,796
Awards	860	1,650	2,510	--	2,510
Miscellaneous	5,093	--	5,093	114	5,207
	<u>\$ 482,548</u>	<u>\$ 1,240,092</u>	<u>\$ 1,722,640</u>	<u>\$ 496,415</u>	<u>\$ 2,219,055</u>

The Notes to Financial Statements are an integral part of this statement.



**New Jersey Sea Grant Consortium, Inc.**  
**Notes to Financial Statements**  
**September 30, 2011 and 2010**

---

**1. Organization and Purpose**

New Jersey Sea Grant Consortium, Inc ("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 the Consortium 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 the organization 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 personnel expertise includes biology, sociology, economics, public policy, and engineering. Each Extension 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 Program provides. The Program's teaching and learning activities range from direct instruction (field trips, camps, scout programs, in-school presentations, college coursework, public outreach events) to information preparation and dissemination (fact sheets, posters, lesson plans, activity guides, video conferences, web-based publications and other teaching materials).

Learn more about the NJSGC by visiting [njseagrant.org](http://njseagrant.org).

**2. Summary of Significant Accounting Policies**

**Basis of Presentation**

External financial reporting by not-for-profit organizations requires that resources be classified for accounting and reporting purposes into net asset categories according to externally (donor) imposed restrictions. The unrestricted net asset category represents net assets that are not subject to donor imposed restrictions, the temporarily restricted net asset category represents net assets that are subject to time or purpose donor imposed restrictions and the permanently restricted net asset category represents net assets that are subject to donor imposed restrictions that cannot be satisfied by either the passage of time or by actions of NJSGC. During the years ended September 30, 2011 and 2010 NJSGC had accounting transactions in the unrestricted net asset category.

**Revenue and Support Recognition**

NJSGC recognizes contributions as revenue when they are received or unconditionally pledged and records these revenues as unrestricted or restricted support according to donor stipulations that limit the use of these assets due to time or purpose restrictions. When a donor restriction expires, temporarily restricted net assets are reclassified and reported in the statements of activities and changes in net assets as net assets released from 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 and changes in net assets.

**New Jersey Sea Grant Consortium, Inc.**  
**Notes to Financial Statements**  
**September 30, 2011 and 2010**

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NJSGC accounts for those contract revenues which have been determined to be exchange transactions in the statements of activities and changes in net assets 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.

**Income Taxes**

NJSGC is exempt from Federal income taxes 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, 2011 or 2010. There are no open tax years prior to 2007. In addition, there was 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 accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Advertising**

Advertising is expensed in the period incurred. Advertising amounted to \$5,697 and \$7,252 at September 30, 2011 and 2010, respectively.

**Property, Equipment and Depreciation**

Property and equipment of \$5,000 or greater is capitalized and recorded at cost, except for donated items which are recorded at fair value at the date of donation. At the time of retirement or other disposition of assets, the cost and accumulated depreciation are removed from the accounts and any gains or losses are reflected in the statements of activities and changes in net assets. When an asset is sold or retired, the cost and accumulated depreciation are removed from the respective accounts. Maintenance and repairs are charged to operations as incurred.

Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Assets class lives are as follows:

<b>Description</b>	<b>Estimated Life (Years)</b>
Building improvements	5-20
Marine equipment	3-12
Automotive equipment	5-12
Machinery and equipment	5-12



**New Jersey Sea Grant Consortium, Inc.**  
**Notes to Financial Statements**  
**September 30, 2011 and 2010**

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**Expense Classification**

The expenses of NJSGC are presented in the statements of activities and changes in net assets under the following classifications which describe NJSGC program activities:

Educational activities – supports the educational goals of NJSGC by planning and conducting a wide 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.

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

**Reclassification**

Certain amounts from the 2010 financial statements have been reclassified to conform to the 2011 presentation. Such reclassification had no effect on the change in unrestricted net assets previously reported.

