



**Volunteers for Youth Justice**

**FINANCIAL STATEMENTS**

June 30, 2021

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**FINANCIAL STATEMENTS**

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# REPORT





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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Volunteers for Youth Justice  
Shreveport, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Volunteers for Youth Justice (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, 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; this includes 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 *Government 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 from material misstatement.

An audit involves performing procedures to obtain audit 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 auditors consider 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 that 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 Volunteers for Youth Justice as of June 30, 2021, 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.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head, the Schedule of Revenue and Expenditures – CASA Assistance Program Grant, and the Justice System Funding Schedule – Receiving Entity are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2021, on our consideration of Volunteers for Youth Justice's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Volunteers for Youth Justice's 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 Volunteers for Youth Justice's internal control over financial reporting and compliance.

*Carr, Riggs & Ingram, L.L.C.*

**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana  
November 17, 2021





# FINANCIAL STATEMENTS



**Volunteers for Youth Justice  
Statement of Financial Position**

<i>June 30,</i>	<b>2021</b>
<b>Assets</b>	
Current assets	
Cash	\$ 714,748
Grants and contracts receivable	258,120
Total current assets	972,868
Non-current assets	
Property and equipment, net	53,773
Beneficial interest in assets of foundation	326,190
Other	6,496
Total non-current assets	386,459
Total assets	\$ 1,359,327
<b>Liabilities and Net Assets</b>	
Current liabilities	
Accounts payable	\$ 3,287
Accrued expenses	15,499
Performance obligation liabilities	32,500
Total current liabilities	51,286
Total liabilities	51,286
Net assets	
Without donor restrictions	766,426
With donor restrictions	541,615
Total net assets	1,308,041
Total liabilities and net assets	\$ 1,359,327

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

**Volunteers for Youth Justice  
Statement of Activities**

<i>For the year ended June 30,</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>2021 Total</b>
<b>Revenue and Other Support</b>			
Contributions	\$ 85,408	\$ 54,947	\$ 140,355
Paycheck Protection Program loan forgiveness		308,800	308,800
Foundation and local grants	-	766,000	766,000
Federal grants	-	806,439	806,439
State grants	-	781,850	781,850
Local government contracts	67,500	778,303	845,803
In-kind rent	118,682	-	118,682
Fundraisers and special events	-	42,320	42,320
Other miscellaneous support	72,558	-	72,558
Program service fees	8,048	-	8,048
Interest income	5,154	-	5,154
Unrealized gains (losses)	70,533	-	70,533
Net assets released from restrictions	3,294,500	(3,294,500)	-
<b>Total revenue and other support</b>	<b>3,722,383</b>	<b>244,159</b>	<b>3,966,542</b>
<b>Expenses</b>			
Program services			
CASA	1,301,755	-	1,301,755
Court programs	1,274,662	-	1,274,662
Youth programs	326,326	-	326,326
<b>Total program services</b>	<b>2,902,743</b>	<b>-</b>	<b>2,902,743</b>
Supporting services			
Management and general	328,061	-	328,061
Fundraising	54,671	-	54,671
<b>Total supporting services</b>	<b>382,732</b>	<b>-</b>	<b>382,732</b>
<b>Total expenses</b>	<b>3,285,475</b>	<b>-</b>	<b>3,285,475</b>
<b>Change in Net Assets</b>	<b>436,908</b>	<b>244,159</b>	<b>681,067</b>
Net assets at beginning of year	329,518	297,456	626,974
Net assets at end of year	\$ 766,426	\$ 541,615	\$ 1,308,041

