

A PARTNERSHIP FOR CHANGE, INC.

Financial Statements

June 30, 2023 and 2022

A PARTNERSHIP FOR CHANGE, INC.

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# STEVEN T. CIRILLO, CPA, LLC

## ACCOUNTING / TAX / CONSULTING SERVICES

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### INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
A Partnership for Change, Inc.

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the accompanying financial statements of A Partnership for Change, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of A Partnership for Change, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the year 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 A Partnership for Change, 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 opinion.

##### **Responsibility 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 A Partnership for Change, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

##### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 A Partnership for Change, 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 A Partnership for Change, Inc.'s ability to continue as a going concern for a reasonable period of time. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 accompanying schedule of expenditures of 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 directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards 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 November 2, 2023 on our consideration of A Partnership for Change, 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 A Partnership for Change, Inc.'s internal control over financial reporting and compliance.



Westwood, New Jersey  
November 2, 2023

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A PARTNERSHIP FOR CHANGE, INC.

STATEMENTS OF FINANCIAL POSITION  
June 30, 2023 and 2022

ASSETS

	<u>2023</u>	<u>2022</u>
ASSETS:		
Cash	\$ 203,292	\$ 193,838
Government grants receivable	167,721	125,544
Pledges and other receivables	25,633	28,279
Prepaid expenses and other assets	<u>3,793</u>	<u>4,587</u>
Total Assets	<u>\$ 400,439</u>	<u>\$ 352,248</u>

LIABILITIES AND NET ASSETS

LIABILITIES:		
Accounts payable and accrued expenses	<u>\$ 22,882</u>	<u>\$ 18,241</u>
Total Liabilities	<u>22,882</u>	<u>18,241</u>
NET ASSETS:		
Without donor restrictions	360,057	314,007
With donor restrictions	<u>17,500</u>	<u>20,000</u>
Total Net Assets	<u>377,557</u>	<u>334,007</u>
Total Liabilities and Net Assets	<u>\$ 400,439</u>	<u>\$ 352,248</u>

The accompanying notes are an integral  
part of these financial statements.

A PARTNERSHIP FOR CHANGE, INC.

STATEMENTS OF ACTIVITIES  
For the Years Ended June 30, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE:</b>						
Government grants	\$ 619,596	\$ -	\$ 619,596	\$ 496,104	\$ -	\$ 496,104
Foundation support	17,500	17,500	35,000	20,043	20,000	40,043
Contributions other	17,379	-	17,379	7,852	-	7,852
School funded programs	6,633	-	6,633	6,572	-	6,572
Program service fees	15,778	-	15,778	24,073	-	24,073
Interest income	125	-	125	71	-	71
In-kind support	145,648	-	145,648	100,109	-	100,109
Release from restriction	20,000	(20,000)	-	-	-	-
Total Support and Revenue	<u>842,659</u>	<u>(2,500)</u>	<u>840,159</u>	<u>654,824</u>	<u>20,000</u>	<u>674,824</u>
<b>EXPENSES:</b>						
Program services	718,934	-	718,934	496,391	-	496,391
Management and general	75,975	-	75,975	79,695	-	79,695
Fundraising	1,700	-	1,700	1,700	-	1,700
Total Expenses	<u>796,609</u>	<u>-</u>	<u>796,609</u>	<u>577,786</u>	<u>-</u>	<u>577,786</u>
CHANGE IN NET ASSETS	46,050	(2,500)	43,550	77,038	20,000	97,038
NET ASSETS, Beginning of Year	<u>314,007</u>	<u>20,000</u>	<u>334,007</u>	<u>236,969</u>	<u>-</u>	<u>236,969</u>
NET ASSETS, End of Year	<u>\$ 360,057</u>	<u>\$ 17,500</u>	<u>\$ 377,557</u>	<u>\$ 314,007</u>	<u>\$ 20,000</u>	<u>\$ 334,007</u>

The accompanying notes are an integral  
part of these financial statements.

A PARTNERSHIP FOR CHANGE, INC.