**3. Grants and Contracts Receivable and Deferred Revenue**

NJSGC operates under various grants and contracts. At September 30, 2011 and 2010, NJSGC was due certain amounts from funding sources which resulted from expenditures incurred in excess of payments received. In addition, NJSGC received advances from certain funding sources which represent payments in excess of expenditures incurred which have been recorded as deferred revenue. The following details the grants and contracts receivable and deferred revenue at September 30:

<b>Grants and Contracts Receivable</b>		<b>2011</b>	<b>2010</b>
<b>Funding Agency</b>			
U.S. Department of Commerce			
National Oceanic and Atmospheric Administration			
Sea Grant Programs	\$ 138,482	\$ 190,947	
U.S. Environmental Protection Agency	--	3,375	
State of New Jersey - Department of Environmental Protection	--	91,155	
Department of Transportation Maritime Resources	94,020	57,803	
National Fish and Wildlife Foundation	10,000	--	
	<u>\$ 242,502</u>	<u>\$ 343,280</u>	

**Deferred Revenue**

<b>Funding Agency</b>			
U.S. Department of Commerce			
National Oceanic and Atmospheric Administration			
Sea Grant Programs	\$ 9,675	\$ --	
Department of Transportation Maritime Resources	2,144	--	
State of New Jersey - Department of Environmental Protection	67,414	22,989	
National Fish and Wildlife Foundation	10,000	--	
Other	--	19,432	
	<u>\$ 89,233</u>	<u>\$ 42,421</u>	

**New Jersey Sea Grant Consortium, Inc.**  
**Notes to Financial Statements**  
**September 30, 2011 and 2010**

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**4. Recurring Fair Value Measurements**

NJSGC has provided fair value disclosure information for relevant assets and liabilities in these financial statements. The following table summarizes assets (liabilities) which have been accounted for at fair value on a recurring basis as of September 30 along with the basis for the determination of fair value:

**2011**

	<b>Total</b>	<b>Quoted Prices in Active Markets (Level 1)</b>	<b>Observable Measurement Criteria (Level 2)</b>	<b>Unobservable Measurement Criteria (Level 3)</b>
Certificates of deposit	<u>\$ 516,290</u>	<u>\$ --</u>	<u>\$ 516,290</u>	<u>\$ --</u>

**2010**

Certificates of deposit	<u>\$ 510,897</u>	<u>\$ --</u>	<u>\$ 510,897</u>	<u>\$ --</u>
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For applicable assets subject to this pronouncement, NJSGC will value such assets using quoted market prices in active markets (Level 1) for identical assets to the extent possible. To the extent possible that such markets are not available, NJSGC will next attempt to value 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 will develop measurement criteria based on the best information available (Level 3).

**5. Property and Equipment**

Property and equipment, shown net of accumulated depreciation at September 30, consisted of the following:

	<b>2011</b>	<b>2010</b>
Building improvements	\$ 1,157,887	\$ 1,157,887
Marine equipment	21,870	21,870
Machinery and equipment	<u>156,080</u>	<u>162,580</u>
	1,335,837	1,342,337
Less: Accumulated depreciation	<u>354,387</u>	<u>280,060</u>
	<u>\$ 981,450</u>	<u>\$ 1,062,277</u>

Depreciation expense totaled \$78,041 and \$81,887 for the years ended September 30, 2011 and 2010, respectively.

**6. Line of Credit**

NJSGC maintains a revolving line of credit of \$250,000, which is being extended month to month until the bank receives financial statements at which time the line is expected to be fully renewed and bear interest at the bank's prime rate plus .50 percent. The line of credit is secured by the accounts receivable, grants and contracts receivable and equipment of NJSGC. NJSGC had no amounts outstanding at September 30, 2011 and 2010 and there were no draw downs on the line during the years ended September 30, 2011 and 2010.



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**7. Retirement Plan**

NJSGC has a 403(b) contributory defined contribution retirement plan (the "Plan") for those employees who meet the eligibility requirements. Employees must have one year of service and 1,000 hours to be eligible for 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 amounted to \$40,929 and \$42,054 for the years ended September 30, 2011 and 2010, respectively.

**8. 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, 2026 which calls for minimum lease payments of \$28,240 per year. Rental expense for these facilities for the years ended September 30, 2011 and 2010 was \$34,008 and \$27,790, respectively.

**9. 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 the 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 whom NJSGC has a long history of collecting payments, which reduces the credit risk. For the years ended September 30, 2011 and 2010, NJSGC received 57 percent and 48 percent of its revenues from Federal agencies and 22 percent and 37 percent from state agencies, respectively.

**10. Subsequent Events**

NJSGC has evaluated subsequent events occurring after the statement of financial position date through the date of May 29, 2012, which is the date the financial statements were available to be issued. Based on this evaluation, NJSGC has determined that no subsequent events have occurred, which require disclosure in or adjustment to the financial statements.