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



**Volunteers for Youth Justice  
Statement of Functional Expenses**

<i>For the Year Ended June 30,</i>	<b>Program Services</b>				<b>Supporting Services</b>		<b>2021 Total</b>
	CASA	Court Programs	Youth Programs	Total Program Services	Management and General	Fundraising	
Salaries and benefits	\$ 1,034,353	\$ 930,918	\$ 103,435	\$ 2,068,706	\$ 141,256	\$ 46,834	\$ <b>2,256,796</b>
Contract labor	1,116	18,763	76,613	96,492	19,000	-	<b>115,492</b>
Professional services	-	-	-	-	23,700	-	<b>23,700</b>
Rent expense	77,702	82,707	31,883	192,292	3,600	-	<b>195,892</b>
Dues and subscriptions	4,325	5,273	3,876	13,474	7,663	-	<b>21,137</b>
Depreciation	5,236	-	1,759	6,995	-	-	<b>6,995</b>
Program expense	30,144	165,940	87,449	283,533	-	-	<b>283,533</b>
Insurance	45,080	40,572	4,508	90,160	6,156	2,041	<b>98,357</b>
Postage	4,403	2,451	419	7,273	-	-	<b>7,273</b>
Printing	16,779	14,909	602	32,290	-	-	<b>32,290</b>
Repairs and maintenance	-	-	-	-	6,660	-	<b>6,660</b>
Technology	38,116	8,590	10,869	57,575	-	-	<b>57,575</b>
Training	169	1,085	700	1,954	69,025	-	<b>70,979</b>
Travel	24,491	2,620	2,441	29,552	-	-	<b>29,552</b>
Utilities	6,708	-	-	6,708	-	-	<b>6,708</b>
Meals and entertainment	-	-	-	-	1,831	-	<b>1,831</b>
Conference and meetings	1,482	730	1,167	3,379	-	-	<b>3,379</b>
Bank and credit card fees	-	-	-	-	143	-	<b>143</b>
Volunteer expenses	11,651	104	605	12,360	37,840	-	<b>50,200</b>
Fundraising and events	-	-	-	-	-	5,796	<b>5,796</b>
Other	-	-	-	-	11,187	-	<b>11,187</b>
<b>Total Functional Expenses</b>	<b>\$ 1,301,755</b>	<b>\$ 1,274,662</b>	<b>\$ 326,326</b>	<b>\$ 2,902,743</b>	<b>\$ 328,061</b>	<b>\$ 54,671</b>	<b>\$ 3,285,475</b>

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

**Volunteers for Youth Justice**  
**Statement of Cash Flows**

*For the year ended June 30,*

**2021**

**Cash Flows from Operating Activities**

Change in net assets	\$	681,067
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation		6,995
Unrealized (gains) losses		(70,533)
Paycheck Protection Program loan forgiveness		(308,800)
Changes in operating assets and liabilities		
Grants and contracts receivable		(29,576)
Other assets		(1,352)
Accounts payable		751
Accrued expenses		(15,051)
Performance obligation liabilities		(2,500)

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Net cash provided by (used in) operating activities		<b>261,001</b>
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**Cash Flows from Investing Activities**

Decrease in beneficial interest in assets of foundation		10,199
Purchase of fixed assets		(43,288)

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Net cash provided by (used in) investing activities		<b>(33,089)</b>
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Net change in cash and cash equivalents		<b>227,912</b>
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Cash and cash equivalents, beginning of year		<b>486,836</b>
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Cash and cash equivalents, end of year	\$	<b>714,748</b>
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**Schedule of Certain Cash Flow Information**

Cash paid for interest	\$	-
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**Schedule of Non-Cash Investing and Financing Activities**

Paycheck Protection Program loan forgiveness	\$	<b>308,800</b>
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*The accompanying notes are an integral part of these financial statements.*

## Volunteers for Youth Justice Notes to the Financial Statements

### Note 1: DESCRIPTION OF THE ORGANIZATION

Volunteers for Youth Justice (the Organization), is a volunteer-based, community supported nonprofit organization whose mission is to provide a community caring for children, youth, and families in crisis. Volunteers for Youth Justice's programs include the following:

#### **CASA**

Specially trained, volunteer Court Appointed Special Advocates (CASA) serve as officers of the court and "friends" to children in need. These volunteer advocates are assigned by judges to speak on behalf of children who have been placed in foster care due to abuse or neglect. Their primary objective is to ensure that each child is placed in a safe, permanent home.

