

**CRIMINAL JUSTICE COORDINATING COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2020**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Criminal Justice Coordinating Council
Baton Rouge, LA

Report on the Financial Statements

We have audited the accompanying financial statements of Criminal Justice Coordinating Council (a non-profit organization), which comprise the statement of financial position as of December 31, 2020, and the related statement of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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 auditor's 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 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 Criminal Justice Coordinating Council as of December 31, 2020, and the changes in its net assets, functional expense, and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2021, on our consideration of Criminal Justice Coordinating Council'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 the results of that testing, and not to provide an opinion on the effectiveness of Criminal Justice Coordinating Council'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 Criminal Justice Coordinating Council's internal control over financial reporting and compliance.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with 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.



Daigrepont & Brian, APAC
Baton Rouge, LA

June 1, 2021

**CRIMINAL JUSTICE COORDINATING COUNCIL
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020**

ASSETS

Current Assets

Cash	149,976
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Total Current Assets	149,976
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Property and Equipment, Net	3,515
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Total Assets	\$ 153,491
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	2,398
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Due to BRAF	11,712
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Total Current Liabilities	14,110
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Total Liabilities	14,110
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Net Assets

Without Donor Restrictions	26,117
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With Donor Restrictions	113,264
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Total Net Assets	139,381
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Total Liabilities and Net Assets	\$ 153,491
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See accompanying notes and independent auditors' report.

**CRIMINAL JUSTICE COORDINATING COUNCIL
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDING DECEMBER 31, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES			
Gifts and Grants	\$ -	\$ 594,634	\$ 594,634
Other Income	29,554	-	29,554
Net Assets Released from Restriction	587,243	(587,243)	
Total Revenues	<u>616,797</u>	<u>7,391</u>	<u>624,188</u>
EXPENSES			
Program Services	503,326	-	503,326
Supporting Services			
Management and General	87,354	-	87,354
Total Expenses	<u>590,680</u>	<u>-</u>	<u>590,680</u>
CHANGE IN NET ASSETS	26,117	7,391	33,508
Net Assets - Beginning of Year	<u>-</u>	<u>105,873</u>	<u>105,873</u>
Net Assets - End of Year	<u><u>\$ 26,117</u></u>	<u><u>\$ 113,264</u></u>	<u><u>\$ 139,381</u></u>

See accompanying notes and independent auditors' report.

**CRIMINAL JUSTICE COORDINATING COUNCIL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDING DECEMBER 31, 2020**

	Program Services	Management & General	Total
Admin Fees	\$ -	\$ 24,731	\$ 24,731
Depreciation	657	164	821
Employee Benefits	18,310	4,578	22,888
Insurance	2,009	502	2,511
Office Expense	4,450	1,113	5,563
Payroll Taxes	15,642	3,910	19,552
Professional Fees	51,761	-	51,761
Program Costs	201,069	-	201,069
Salaries	204,470	51,117	255,587
Travel and Meetings	4,958	1,239	6,197
	<u>\$ 503,326</u>	<u>\$ 87,354</u>	<u>\$ 590,680</u>

See accompanying notes and independent auditors' report.

**CRIMINAL JUSTICE COORDINATING COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING DECEMBER 31, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 33,508
Adjustments to reconcile net revenues over expenses to net cash provided by operating activities:	
Depreciation	821
Decrease in accounts receivable	105,873
Increase in accounts payable	2,398
Increase in due to BRAF	<u>11,712</u>
Net cash provided by operating activities	154,312

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of fixed assets	<u>(4,336)</u>
Net cash used in investing activities	(4,336)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from PPP loan	\$ 29,335
Forgiveness of PPP loan	<u>(29,335)</u>
Net cash provided by financing activities	<u>-</u>

INCREASE IN CASH	149,976
CASH, BEGINNING OF YEAR	<u>-</u>
CASH, END OF YEAR	<u><u>\$ 149,976</u></u>

See accompanying notes and independent auditors' report.

**CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2020**

1. Summary of Significant Accounting Policies

Organization

The Criminal Justice Coordinating Council (CJCC) was formed to foster and promote collaboration, inclusion, and equity among justice leaders, service providers, and community representatives in East Baton Rouge Parish. The CJCC is a diverse group of leaders that include elected and senior officials, law enforcement, judicial and court leadership, and behavioral health professionals who strive to develop effective ways to administrate an equitable justice system and advance public safety.

The CJCC operates a pre-trial diversion and recovery program through funding from the City of Baton Rouge and Parish of East Baton Rouge. The goal of this program is to provide safer, more effective alternatives to incarceration.

The CJCC also operates various social reform initiatives including a Rapid Case Assessment Team (RCAT). This program is a collaborative partnership among key justice stakeholders who focus on case review, service connection and identifying racial, ethnic and socioeconomic disparities for newly arrested individuals charged with nonviolent misdemeanor and/or low-level felony offenses to ultimately reduce the average prison population and length of stay.

Basis of Accounting

The current year financial statements of the CJCC have been prepared on the accrual basis of accounting according to accounting principles generally accepted in the United States of America. Accordingly, all significant receivables, payables and other liabilities are reflected in the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash

Cash consists of deposits held with a bank.

Property and Equipment

Property and equipment are stated at cost less allowances for depreciation. Depreciation is computed using the straight line method over the estimated useful life of the asset which is 3 years.

**CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2020**

1. Summary of Significant Accounting Policies - Continued

Net Assets

The CJCC reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions are net assets that are not subject to donor-imposed restrictions and are available for use at the organization's discretion.

Net Assets With Donor Restrictions are net assets subject to donor-imposed restrictions that may or will be met by either actions of the organization or the passage of time. Once the restrictions are met, they are reclassified to net assets without donor restrictions.

Revenue Recognition

Revenue from gifts and grants are recorded as revenue when received or when an unconditional promise to give is made. Gifts and grants received are available for unrestricted use unless there is a restriction imposed by the awarding entity or agency.

Functional Expenses

The CJCC allocates its expenses on a functional basis among its various programs. Expenses that can be identified with a specific program are allocated directly according to their natural expense classification. Other expenses are allocated between programs and supporting services based on management's best estimate of time, percentage, or square footage used, among other factors.

Donated Services

Unpaid board members conduct a significant portion of the CJCC' functions. The value of this contributed time is not reflected in the accompanying financial statements since the service performed does not meet the criteria necessary for recognition.

Income Taxes

The CJCC accounts for income taxes in accordance with FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes* . Management believes it has no material uncertain tax positions and, accordingly has not recognized a liability for any unrecognized tax benefits.

The CJCC is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The CJCC first filed a Form 990 with tax year 2019.

Subsequent Events

In preparing these financial statements the CJCC has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditors' report, which is the date the financial statements were available to be issued.

**CRIMINAL JUSTICE COORDINATING COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDING DECEMBER 31, 2020**

1. Summary of Significant Accounting Policies - Continued

Advertising

The CJCC expenses all advertising costs as incurred.

2. Concentrations

From time to time the CJCC maintains cash balances in banks that are in excess of FDIC insurable limits. Management periodically evaluates the integrity of the entities that hold the CJCC's cash.

The CJCC derives substantially all of its revenues from gifts and grants. Concentrations of revenue from gifts and grants are as follows:

	<u>Revenue</u>	<u>Percentage</u>
Gift and Grant 1	\$ 230,000	39%
Gift and Grant 2	364,409	61%

3. Commitments and Contingencies

Gifts and grants are subject to potential examination from the awarding entity or agency for proper expenditure of funds. Such examinations could lead to requests for reimbursement of expenditures disallowed under the terms of the agreement. It is the opinion of management that any potential examinations will not result in any requests for reimbursement.

