

THE SOUTHWEST COUNCIL, INC.

AUDIT REPORT

**FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020**

THE SOUTHWEST COUNCIL, INC.

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Independent Auditor's Report

The Board of Directors
The Southwest Council, Inc.
Vineland, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Southwest Council, Inc., (a nonprofit corporation) which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Southwest Council, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and 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 audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Southwest Council, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Southwest Council, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 Southwest Council Inc.'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 Southwest Council Inc.'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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for

Federal Awards, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates 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 supplemental information listed in the table of contents and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic 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 June 3, 2022 on our consideration of The Southwest Council Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Southwest Council Inc.'s internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.

**FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS**

June 3, 2022

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THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

	2021	(As Restate) 2020
ASSETS:		
Current assets:		
Cash and Cash equivalents	\$ 1,618,957	738,972
Investments	126,109	124,069
Grants and Accounts Receivable	221,569	195,041
Employee Advances	374	356
Prepaid Expenses	26,993	15,589
Other Assets	1,431	2,161
Total current assets	1,995,433	1,076,188
Land, buildings and equipment, net of depreciation	552,557	564,678
Other Assets:		
Security Deposits	13,395	7,095
TOTAL ASSETS	2,561,385	1,647,961
LIABILITIES AND NET ASSETS:		
Current liabilities:		
Accounts Payable	13,815	18,323
Accrued Payroll Expenses	27,023	21,567
Deferred Revenue	542,848	8,946
Grant Advances	871,543	785,082
Other Current Liabilities	28,770	31,235
Accrued Interest Payable	1,001	-
PPP Loan Payable Current Portion	28,478	-
Total current liabilities	1,513,478	865,153
Long Term liabilities:		
PPP Loan Payable net of Current Portion	91,088	-
Total long term liabilities	91,088	-
TOTAL LIABILITIES	1,604,566	865,153
NET ASSETS:		
Without Donor Restrictions :		
Undesignated	863,189	689,178
Designated for Capital Campaign	93,630	93,630
Total net assets	956,819	782,808
TOTAL LIABILITES AND NET ASSETS	\$ 2,561,385	1,647,961

The accompanying notes are an integral part of these financial statements

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31,

	<u>Without Donor Restrictions</u>	<u>Without Donor Restrictions</u>
	<u>2021</u>	<u>2020</u>
Changes in net assets:		
Public Support:		
Federal Grants	\$ 1,975,150	1,791,929
Revenue:		
Contracts	75,100	61,000
CCAR Training	206	-
IDRC Program Fees	214,568	138,847
Contributions	390	4,650
Interest Income	4,554	4,699
Miscellaneous	-	573
Total Revenues, Gains and Other Support	<u>2,269,968</u>	<u>2,001,698</u>
Expenses:		
Program Services	2,189,201	1,956,854
Support Services	92,328	109,887
Total expenses	<u>2,281,529</u>	<u>2,066,741</u>
Other Income:		
PPP Loan Forgiveness	185,572	-
Total Other Income	<u>185,572</u>	<u>-</u>
Increase/(Decrease) in net assets	174,011	(65,043)
Net assets at beginning of year (As Restated)	782,808	847,851
Net assets at end of year	<u><u>\$ 956,819</u></u>	<u><u>782,808</u></u>

The accompanying notes are an integral part of these financial statements

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(With comparable totals for December 31, 2020)

	PROGRAM SERVICES											
	Gloucester County Regional Coalition	Salem/Cumberland County Regional Coalition	Cumberland County Illegal Substances	Cumberland County Underage Drinking	Gloucester County Illegal Substances	Gloucester County Underage Drinking	Salem County Illegal Substances	Salem County Underage Drinking	Opioi Community Education Young Athletes	Gloucester County Partnership for Success	Salem County Partnership for Success	Cumberland County Partnership for Success
Salaries	\$ 129,193	144,756	78,320	64,518	91,247	55,061	41,504	36,572	283,288	47,530	48,976	55,303
Payroll taxes & benefits	29,229	38,403	21,548	21,034	28,028	9,716	6,897	7,248	99,461	9,789	15,070	14,595
Total salaries and related expenses	158,422	183,159	99,868	85,552	119,275	64,777	48,401	43,820	382,729	57,329	64,046	69,898
Consultants	21	34	31	23	21	11	3	4	98	9	6	23
Advertising	5,481	2,271	2,146	2,102	2,863	2,451	2,363	2,379	2,244	2,769	3,809	4,119
Bank Service Charges	26	31	15	20	24	13	7	8	84	13	12	14
Supplies	7,600	3,512	3,966	1,652	1,597	1,767	1,214	1,471	12,450	2,111	2,723	1,303
Volunteer Expense												
Insurance	1,915	1,951	1,223	1,095	1,384	790	528	613	4,902	883	865	976
Telephone	1,654	1,294	835	803	724	577	388	442	10,524	519	496	561
Travel	10	11	51	127	551	33	11	37	42	5	4	5
Training	1,969	1,573	1,860	1,852	1,423	1,343	1,322	1,334	1,134	2,810	836	871
Dues and Subscriptions	1,166	1,142	689	567	812	458	300	352	2,974	197	538	583
Rent Expense	16,327	9,486	6,571	2,360	1,171	5,450	3,636	5,322	18,103	905	4,704	751
Postage	384	438	304	263	335	153	92	116	1,291	122	132	252
Meeting	24	73										
Professional Fees	986	1,071	784	614	552	293	293	259	2,259	210	347	595
Program Materials	666	1,102	377	2,065	273	273	1,559	1,559	1,632	761	2,350	37
Miscellaneous												
Payroll Service	480	465	298	256	339	190	138	150	1,183	77	207	244
Utilities	2,862	1,450	936	848	778	994	593	816	2,702	804	97	560
Interest and Taxes												
Facility Expense	4,952	4,327	1,443	2,499	3,105	1,766	1,112	1,292	849	1,808	620	2,055
Total expenses before depreciation	204,945	213,390	121,395	102,738	135,227	81,339	61,960	59,974	445,200	75,146	81,760	82,847
Depreciation	641	1,685	1,092	950	1,393	282	148	85	5,711	60	16	1,000
Total Expenses	\$ 205,586	215,075	122,487	103,688	136,620	81,621	62,108	60,059	450,911	75,206	81,796	83,847

The accompanying notes are an integral part of these financial statements

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THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
(with comparable totals for December 31, 2020)