#### **Court Programs**

*TASC (Truancy Assessment Service Center)* – The purpose of TASC is to provide early identification and assessment of truant children in grades K-5 and the prompt delivery of coordinated interventions to prevent continued unexcused absences.

*Facts of Life Program* – A character development curriculum. This program designed to provide adjudicated juvenile offenders from the age of 12-16 with a method of decision making. This program shows participants what is required for a rewarding quality of life and at the same time providing participants with a set of guidelines for making choices by which a good life can be obtained and maintained.

*FINS (Families in Need of Services)* – Programs for families on the verge of crisis due to the ungovernable behavior of a child. The primary goal of FINS is to secure appropriate services to remedy the family's dysfunction.

*Truancy FINS* – Specialized FINS officers work with the Caddo Parish school system, children and their families to identify the root cause of excessive unexcused absences and secure appropriate services to remedy the cause.

#### **Youth Programs**

*Jumpstart* – A diversion program providing educational workshops in a support group setting with volunteer facilitators trained to address the needs of at risk youth.

*Gems & Gents Mentoring* – A program that brings together young people with adult mentors who assist with their educational, relational, and emotional development through group sessions, recreational activities, and community service. The Leadership Academy is a program of Gems & Gents, to provide a safe and supportive environment, whereby students are encouraged to improve their academic achievement, develop life skills, and embrace the servant leadership model for giving back to their school and community.

*Conflict Resolution* – A collaborative effort between Volunteers for Youth Justice and the Caddo Parish School Board, designed to address the dynamics that lead to violent behavior, with the goal of preventing future school fight violations.

*Teen Court* – A program designed to offer non-violent, first-time juvenile offenders the opportunity to be judged by a jury of their peers, accept responsibility for their actions, and make restitution for their offenses.



## Volunteers for Youth Justice Notes to the Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### ***Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

#### ***Use of Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of 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.

#### ***Cash and Cash Equivalents***

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

#### ***Grants and Contracts Receivable***

Grants and contracts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of patrons to meet their obligations.

Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

#### ***Property and Equipment***

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to five years.

#### ***Beneficial Interest in Assets of Foundation***

Transfers of funds to the Community Foundation of North Louisiana, specifying Volunteers for Youth Justice as the beneficiary, are accounted for as an asset, in accordance with generally accepted accounting principles, and presented in the statement of financial position under the caption beneficial interest in assets of foundation.

## Volunteers for Youth Justice Notes to the Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Net Assets***

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

#### ***Revenue Recognition***

Program service fees and payments under certain contracts are accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (Topic 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied. Prior to the adoption of Topic 606, the Organization recognized revenue when persuasive evidence of an arrangement existed, delivery of services had occurred, the transaction price was fixed or determinable and collectability was reasonably assured. Income from certain contracts received in advance are deferred and recognized over the periods to which the dates and fees relate. These amounts are included in performance obligation liabilities within the statement of financial position.

A significant portion of the Organization's grants and contracts are from government agencies. These benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. When applicable, funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.



## Volunteers for Youth Justice Notes to the Financial Statements

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets with donor restrictions and net assets released from restrictions.

#### ***Donated Assets***

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

#### ***Donated Services***

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Many volunteers donate significant amounts of time to Volunteers for Youth Justice in furthering its programs and objectives. These services are not recognized as contributions in the financial statements because the recognition criteria were not met.

#### ***Functional Allocation of Expenses***

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll, payroll taxes, and employee benefits are allocated based on actual percentages of employees in each functional area. Occupancy costs are allocated on a square footage basis. Supplies and depreciation are allocated based on the use of the related assets. Utilities are allocated based on usage studies conducted annually.