4. Property and Equipment

Property and equipment, related service lives, and accumulated depreciation at year end is as follows:

	<u>Estimated Service Lives</u>	<u>Amount</u>
Furniture and Equipment	3 years	<u>\$ 4,336</u>
		4,336
Accumulated Depreciation		<u>(821)</u>
Property and Equipment, Net		<u><u>\$ 3,515</u></u>

5. Liquidity and Availability of Financial Assets

The following reflects the CJCC's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of a contractual or donor imposed restrictions within one year of the balance sheet date.

Financial Assets at Year End	
Cash	\$ 149,976
Less: Donor Imposed Restrictions	<u>(113,264)</u>
Financial Assets Available for General Expenditures	<u><u>\$ 36,712</u></u>

**CRIMINAL JUSTICE COORDINATING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2020**

6. Net Assets with Donor Restrictions

Changes in net assets with donor restrictions during the year were as follows:

	Beginning of Year	Increases	Decreases	End of Year
Pre-trial Diversion Program	\$ 105,873	\$ 230,000	\$ (225,726)	\$ 110,147
Justice Reform Initiatives	-	364,634	(361,517)	3,117
	<u>\$ 105,873</u>	<u>\$ 594,634</u>	<u>\$ (587,243)</u>	<u>\$ 113,264</u>

The increases in net assets noted above are designed to fund various programs as stipulated by the awarding entity or agency. When the related purpose restriction is satisfied, these net assets with donor restrictions are released to net assets without donor restrictions and reported on the statement of activities as net assets released from restrictions.

7. PPP Loan

During the year the CJCC received a Payroll Protection Program (PPP) loan from the SBA in the amount of \$29,554. The purpose of this loan was to maintain payroll and other operating expense during the COVID-19 pandemic. The terms of the loan allow for the amount to be forgiven in full if the funds are used for payroll and certain operating expenses prior to December 31, 2020. Management feels it has meet the requirements to have the loan forgiven at year end and has recognized the loan amount as income.

Subsequent to year end the CJCC requested and the SBA granted forgiveness of the loan in full.

8. Subsequent Events

In preparing the financial statements, the CJCC has evaluated events and transactions for potential recognition and disclosure through the date of the independent auditors report which is the date the financial statements were available to be issued.

**CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF COMPENSATION, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDING DECEMBER 31, 2020**

Executive Director: Chris Csonka

Salary	\$ 114,583
Employee Benefits	<u>6,545</u>
	<u>\$ 121,128</u>

See accompanying notes and independent auditors' report.

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
Criminal Justice Coordinating Council
Baton Rouge, LA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Criminal Justice Coordinating Council (a non-profit organization) which comprise the statement of financial position as of December 31, 2020 and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 1, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Criminal Justice Coordinating Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Criminal Justice Coordinating Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Criminal Justice Coordinating Council's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or 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 the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Criminal Justice Coordinating Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, 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.

A handwritten signature in black ink that reads "Daigrepoint & Brian APAC". The signature is written in a cursive, flowing style.

Daigrepoint & Brian, APAC
Baton Rouge, LA

June 1, 2021

**CRIMINAL JUSTICE COORDINATING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

We have audited the financial statements of the Criminal Justice Coordinating Council, as of December 31, 2020, and for the year then ended, and have issued our report thereon dated June 1, 2021. 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.

Summary of Auditors' Reports

Type of auditor's report issued	<u>Unmodified</u>	
Material weakness(es) identified?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Significant deficiencies identified that are not considered to be a material weakness?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Compliance		
Noncompliance material to the financial statements	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Findings

There are no findings for the year ended December 31, 2020

Questioned Costs

There are no questioned costs for the year ended December 31, 2020

**CRIMINAL JUSTICE COORDINATING COUNCIL
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Summary of Prior Audit Findings

The Criminal Justice Coordinating Council did not have an audit in the prior year.