	PROGRAM SERVICES										SUPPORT SERVICES			Totals	2020
	Gloucester County Strengthening Families	Salem County COVID Awareness	Salem County Prevention HUB	Salem County Marijuana Prevention	Salem County Preventive	Salem County Screening	Salem County Strengthening Families	Treatment Services	Salem County Intoxicated Driver Resource Center	Cumberland County Intoxicated Driver Resource Center	Total Program Expenses	General And Administrative	Total Support Services Expenses		
Salaries	1,451		6,015	1,381		1,519	812		14,499	62,599	1,338,763	33,474	33,474	1,373,237	1,293,499
Payroll taxes & benefits	318		1,236	173		559	92		3,899	11,715	360,097	5,447	5,447	365,544	302,673
Total salaries and related expenses	1,769	-	7,251	1,554		2,078	904	-	18,398	74,314	1,698,860	38,921	38,921	1,738,781	1,596,172
Consultants									106	25	2,495	7	7	2,502	513
Advertising	12		105	14		6	8	120	210	690	89,307	-	-	89,307	94,613
Bank Service Charges								1,063	762	2,177	4,320	46	46	4,366	2,090
Supplies	78		2,957	116		24	15		439	3,505	93,309	706	706	94,015	37,236
Volunteer Expense											-			-	2,938
Insurance	22		130	23		12			408	1,272	22,210	392	392	22,602	22,731
Telephone	28		238	22		10			243	686	23,055	1,125	1,125	24,180	24,932
Travel	56	56	549	516		56	56	37	1	164	6,081	1,476	1,476	7,557	9,658
Training								7	59	4	22,636	3,959	3,959	26,595	11,295
Dues and Subscriptions			60	7		7		2,559	306	827	15,484	2,333	2,333	17,817	16,869
Rent Expense	87		959	139		13	20		587	1,722	93,212	1,380	1,380	94,592	66,481
Postage			34						109	332	5,305	93	93	5,398	5,076
Meeting											97		-	97	163
Professional Fees			15							594	11,542	178	178	11,720	12,786
Program Materials				75				1,288			18,659	1,713	1,713	20,372	28,923
Miscellaneous			30						96		1,288	13,836	13,836	15,124	28,412
Payroll Service			194	32		5			214	307	5,281	93	93	5,374	4,866
Utilities	21									661	16,337	448	448	16,785	16,494
Interest and Taxes											-	2,228	2,228	2,228	-
Facility Expense	61		303	45		23	5	1,050	970	741	41,617	3,377	3,377	44,994	44,370
Total expenses before depreciation	2,134	56	12,825	2,543	896	2,234	1,008	6,124	22,908	88,021	2,172,065	72,311	72,311	2,244,406	2,026,618
Depreciation	14		4			16	5		420	1,232	17,106	20,017	20,017	37,123	40,123
Total Expenses	2,148	56	12,829	2,543	896	2,250	1,013	6,124	23,328	89,253	2,189,201	92,328	92,328	2,281,529	2,066,741

(A) - see pages 4-5 for detail of 2020 expenditures

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	PROGRAM SERVICES												
	Gloucester County Regional Coalition	Salem/Cumberland Regional Coalition	Cumberland County Substances	Cumberland County Underage Drinking	Gloucester County Substances	Gloucester County Underage Drinking	Salem County Illegal Substances	Salem County Underage Drinking	Salem County Overdose Recovery	Opod Community Education Young Athletes	Gloucester County Partnership for Success	Salem County Partnership for Success	Cumberland County Partnership for Success
Salaries	\$ 109,224	132,887	84,880	68,490	85,374	52,288	38,236	37,658	283,852	18,903	24,972	15,270	26,930
Payroll taxes & benefits	29,900	28,661	18,615	15,704	25,287	10,052	8,151	8,856	79,328	2,134	2,485	2,519	7,181
Total salaries and related expenses	139,124	161,548	103,495	84,194	110,661	62,340	46,387	46,514	363,180	21,037	27,457	17,789	34,111
Consultants	35	34	13	13	19	15	10	9	37		1	6	3
Advertising	23,763	16,772	552	515	733	409	312	305	1,748	146	308	260	100
Bank Service Charges	83	102	62	52	59	34	23	30	174	17	15	15	17
Supplies	2,859	2,844	1,841	1,636	1,850	1,056	676	860	13,297	370	487	260	614
Volunteer Expense													
Insurance	2,128	2,260	1,511	1,345	1,455	797	531	678	4,401	324	515	274	525
Telephone	1,124	1,275	721	649	708	401	265	333	14,116	192	266	215	273
Travel	2,484	46	126	117	102	19	-	25	158	2		2	40
Training	1,664	376	167	138	237	118	56	109	1,523	176	1,553	1,876	1,452
Dues and Subscriptions	1,320	2,336	740	649	699	386	263	336	2,104	137	205	129	257
Rent Expense	10,598	2,926	2,328	2,037	1,570	3,046	2,656	3,271	25,112	438	4,131	954	144
Postage	331	345	269	248	227	127	56	79	1,964	50	71	53	107
Meeting													
Professional Fees	665	1,388	799	669	679	315	223	268	3,815	268	203	135	345
Program Materials	2,459	3,223	524	125	2,033	1,361	1,034	1,331	11,222	66	365	442	434
Miscellaneous	9	7	8	7	6		2	3	20		1		3
Payroll Service	462	473	328	289	317	168	110	141	988	68	114	64	118
Utilities	1,992	1,195	878	790	681	610	412	502	4,832	176	787	164	231
Facility Expense	3,898	3,439	2,226	2,025	2,123	1,311	879	1,042	14,092	470	1,607	456	674
Total expenses before depreciation	194,998	200,589	116,586	95,498	124,159	72,517	53,895	55,836	462,753	23,937	38,086	23,094	39,448
Depreciation	544	1,410	879	760	864	291	117	158	6,602	232	99	164	369
Total Expenses	\$ 195,542	201,999	117,467	96,278	125,023	72,808	54,012	55,994	469,415	24,169	38,185	23,258	39,817

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	PROGRAM SERVICES					SUPPORT SERVICES			
	Cumberland County Older Adults	Gloucester County Older Adults	Salem County Older Adults	Treatment Services	Cumberland County Healthy Communities Coalition	Salem County Intoxicated Driver Resource Center	Cumberland County Intoxicated Driver Resource Center	Total Program Expenses	Total Support Services Expenses
Salaries	44,816	44,854	33,760		38,388	13,881	88,095	1,242,758	50,741
Payroll taxes & benefits	12,715	4,576	8,043		11,378	1,523	10,227	287,335	15,338
Total salaries and related expenses	57,531	49,430	41,803	-	49,766	15,404	98,322	1,530,093	66,079
Consultants	10	5	11		2	267	20	510	3
Advertising	10,365	10,202	10,442		16,703	183	795	94,613	-
Bank Service Charges	34	43	33	244	22	103	852	2,014	76
Supplies	1,171	1,242	1,036		1,053	586	2,538	36,276	960
Volunteer Expense					2,938			2,938	-
Insurance	880	878	734		692	368	1,948	22,244	487
Telephone	436	434	344		312	370	1,248	12,500	1,250
Travel	18	-	-	2,317	2,502	88	88	8,046	1,612
Training	69	112	65		1,402	11	49	11,163	142
Dues and Subscriptions	376	404	328	2,610	560	201	928	14,968	1,901
Rent Expense	191	1,903	1,215		137	429	2,698	65,784	697
Postage	152	144	105		147	113	383	4,981	95
Meeting					28			28	135
Professional Fees	549	560	365		158		1,136	12,540	246
Program Materials	606	471	711	432	214	39	205	27,297	1,626
Miscellaneous	4	6	4	18,359	6	286	8	18,723	9,689
Payroll Service	185	171	154		160	74	407	4,761	105
Utilities	368	624	454		253	244	1,031	16,224	270
Facility Expense	1,180	1,401	1,446	1,050	776	786	2,831	43,712	658
Total expenses before depreciation	74,125	68,030	59,250	25,012	77,831	19,444	115,497	1,940,587	86,031
Depreciation	598	494	409		434	408	1,355	16,267	23,856
Total Expenses	74,723	68,524	59,659	25,012	78,265	19,852	116,852	1,956,854	109,887