#### ***Income Taxes***

Under section 501(c)(3) of the Internal Revenue Code and comparable state law, the Organization is exempt from taxes on income other than unrelated business income, as defined by Section 509(a)(1) of the Code. Volunteers for Youth Justice currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded.

The Organization utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2021, the Organization has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

## Volunteers for Youth Justice Notes to the Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 17, 2021, and determined there were no subsequent events that occurred that required disclosure.

#### ***Recent Accounting Pronouncements***

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This guidance specifies that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU and its amendments supersede the revenue recognition requirements in Topic 605, *Revenue Recognition*, and most industry specific guidance.

Effective July 1, 2020, the Organization adopted Topic 606, using the modified retrospective method. This method allows the standard to be adopted retrospectively through a cumulative adjustment to net assets recognized upon adoption; however, the adoption of Topic 606 had no effect on the beginning net assets. The initial application was applied to all contracts at July 1, 2020.

#### ***Accounting Guidance Not Yet Adopted***

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled Leases. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Organization is currently evaluating the impact of the guidance on its financial statements.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to bring more transparency and consistency to the presentation and disclosure of gifts-in-kind (GIKs). While many not-for-profits (NFPs) already separately report GIKs and make some of the disclosures required by ASU 2020-07, the new standard will bring presentation and disclosure consistency across NFPs. The standard is effective for fiscal years beginning after June 15, 2021. Early adoption is permitted. The Organization is currently evaluating the impact of the guidance on its financial statements.



**Volunteers for Youth Justice**  
**Notes to the Financial Statements**

**Note 3: FINANCIAL ASSET AVAILABILITY**

The Organization maintains its financial assets primarily in cash and cash equivalents as well as grants and contract receivables due within one year to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>June 30,</i>	<b>2021</b>
Financial assets, at year-end	\$ 1,299,058
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions	
Restricted by donor with time or purpose restrictions	<b>(326,190)</b>
Financial assets available to meet cash needs for general expenditures within one year	<b>\$ 972,868</b>

Financial assets at year-end as noted in the above schedule exclude property and equipment and other assets.

Volunteers for Youth Justice's beneficial interest in assets of foundation consist of donor-restricted gifts to be held in perpetuity. Income from the beneficial interest in assets of foundation is subject to an implicit time restriction and is not available for general expenditure.

**Note 4: GRANTS AND CONTRACTS RECEIVABLE**

Grants and contracts receivable consist of the following:

<i>June 30,</i>	<b>2021</b>
Louisiana Judicial Branch (CASA AP)	\$ 147,950
Louisiana Commission of Law Enforcement (Youth Diversion)	2,597
Louisiana Commission of Law Enforcement (CVA)	22,445
Louisiana Commission of Law Enforcement (TBRI VAP)	19,250
Louisiana Commission of Law Enforcement (TASC)	7,087
Office of Juvenile Justice (Youth Diversion)	12,500
Juvenile Court of Caddo Parish (FINS)	7,297
Juvenile Court of Caddo Parish (Facts of Life)	12,240
Office of Parish Attorney	20,000
LSU College of Human Sciences & Education	5,714
Miscellaneous	1,040
Total grants and contracts receivable	<b>258,120</b>
Allowance for uncollectible receivables	-
Grants and contracts receivable, net	<b>\$ 258,120</b>

## Volunteers for Youth Justice Notes to the Financial Statements

### Note 5: PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

<i>June 30,</i>	Estimated Useful Lives (in years)		<b>2021</b>
Furniture and equipment	3 - 5	\$	<b>87,943</b>
Less accumulated depreciation			<b>(34,170)</b>
Property and equipment, net		\$	<b>53,773</b>

For the year ended June 30, 2021, depreciation expense was \$6,995.

