

**NEW JERSEY CENTER
FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS**

February 29, 2016

**BEDARD, KUROWICKI & CO., CPA'S, PC
CERTIFIED PUBLIC ACCOUNTANTS**

**NEW JERSEY CENTER
FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS**

For the Year Ended February 29, 2016

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Bedard, Kurowicki & Co.

Certified Public Accountants, PC

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Independent Auditors' Report

Board of Trustees

New Jersey Center for Tourette Syndrome and Associated Disorders

Somerville, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of New Jersey Center for Tourette Syndrome and Associated Disorders (a non-profit organization) which comprise the statements of financial position as of February 29, 2016, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, which include 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Jersey Center for Tourette Syndrome and Associated Disorders as of February 29, 2016, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the New Jersey Center for Tourette Syndrome and Associated Disorders financial statements for the year ended February 28, 2015 and our report dated September 18, 2015, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended February 28, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information as listed in the table of contents of this report 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 directly to the underlying accounting and other records used to prepare the financial statements. The information, except for the portion marked unaudited on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 7, 2016, on our consideration of New Jersey Center for Tourette Syndrome and Associated Disorders internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering New Jersey Center for Tourette Syndrome and Associated Disorders internal control over financial reporting and compliance.

Bedard, Kurowicki & Co.
BEDARD, KUROWICKI & CO., CPA'S, PC

October 7, 2016
Flemington, New Jersey

**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS**
Statement of Financial Position
February 29, 2016
With Summarized Financial Information at February 28, 2015

ASSETS			
		<u>2016</u>	<u>2015</u>
Current assets			
Cash		\$ 1,291,201	\$ 1,260,965
Investments		76,718	81,363
Related party receivable		63	10
Prepaid expenses and other current assets		12,742	12,710
Total current assets		<u>1,380,724</u>	<u>1,355,048</u>
Property and equipment, net of accumulated depreciation of \$25,779 and \$24,532, respectively		<u>3,313</u>	<u>2,186</u>
Total assets		<u><u>\$ 1,384,037</u></u>	<u><u>\$ 1,357,234</u></u>
 LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable		\$ 10,681	\$ 17,894
Accrued expenses		32,371	16,470
Deferred revenue		2,759	143,391
Total liabilities - all current		<u>45,811</u>	<u>177,755</u>
Net assets			
Unrestricted		1,068,385	961,753
Temporarily restricted		269,841	217,726
Total net assets		<u>1,338,226</u>	<u>1,179,479</u>
Total liabilities and net assets		<u><u>\$ 1,384,037</u></u>	<u><u>\$ 1,357,234</u></u>

See accompanying notes to the financial statements.

NEW JERSEY CENTER FOR TOURETTE SYNDROME
Statement of Activities
For the Year Ended February 29, 2016
With Summarized Financial Information For the Year Ended February 28, 2015

	Unrestricted	Temporarily Restricted	Total	
			2016	2015
Public support, revenue and reclassifications				
Government - grant revenue	\$ 512,196	\$ -	\$ 512,196	\$ 528,755
Contributions	244,386	208,317	452,703	185,748
Foundation grants	1,000	-	1,000	2,050
Program revenue	19,613	-	19,613	10,414
Interest and dividends	10,487	-	10,487	5,839
Unrealized (loss) gain on investments	(13,293)	-	(13,293)	5,446
Net assets released from restrictions	156,202	(156,202)	-	-
Total public support, revenue and reclassifications	930,591	52,115	982,706	738,252
Expenses				
Program expenses	588,553	-	588,553	516,250
Management and general	151,975	-	151,975	113,944
Fundraising	83,431	-	83,431	41,338
Total expenses	823,959	-	823,959	671,532
Increase in net assets	106,632	52,115	158,747	66,720
Net assets - beginning of year	961,753	217,726	1,179,479	1,112,759
Net assets - end of year	<u>\$ 1,068,385</u>	<u>\$ 269,841</u>	<u>\$ 1,338,226</u>	<u>\$ 1,179,479</u>

See accompanying notes to the financial statements.

