

BERGEN'S PROMISE, INC.
**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**
YEARS ENDED JUNE 30, 2024 AND 2023



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**BERGEN'S PROMISE, INC.
TABLE OF CONTENTS
YEARS ENDED JUNE 30, 2024 AND 2023**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	4
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	5
STATEMENTS OF FUNCTIONAL EXPENSES	7
STATEMENTS OF CASH FLOWS	9
NOTES TO FINANCIAL STATEMENTS	10
SUPPLEMENTARY INFORMATION	
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE	22
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE	23
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	24
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE NEW JERSEY OMB CIRCULAR LETTER 15-08	26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	29



INDEPENDENT AUDITORS' REPORT

Board of Trustees
Bergen's Promise, Inc.
Hackensack, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bergen's Promise, Inc., which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bergen's Promise, Inc. as of June 30, 2024 and 2023, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bergen's Promise, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of state financial assistance, as required by New Jersey Office of Management and Budget Circular Letter 15-08, 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 GAAS. In our opinion, the schedules of expenditures of state financial assistance are 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 May 20, 2025, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Livingston, New Jersey
May 20, 2025

BERGEN'S PROMISE, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 7,109,370	\$ 14,686,222
Investments	9,693,370	-
Accounts Receivable - Medicaid	2,113,257	1,701,085
Accounts Receivable - Other	7,040	-
Prepaid Expenses and Other Current Assets	405,741	337,637
Total Current Assets	<u>19,328,778</u>	<u>16,724,944</u>
RESTRICTED CASH	80,032	58,462
PROPERTY AND EQUIPMENT, NET	227,029	358,496
Operating ROU Asset	4,804,507	4,915,636
Financing ROU Asset	26,801	8,549
INVESTMENTS - DEFERRED COMPENSATION PLAN	<u>311,648</u>	<u>242,222</u>
Total Assets	<u><u>\$ 24,778,795</u></u>	<u><u>\$ 22,308,309</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 1,431,149	\$ 1,370,214
Current lease liability - Operating	495,513	718,739
Current lease liability - Financing	16,852	10,197
Refundable Advance - Due to State of New Jersey	161,670	-
Total Current Liabilities	<u>2,105,184</u>	<u>2,099,150</u>
OTHER LIABILITIES		
Deferred Grant	-	74,604
Deferred Compensation	311,648	242,222
	<u>311,648</u>	<u>316,826</u>
LONG-TERM LIABILITIES		
Long-term lease liability- Operating	5,224,002	4,985,834
Long-term lease liability- Finance	<u>11,504</u>	<u>-</u>
Total Liabilities	7,652,338	7,401,810
NET ASSETS		
Without Donor Restrictions	16,939,376	14,513,210
With Donor Restrictions	187,081	393,289
Total Net Assets	<u>17,126,457</u>	<u>14,906,499</u>
Total Liabilities and Net Assets	<u><u>\$ 24,778,795</u></u>	<u><u>\$ 22,308,309</u></u>

See accompanying Notes to Financial Statements.

BERGEN'S PROMISE, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2024

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
SUPPORT AND REVENUES			
Medicaid Reimbursement	\$ 19,890,434	\$ -	\$ 19,890,434
Government Grants and Contracts	984,840	3,842	988,682
Other Income	47,297	-	47,297
Interest Income	297,776	-	297,776
Unrealized Gain on Investments	703,839	-	703,839
Total	<u>21,924,186</u>	<u>3,842</u>	<u>21,928,028</u>
Net Assets Released from Restriction	<u>210,050</u>	<u>(210,050)</u>	<u>-</u>
Total Support and Revenue	22,134,236	(206,208)	21,928,028
FUNCTIONAL EXPENSES			
Care Management	16,836,559	-	16,836,559
Management and General	<u>2,871,511</u>	<u>-</u>	<u>2,871,511</u>
Total Functional Expenses	<u>19,708,070</u>	<u>-</u>	<u>19,708,070</u>
CHANGE IN NET ASSETS	2,426,166	(206,208)	2,219,958
Net Assets - Beginning of Year	<u>14,513,210</u>	<u>393,289</u>	<u>14,906,499</u>
NET ASSETS - END OF YEAR	<u>\$ 16,939,376</u>	<u>\$ 187,081</u>	<u>\$ 17,126,457</u>