### Note 6: BENEFICIAL INTEREST IN ASSETS OF FOUNDATION

In 2008, Volunteers for Youth Justice established a designated agency endowment fund agreement with the Community Foundation of North Louisiana (the Foundation) called "The Carolyn Williams Beard Endowment for Volunteers for Youth Justice Fund" (the Fund). As the initial gift to the Fund, Volunteers for Youth Justice deposited \$110,300 from permanently restricted net assets. Later that year, an additional \$30,000 of permanently restricted net assets was also deposited by Volunteers for Youth Justice into the Fund. The Community Foundation then provided a dollar-for-dollar match of \$100,000 of endowment as a permanently restricted contribution into the Fund. The Foundation has ownership of the funds while the Organization retains a beneficial interest in the earnings and capital appreciation. Net investment income and/or capital appreciation of the endowment fund, as governed by the Foundation's spending policy, is distributed to Volunteers for Youth Justice at least annually for as long as Volunteers for Youth Justice is a qualified charitable Organization.

The value of the fund at June 30, 2021, was \$326,190. For the year ended June 30, 2021, the Fund earned interest and dividends, which are reflected as net assets with donor restrictions in the financial statements. As of June 30, 2021, a distribution of \$11,201 was received by the Organization from the fund and used for operations.

Activity of this beneficial interest is summarized as follows:

<i>June 30,</i>		<b>2021</b>
Balance, beginning of year	\$	<b>265,856</b>
Interest and dividends		<b>4,485</b>
Net realized and unrealized gains		<b>69,862</b>
Distributions to Volunteers for Youth Justice		<b>(11,201)</b>
Administrative fees		<b>(2,812)</b>
Balance, end of year	\$	<b>326,190</b>

**Volunteers for Youth Justice**  
**Notes to the Financial Statements**

**Note 7: NET ASSETS**

A summary of net assets without donor restrictions follows:

<i>June 30,</i>	<b>2021</b>
Undesignated	\$ 712,653
Invested in property and equipment	53,773
Total net assets without donor restrictions	\$ 766,426

A summary of net assets with donor restrictions follows:

<i>June 30,</i>	<b>2021</b>
Time restricted	\$ 326,190
Purpose restricted	
Super Hero Run	10,500
Close Up	7,425
City of Shreveport cooperative endeavor agreement	7,500
Community Foundation TASC Truancy grant	190,000
Total net assets with donor restrictions	\$ 541,615

Net assets were released from donor restrictions during 2021 by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by the donors as follows:

<i>For the year ended June 30,</i>	<b>2021</b>
Satisfaction of purpose restrictions	
Contributions	\$ 54,947
Grants and contracts	2,898,933
Fundraisers and special events	31,820
Paycheck Protection Program loan	308,800
Total net assets released from restrictions	\$ 3,294,500

**Note 8: DONATED ASSETS**

Volunteers for Youth Justice receives in-kind contributions of office space donated by First Presbyterian Church, Caddo Parish School Board, Caddo Parish Commission, and Willis-Knighton Health System. For the year ended June 30, 2021, \$118,682 was recorded for in-kind contributions and rent expense.



## Volunteers for Youth Justice Notes to the Financial Statements

### Note 9: REVENUE

In accordance with Topic 606, the Organization is recognizing revenue over time for certain cooperative endeavor agreements with local governmental entities. As of June 30, 2021, there was \$32,500 of performance obligations to be satisfied, of which the entire amount is expected to be recognized in revenue in the fiscal year ending June 30, 2022. Revenue of \$35,000 was recognized for the year ended June 30, 2021, that was related to prior year performance obligations. These performance obligations are based upon cooperative endeavor agreements related to the Organization's diversionary program for the aid and intervention of children involved in the juvenile court system (Jump Start). The Organization's method of recognizing revenue is the input method for performance obligations to be satisfied over time.

Also in accordance with Topic 606, the Organization is recognizing revenue at a point in time for program service fees from various court and youth programs. As of June 30, 2021, the Organization had no outstanding performance obligations related to program service fees.

The Organization's remaining revenues from contributions, grants, contracts, fundraisers, and other sources are recognized in accordance with FASB ASC Topic 958, *Not-for-Profit Entities* (Topic 958).