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 174,011	(65,043)
Adjustments to reconcile change in net assets to net cash provided by/(used in) operating activities:		
Depreciation	37,123	40,123
Interest reinvested in investments	(2,040)	(2,882)
Forgiveness of PPP Loan	(185,572)	-
(Increase) in accounts receivable	(26,528)	(4,474)
(Increase)/Decrease in employee advances	(18)	196
(Increase)/Decrease in prepaid expenses	(11,404)	20,841
Decrease in other assets	730	12,839
(Increase) in security deposits	(6,300)	-
(Decrease) in accounts payable	(4,508)	(11,155)
Increase/(Decrease) in accrued payroll expenses	5,456	(41,192)
Increase in deferred revenue	533,902	6,394
Increase in grant advances	86,461	202,567
Increase/(Decrease) in other current liabilities	(2,465)	20,106
Increase in Accrued Interest Payable	1,001	-
Net cash provided by operating activities	<u>599,849</u>	<u>178,320</u>
Cash flow from investing activities:		
Purchase of depreciable assets	<u>(25,002)</u>	<u>(49,824)</u>
Net cash (used in) investing activities	<u>(25,002)</u>	<u>(49,824)</u>
Cash flow from financing activities:		
Receipt of PPP loan	<u>305,138</u>	<u>-</u>
Net cash provided by financing activities	<u>305,138</u>	<u>-</u>
Net increase in cash and cash equivalents	879,985	128,496
Cash and cash equivalents at beginning of year	738,972	610,476
Cash and cash equivalents at end of year	<u>\$ 1,618,957</u>	<u>\$ 738,972</u>
Supplemental Information		
Interest paid	<u>\$ -</u>	<u>-</u>
Non Cash Activity:		
Forgiveness of Debt	<u>\$ 185,572</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The Southwest Council, Inc. (the Agency) is a private nonprofit corporation dedicated to providing substance abuse services in the Counties of Cumberland, Gloucester and Salem, New Jersey.

Basis of Accounting

The Agency utilizes the accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenses, including depreciation, are recognized when they are incurred.

Basis of Presentation

The accompanying combined financial statements have been presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Council reports information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of Southwest Council management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Southwest Council or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

It is the policy of the Agency to report donor-restricted contributions whose restrictions are met in the same reporting period as without donor restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and services benefited.

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Income Tax Exemption

The Agency is exempt from Federal income taxes under the Section 501(c)(3) of the Internal Revenue Code. The Agency is also exempt from State income taxes and is registered with the State of New Jersey under the New Jersey Charitable Registration and Investigation Act (CRI) of 1994. No provision has been made for federal or state income taxes.

The Agency regularly reviews and evaluates its tax positions taken in previously filed information returns and as reflected in its financial statements, with regard to issues affecting its tax exempt status, unrelated business income, and related matters. The Agency believes that in the event of an examination by taxing authorities, the Agency's positions would prevail based upon the technical merits of such positions. Therefore, the Agency has concluded that no tax benefits or liabilities are required to be recognized. The Agency is generally no longer subject to examination by the Internal Revenue Service for years before January 1, 2019. The Agency is generally no longer subject to examination by the New Jersey Attorney General for years before January 1, 2018.

Grant and Contract Support

The Agency recognizes funds from the State of New Jersey and other grant sources (cost reimbursable grants) as support, as costs are incurred. A receivable is recognized to the extent costs have been incurred but not reimbursed. Conversely, a liability is recorded when grant advances exceed eligible costs incurred. Advance payments that are received are managed and used when necessary. Upon final determination by the grantor, any excess revenue that was not deemed necessary for the program will be returned.

Cash and Cash Equivalents

The Agency considers all short-term investments with an original maturity of three months or less to be cash equivalents.

In 2021, \$0 was paid for real estate taxes and \$0 was paid for interest. In 2020, \$0 was paid for real estate taxes and \$0 was paid for interest.

Use of 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.

Allowance for Doubtful Accounts

The Agency carries its accounts receivable at cost less an allowance for doubtful accounts. On a periodic basis, the Agency evaluates its accounts receivable and establishes an allowance for doubtful accounts. Based on the Agency's analysis, there was no requirement for an allowance as of December 31, 2021 and 2020.

The Agency's policy is not to accrue interest on delinquent accounts receivable.

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Property and Equipment

Depreciable assets are valued at historical cost or estimated fair market value for donated assets. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the agency reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Agency reclassifies net assets with restrictions to net assets without restrictions at that time. Depreciation is calculated based on the straight line method over five (5) or seven (7) years. It is the policy of the Agency to capitalize property and equipment with a cost of \$1,500 and \$1,500 or more in 2021 and 2020, respectively.

Expenditures for maintenance, repairs and minor renewals are charged to expense as incurred; additions and major renewals considered to be betterments are capitalized.

Fixed assets purchased with federal grant monies are restricted to agency use. If the use of the asset changes, a portion of the funds used to purchase the asset must be returned to the funding agent.

New Accounting Pronouncement

In 2020, the Agency adopted the provisions of FASB ASU 2018-13, Fair Value Measurement (Topic 820) Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement. The amendments in this Update modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement. Adoption of this pronouncement had no effect on the Agency's current or previously issued financial statements.

Recent Accounting Pronouncements

In November 2021, the Financial Accounting Standards Board issued Accounting Standards Update No. 2021-09, "Leases (Topic 842) Discount Rate for Lessees That Are Not Public Business Entities". The standard which is effective for years beginning after December 15, 2021 could have an effect on the Agency's financial reporting.

In September 2020, the Financial Accounting Standards Board issued Accounting Standards Update No. 2020-07, "Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets". The standard which is effective for years beginning after June 15, 2021 could have an effect on the Agency's financial reporting.

In June 2020, the Financial Accounting Standards Board issued Accounting Standards Update No. 2020-05, "Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842)". The standard which is effective for years beginning after December 15, 2021 could have an effect on the Agency's financial reporting.

In March 2019, the Financial Accounting Standards Board issued Accounting Standards Update No. 2019-01, "Leases (Topic 842): Codification Improvements". The standard which is effective

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for years beginning after December 15, 2021 could have an effect on the Agency's financial reporting.

In December 2018, the Financial Accounting Standards Board issued Accounting Standards Update No. 2018-20, "Lease (Topic 842) Narrow-Scope Improvements for Lessors". The standard which is effective for years beginning after December 15, 2021 will not have an effect on the Agency's financial reporting.

In August 2018, the Financial Accounting Standards Board issued Accounting Standards Update No. 2018-14, "Compensation—Retirement Benefits—Defined Benefit Plans—General (Subtopic 715-20)." The standard which is effective for years beginning after December 15, 2021 could have an effect on the Agency's financial reporting.

In July 2018, the Financial Accounting Standards Board issued Accounting Standards Update No. 2018-11, "Leases (Topic 842) Targeted Improvements." The standard which is effective for years beginning after December 15, 2021 will have an effect on the Agency's financial reporting.