BERGEN'S PROMISE, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2023

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
SUPPORT AND REVENUES			
Medicaid Reimbursement	\$ 19,602,935	\$ -	\$ 19,602,935
Government Grants and Contracts	645,650	145,490	791,140
Other Income	55,758	-	55,758
Interest Income	264,898	-	264,898
Total	<u>20,569,241</u>	<u>145,490</u>	<u>20,714,731</u>
Net Assets Released from Restriction	<u>203,045</u>	<u>(203,045)</u>	<u>-</u>
Total Support and Revenue	20,772,286	(57,555)	20,714,731
FUNCTIONAL EXPENSES			
Care Management	11,354,287	-	11,354,287
Management and General	<u>4,611,417</u>	<u>-</u>	<u>4,611,417</u>
Total Functional Expenses	<u>15,965,704</u>	<u>-</u>	<u>15,965,704</u>
CHANGE IN NET ASSETS	4,806,582	(57,555)	4,749,027
Net Assets - Beginning of Year	<u>9,706,628</u>	<u>450,844</u>	<u>10,157,472</u>
NET ASSETS - END OF YEAR	<u><u>\$ 14,513,210</u></u>	<u><u>\$ 393,289</u></u>	<u><u>\$ 14,906,499</u></u>

BERGEN'S PROMISE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	<u>Care Management</u>	<u>Management and General</u>	<u>Total</u>
Salaries	\$ 10,048,444	\$ 1,773,252	\$ 11,821,696
Payroll Taxes and Fringe Benefits	3,494,422	616,662	4,111,084
Total	<u>13,542,866</u>	<u>2,389,914</u>	<u>15,932,780</u>
Professional Services	403,247	71,161	474,408
Occupancy	921,929	162,694	1,084,623
Telephone	120,969	21,346	142,315
Office Expenses	314,913	55,571	370,484
Office Equipment and Internet	90,635	15,995	106,630
Staff Development	133,453	23,549	157,002
Repairs and Maintenance	36,896	6,512	43,408
Advertising	55,264	9,752	65,016
Insurance	165,315	29,172	194,487
Depreciation and Amortization	136,667	24,118	160,785
Client Expenses	563,562	-	563,562
Community development	235,157	41,499	276,656
Interest	1,068	-	1,068
Travel	49,181	8,679	57,860
Miscellaneous	<u>65,437</u>	<u>11,549</u>	<u>76,986</u>
Total Expenses	<u><u>\$ 16,836,559</u></u>	<u><u>\$ 2,871,511</u></u>	<u><u>\$ 19,708,070</u></u>

BERGEN'S PROMISE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	<u>Care Management</u>	<u>Management and General</u>	<u>Total</u>
Salaries	\$ 6,796,025	\$ 2,749,147	\$ 9,545,172
Payroll Taxes and Fringe Benefits	<u>2,333,184</u>	<u>962,176</u>	<u>3,295,360</u>
Total	9,129,209	3,711,323	12,840,532
Professional Services	406,371	164,386	570,757
Occupancy	762,468	308,436	1,070,904
Telephone	212,419	85,930	298,349
Office Expenses	14,752	5,968	20,720
Staff Development	76,639	31,002	107,641
Repairs and Maintenance	86,245	34,888	121,133
Advertising	50,162	20,291	70,453
Printing	18,433	7,456	25,889
Insurance	46,930	18,984	65,914
Depreciation and Amortization	83,854	33,921	117,775
Client Expenses	358,672	145,091	503,763
Community development	94,913	38,394	133,307
Interest	421	170	591
Miscellaneous	<u>12,799</u>	<u>5,177</u>	<u>17,976</u>
Total Expenses	<u><u>\$ 11,354,287</u></u>	<u><u>\$ 4,611,417</u></u>	<u><u>\$ 15,965,704</u></u>