#### ***Disaggregated Revenue***

Approximately 89% of Topic 606 revenue earned was recognized over time, consisting of cooperative endeavor agreements local government entities. The remaining 11% of Topic 606 revenue was recognized at a point in time, consisting of program service fee revenue.

A summary of disaggregated revenue information follows:

<i>For the year ended June 30,</i>	<b>2021</b>
Topic 606 revenue	
Recognized over time - Parish of Bossier	\$ 45,000
Recognized over time - Parish of Caddo	22,500
Recognized at a point in time - program service fees	8,048
Total Topic 606 revenue	75,548
Revenue not recognized in accordance with Topic 606	3,890,994
Total revenue	\$ 3,966,542

## Volunteers for Youth Justice Notes to the Financial Statements

### Note 9: REVENUE (Continued)

#### *Disaggregated Revenue (Continued)*

The Organization's customers for the purpose of Topic 606 are local governments located in Caddo and Bossier Parishes and local families in Northwest Louisiana. The cooperative endeavor agreements with local governments are based on a calendar year and are funded at the beginning of each contract year, as such, the Organization has no outstanding receivables at year-end. The remaining performance obligations related to these contracts of \$32,500 are included as performance obligation liabilities in contract balances below.

Program service fees are collected from local families participating in the court and youth programs at the time services are rendered. Accordingly, there are no contract assets or contract liabilities associated with these services.

#### **Contract Balances**

A summary of contract balances follows:

<i>June 30,</i>	<b>2021</b>
Performance obligation liabilities, beginning of the year	\$ 35,000
Performance obligation liabilities, end of the year	\$ 32,500

### Note 10: PAYCHECK PROTECTION PROGRAM

In April 2020, the Organization received a forgivable loan in the amount of \$308,800 under the Paycheck Protection Program (PPP) pursuant to the CARES Act and administered by the SBA. The PPP provides for forgivable loans to qualifying organizations. The loan and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll costs, rent and utilities and the borrower maintains specified levels of payroll and employment.

In December 2020, the Organization formally received forgiveness of the PPP loan from the SBA. The Organization recognized the PPP loan forgiveness of \$308,800 as revenue during the year ended June 30, 2021. Further, loans issued under \$2 million may be subject to audit by the SBA. The Organization may be required to return a portion of the loan proceeds at the conclusion of the SBA audit. Any proceeds required to be returned will be repaid under the statutory terms of the PPP Program, including interest at 1%.

## Volunteers for Youth Justice Notes to the Financial Statements

### Note 11: CONCENTRATIONS

Financial instruments that are exposed to concentrations of credit risk consist of cash and grants and contracts receivables. Grant and contracts receivables are principally with federal, state, local agencies, and foundations within the geographic area. Realization of these items is dependent on various individual economic conditions, and Volunteers for Youth Justice does not require collateral or other security to support accounts receivable. Receivables are carried at estimated net realizable values. As of June 30, 2021, 77% of grants and contracts receivable were due from two funding sources.

Approximately 48% of Volunteers for Youth Justice's revenue, excluding in-kind contributions, was from three funding sources for the year ended June 30, 2021. The current level of Volunteers for Youth Justice's operations and program services may be impacted or segments discontinued if the funding is not renewed.

The Organization maintains cash with a financial institution in excess of the FDIC limit of \$250,000 by \$518,642 at June 30, 2021.

### Note 12: COMMITMENTS

Volunteers for Youth Justice has several operating leases for the rental of office space and office equipment that expire in various years through 2023. The minimum annual commitments under non-cancelable operating leases are as follows:

<i>For the years ending June 30,</i>	<b>Amount</b>
2022	\$ 50,813
2023	1,459
Total	<b>\$ 52,272</b>

Rent expense for the year ended June 30, 2021 was \$195,892, including \$118,682 of contributed rent.