NEW JERSEY CENTER FOR TOURETTE SYNDROME
Statement of Functional Expenses
For the Year Ended February 29, 2016
With Summarized Financial Information For the Year Ended February 28, 2015

	Program Expenses	Management and General	Fundraising	Total	
				2016	2015
Salaries and wages	\$ 246,013	\$ 116,300	\$ 36,054	\$ 398,367	\$ 314,088
Payroll taxes	20,787	9,827	3,046	33,660	27,573
Sub-grants	72,699	-	-	72,699	82,919
Public education and awareness	66,273	-	-	66,273	48,302
Consulting expense	88,774	-	17,358	106,132	95,119
Postage and shipping	3,383	-	-	3,383	1,640
Conferences and seminars	2,329	-	-	2,329	2,655
Rent expense	15,733	7,438	2,306	25,477	25,478
Fundraising expenses	-	-	20,370	20,370	20,523
Scholarships	3,669	-	-	3,669	3,607
Professional fees	39,575	2,083	-	41,658	14,856
Office expense	12,341	5,834	1,809	19,984	16,200
Dues and fees	-	2,468	-	2,468	3,084
Telephone expense	2,557	1,209	375	4,141	4,400
Repairs and maintenance	3,548	1,677	520	5,745	3,179
Insurance	10,101	4,775	1,480	16,356	6,564
Depreciation expense	771	364	113	1,248	1,345
Total functional expenses	<u>\$ 588,553</u>	<u>\$ 151,975</u>	<u>\$ 83,431</u>	<u>\$ 823,959</u>	<u>\$ 671,532</u>

See accompanying notes to the financial statements.

NEW JERSEY CENTER FOR TOURETTE SYNDROME
Statement of Cash Flows
For The Year Ended February 29, 2016
With Summarized Financial Information For the Year Ended February 28, 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities		
Increase in net assets	\$ 158,747	\$ 66,720
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	1,247	1,345
Unrealized gain on investments	13,293	(5,446)
(Increase) decrease in assets		
Grant receivable	-	11,477
Related party receivable	(53)	10,552
Prepaid expenses and other current assets	(32)	(7,383)
Increase (decrease) in liabilities		
Accounts payable	(7,213)	14,103
Accrued expenses	15,901	(7,453)
Deferred revenue	(140,632)	143,391
Total adjustments	<u>(117,489)</u>	<u>160,586</u>
Net cash provided by operating activities	41,258	227,306
 Cash flows from investing activities		
Purchase of marketable securities	(8,648)	(3,911)
Purchase of fixed assets	<u>(2,374)</u>	<u>-</u>
Net cash used in investing activities	<u>(11,022)</u>	<u>(3,911)</u>
 Net increase in cash	30,236	223,395
 Cash - beginning of year	<u>1,260,965</u>	<u>1,037,570</u>
 Cash - end of year	<u><u>\$ 1,291,201</u></u>	<u><u>\$ 1,260,965</u></u>

See accompanying notes to the financial statements.

**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS
Notes to the Financial Statements**

Note 1 - Summary of significant accounting policies

Nature of organization

The New Jersey Center for Tourette Syndrome and Associated Disorders (the Organization), is a not-for-profit organization committed to the advocacy of children and families with Tourette Syndrome and its associated disorders. Dedicated to delivering high quality services to these individuals, the Organization recognizes the importance of educating the public, medical professionals, and teachers about this disorder through programs and affiliations with public schools, health centers, and universities. To ensure that individuals with Tourette Syndrome are contributing members of their communities and society at large, the Organization is committed to leading the promotion and development of diagnostic and treatment therapies and actively supporting research for a cure.

Basis of presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting.

Organization status

The Organization is a non-profit organization exempt from income taxes under the Internal Revenue Code Section 501(c)(3) and similar provisions for New Jersey. Therefore, no provision for income taxes has been made. The Organization's information returns before 2012 are no longer subject to examination by either Federal or New Jersey authorities.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and to disclose contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimate is that of the functional allocation of costs which is based upon management's estimate of personnel utilization.

Grants receivable

In evaluating the collectability of grant fees receivable, the Organization analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provisions for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts.

Property and equipment

Property and equipment are stated at cost and depreciated over the estimated useful lives of each asset. The estimated useful lives of the property and equipment range between three and five years. Depreciation is computed using the straight-line method.