BERGEN'S PROMISE, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	#NAME?
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Change in Net Assets	\$ 2,219,958	\$ 4,749,027
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	135,309	92,130
Amortization of ROU Asset	25,476	25,645
Unrealized Gains on investments	(703,839)	-
Changes in Certain Assets and Liabilities:		
Accounts Receivable - Medicaid	(412,172)	-
Accounts Receivable - Other	(7,040)	21,254
Prepaid Expenses and Other Current Assets	(68,104)	(162,606)
ROU Asset and Liability, net	127,079	(54,421)
Investments - Deferred Compensation Plan	(69,426)	(54,896)
Accounts Payable and Accrued Expenses	60,935	470,819
Refundable Advance - Due to State of New Jersey	161,670	-
Deferred Grant	(74,604)	74,604
Deferred Compensation Liability	69,426	54,896
Net Cash Provided by Operating Activities	<u>1,464,668</u>	<u>5,216,452</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		
Purchase of Property and Equipment	(3,842)	(145,490)
Purchase of Investments	(8,989,531)	-
Net Cash Used by Investing Activities	<u>(8,993,373)</u>	<u>(145,490)</u>
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Refundable Advance	-	(150,000)
Payments on Financing Leases	(26,577)	(23,996)
Net Cash Used by Finance Activities	<u>(26,577)</u>	<u>(173,996)</u>
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	<u>(7,555,282)</u>	<u>4,920,962</u>
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>14,744,684</u>	<u>9,823,722</u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR	<u><u>\$ 7,189,402</u></u>	<u><u>\$ 14,744,684</u></u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH		
Cash and Cash Equivalents	\$ 7,109,370	\$ 14,686,222
Restricted Cash	80,032	58,462
Total Cash, Cash Equivalents, and Restricted Cash	<u><u>\$ 7,189,402</u></u>	<u><u>\$ 14,744,684</u></u>

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 NATURE OF ORGANIZATION

Bergen's Promise, Inc. (Organization), is a New Jersey private, nonprofit corporation, established in 2001, whose primary mission is to promote "Healthy Families, Safe at Home." The Organization is part of the New Jersey Children's System of Care and serves youth ages 5 to 21 years of age who are encountering mental and behavioral health challenges, substance abuse issues, and developmental and intellectual disabilities. Youths with chronic co-occurring behavioral and specific health issues are also served through an enhanced medical care coordination component. The Organization uses the Wraparound Approach, a strength-based, child-centered, trauma-informed approach through a Child and Family Team concept. These services, resources, and support administered by the Organization provide an opportunity for the youth to realize their highest potential in their own communities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

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

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

Net Assets with Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. Also, other net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Cash and Cash Equivalents

For financial statement purposes, cash, certificate of deposits of three months or less, and money market funds are cash equivalents.

**BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Cash

Cash is restricted for the Organization's operating lease. The cash, which is held in a money market account, amounted to \$80,032 and \$58,462 at June 30, 2024 and 2023, respectively.

Accounts Receivable - Medicaid

Revenue from Medicaid is recognized when services are provided, and the amount is determined based on the rates established by the Medicaid program. The Organization's policy is to assess the collectability of Medicaid receivables and establish an allowance for credit losses based on historical collection experience and other relevant factors. The adequacy of the Organization's allowance for credit losses is reviewed on an ongoing basis, using historical payment trends, write-off experience, analyses of receivable portfolios by payor source and aging of receivables, a review of specific accounts, as well as expected future economic conditions and market trends, and adjustments are made to the allowance as necessary. There is no allowance deemed necessary at June 30, 2024 and 2023.

Property and Equipment

Leasehold improvements, furniture and equipment, and vehicles in excess of \$1,000 are recorded at cost. Government-funded property and equipment acquisitions are recorded as restricted support. Depreciation is being charged over the useful lives of the assets, which range from three to ten years using the straight-line method.

When assets are retired, or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period. Maintenance, repairs, and minor replacements that do not improve or extend the life of an asset are expensed as incurred.

Valuation of Long-Lived Assets

In accordance with the accounting pronouncements on impairment or disposal of long-lived assets, the Organization reviewed long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable. Management has determined that no impairment charge was required for the years ended June 30, 2024 and 2023.

Fair Value

Fair value measurements are defined as the amounts that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There are three defined hierarchical levels based on the quality of inputs used that directly relate to the amount of subjectivity associated with the determination of fair value.

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value (Continued)

The fair value hierarchy defines the three levels as follows:

Level 1 – Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2 – Valuations based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable, or can be derived principally from or corroborated by observable market data.