### Note 13: DEFINED CONTRIBUTION PLAN

Volunteers for Youth Justice maintains a Simple IRA retirement plan for its employees. Volunteers for Youth Justice contributes 3% of eligible wages. Contributions for the year ended June 30, 2021 totaled \$20,240.

## **Volunteers for Youth Justice Notes to the Financial Statements**

### **Note 14: CONTINGENCIES**

Volunteers for Youth Justice receives grants that are subject to review and audit by the agency providing the funding. Such reviews and audits could result in expenses being disallowed under the terms and conditions of the grants. In the opinion of management, such disallowances, if any, would be immaterial.

### **Note 15: RISKS AND UNCERTAINTIES**

In March 2020, the World Health Organization made the assessment that the outbreak of the novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the ongoing operating activities and the future results of the Organization. The occurrence and extent of such an impact will depend on future developments, including (i) the and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.



# SUPPLEMENTARY INFORMATION





**Volunteers for Youth Justice  
Schedule of Compensation, Reimbursements, Benefits, and  
Other Payments to Agency Head  
For the Year Ended June 30, 2021**

**Agency Head Name: Kelli Todd, Executive Director**

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 94,334
Payroll taxes	\$ 11,410
Retirement	\$ 2,676
Insurance (Heath)	\$ 12,881
Insurance (Life)	\$ 1,440
Cell phone	\$ 1,200
Travel	\$ 75

*See Independent Auditors' Report.*

**Volunteers for Youth Justice  
Schedule of Revenue and Expenditures – CASA Assistance Program Grant  
For the Year Ended June 30, 2021**

<b>Revenue</b>	
Federal - TANF	\$ 419,702
State - CASA AP	428,380
<hr/>	
Total revenue	848,082
<hr/>	
<b>Expenditures</b>	
Salaries	447,929
Fringe	106,754
Professional services	14,087
Operating expenses	124,431
Travel	19,302
Training	1,810
Supplies	11,016
Printing and copying	795
Administrative costs	121,958
<hr/>	
Total expenditures	848,082
<hr/>	
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ -</b>
<hr/>	

*See Independent Auditors' Report.*

**Volunteers for Youth Justice  
Justice System Funding Schedule – Receiving Entity  
For the Year Ended June 30, 2021**

Identifying Information

Entity Name	Volunteers for Youth Justice	
LLA Entity ID #	7141	
Date that reporting period ended	6/30/2021	

	First Six Month Period Ended	Second Six Month Period Ended
Cash Basis Presentation	12/31/2020	6/30/2021

Receipts From:

Juvenile Court for Caddo Parish - Civil Fees	\$ 440	\$ 1,080
Subtotal Receipts	\$ 440	\$ 1,080
Ending Balance of Amounts Assessed but Not Received	\$ -	\$ 80

Note: The additional Collecting/Disbursing Schedule required under Act 87 is not applicable for Volunteers for Youth Justice, as the entity only receives funds.



# REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS





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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  
Volunteers for Youth Justice  
Shreveport, Louisiana

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 Volunteers for Youth Justice (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, 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 17, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Volunteers for Youth Justice'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 Volunteers for Youth Justice's internal control. Accordingly, we do not express an opinion on the effectiveness of the Volunteers for Youth Justice'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.



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Volunteers for Youth Justice'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 financial statements. 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.

*Carr, Riggs & Ingram, L.L.C.*

**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana

November 17, 2021

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors  
Volunteers for Youth Justice  
Shreveport, Louisiana

**Report on Compliance for Each Major Federal Program**

We have audited Volunteers for Youth Justice's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Volunteers for Youth Justice's major federal programs for the year ended June 30, 2021. Volunteers for Youth Justice's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Volunteers for Youth Justice's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Volunteers for Youth Justice's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Volunteers for Youth Justice's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Volunteers for Youth Justice 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 June 30, 2021.