STATEMENTS OF FUNCTIONAL EXPENSES  
For the Years Ended June 30, 2023 and 2022

	2023				2022			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries	\$ 586,912	\$ 46,845	\$ 1,700	\$ 635,457	\$ 413,658	\$ 62,810	\$ 1,700	\$ 478,168
Payroll taxes and benefits	44,813	-	-	44,813	33,741	-	-	33,741
Direct program costs	8,568	5,250	-	13,818	6,553	1,519	-	8,072
Consultants and professional fees	11,288	11,305	-	22,593	-	7,750	-	7,750
Meals& Refreshment	146	2,192	-	2,338	40	1,463	-	1,503
Travel	5,320	371	-	5,691	2,650	184	-	2,834
Occupancy costs	24,896	1,044	-	25,940	13,404	1,436	-	14,840
Utilities	2,901	344	-	3,245	2,719	234	-	2,953
Insurance	13,089	2,005	-	15,094	10,110	1,767	-	11,877
Printing, postage and publications	16,825	2,805	-	19,630	7,268	1,783	-	9,051
Office	4,176	3,814	-	7,990	6,248	749	-	6,997
<b>Total Expenses</b>	<b>\$ 718,934</b>	<b>\$ 75,975</b>	<b>\$ 1,700</b>	<b>\$ 796,609</b>	<b>\$ 496,391</b>	<b>\$ 79,695</b>	<b>\$ 1,700</b>	<b>\$ 577,786</b>

The accompanying notes are an integral  
part of these financial statements.

A PARTNERSHIP FOR CHANGE, INC.

STATEMENTS OF CASH FLOWS  
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 43,550	\$ 97,038
Increase (decrease) in cash attributable to changes in operating assets and liabilities:		
Government grants receivable	(42,177)	3,731
Pledges and other receivables	2,646	(18,279)
Prepaid expenses amd other assets	794	(103)
Accounts payable and accrued expenses	4,641	3,842
Net Cash Provided by Operating Activities	<u>9,454</u>	<u>86,229</u>
NET CHANGE IN CASH	9,454	86,229
CASH, Beginning of Year	<u>193,838</u>	<u>107,609</u>
CASH, End of Year	<u>\$ 203,292</u>	<u>\$ 193,838</u>

The accompanying notes are an integral part of these financial statements.

A PARTNERSHIP FOR CHANGE, INC.

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023 and 2022

NOTE 1 - ORGANIZATION:

A Partnership for Change, Inc. (“APFC”) is a New Jersey-based non-profit organization dedicated to ending intimate partner violence through the provision of education and outreach programs. APFC also provides crisis intervention, short-term counseling and referral to victims within its programs. Grant funded programs include PREP (training for law enforcement personnel); DATA (workshops for school counselors and social workers); PowerBack (a school-based program addressing abuse in teen dating relationships); and DV-SOS (presentations for social service agency personnel). APFC also operates fee-based initiatives with revenue supporting operating costs; these include IPVA (a professional training series); Expert Witness Services (testimony and consultation on select DV cases); and Workshops on Request (custom-designed presentations for community organizations and businesses). Currently, APFC does not conduct fundraising events or annual appeals; private donations from foundations or individuals are unsolicited.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

**Accounting Framework**

The financial statements of APFC have been prepared on the accrual basis of accounting. APFC adheres to accounting principles generally accepted in the United States of America (“U.S. GAAP”).

**Basis of Presentation**

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-205, *Presentation of financial statements of Not-for-Profit Entities*. As amended by Accounting Standards Update No. 2016-14, APFC is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions - Net assets that generally result from program service fees and general contributions that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

**Contributions and Public Support**

Contributions are reported as restricted support or unrestricted support, distinguishing between the existence or absence of donor-imposed restrictions. Net assets with donor restrictions are those whose donor-imposed restrictions, as to a specific purpose or time, have not yet been met or are those with donor-imposed restrictions on the corpus of the gifts specifying they be maintained in perpetuity. Net assets without donor restrictions include all resources that are not subject to donor-imposed restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. As of June 30, 2023 and 2022, APFC had no permanently restricted net assets.

Support from government grants is recognized according to the specific agreement. Generally, revenues from restricted grants are recognized in the period of the grant award to the extent of the expenses incurred.

A PARTNERSHIP FOR CHANGE, INC.