Level 3 – Valuations based on unobservable inputs used when little or no market is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

The fair value of the investments are as follows:

Bond Funds: Valued at the daily closing price as reported by the fund. Bond funds held by the Organization are open-end bond funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The bond funds held by the Organization are deemed to be actively traded and are categorized in Level 1 and Level 2 of the fair value hierarchy.

US Treasuries – Fair value of a US Treasury investment is a market-based estimate of the price at which the investment could be sold in an orderly transaction.

Exchange-Traded Funds – Fair value of exchange-traded funds are based on the closing price reported in the active market in which the individual securities are traded.

Mutual Funds – Valued at the fair value of shares held by the Organization at year-end.

Certificates of Deposit – Estimated sing rates currently offered for deposits of similar remaining maturities.

Bonds – Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows

Medicaid Reimbursement

The Organization is reimbursed by Medicaid for services provided to consumers, subject to rules and regulations of the program. Medicaid revenue is recognized when the services have been provided and billed to the Medicaid program. Related expenses offset primarily by Medicaid and, secondarily, by other state funding are included in care management services. Revenue received under certain contracts is subject to audit and adjustment. Differences between the estimated adjustment and the amounts settled are recorded in the year of settlement.

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Revenue from government grants is considered a conditional contribution and is not recognized until the conditions related to this revenue are substantially met or explicitly waived. Cash received in excess of revenue recognized is reported as refundable advances.

The Organization derives a significant portion of its revenue from Medicaid reimbursement. Medicaid reimbursement revenue is recognized when services are transferred to the Organization's clients in an amount that reflects the consideration the Organization expects to be entitled to in exchange for providing such services. The Organization recognizes Medicaid reimbursement over time as services are provided to the Organization's clients. There are no significant financing components or variable considerations provided to clients.

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

The Organization has receivables that are contracts with a balance of \$1,701,085 and \$2,113,257 as of July 1, 2023, and June 30, 2024, respectively. The Organization has receivables that are contracts with a balance of \$1,722,339 and \$1,701,085 as of July 1, 2022, and June 30, 2023, respectively.

Advertising

Recruitment advertising to hire additional employees is expensed as incurred. Advertising expenses were approximately \$65,000 and \$71,000 for the years ended June 30, 2024 and 2023, respectively.

Refundable Advance

Refundable advances – Due to the State of New Jersey are recognized when cash advances exceed revenues earned against such advances. Beginning with the year ended June 30, 2020, the Department of Children and Families amended the contract close-out process for Care Management Organizations (the CMOs) and all cost reimbursement accruals going forward will be refundable to the state of New Jersey. The Organization recognizes the refundable advance in their statements of financial position. The balance of the refundable advance due to the state of New Jersey for the year ended June 30, 2024 was \$161,670. There was no balances for the year ended June 30, 2023.

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Internal Revenue Service has recognized the Organization as tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

The Organization follows standards that provide clarification on accounting for uncertainty in income taxes recognized in their financial statements. The guidance prescribes a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken, or expected to be taken, in a tax return, and also provides guidance on derecognition, classification, interest, penalties, disclosure and transition. The Organization's policy is to recognize interest and penalties on unrecognized tax benefits in income tax expense. No interest and penalties were recorded during the fiscal years ended 2024 and 2023. At June 30, 2024 and 2023, there are no significant income tax uncertainties.

Adoption of New Accounting Standard

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

Leases

The Organization leases office space and equipment. The Organization determines if an arrangement is a lease at inception. Operating leases are included in the operating lease right-of-use assets, other current liabilities, and operating leases on the statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of the individual lease contracts do not provide an implicit rate, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the statements of financial position.

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if the Organization has obtained substantially all of the rights to the underlying asset through exclusivity, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

Use of Estimates

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

Subsequent Events

The Organization has evaluated events subsequent to the statement of financial position date as of June 30, 2024, through May 20, 2025, the date that the financial statements were available to be issued.

Reclassification

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

NOTE 3 MEDICAID

The Organization receives grant funding from the state of New Jersey, with the understanding that any Medicaid funds received for services provided are refunded to the state. In accordance with this understanding, Medicaid revenues are considered recoveries of grant funding and have been recorded as revenues and as refundable to the state. As per notice from the state of New Jersey, Department of Children and Families Services (DCF), Division of Children's System of Care, DCF has decided to exempt care management organizations (CMOs) from certain contract policies, one of them being the contract close-out policy calculations that have prohibited CMOs from retaining revenue earned in excess of operational expenses.

