



Volunteers for Youth Justice

FINANCIAL STATEMENTS

June 30, 2022

**REPORT**

Independent Auditors' Report	1
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FINANCIAL STATEMENTS

Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7

Notes to the Financial Statements	8
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SUPPLEMENTARY INFORMATION

Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head	19
Schedule of Revenue and Expenditures – CASA Assistance Program Grant	20
Justice System Funding Schedule – Receiving Entity	21

REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS

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 <i>Government Auditing Standards</i>	22
Schedule of Findings and Questioned Costs	24



REPORT





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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

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, 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 Volunteers for Youth Justice as of June 30, 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*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Volunteers for Youth Justice and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Volunteers for Youth Justice'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 auditors' 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 Volunteers for Youth Justice'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 Volunteers for Youth Justice's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 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. 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 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 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 December 30, 2022, 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 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
December 30, 2022



FINANCIAL STATEMENTS



Volunteers for Youth Justice Statement of Financial Position

<i>June 30,</i>	2022
Assets	
Current assets	
Cash	\$ 754,277
Grants and contracts receivable	276,169
Total current assets	1,030,446
Non-current assets	
Property and equipment, net	39,879
Beneficial interest in assets of foundation	297,545
Other	6,863
Total non-current assets	344,287
Total assets	\$ 1,374,733
Liabilities and Net Assets	
Current liabilities	
Accounts payable	\$ 3,827
Accrued expenses	26,687
Performance obligation liabilities	32,500
Total current liabilities	63,014
Total liabilities	63,014
Net assets	
Without donor restrictions	904,174
With donor restrictions	407,545
Total net assets	1,311,719
Total liabilities and net assets	\$ 1,374,733

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>	Without Donor Restrictions	With Donor Restrictions	2022 Total
Revenue and Other Support			
Contributions	\$ 111,885	\$ 67,576	\$ 179,461
Foundation and local grants	21,198	253,165	274,363
Federal grants	-	693,302	693,302
State grants	-	825,708	825,708
Local government contracts	80,000	829,715	909,715
In-kind rent	119,964	-	119,964
Fundraisers and special events	-	141,045	141,045
Other miscellaneous support	69,171	-	69,171
Program service fees	14,096	-	14,096
Interest and dividend income	868	8,243	9,111
Unrealized gains (losses)	-	(22,110)	(22,110)
Net assets released from restrictions	2,930,714	(2,930,714)	-
Total revenue and other support	3,347,896	(134,070)	3,213,826
Expenses			
Program services			
CASA	1,293,566	-	1,293,566
Court programs	1,190,526	-	1,190,526
Youth programs	285,503	-	285,503
Total program services	2,769,595	-	2,769,595
Supporting services			
Management and general	317,631	-	317,631
Fundraising	122,922	-	122,922
Total supporting services	440,553	-	440,553
Total expenses	3,210,148	-	3,210,148
Change in Net Assets	137,748	(134,070)	3,678
Net assets at beginning of year	766,426	541,615	1,308,041
Net assets at end of year	\$ 904,174	\$ 407,545	\$ 1,311,719

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>	Program Services				Supporting Services		2022 Total
	CASA	Court Programs	Youth Programs	Total Program Services	Management and General	Fundraising	
Salaries and benefits	\$ 1,015,341	\$ 913,807	\$ 101,534	\$ 2,030,682	\$ 152,847	\$ 63,220	\$ 2,246,749
Contract labor	3,741	15,910	78,496	98,147	19,000	-	117,147
Professional services	-	-	-	-	23,700	-	23,700
Rent expense	77,702	71,112	44,760	193,574	3,600	-	197,174
Dues and subscriptions	5,278	4,357	3,984	13,619	8,963	-	22,582
Depreciation	5,235	-	8,658	13,893	-	-	13,893
Program expense	36,143	107,005	24,440	167,588	-	-	167,588
Insurance	35,067	31,560	3,507	70,134	5,285	2,186	77,605
Postage	3,608	1,531	294	5,433	-	-	5,433
Printing	23,326	11,377	852	35,555	-	-	35,555
Repairs and maintenance	-	-	-	-	6,888	-	6,888
Technology	18,682	3,579	5,509	27,770	-	-	27,770
Training	3,535	2,425	100	6,060	63,351	-	69,411
Travel	39,925	19,263	9,131	68,319	-	-	68,319
Utilities	8,294	-	-	8,294	-	-	8,294
Meals and entertainment	-	-	-	-	2,005	-	2,005
Conference and meetings	9,936	7,361	2,107	19,404	-	-	19,404
Volunteer expenses	7,753	1,239	2,131	11,123	19,315	-	30,438
Fundraising and events	-	-	-	-	-	57,516	57,516
Other	-	-	-	-	12,677	-	12,677
Total Functional Expenses	\$ 1,293,566	\$ 1,190,526	\$ 285,503	\$ 2,769,595	\$ 317,631	\$ 122,922	\$ 3,210,148

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

Volunteers for Youth Justice Statement of Cash Flows

<i>For the year ended June 30,</i>	2022
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Cash Flows from Operating Activities	
Change in net assets	\$ 3,678
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Depreciation	13,893
Unrealized (gains) losses	22,110
Changes in operating assets and liabilities	
Grants and contracts receivable	(18,048)
Other assets	(367)
Accounts payable	540
Accrued expenses	11,188
<hr/>	
Net cash provided by (used in) operating activities	32,994
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Cash Flows from Investing Activities	
Decrease in beneficial interest in assets of foundation	6,535
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Net cash provided by (used in) investing activities	6,535
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Net change in cash and cash equivalents	39,529
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Cash and cash equivalents, beginning of year	714,748
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Cash and cash equivalents, end of year	\$ 754,277
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Schedule of Certain Cash Flow Information	
Cash paid for interest	\$ -
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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. The 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, 2022, 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, December 30, 2022, and determined there were no subsequent events that occurred that required disclosure.