**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS
Notes to the Financial Statements**

Note 1 - Summary of significant accounting policies (continued)

Property and equipment (continued)

Additions and improvements, which extend the useful lives of the respective assets, are charged to the asset accounts and are depreciated accordingly, while general repairs and maintenance are expensed as incurred. The cost and related accumulated depreciation of assets sold or retired are eliminated from the accounts and any gains or losses are included in the change in net assets.

Net asset classifications

Net assets are classified based on the existence or absence of donor imposed restrictions. Net assets are defined as follows:

Unrestricted net assets are not subject to donor-imposed stipulations or the donor-imposed restrictions have expired.

Temporarily restricted net assets include assets for which donor-imposed restrictions have not been met.

Permanently restricted net assets are subject to donor-imposed stipulations that they be maintained permanently by the organization.

Revenue recognition

Revenues are reported as increases in unrestricted net assets upon receipt or pledge unless use of the related assets is limited by donor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Amounts collected in advance of incurring specified costs are reflected as deferred revenue.

Contributions

Contributions of cash and other assets, including unconditional promises to give, are considered to be available for unrestricted use unless specifically restricted by the donor and are recognized as support in the period the unconditional promise is given. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS
Notes to the Financial Statements**

Note 1 - Summary of significant accounting policies (continued)

Contributions (continued)

Gifts of cash and other noncapital assets are reported as temporarily restricted support if the gifts are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. If a restriction is fulfilled in the same period in which the contribution is received, the support is reported as unrestricted.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Schedule of Functional Expenses. Accordingly, certain costs have been allocated among the programs and services benefited. Management and general expenses include those expenses that are not directly identifiable with any specific function but provide for the overall support and direction of the Organization. Indirect expenses have been allocated based on salary expenditures.

For the year ended February 29, 2016, program expenses were 72% of total expenses, management and general expenses were 18% of total expenses, and fundraising expenses were 10% of total expenses.

Note 2 - Concentration of credit risk

The Organization maintains its cash in bank deposit accounts which are insured by the Federal Deposit Insurance Corporation. From time to time, the Organization's cash balance may exceed the federally insured limit. At February 29, 2016, the Organization's uninsured cash totaled approximately \$549,000.

The Organization received approximately 52% of its revenue from government grants for the year ended February 29, 2016. The balance of the Organization's revenue is comprised of contributions and other income. Revenue from government grants and contracts is received in regular monthly payments. Additionally, revenue from dues and contributions is subject to the continued support of members and donors.

Note 3 - Fair value and instruments

Financial Accounting Standards Board Statement ASC Topic 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described in the following:

**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS**
Notes to the Financial Statements

Note 3 - Fair value and instruments (continued)

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 inputs must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value at February 29, 2016:

The Organization's investments are reported at their fair value at the measurement date using the market approach. The fair value of investments is measured at quoted prices in active markets for identical assets.

The method described above may produce a fair value calculation that may not be indicative of new realizable value or reflective of future fair values.

Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within fair value hierarchy, the Organization's assets at fair value as of February 29, 2016:

	Level 1	Level 2	Level 3	Total
Money Market Funds	<u>\$ 76,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,718</u>

**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS**
Notes to the Financial Statements

Note 4 - Property and equipment

Property and equipment consists of the following:

Office equipment	\$ 5,585
Furniture and fixtures	6,289
Computer equipment	17,218
Total property and equipment	29,092
Less: accumulated depreciation	(25,779)
Property and equipment, net	<u>\$ 3,313</u>

Depreciation expense for the year ended February 29, 2016 was \$1,247.

Note 5 - Temporarily restricted net assets

Temporarily restricted net assets are assets available for the following purposes for the year ended February 29, 2016:

Research	\$ 36,560
Other - Designated	233,281
Total	<u>\$ 269,841</u>

Note 6 - Commitments

The Organization has contracted with Rutgers, The State University under two grant agreements to fund two Tourette Syndrome family services and research programs. Under the agreements, the Organization will reimburse up to \$25,000 and \$50,000 of costs incurred by the sub-grantee under the programs. As of February 29, 2016, the remaining commitments under the agreements were \$22,990 and \$28,729, respectively.