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2024 and 2023:

	2024	#NAME?
Vehicles	\$ 259,960	\$ 396,939
Equipment	227,832	224,071
Furniture and Fixtures	531,720	531,720
Leasehold Improvements	155,219	155,139
Total	1,174,731	1,307,869
Less: Accumulated Depreciation	947,702	949,373
Property and Equipment, Net	<u>\$ 227,029</u>	<u>\$ 358,496</u>

NOTE 5 INVESTMENTS - DEFERRED COMPENSATION PLAN

The Organization established a 457(b) deferred compensation plan on behalf of certain executives of the Organization, effective July 1, 2010. The deferred compensation plan was organized under Section 457(b) of the Internal Revenue Code and is unfunded. Any distributions under the plan are to be made out of the general assets of the Organization. The Organization has set aside funds to meet this obligation. Total investments held under the deferred compensation plan, as well as the related liability, were \$311,648 and \$242,222, as of June 30, 2024 and 2023, respectively.

Investments for the deferred compensation plan, at fair value are as follows:

		June 30, 2024			
		Level 1	Level 2	Level 3	Total
Investments Held for Deferred Compensation:					
Money Market		<u>\$ 311,648</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,648</u>
		June 30, 2023			
		Level 1	Level 2	Level 3	Total
Investments Held for Deferred Compensation:					
Money Market		<u>\$ 242,222</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242,222</u>

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 6 INVESTMENTS

Certificates of Deposit - Investments:

The Organization has certificates of deposit totaling \$2,144,733 as of June 30, 2024. The certificates provided interest ranging from 4.60% to 5.20 % and has maturities ranging from one month to twelve months. These are recorded at an amortized cost. Any penalties for early withdrawal would not have a material effect on the financial statements. There were no certificates of deposit as of June 30, 2023.

Fair value measurements of investments as of June 30, 2024 are as follows:

	June 30, 2024			Total
	Level 1	Level 2	Level 3	
Investments:				
Mutual Funds	\$ 1,242,763	-	-	\$ 1,242,763
Certificate of Deposits	2,144,733	-	-	\$ 2,144,733
Exchange-Traded Funds	2,806,939	-	-	\$ 2,806,939
US Treasuries	1,566,527	-	-	1,566,527
Bonds	-	1,932,408	-	1,932,408
Total	<u>\$ 7,760,962</u>	<u>\$ 1,932,408</u>	<u>\$ -</u>	<u>\$ 9,693,370</u>

There were no investments as of June 30, 2023.

NOTE 7 LINE OF CREDIT

The Organization has a line of credit that provides for borrowings up to \$850,000 with interest payable at a rate equal to the Wall Street Journal Prime Rate plus 1%, 8.50% and 8.25% respectively, as of June 30, 2024 and 2023. The Organization or bank may cancel the agreement at any time. There was no outstanding balance or interest expense at June 30, 2024 and 2023.

NOTE 8 DEFINED-CONTRIBUTION PLAN

The Organization maintains a noncontributory, defined-contribution profit-sharing plan (Plan), which covers substantially all employees. All employees who have attained the age of 21 and have completed one year of service are eligible to participate in the Plan. Contributions to the Plan for each plan year are determined by the Organization in its sole discretion. The Organization's pension expense for the years ended June 30, 2024 and 2023, was \$362,807 and \$244,550, respectively. These amounts are recorded to payroll taxes and fringe benefits on the statements of functional expenses. It is the Organization's policy to fund the pension expense as it is incurred.