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

**In-kind donations**

Donated goods or services are recorded as contributions at their fair market value; this includes time donated by volunteers and management and discounts from vendors – both of which qualify for matching donations toward government grant contracts. Management tracks donated time on timesheets and reports it on the statement of functional expenses as salaries under management and general and fundraising; corresponding payroll taxes or fringes are not allocated because this represents time donated.

**Refundable advances**

Amounts received from government granting agencies in advance of future expenditures for the grant award program. As of June 30, 2023 and 2022 APFC had no refundable advances.

**Revenue Recognition**

Program service fees are deemed to be in exchange for the benefits of program services provided by APFC and are recorded as revenue in the period the services are provided.

APFC's policy is to utilize the allowance method for uncollectible pledges, grants and program service fees receivable. At June 30, 2023 and 2022, APFC believes all pledges, grants and program service fees receivable will be fully collected within one year. Accordingly, no allowance for doubtful accounts is required.

**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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

Investments and certificates of deposit with a term to maturity of three months or less at the time of acquisition are considered cash equivalents. There were no cash equivalents at June 30, 2023 and 2022. APFC uses the indirect method of presenting the statement of cash flows.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis on the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefits. General and administrative expenses are those not directly identifiable with any specific function, but which provide for the overall support and direction of APFC.

The financial statements contain certain categories of expense that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries and related expenses are allocated based on time and effort performed. Additional expenses are allocated based on direct costs within the program or department.

A PARTNERSHIP FOR CHANGE, INC.

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023 and 2022

NOTE 3 – GOVERNMENT GRANTS RECEIVABLE:

Government grants receivables expected to be collected within one year are as follows at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
State of New Jersey:		
DATA	\$ 12,871	\$ 14,555
DV-SOS	44,841	26,935
DV-SOS/Preferred	20,297	22,755
PowerBack HHH	39,745	25,087
PowerBack SRP	38,720	25,273
PREP Training	11,247	10,939
	<u>          </u>	<u>          </u>
Total Government grants receivable	<u>\$ 167,721</u>	<u>\$ 125,544</u>

NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS:

For the years ended June 30, 2023 and 2022, net assets with donor restrictions consist of time restricted donor pledges receivable in the amounts of \$17,500 and \$20,000, respectively. During 2023, net assets were released from donor restriction through collection of pledge receivable.

NOTE 5 – INCOME TAXES:

APFC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. APFC had no uncertain tax positions as of June 30, 2023 in accordance with Accounting Standards Codification (“ASC”) Topic 740, “Income Taxes”, which provides standards for establishing and classifying any tax provisions for uncertain tax positions. APFC is no longer subject to federal or state tax examinations by tax authorities for the year ended June 30, 2020 and prior years.

NOTE 6 – CONCENTRATIONS AND CONTINGENCIES:

Economic Dependency:

For each of the years ended June 30, 2023 and 2022, APFC received approximately 74% of its total support and revenue through government grants and contracts made by various federal and state agencies. If those agencies significantly reduce or cease grant payments, APFC’s ability to continue providing services would be compromised.

Government Funding:

Pursuant to APFC’s contractual relationships with certain government funding sources, outside governmental agencies have the right to examine the books and records of APFC involving transactions relating to these contracts. The accompanying financial statements make no provisions for possible adjustments.

A PARTNERSHIP FOR CHANGE, INC.

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023 and 2022

NOTE 7 – RISKS AND UNCERTAINTIES:

In January 2021, the World Health Organization has declared the outbreak of a novel coronavirus (“COVID-19”) as a public health emergency of international concern, which continues to spread throughout the world, including the United States and in the geographic area where APFC is located. When the pandemic broke, the agency acted quickly to move program components to webinars, which enabled the agency to continue to provide training and presentations online and avoiding a disruption in services from fiscal year 2021. APFC also upgraded its technology which allowed staff to work remotely therefore allowing APFC to retain the same level of staffing during 2023 as had been in 2021 making it unnecessary to apply for Payroll Protection Program (PPP) support. APFC remains committed to in-person services. As of the date of this report, APFC is open with no limits on in-person services while also continuing to provide services via on-line formats.