## Report on Internal Control Over Compliance

Management of Volunteers for Youth Justice is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Volunteers for Youth Justice's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Volunteers for Youth Justice's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

*Carr, Riggs & Ingram, L.L.C.*

**CARR, RIGGS & INGRAM, LLC**

Shreveport, Louisiana  
November 17, 2021



**Volunteers for Youth Justice  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2021**

**Section I – Summary Of Auditors’ Results**

***Financial Statements***

- |  |            |
|--|------------|
| 1. Type of auditors’ report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weaknesses identified?   | No         |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to the financial statements noted?                     | No         |

***Federal Awards***

- |  |            |
|--|------------|
| 1. Type of auditors’ report issued on compliance for major programs  | Unmodified |
| 2. Internal control over major programs:   |            |
| a. Material weaknesses identified?   | No         |
| b. Significant deficiencies identified not considered to be material weaknesses?                             | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? | No         |

4. Identification of major programs

<b>Assistance Listing Number</b>	<b>Federal Program</b>
93.558	Temporary Assistance for Needy Families (TANF)

- |  |           |
|--|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs | \$750,000 |
| 6. Auditee qualified as low-risk under 2CFR 200.520                        | No        |

**Volunteers for Youth Justice  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2021**

**Section II – Financial Statement Findings**

No matters were reported.

**Section III – Federal Award Findings and Questioned Costs**

No matters were reported.

**Section IV – Summary of Prior Year Findings**

No matters were reported.



**Volunteers for Youth Justice  
Schedule of Expenditures and Federal Awards  
For the Year Ended June 30, 2021**

Federal Agency Pass-through Grantor Program Title	Assistance Listing Number	Contract/ Grant Number	Expenditures	Payments to Subrecipients
<b>Federal Awards</b>				
<b>Department of Health and Human Services</b>				
Passed through the State of Louisiana Supreme Court				
Temporary Assistance for Needy Families (TANF)	93.558	FY 2020-2021	\$ 419,702	\$ -
Total Department of Health and Human Services			419,702	-
<b>Department of Justice</b>				
Passed through the Louisiana Commission on Law Enforcement				
Juvenile Justice and Delinquency Prevention	16.540	2019-JF-22-5579 2018-VA-03-5151 &	36,277	
Crime Victim Assistance	16.575	2018-VA-03-5155	350,460	-
Total Department of Justice			386,737	-
Total Expenditures of Federal Awards			\$ 806,439	\$ -

See Independent Auditors' Report.

**Volunteers for Youth Justice**  
**Notes to Schedule of Expenditures and Federal Awards**  
**For the Year Ended June 30, 2021**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal spending of Volunteers for Youth Justice (the Organization) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the financial statements. Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not represent the financial position of the Organization.

**Note 2: INDIRECT COST RATE**

The Uniform Guidance allows an organization to elect a 10% de minimis indirect cost rate. For the year ended June 30, 2021, Volunteers for Youth Justice did not elect to use this rate.

**Note 3: LOAN / LOAN GUARANTEE OUTSTANDING BALANCES**

Volunteers for Youth Justice did not have any federal loans or loan guarantees outstanding during the year ended June 30, 2021.

**Note 4: SUBRECIPIENTS**

During the year ended June 30, 2021, Volunteers for Youth Justice had no subrecipients.

**Note 5: NONCASH ASSISTANCE AND OTHER**

Volunteers for Youth Justice did not receive any noncash assistance or federally funded insurance during the year ended June 30, 2021.

**Note 6: CONTINGENCIES**

Grant monies received and disbursed by Volunteers for Youth Justice are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon experience, Volunteers for Youth Justice does not believe that such disallowance, if any, would have a material effect on the financial position of Volunteers for Youth Justice.

**Note 7: FEDERAL PASS-THROUGH FUNDS**

Volunteers for Youth Justice is also the subrecipient of federal funds that have been subjected to testing and are reported as expenditures and listed as federal pass-through funds. Federal awards other than those indicated as pass-through are considered to be direct.