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS

The following net assets with donor restrictions are available for the following purposes at June 30, 2024 and 2023:

	<u>2024</u>	<u>#NAME?</u>
Investment in Property and Equipment to Absorb Subsequent Depreciation Expenses on Assets with Government Funds Purchased	\$ 155,616	\$ 287,083
Funds Reserved to Maintain Staffing Levels as Required by the State	<u>31,465</u>	<u>106,206</u>
Total	<u><u>\$ 187,081</u></u>	<u><u>\$ 393,289</u></u>

The following net assets with donor restrictions were released from restrictions at June 30, 2024 and 2023:

	<u>2024</u>	<u>#NAME?</u>
Investment in Property and Equipment to Absorb Subsequent Depreciation Expenses on Assets with Government Funds Purchased	\$ 135,309	\$ 167,674
Funds Reserved to Maintain Staffing Levels as Required by the State	<u>74,741</u>	<u>35,371</u>
Total	<u><u>\$ 210,050</u></u>	<u><u>\$ 203,045</u></u>

NOTE 10 LEASES – ASC 842

The Organization leases office space for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2030. In the normal course of business, it is expected that the leases will be renewed or replaced by similar leases. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Additionally, the agreements usually require the Organization to pay real estate taxes, insurance, and repairs.

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 10 LEASES – ASC 842 (CONTINUED)

The following table provides quantitative information concerning the Organization's leases:

	<u>2024</u>	<u>2023</u>
Lease Costs:		
Finance Lease Cost:		
Amortization of Right-of-Use Assets	\$ 25,476	\$ 25,646
Interest on Lease Liabilities	1,068	592
Operating Lease Costs	862,767	823,730
Short-Term Lease Cost	-	473,532
Total Lease Costs	<u>\$ 889,311</u>	<u>\$ 849,968</u>
Other Information:		
Operating Cash Flow from Financing Leases	1,068	592
Operating Cash Flow from Operating Leases	862,286	854,154
Financing Cash Flow from Financing Leases	26,577	23,996
Right-of-Use Assets Obtained in Exchange for New Financing Lease Liabilities	-	34,194
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	-	5,566,392
Weighted-Average Remaining Lease Term - Financing Lease	1.6 years	0.3 years
Weighted-Average Remaining Lease Term - Operating Lease	6.2 years	6.6 years
Weighted-Average Discount Rate - Financing Lease	2.85%	2.79%

The Organization classifies the total undiscounted lease payments that are used in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2024 is as follows:

<u>Year Ending June 30,</u>	<u>Financing Leases</u>	<u>Operating Leases</u>
2025	\$ 17,400	\$ 651,804
2026	11,600	990,059
2027	-	1,042,860
2028	-	1,132,268
2029	-	1,152,698
Thereafter	-	1,312,413
Total Lease Payments	<u>\$ 29,000</u>	<u>\$ 6,282,102</u>
Less: Interest	<u>(644)</u>	<u>(562,587)</u>
Present Value of Lease Liabilities	<u>\$ 28,356</u>	<u>\$ 5,719,515</u>

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 11 SIGNIFICANT RISKS AND UNCERTAINTIES

The Organization maintains its cash and cash equivalents in accounts with federally insured institutions. At times, the balances in these accounts may be in excess of federally insured limits.

The Organization is involved in litigation arising in the normal course of its operations. Management believes that the amount of losses that might be sustained beyond existing insurance coverage would not have a material effect on the accompanying financial statements.

All of Bergen's Promise, Inc.'s income is dependent on funding from either Medicaid or the state of New Jersey, Department of Children and Families Services, the loss of which would have a material effect on the Organization's ability to operate. All of the receivables are due from Medicaid.

The Organization has a labor contract with CWA Local Union 1037, which expires December 31, 2025.

NOTE 12 CONCENTRATIONS

Medicaid services account for approximately 91% and 95% of total revenues for the years ended June 30, 2024 and 2023. Such support is subject to financial and compliance requirements, and audits by the grantor and by Medicaid.

NOTE 13 FUNCTIONAL EXPENSES

The costs of providing the Organization's care management, and management and general are separately summarized in the statements of functional expenses. Accordingly, certain costs have been allocated among those care management, and management and general expenses. Management and general costs include those expenses that are not directly identifiable with any other specific function but do provide for the overall support and direction of the Organization.

The financial statements contain certain categories of expense that are attributed to more than one supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries and related payroll expenses and fringe benefits are allocated based on position, and time and effort studies. Items that are based on the percentage of salaries are: occupancy, telephone, office expenses, office equipment, repairs and maintenance, and depreciation. All other expense are direct costs.