In January 2017, the Financial Accounting Standards Board issued Accounting Standards Update No. 2017-04, "Intangibles—Goodwill and Other (Topic 350)". The standard which is effective for years beginning after December 15, 2021 could have an effect on the agency's financial reporting.

In February 2016, the Financial Accounting Standards Board issued Accounting Standards Update No. 2016-02, "Leases (Topic 842)". The standard which is effective for years beginning after December 15, 2021 will have an effect on the organization's financial reporting.

NOTE 2: PROGRAM SERVICES

The following programs are provided by the Agency:

Keys to Innervision - This program consists of a comprehensive skill-building program for youths ages 12-18 to change the beliefs and behaviors that lead to violence, drug abuse and related behaviors.

LifeSkills Training (LST) - This program is a designed to be taught as a multi-year, multi-tiered program for middle school students. This skill-building program is meant to assist in learning skills in life areas, which include drug resistance and general social skills.

Coping with Work and Family Stress - This program is a research-validated substance abuse prevention program proven to reduce the risks of alcohol, tobacco, drug abuse, and violence by targeting the major social and psychological factors that promote the initiation of substance use and other risky behaviors. This comprehensive and exciting program provides adults with the confidence and skills necessary to successfully handle challenging situations and to reduce stressors which can contribute to mental or physical health problems.

Keepin it R.E.A.L. - This program is a multi-cultural program grounded in students' cultural norms. It teaches youth how to live drug-free lives, by drawing on their personal strengths and cultural strengths of their families and communities. This program teaches communication and life skills that can combat negative peer pressure and other influences. The program extends

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resistance and life skills models by using a culturally based narrative and performance framework to enhance anti-drug norms and attitudes. Additionally it addresses the development of risk assessment, decision-making and resistance skills. Overall, the program produces significant effects in reducing gateway drug use (alcohol, tobacco and marijuana), increasing attitudes that support non-drug use, strengthening norms that support drug-free choices, and increasing resistance strategies.

Prevention Resource Center - Through this program, the Agency presents professional programs and technical assistance to various groups throughout the tri County area. The Resource Center also contains hundreds of books and films, and several thousand pamphlets and fact sheets on many topics related to substance abuse. The Resource Center is a free service and is open to the public.

Beginning Alcohol and Addictions Basic Education Studies (BABES) - Through this program, the Agency provides preschool and elementary school children with a unique and engaging six-week prevention program in which certified presenters use adorable puppets to teach children about such topics as increasing self esteem, decision-making, utilizing coping skills, and learning how to say no to alcohol, tobacco, and other drugs.

Footprints for Life - This interactive puppet program is appropriate for children in 2nd and 3rd grades. Lessons include feelings, "I messages", conflict resolution, making decisions, alcohol, tobacco and other drugs.

Parenting for Prevention - This is a highly effective six session skills building program to teach parents about such topics as empowering and not enabling, handling conflict with children, setting limits, reinforcing and rewarding children, and teaching youth how to resolve conflicts.

Intoxicated Driver Resource Center - This program is a 12 hour educational program for all individuals convicted of DWI in the State of New Jersey. Participants must attend the IDRC within their county of residence and undergo a substance abuse assessment, which may require a referral to an approved treatment program. Follow up and case management services are provided by the program staff. The program is funded by fees which are collected by each participant.

Evaluation, Assessment, and Treatment Services - The Agency provides professional substance abuse evaluations, assessment and treatment provided as a professional service for adolescents and adults.

Camp Y.E.Y. (Youth Empowering Youth) - A free week-long youth leadership development camp for youngsters in grades four to twelfth who have participated in youth prevention/education programs conducted by the Southwest Council, Inc.

The Cumberland County Healthy Communities Coalition - CCHCC works to reduce substance abuse among youth in Cumberland County through the collaborative and coordinated efforts of key stakeholders from the entire community. The Coalition is a group of concerned community members of all ages and from all walks of life, including educators, law enforcement, parents, youth, faith leaders, health professionals, media, local government, and businesses. CCHCC also hosts the Cumberland County Youth Network for teens to participate in their

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efforts. Some of CCHCC's initiatives include producing a County-wide newsletter, participating in Rx Drug Take-Back events, providing Above the Influence activities to area youth, hosting the Youth Network, and providing trainings for community members in Cumberland County.

Employee Assistance Program - A valuable service provided to local businesses that helps to identify and to assist employees with substance abuse and related problems. Certified staff provide intervention services to employers to assist them with various concerns.

Family Nights Out (Strengthening Families) - This program for families includes children and family skill training sessions. Both parents and children learn and practice new behaviors separately, followed by working together so that appropriate responses to various behaviors become easier to incorporate into family interpersonal relations.

GRASP (Gloucester Regional Addictive Substances Prevention Coalition) - The Gloucester Regional Addictive Substance Prevention Coalition was formed to build healthy communities by reducing underage drinking, illegal substances with a special focus of opioids, and prescription medication across the lifespan. Our Coalition promotes coordination and partnership between organizations to create environments that are alcohol, tobacco and drug free. We build links between local organizations and individuals who are working to accomplish common goals. With the great partnerships of this coalition, we believe that we can crush the illegal use of prescription medication and underage drinking. It is a pleasure to work with the professionals and people of Gloucester County, to make the region of Gloucester County a safer and better place for our children's future.

SCRATCH (Salem Cumberland Regional Action Toward Community Health Coalition) - SCRATCH engages community partners in Cumberland and Salem Counties to establish and sustain the environmental changes necessary to eliminate substance use and abuse. We will consistently develop and promote healthy opportunities and permanent change for current and future generations.

Cumberland County Human Services Transportation Program - CCHSTP offers free of charge, non-emergency transportation for residents of Cumberland County who need transportation to the following services: Mental Health Counseling/Services, Family Support Services and Programs, Healthcare/Medical Appointments, Drug and Alcohol Counseling Services, Prevention Programs, Early Intervention Programs, Social Service Appointments, and Other Healthcare services.

Partnerships for Success - The Partnerships For Success program in Cumberland, Salem, and Gloucester County programs' objective is to decrease youth underage drinking, marijuana use and misuse of prescription drugs/opioids by youth ages 9-20 and increase knowledge on the causes and effects of underage drinking, marijuana use, and misuse of prescription medications/opioids among youth, families and youth serving systems. Through the implementation of this initiative, policies and practices will be improved to reduce the risk factors and enhance the protective factors associated with behavioral health disorders. These objectives are accomplished through evidence based prevention, education, and training.

Salem County OORP (Opioid Overdose Recovery Program) - Engage individuals reversed from an opioid overdose to provide non-clinical assistance, recovery supports and appropriate referrals for assessment and substance use disorder treatment.

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Too Good for Drugs program - Auto the Robot teaches kids not to be “Auto-matic” when they make decisions. 3rd graders will learn to identify and manage stress, communicate effectively, set goals, learn healthy habits and manage emotions during this 10-session program. Interactive activities, music, workbooks and an engaging robot are used to teach the lessons.

In addition, there are other smaller evidence based programs administered by the Agency that provide similar services to those described above.

County Tobacco Youth Action Groups - A program to establish and maintain a Youth Tobacco Action Group to advocate for tobacco policies, actively engage in tobacco prevention activities, and carry out activities associated with an educational awareness campaign in Cumberland, Gloucester and Salem Counties.