Note 7 - Contributions in kind

The Organization received in-kind contributions of legal services during the year ended February 29, 2016. The value of the legal services was \$29,089.

Note 8 - Operating lease

The Organization rents office space under an operating lease expiring in December 2016. Rent is due in monthly installments of \$2,123. Rent expense for the year ended February 29, 2016 was \$25,477.

The remaining future lease payments under the operating lease is as follows for the year ended February 28:

2016	\$ 21,230
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**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS
Notes to the Financial Statements**

Note 9 - Subsequent events

The Organization's management has determined that no material events or transactions occurred subsequent to February 29, 2016 and through October 7, 2016, the date of the Organization's financial statement issuance, which require additional disclosure in the Organization's financial statements.

**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS**
Schedule of Expenditures of State Financial Assistance
For the Year Ended February 29, 2016

<u>Grant Program Title</u>	<u>Grant Award Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Grant Expenditures</u>
New Jersey Department of Health and Human Services				
Tourette Syndrome Education & Awareness	DFHS-15-TOU002	07/01/14 - 06/30/15	\$ 650,000	\$ 243,090
Tourette Syndrome Education & Awareness	DFHS-16-TOU001	07/01/15 - 06/30/16	400,000	<u>263,909</u>
				<u><u>\$ 506,999</u></u>

See independent auditors' report.

**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS**
Schedule of Budgeted and Incurred Costs
Education & Awareness - Grant Award Number DFHS-15-TOU002
For the Grant Period July 1, 2014 through June 30, 2015
For the Year Ended February 28, 2016

Category	Final Approved Budget (unaudited)	Audited Expenditures	Cumulative Expenditures	Questioned Costs
Salaries and wages	\$ 355,172	\$ 352,719	\$ 352,719	\$ -
Fringe benefits	37,471	38,145	38,145	-
Consultants and professional fees	83,555	85,493	85,493	-
Office expense and related costs	18,800	18,800	18,800	-
Program expense and related costs	44,785	44,785	44,785	-
Travel, conferences and meetings	3,060	3,060	3,060	-
Equipment and capital expenditures	5,000	5,000	5,000	-
Facility costs	27,157	26,998	26,998	-
Sub-grants	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Total	<u><u>\$ 650,000</u></u>	<u><u>\$ 650,000</u></u>	<u><u>\$ 650,000</u></u>	<u><u>\$ -</u></u>

See independent auditors' report.

**NEW JERSEY CENTER FOR TOURETTE SYNDROME
AND ASSOCIATED DISORDERS**
Schedule of Budgeted and Incurred Costs (continued)
Education & Awareness - Grant Award Number DFHS-16-TOU001
For the Grant Period July 1, 2015 through June 30, 2016
For the Year Ended February 28, 2016

Category	Final Approved Budget (unaudited)	Audited Expenditures	Cumulative Expenditures	Questioned Costs
Salaries and wages	\$ 287,163	\$ 193,133	\$ 193,133	\$ -
Fringe benefits	31,588	21,791	21,791	-
Consultants and professional fees	27,667	16,056	16,056	-
Office expense and related costs	12,975	6,426	6,426	-
Program expense and related costs	13,450	8,333	8,333	-
Facility costs	27,157	18,170	18,170	-
Total	<u>\$ 400,000</u>	<u>\$ 263,909</u>	<u>\$ 263,909</u>	<u>\$ -</u>

See independent auditors' report.



Bedard, Kurowicki & Co.

Certified Public Accountants, PC

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**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

New Jersey Center for Tourette Syndrome and Associated Disorders

Somerville, 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 New Jersey Center for Tourette Syndrome and Associated Disorders (the Organization), which comprise the statement of financial position as of February 29, 2016 and the related statements of activities, 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 October 7, 2016

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered New Jersey Center for Tourette Syndrome and Associated Disorders' internal control over financial reporting (internal control) to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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

A part of obtaining reasonable assurance about whether New Jersey Center for Tourette Syndrome and Associated Disorders' 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 the 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 compliance. This report is an integral part of the 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.

Bedard, Kurowicki & Co.

BEDARD, KUROWICKI & CO., CPA'S, PC

October 7, 2016
Flemington, New Jersey