BERGEN'S PROMISE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 14 LIQUIDITY AND AVAILABILITY

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

	June 30,	
	2024	#NAME?
Cash and Cash Equivalents	\$ 7,109,370	\$ 14,686,222
Accounts Receivable - Medicaid	2,113,257	1,701,085
Investments	9,693,370	-
Less: Restricted Net Assets	(187,081)	(393,289)
Financial Assets Available to Meet General Expenditures Over the Next 12 Months	<u>\$ 18,728,916</u>	<u>\$ 15,994,018</u>

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of its liquidity plan, excess cash is invested in short-term investments, such as money market accounts. Additionally, the Organization has a line of credit available up to \$850,000.

BERGEN'S PROMISE, INC.
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

<u>Pass-Through Grantor/Program Title</u>	<u>AL Number</u>	<u>Contract Number</u>	<u>Grant Award</u>	<u>Contract Period</u>	<u>State Contract Expenditures</u>
State:					
State of New Jersey Department of Children and Families					
Division of Children's System of Care					
Care Management - Flex Funds	N/A	24AIBR	\$ 566,725	07/01/2023-06/30/2024	\$ 529,760
Care Management - Clinical Liaison	N/A	24AIBR	114,490	07/01/2023-06/30/2024	114,490
Care Management - Community Resource Development	N/A	24CLBR	72,533	07/01/2023-06/30/2024	72,533
Care Management - DREAMS (Reimbursable as used)	N/A	24CXBR	45,000	05/01/2023-06/30/2024	40,917
Care Management - SCC	N/A	23CVBR	123,667	05/01/2023-06/30/2024	58,962
Care Management - Special OP Funding	N/A	23CUBR	154,430	03/25/2023-06/30/2024	94,557
Total of Expenditures of State Financial Assistance					<u>\$ 911,219</u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

BERGEN'S PROMISE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
JUNE 30, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance includes the government expenditure activity of Bergen's Promise, Inc. (Organization), and are presented on the accrual basis of accounting. The information in the Schedule is presented in accordance with the requirements of New Jersey Office of Management and Budget Circular Letter 15-08. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2 SUBRECIPIENTS

During the year ended June 30, 2024, the Organization did not provide any funds to subrecipients.

NOTE 3 INDIRECT COSTS

The Organization did not elect to use the de minimis cost rate when allocating indirect costs to state programs.

NOTE 4 LOAN AND LOAN GUARANTEE PROGRAMS

As of June 30, 2024, the Organization did not have any state loan or loan guarantee programs.



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

Board of Trustees
Bergen's Promise, Inc.
Hackensack, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of Bergen's Promise, Inc. ("Organization"), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated May 20, 2025.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Livingston, New Jersey
May 20, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE NEW JERSEY OMB CIRCULAR LETTER 15-08**

Board of Trustees
Bergen's Promise, Inc.
Hackensack, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Inc.'s (Organization) compliance with the types of compliance requirements described in the New Jersey Office of Management and Budget (NJOMB) Circular Letter 15-08 that could have a direct and material effect on each of the Organization's major programs for the year ended June 30, 2024. The Organization's major programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2024.

Basis for Opinion on Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of New Jersey OMB Circular Letter 15-08 (NJOMB). Our responsibilities under those standards and the NJOMB are further described in the *Auditors' Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and NJOMB Circular Letter 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and NJOMB Circular Letter 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the NJOMB Circular Letter 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Board of Trustees
Bergen's Promise, Inc.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the NJOMB Circular Letter 15-08. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Livingston, New Jersey
May 20, 2025

**BERGEN'S PROMISE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Auditee qualified as low-risk auditee? _____ yes x no

State Financial Assistance

1. Internal control over state projects:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes x none reported
2. Type of auditors' report issued on compliance for state projects: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with the NJOMB Circular Letter 15-08? _____ yes x no

Identification of Major State Projects

Assistance Listing Number(s)

24AIBR

Name of State Project

State of New Jersey Department of Children and Families Division of Children's System of Care

Dollar threshold used to distinguish between Type A and Type B state projects:

\$ 750,000

**BERGEN'S PROMISE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

None

Section III – Compliance Findings

None

Section IV – Prior Audit Findings

2023-01

Recording of Net Assets, Accounts Payable, Revenue and Depreciation

Condition

The Organization did not have procedures in place for the proper recording of net assets, accounts payable, revenue, and depreciation.

Criteria

The finding has been alleviated in the current fiscal year.



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