Alternative Approaches to Pain Management for Older Adults: AAPMOA - Provide a comprehensive outreach and educational program in Cumberland, Gloucester and Salem Counties specifically focused on providing older adults (age 60+) with practical information regarding (1) the appropriate use of non-opioid analgesic pain medication; and (2) non-pharmacological approaches to dealing with acute and chronic pain. The Agency shall utilize a two-prong approach in Cumberland, Salem, and Gloucester counties: (1) the facilitation of the evidence-based Wellness Initiative for Senior Education (WISE) program; and (2) raising community awareness through material/literature distribution, community seminars, presentations and health fairs.

Opioid Abuse Prevention for Young Athletes - Implement initiatives to reduce opioid use among young athletes. Address the risks of prescribing opioid analgesics to young athletes for sports-related injuries through the use of evidence-based educational curriculum and approaches that provide information about the risks of prescription opioid use in adolescents – particularly young athletes.

Prevention Hubs - Centers where individuals, local government entities, and community organizations youth, families and community members can obtain information and resources, get connected to outreach events, and do brief screenings and/or be connected to needed services in Cumberland, Salem, and Gloucester County. Each of the following programs are services that are funded as part of this initiative:

Prevention Screening/Early Intervention – As part of the Prevention Hub services in Cumberland, Salem and Gloucester county: Incorporate evidence-based tools for screening into existing prevention programs with various tools including Universal ACE’s (Adverse Childhood Experiences), and Social Determinants of Health Screening. The Prevention Hubs will also utilize a screening process to determine if an individual’s behavior can be modified through SUD primary prevention education activities or services.

PreVenture - PreVenture is an evidence-based prevention program that uses personality targeted interventions to promote mental health and skill development and delay youth substance use. PreVenture is designed to help at-risk youth ages 12-17 learn useful coping skills, set long term goals, and channel their personality towards achieving them. It focuses on at-risk youth and introduces motivational pathways and coping skills based on the individual’s personality. PreVenture can be implemented in school/non-school and online settings. PreVenture has been shown to reduce drug use, alcohol use and likelihood of binge

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drinking by 50%, delay initiation and frequency of cannabis use, reduce conduct problems and reduce risks for mental health struggles, such as anxiety and depression.

Strengthening Families for Criminal Justice - This service is for families that are involved with the criminal justice system (Family Court, Drug Court, etc). The Council will provide the 7 or 14 week Strengthening Families program. Strengthening Families will greatly benefit the underserved communities within the three counties we serve. When families are engaged they tend to stay connected to larger supports. The connection between families and the community increases the likelihood of positive experiences that can combat ACEs (Adverse Childhood Experiences).

COVID-19 Awareness & Transportation for persons with Substance Use Disorders
- Provide a broad range of support and make available public health trainings and outreaches regarding vaccination to encourage people getting vaccinated/access local support. Provide transportation and connect individuals and families to additional financial supports and health resources like COVID Vaccine centers.

Over the Counter (OTC) and Marijuana Prevention Education – Using the OTC Medication Abuse toolkit developed by Community Anti Drug Coalitions of America, provide education and outreach to families, individuals, and merchants. Populations of focus will be adolescents and older adults. Enhancement of programs that target underage marijuana use and marijuana abuse.

NOTE 3: AVAILABILITY AND LIQUIDITY

The following represents the Agency's financial assets at December 31, 2021 and 2020:

Financial assets at year end:	2021	2020
Cash and cash equivalents	\$ 1,618,957	\$ 738,972
Grants and accounts receivable	221,569	195,041
Investments	126,109	124,069
Total financial assets	<u>1,966,635</u>	<u>1,058,082</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,966,635</u>	<u>1,058,082</u>

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NOTE 4: INVESTMENTS

The Agency's investments consisted of the following certificate of deposit:

Institution	Fulton Bank CD
Term	24 Months
Maturity	August 23, 2023
Interest Rate	0.200%
Amount	\$126,109

Interest earned on the certificate of deposit is added to the principal balance on a quarterly basis.

NOTE 5: FAIR VALUE MEASUREMENTS

The Southwest Council's investments are reported at fair value in the accompanying statement of financial position.

Generally Accepted Accounting Principles establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Southwest Council uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Southwest Council measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 1 or 3 inputs were available to the Southwest Council in years ended December 31, 2021 and 2020.

Level 2 Fair Value Measurements

The fair value of investments is based on other than quoted market prices for similar assets held by the Southwest Council at year-end.

NOTE 6: FIXED ASSETS

A summary of fixed assets at December 31 is as follows:

	<u>2021</u>	<u>2020</u>
Land	\$ 180,300	180,300
Buildings	554,114	542,319
Furniture, Fixtures & Equipment	173,243	190,761
Vehicles	<u>135,919</u>	<u>135,919</u>
	1,043,576	1,049,299
Less: Accumulated Depreciation	<u>(491,019)</u>	<u>(484,621)</u>
Net Property and Equipment	<u>\$ 552,557</u>	<u>564,678</u>

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NOTE 7: FEDERAL AND STATE GRANTS

The Agency receives revenue under the State of New Jersey Department of Human Services Primary Prevention of Alcohol and Drug Abuse Grant. The Agency also receives funds, as a subrecipient, from the County of Cumberland to provide specific services for residents in Cumberland County, Salem County, and Gloucester County. These programs are managed by the State of New Jersey Department of Human Services, Division of Addiction Services.

NOTE 8: GRANTS AND ACCOUNTS RECEIVABLE

Grants and Accounts receivable as of December 31 consist of the following due from program services:

	<u>2021</u>	<u>2020</u>
Grants Receivable	\$ 202,569	177,541
Accounts Receivable	19,000	17,500
Total Grants and Accounts Receivable	<u>\$ 221,569</u>	<u>195,041</u>

NOTE 9: DONATED SERVICES

During 2021 and 2020 the Agency received donated services from the Cumberland County Healthy Communities Coalition in the amount of \$0 and \$3,184, respectively. Revenues for donated services are recorded as contributions and expenses are recorded as volunteer expense.

NOTE 10: ACCRUED SICK AND VACATION

Employees of the Agency are permitted to accrue vacation time. A maximum of five (5) days are permitted to be carried to the following year. However, employees of the Agency are not permitted to accrue sick time. The employees will not be compensated for any unused sick time therefore; no liability for compensated absences is included in the financial statements. Employees are compensated for all earned vacation days upon separation and a liability has been established in the amount of \$28,770 and \$31,235 for years ended December 31, 2021 and 2020, respectively.

NOTE 11: PAYROLL TAXES

As of December 31, 2021 and 2020, the Agency was current with all payroll and related taxes.

NOTE 12: DEFERRED COMPENSATION PLAN

An employee deferral plan was approved by the Board of Directors and is provided through Morgan Stanley DW, Inc. This plan is a Savings Incentive Match Plan for Employees (SIMPLE) and is available to eligible employees as a salary reduction agreement. In order to be eligible the individual must have been employed by the Agency at least one year and earn at least \$5,000. The agency will match the employee's contribution up to 3% of an employee's annual gross salary.

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The amounts contributed by the Agency during the years ended December 31, 2021 and 2020 were \$19,603 and \$17,834 and covered salaries were \$672,707 and \$594,464, respectively.