NOTE 8 – LIQUIDITY AND AVAILABILITY:

APFC has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Financial assets are sufficiently liquid in the event of an unexpected financial crisis while maintaining adequate reserves for future programming opportunities. The following table reflects the APFC’s financial assets (cash and cash equivalents) as of June 30, 2023 and 2022:

APFC continually searches for opportunities to receive unrestricted donations to support its programming and administrative functions. During the year, APFC maintains a cash flow projection to continually monitor cash flow needs to manage and meet general expenditures.

	<u>2023</u>	<u>2022</u>
Cash	\$ 203,292	\$ 193,838
Government grants receivable	167,721	125,544
Other receivables	<u>25,633</u>	<u>28,279</u>
 Total financial assets	 396,646	 347,661
 Less amounts not available to be used within one year:		
Donor restricted net assets	<u>17,500</u>	<u>20,000</u>
 Financial assets available to meet general expenditures within one year	 <u>\$ 379,146</u>	 <u>\$ 327,661</u>

A PARTNERSHIP FOR CHANGE, INC.

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023 and 2022

NOTE 9 – SUBSEQUENT EVENTS:

Management has evaluated events through the date of the independent auditors' report, the date the financial statements were available to be issued and has determined that there are no subsequent events requiring recording or disclosure in these financial statements.

A PARTNERSHIP FOR CHANGE, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the year Ended June 30, 2023

Federal Grantor	Federal CFDA Number	Pass-through Entity Identifying Name	Pass-through Entity Identifying Number	Grant Period	Award Amount	Provided to Subrecipients	Total Federal Expenditures
<b>Federal Awards</b>							
U.S. Department of Justice, Office for Victims of Crime, Office of Justice Programs, pass-through, New Jersey Department of Law and Public Safety, Office of the Attorney General:							
Crime Victim Assistance	16.575	SOS/Preferred	VAG-200-18	09/01/21 - 08/31/22	\$ 75,000	-	\$ 15,448
Crime Victim Assistance	16.575	SOS/Pref/Acenda	VAG-01-19	9/1/22 - 8/31/23	\$ 75,000	-	61,747
Crime Victim Assistance	16.575	DV-SOS	VAG-04-20	09/01/21 - 08/31/23	\$ 275,000	-	159,936
Crime Victim Assistance	16.575	PwrBk HHH	VAG-05-20	09/01/21 - 08/31/23	\$ 275,000	-	145,156
Crime Victim Assistance	16.575	PwrBk SRP	VAG-06-20	09/01/21 - 08/31/23	\$ 275,000	-	147,308
						<u>-</u>	<u>529,596</u>
U.S. Department of Justice, Office for Victims of Crime, Office of Justice Programs, pass-through, New Jersey Department of Law and Public Safety, Office of the Attorney General:							
Violence Against Women Formula Grants	16.588	PREP	VAWA-55-21	07/01/2022 - 06/30/23	\$ 45,000	-	45,000
Violence Against Women Formula Grants	16.588	DATA	VAWA-54-21	07/01/2022 - 06/30/23	\$ 45,000	-	45,000
						<u>-</u>	<u>90,000</u>
<b>Total Expenditures of Federal Awards</b>						<u>\$ -</u>	<u>\$ 619,596</u>

A PARTNERSHIP FOR CHANGE, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2023

NOTE 1 - BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of A Partnership for Change, Inc. under programs of the federal government for the year ended June 30, 2023. Because the schedule presents only a selected portion of the operations of A Partnership for Change, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of A Partnership for Change, Inc.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. This basis of accounting is described in Note 2 to the financial statements of A Partnership for Change, Inc.'s financial statements.

NOTE 3 – INDIRECT COSTS:

Although a Partnership for Change is permitted to use the 10-percent de minimis indirect cost rate when allocating indirect costs to federal programs, the agency has chosen not to claim the 10-percent de minimis on federal grants during its fiscal year ended June 30, 2023. Indirect costs were covered by the agency's fee-for-service revenues and by funds from other unrestricted donations.

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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

To the Board of Directors of  
A Partnership for Change, Inc.

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 A Partnership for Change, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, 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 November 2, 2023.

#### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered A Partnership for Change, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of A Partnership for Change, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of A Partnership for Change, Inc.'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 A Partnership for Change, 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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Westwood, New Jersey  
November 2, 2023

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