NOTE 13: CONCENTRATION OF RISK

As of December 31, 2021 and 2020, the Agency had cash equivalents at financial institutions and in money market funds, which exceeded federal insured limits by \$1,512,836 and \$634,724, respectively. These balances fluctuate during the year and can at times exceed the combined FDIC limitations.

NOTE 14: LEASE ARRANGEMENTS

Effective January 11, 2013, the Agency entered into a lease agreement to rent office space in Mantua, NJ. This is a five year lease beginning February 1, 2013 and ending January 31, 2018. The lease was renewed on November 31, 2017 for an additional five year term beginning February 1, 2018 and ending January 31, 2023 with monthly rent payments of \$3,297 including CAM and Water and Sewer of \$273 and \$294, respectively.

Effective November 1, 2019 the Agency entered into a lease agreement to rent the basement office space in Mantua, NJ. This lease begins November 1, 2019 and ends January 31, 2023 with monthly rent payments of \$400.

Effective November 1, 2019 the Agency entered into a lease agreement to rent the office space in Salem, NJ. This is a three year lease beginning November 1, 2019 and ending January 31, 2023 with monthly rent payments of \$2,400 in year one, \$2,460 in year two and \$2,516 in year three.

Future minimum payments under the lease as of December 31, 2021 are:

2022	\$	69,524
2023		<u>3,697</u>
	\$	<u>73,221</u>

NOTE 15: LINE OF CREDIT

On August 12, 2014, the Agency was approved for a \$250,000 promisory note with a revolving line of credit with Fulton Bank with a variable interest rate. Advances under the line of credit were used for short term working capital. The Line of Credit has a \$100,000 certificate of deposit pledged as collateral. Cash advances and payments were \$0 for 2021 and \$0 for 2020.

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NOTE 16: GRANT ADVANCES

The Agency recognizes Federal Funds (cost reimbursable grants) as support, as costs are incurred. A receivable is recognized to the extent costs have been incurred but not reimbursed. Conversely, a liability is recorded when grant advances exceed eligible costs incurred. Advance payments that are received are managed and used when necessary. Upon final determination by the grantor, any excess revenue that was not deemed necessary for the program will be returned. As of December 31, 2021 and 2020 the amount due back to grantors is \$871,543 and \$785,082, respectively.

Detail of liability is as follows:

<u>Contract</u>	<u>Contractual Liability</u>
21-896	\$ 192
21-815	23,831
21-752	62,438
20-896	12,595
20-815	152,882
20-752	95,565
19-752	80,416
19-815	67,043
18-815	13,071
17-752 (As Restated)	170,362
16-752	192,687
14-815	461
Total Due as of December 31, 2021	<u><u>\$ 871,543</u></u>

NOTE 17: NET ASSETS

Net assets without donor restrictions for the years ended December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Undesignated (As Restated)	\$ 863,189	689,178
Board Designated	<u>93,630</u>	<u>93,630</u>
Total Net Assets Without Donor Restrictions	<u><u>\$ 956,819</u></u>	<u><u>782,808</u></u>

On March 22, 2005, the Board of Directors designated funds on deposit in the money market account for a capital campaign. As of December 31, 2021, the amount of designated net assets was \$93,630.

NOTE 18: RECLASSIFICATION OF PRIOR BALANCES

Certain accounts have been reclassified in the prior year to conform with categories established in the current fiscal year.

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NOTE 19: PAYCHECK PROTECTION PROGRAM

On February 12, 2021, the Agency received loan proceeds in the amount of \$303,911 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act) provides loans to qualifying businesses for up to 2.5 times the average monthly payroll expenses of qualifying businesses. The loan is forgivable after 8 or 24 weeks if the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness could be reduced if the borrower terminates employees, reduces salary levels, or uses more than 25% of the loan proceeds for “non-payroll” costs as defined by the United States Small Business Administration.

The Council initially recorded a note payable and subsequently recognized revenue when the loan obligation was legally released on October 13, 2021. The Council recognized loan forgiveness income for the year ended December 31, 2021 of \$184,325 in principal and \$1,227 in interest. The Council is required to repay the remaining balance of \$119,566, plus interest accrued at 1% per annum in monthly payments beginning on January 12, 2022. Principal and interest payments will be required through the maturity date of February 12, 2026.

NOTE 20: PPP LOAN PAYABLE

PPP loan payable at December 31, 2021 and 2020, consists of the following:

	<u>2021</u>	<u>2020</u>
PPP Loan, 1.00%. Payable to SBA in equal monthly installments of \$2,463 which includes interest at 1.00% to February 2026.	\$ 119,566	-
Current Portion	(28,478)	
Total Long-Term Debt	<u>\$ 91,088</u>	<u>-</u>

Scheduled maturities of PPP loan payable as of December 31, 2021 are as follows:

<u>Year Ending December 31,</u>	
2022	\$ 28,478
2023	28,764
2024	29,052
2025	29,345
2026	<u>3,927</u>
	<u>\$ 119,566</u>

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NOTE 21: PRIOR PERIOD ADJUSTMENT

The Council, based on analysis of their records, adjusted the following balance sheet accounts as of January 1, 2020.

Net Assets January 1, 2020	\$ 834,715
Restated for:	
Due to Grantor	<u>13,136</u>
Net Assets January 1, 2020 (As Restated)	<u>\$ 847,851</u>

The Council has identified the amount due to the state under contract 17-752 was overstated by \$13,136.

NOTE 22: SUBSEQUENT EVENTS

The Agency has evaluated subsequent events through June 3, 2022, the date which the financial statements were available to be issued and no events were identified for disclosure.

SUPPLEMENTARY INFORMATION

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Board of Directors
The Southwest Council, Inc.
Vineland, 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, the financial statements of The Southwest Council Inc., as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise The Southwest Council Inc.'s basic financial statements, and have issued our report thereon dated June 3, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Southwest Council Inc.'s 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Southwest Council Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Southwest Council'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 entity'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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Southwest Council Inc.'s financial statements are free from 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C
CERTIFIED PUBLIC ACCOUNTANTS

June 3, 2022



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Board of Directors
The Southwest Council, Inc.
Vineland, New Jersey

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Southwest Council, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of The Southwest Council, Inc.'s major federal programs for the year ended December 31, 2021. The Southwest Council, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Southwest Council, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of The Southwest Council, Inc. 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 federal program. Our audit does not provide a legal determination of The Southwest Council, Inc.'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 Southwest Council, Inc.'s federal programs.

Auditor's 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 Southwest Council, Inc.'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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance 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 Southwest Council, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Southwest Council, Inc.'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 Southwest Council, Inc.'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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of The Southwest Council, Inc.'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 federal 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 federal 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 federal 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.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 audit was 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.

**FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS**

June 3, 2022

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THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

State Grantor / Pass-Through Grantor Program Title	Federal CFDA #/Grant Award #	Federal FAIN #	Grant Period	Program or Award Amount	Receipts or Revenue Recognized	Budgetary Expenditures				(MEMO) Passed Through to Sub-Recipients	(MEMO) Cumulative Expenditures
						Pass Through	Source	Direct	Total		
Federal Funds:											
Department of Health and Human Services											
Passed Through New Jersey Department of Human Services											
Division of Mental Health and Addiction Services											
Change for Cumberland & Salem Counties											
Utilize Environmental Strategies to Achieve Population Level											
Change for Gloucester County											
Illegal Substance Cumberland County	93.959	B08TI083538	1/1/21-12/31/21	\$ 202,000	\$ 201,817	201,817			201,817		201,817
Underage Drinking Cumberland County	93.959	B08TI083538	1/1/21-12/31/21	196,000	194,048	194,048			194,048		194,048
Illegal Substance Gloucester County	93.959	B08TI083538	1/1/21-12/31/21	118,400	116,920	116,920			116,920		116,920
Underage Drinking Gloucester County	93.959	B08TI083538	1/1/21-12/31/21	100,000	98,368	98,368			98,368		98,368
Illegal Substance Gloucester County	93.959	B08TI083538	1/1/21-12/31/21	130,000	129,157	129,157			129,157		129,157
Underage Drinking Gloucester County	93.959	B08TI083538	1/1/21-12/31/21	78,000	77,209	77,209			77,209		77,209
Illegal Substance Salem County	93.959	B08TI083538	1/1/21-12/31/21	59,000	58,574	58,574			58,574		58,574
Underage Drinking Salem County	93.959	B08TI083538	1/1/21-12/31/21	57,000	56,139	56,139			56,139		56,139
Opoid Overdose Recovery Salem County	93.959	B08TI083538	1/1/21-9/30/21	255,750	163,668	163,668			163,668		163,668
Opoid Overdose Recovery Salem County Expansion	93.959	B08TI083538	10/1/21-12/31/21	255,750	69,334	69,334			69,334		69,334
Opoid Overdose Recovery Salem County	93.959	B08TI083538	1/1/21-6/30/21	188,792	136,916	136,916			136,916		136,916
Prevention Screening Early Intervention Cumberland County	93.959	B08TI083538	7/1/21-12/31/21	61,486	59,936	59,936			59,936		59,936
Prevention Screening Early Intervention Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	30,000	3,270	3,270			3,270		3,270
Prevention Screening Early Intervention Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	30,000	2,592	2,592			2,592		2,592
Prevention Early Intervention Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	30,000	2,249	2,249			2,249		2,249
Prevention Early Intervention Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	2,000	991	991			991		991
Prevention Early Intervention Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	2,000	896	896			896		896
Prevention Early Intervention Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	2,000	896	896			896		896
Strengthening Families Family Relationships Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	21,000	1,357	1,357			1,357		1,357
Strengthening Families Family Relationships Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	21,000	2,147	2,147			2,147		2,147
Strengthening Families Family Relationships Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	21,000	1,012	1,012			1,012		1,012
COVID Awareness/Transportation Prev & Vaccines Cumberland County	93.959	B08TI083538	10/1/21-3/14/23	10,000	364	364			364		364
COVID Awareness/Transportation Prev & Vaccines Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	10,000	837	837			837		837
COVID Awareness/Transportation Prev & Vaccines Salem County	93.959	B08TI083538	10/1/21-3/14/23	10,000	56	56			56		56
Prevention HUB Infrastructure Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	50,000	46,612	46,612			46,612		46,612
Prevention HUB Infrastructure Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	50,000	10,809	10,809			10,809		10,809
Prevention HUB Infrastructure Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	50,000	12,828	12,828			12,828		12,828
OTC-Marijuana Prevention Cumberland County	93.959	B08TI083538	10/1/21-3/14/23	100,000	17,677	17,677			17,677		17,677
OTC-Marijuana Prevention Gloucester County	93.959	B08TI083538	10/1/21-3/14/23	100,000	14,970	14,970			14,970		14,970
OTC-Marijuana Prevention Salem County	93.959	B08TI083538	10/1/21-3/14/23	100,000	2,544	2,544			2,544		2,544
					1,484,213	1,484,213		-	1,484,213	-	1,484,213
Strategic Prevention Framework Partnerships for Success	93.243	H79SP023017	10/1/20-9/30/21	211,500	180,774	180,774			180,774		206,445
Strategic Prevention Framework Partnerships for Success	93.243	H79SP023017	10/1/21-9/30/22	211,500	44,040	44,040			44,040		44,040
Total Strategic Prevention Framework Partnerships for Success					224,814	224,814		-	224,814	-	250,485
Opoid Community Education - Young Athletes	93.243	H79SP023017	10/1/20-9/30/21	37,620	28,560	28,560			28,560		37,427
Opoid Community Education - Young Athletes	93.243	H79SP023017	10/1/21-9/30/22	39,147	1,936	1,936			1,936		1,936
Total Opoid Community Education - Young Athletes					30,496	30,496		-	30,496	-	39,363
Alternative Approaches to Pain Management - Older Adults	93.243	H79SP023017	10/1/20-9/30/21	225,000	146,432	146,432			146,432		206,225
Alternative Approaches to Pain Management - Older Adults	93.243	H79SP023017	10/1/21-9/30/22	225,000	89,195	89,195			89,195		89,195
Total Alternative Approaches to Pain Management - Older Adults					235,627	235,627		-	235,627	-	295,420
Total NJ Department of Human Services					1,975,150	1,975,150		-	1,975,150	-	2,069,481
Total Federal Funds					\$ 1,975,150	1,975,150		-	1,975,150	-	2,069,481

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
NOTES TO THE SCHEDULE OF FEDERAL AWARDS
DECEMBER 31, 2021

NOTE 1: GENERAL

The accompanying schedule of expenditures of federal awards present the activity of all federal awards of the Agency. The Agency is defined in Note 1 of the Notes to the Financial Statements. All federal awards passed through other governmental agencies are included on the schedules of expenditures of federal awards.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. This basis of accounting is described in the Notes to the Agency's financial statements.

NOTE 3: RELATIONSHIP TO THE FINANCIAL STATEMENTS

Amounts reported in the accompanying schedule agree with amounts reported in the Agency's Financial Statements. Financial assistance revenues are reported in the Agency's financial statements on a GAAP basis as follows:

	<u>Amount</u>
Federal	\$ 1,975,150
Total	\$ <u>1,975,150</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

NOTE 5: INDIRECT COST RATES

The Agency has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Part I -- Summary of Auditor's Results

Type of auditor's report issued	Unmodified		
Internal control over financial reporting:			
• Material weakness(es) identified?	<u> </u>	yes	<u> X </u> no
• Significant deficiency(ies) identified?	<u> </u>	yes	<u> X </u> none reported
Noncompliance material to financial statements noted?		yes	X no

Internal Control over major programs:				
•	Material weakness(es) identified?	<u> </u>	yes	<u> X </u> no
•	Significant deficiency(ies) identified?	<u> </u>	yes	<u> X </u> none reported

Unmodified

yes X no

Name of Federal Program or Cluster

Block Grants for Prevention and Treatment of Substance Abuse

\$ 750,000

X	yes	no
---	-----	----

THE SOUTHWEST COUNCIL INC.
(a nonprofit corporation)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(CONTINUED)

Part I -- Summary of Auditor's Results (continued)

State Awards

Not Applicable

Internal Control over major programs:

- Material weakness(es) identified? _____ yes _____ no
- Significant deficiency(ies) identified? _____ yes _____ none reported

Type of auditor's report issued on
compliance major programs _____

Any audit findings disclosed that are required to
be reported in accordance with NJ OMB Circular 15-08 _____ yes _____ no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Dollar Threshold used to distinguish between type A and
type B programs:

\$ _____

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

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021

(CONTINUED)

Part 2 – Schedule of Financial Statement Findings

NONE

Part 3 – Schedule of Federal Award Findings and Questioned Costs

NONE

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2021

STATUS OF PRIOR YEAR FINDINGS

NONE

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THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENT OF COSTS
YEAR ENDED DECEMBER 31, 2021

Cumberland and Salem County Regional Coalition
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	CPA Audited Results	Variance
Salaries & Fringe	\$ 156,914	168,954	168,954	-
Consultant & Professional				-
Materials & Supplies	6,689	4,008	4,008	-
Specific Assistance to Clients	344	51	51	-
Other Costs	10,941	8,875	8,875	-
Facility Costs	6,506	17,412	17,412	-
General and Admin Allocation	20,606	15,776	2,517	13,259
Equipment				-
	<u>\$ 202,000</u>	<u>215,076</u>	<u>201,817</u>	<u>13,259</u>

Gloucester County Regional Coalition
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	Current Year CPA Audited Results	Variance
Salaries & Fringe	\$ 149,082	145,145	145,145	-
Consultant & Professional				-
Materials & Supplies	4,996	7,466	7,466	-
Specific Assistance to Clients	344			-
Other Costs	14,826	12,976	12,976	-
Facility Costs	6,730	25,235	13,697	11,538
General and Admin Allocation	20,022	14,764	14,764	-
Equipment				-
	<u>\$ 196,000</u>	<u>205,586</u>	<u>194,048</u>	<u>11,538</u>

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENT OF COSTS
YEAR ENDED DECEMBER 31, 2021

Illegal Substance
Cumberland County
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	CPA Audited Results	Variance
Salaries	\$ 89,389	91,563	91,563	-
Consultant & Professional	100			-
Materials & Supplies	5,461	3,918	3,918	-
Specific Assistance to Clients	1,887	119	119	-
Other Costs	4,747	7,092	316	6,776
Facility Costs	6,135	11,587	11,587	-
General and Admin Allocation	10,681	9,417	9,417	-
Equipment				-
Total Expenditures	118,400	123,696	116,920	6,776
Less:				
Program cost funded by other revenue sources				-
Net Expenditures	\$ 118,400	123,696	116,920	6,776

Underage Drinking
Cumberland County
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	CPA Audited Results	Variance
Salaries	\$ 76,929	78,827	78,827	-
Consultant & Professional	700			-
Materials & Supplies	3,591	3,459	3,459	-
Specific Assistance to Clients	1,268	17	17	-
Other Costs	2,723	6,878	1,578	5,300
Facility Costs	5,453	6,889	6,889	-
General and Admin Allocation	9,336	7,618	7,618	-
Equipment				-
Total Expenditures	100,000	103,688	98,388	5,300
Less:				
Program cost funded by other revenue sources				-
Net Expenditures	\$ 100,000	103,688	98,388	5,300

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENT OF COSTS
YEAR ENDED DECEMBER 31, 2021

Illegal Substance
Gloucester County
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	CPA Audited Results	Variance
Salaries	\$ 89,262	109,980	109,980	-
Consultant & Professional				-
Materials & Supplies	8,954	1,428	1,428	-
Specific Assistance to Clients	2,544	119	119	-
Other Costs	4,476	8,169	8,169	-
Facility Costs	15,112	6,716	6,716	-
General and Admin Allocation	9,652	10,206	2,745	7,461
Equipment				-
Total Expenditures	130,000	136,618	129,157	7,461
Less:				
Program cost funded by other revenue sources				-
Net Expenditures	\$ 130,000	136,618	129,157	7,461

Underage Drinking
Gloucester County
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	CPA Audited Results	Variance
Salaries	\$ 45,196	58,910	58,910	-
Consultant & Professional				-
Materials & Supplies	5,196	1,642	1,642	-
Specific Assistance to Clients	3,998	119	119	-
Other Costs	2,530	5,908	1,497	4,411
Facility Costs	15,990	8,680	8,680	-
General and Admin Allocation	5,090	6,361	6,361	-
Equipment				-
Total Expenditures	78,000	81,620	77,209	4,411
Less:				
Program cost funded by other revenue sources				-
Net Expenditures	\$ 78,000	81,620	77,209	4,411

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENT OF COSTS
YEAR ENDED DECEMBER 31, 2021

Illegal Substance
Salem County
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	CPA Audited Results	Variance
Salaries	\$ 40,390	45,013	45,013	-
Consultant & Professional	717			
Materials & Supplies	1,709	2,580	2,580	-
Specific Assistance to Clients	1,744	17	17	-
Other Costs	5,391	5,074	1,538	3,536
Facility Costs	3,487	5,604	5,604	-
General and Admin Allocation	5,562	3,822	3,822	-
Equipment				-
Total Expenditures	59,000	62,110	58,574	3,536
Less:				
Program cost funded by other revenue sources				-
Net Expenditures	\$ 59,000	62,110	58,574	3,536

Illegal Substance
Underage Drinking
Salem County
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	CPA Audited Results	Variance
Salaries	\$ 41,760	39,554	39,554	-
Consultant & Professional	400			
Materials & Supplies	1,809	2,766	2,766	-
Specific Assistance to Clients	1,819	17	17	-
Other Costs	1,733	5,354	1,435	3,919
Facility Costs	3,612	7,688	7,688	-
General and Admin Allocation	5,867	4,679	4,679	-
Equipment				-
Total Expenditures	57,000	60,058	56,139	3,919
Less:				
Program cost funded by other revenue sources				-
Net Expenditures	\$ 57,000	60,058	56,139	3,919

THE SOUTHWEST COUNCIL, INC.
(a nonprofit corporation)
STATEMENT OF COSTS
YEAR ENDED DECEMBER 31, 2021

Opioid Overdose Recovery
Salem County
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	CPA Audited Results	Variance
Salaries	\$ 203,047	207,359	207,359	-
Consultant & Professional				
Materials & Supplies	2,369	4,491	4,491	-
Specific Assistance to Clients				-
Other Costs	11,522	14,104	14,104	-
Facility Costs	26,114	21,763	21,763	-
General and Admin Allocation	12,698	23,860	1,117	22,743
Equipment				-
Total Expenditures	255,750	271,577	248,834	22,743
Less:				
Program cost funded by other revenue sources		(15,832)	(15,832)	-
Net Expenditures	\$ 255,750	255,745	233,002	22,743

Opioid Overdose Recovery Expansion
Cumberland, Gloucester and Salem Counties
January 1, 2021 - December 31, 2021

Category	Final Budget	Expenditure Report Results	CPA Audited Results	Variance
Salaries	\$ 145,202	157,381	157,381	-
Consultant & Professional				
Materials & Supplies	1,523	5,822	5,822	-
Specific Assistance to Clients				-
Other Costs	5,749	10,291	10,291	-
Facility Costs	18,474	23,042	23,042	-
General and Admin Allocation	18,844	17,541	316	17,225
Equipment				
Total Expenditures	189,792	214,077	196,852	17,225
Less:				
Program cost funded by other revenue sources				-
Net Expenditures	\$ 189,792	214,077	196,852	17,225