Recent Accounting Pronouncements

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 Organization adopted ASU 2020-07 on July 1, 2021. Adoption of the standard did not have a material impact on the financial statements, with the exception of increased disclosure.

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.

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>	2022
Financial assets, at year-end	\$ 1,327,991
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	(297,545)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,030,446

Volunteers for Youth Justice Notes to the Financial Statements

Note 3: FINANCIAL ASSET AVAILABILITY (CONTINUED)

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>	2022
Louisiana Judicial Branch (CASA AP)	\$ 80,544
Louisiana Commission of Law Enforcement (CVA)	34,044
Louisiana Commission of Law Enforcement (TBRI VAP)	18,528
Louisiana Commission of Law Enforcement (TASC)	14,167
Office of Juvenile Justice (Youth Diversion)	11,167
Office of Juvenile Justice (MRC)	8,833
State of Louisiana	4,125
Juvenile Court for Caddo Parish	90,901
City of Shreveport	12,820
Miscellaneous	1,040
Total grants and contracts receivable	276,169
Allowance for uncollectible receivables	-
Grants and contracts receivable, net	\$ 276,169

Note 5: PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

<i>June 30,</i>	Estimated Useful Lives (in years)	2022
Furniture and equipment	3 - 5	\$ 87,943
Less accumulated depreciation		(48,064)
Property and equipment, net		\$ 39,879

For the year ended June 30, 2022, depreciation expense was \$13,893.

Volunteers for Youth Justice Notes to the Financial Statements

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, 2022, was \$297,545. For the year ended June 30, 2022, the Fund earned interest and dividends, which are reflected as net assets with donor restrictions in the financial statements. As of June 30, 2022, a distribution of \$11,597 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>	2022
Balance, beginning of year	\$ 326,190
Interest and dividends	8,243
Net realized and unrealized loss	(22,110)
Distributions to Volunteers for Youth Justice	(11,597)
Administrative fees	(3,181)
Balance, end of year	\$ 297,545

Note 7: NET ASSETS

A summary of net assets without donor restrictions follows:

<i>June 30,</i>	2022
Undesignated	\$ 864,295
Invested in property and equipment	39,879
Total net assets without donor restrictions	\$ 904,174

Volunteers for Youth Justice
Notes to the Financial Statements

Note 7: NET ASSETS (CONTINUED)

A summary of net assets with donor restrictions follows:

<i>June 30,</i>	2022
Time restricted	\$ 297,545
Purpose restricted	
TASC Truancy grant	110,000
Total net assets with donor restrictions	\$ 407,545

Net assets were released from donor restrictions during 2022 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>	2022
Expiration of time restrictions	\$ 14,778
Satisfaction of purpose restrictions	
Contributions	67,576
Grants and contracts	2,689,390
Fundraisers and special events	158,970
Total net assets released from restrictions	\$ 2,930,714

Note 8: GIFTS-IN-KIND

The Organization's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value.

The Organization 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 use by CASA, Court Programs, and Youth Programs. For the year ended June 30, 2022, \$119,964 was recorded for in-kind contributions and rent expense based on estimated fair value per square foot for similar space.

All gifts-in-kind received by the Organization for the year ended June 30, 2022 were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

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, 2022, 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, 2023. Revenue of \$32,500 was recognized for the year ended June 30, 2022, 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, 2022, 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 85% of Topic 606 revenue earned was recognized over time, consisting of cooperative endeavor agreements with local government entities. The remaining 15% 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>	2022
Topic 606 revenue	
Recognized over time - Parish of Bossier	\$ 50,000
Recognized over time - Parish of Caddo	30,000
Recognized at a point in time - program service fees	14,096
Total Topic 606 revenue	94,096
Revenue not recognized in accordance with Topic 606	3,119,730
Total revenue	\$ 3,213,826

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:

<u>June 30,</u>	<u>2022</u>
Performance obligation liabilities, beginning of the year	\$ 32,500
Performance obligation liabilities, end of the year	\$ 32,500

Note 10: 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, 2022, 86% of grants and contracts receivable were due from three funding sources.

Approximately 51% of Volunteers for Youth Justice's revenue, excluding in-kind contributions, was from three funding sources for the year ended June 30, 2022. 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 \$564,613 at June 30, 2022.

Volunteers for Youth Justice Notes to the Financial Statements

Note 11: COMMITMENTS

Volunteers for Youth Justice has several operating leases for the rental of office space and office equipment that expire in various years through 2027. The minimum annual commitments under non-cancelable operating leases are as follows:

<i>For the years ending June 30,</i>	Amount
2023	\$ 58,057
2024	4,986
2025	5,085
2026	5,187
2027	5,291
Thereafter	442
<hr/>	
Total	\$ 79,048

Rent expense for the year ended June 30, 2022 was \$191,174, including \$119,964 of contributed rent.

Note 12: 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, 2022 totaled \$20,548.

Note 13: CONTINGENCIES

Grants

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.

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. In December 2020, the Organization formally received forgiveness of the PPP loan from the SBA. PPP 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 any such SBA audit. Any proceeds required to be returned will be repaid under the statutory terms of the PPP Program, including interest at 1%. The Organization must retain all records relating to its PPP loan for six year from the date the loan was forgiven.



SUPPLEMENTARY INFORMATION



**Volunteers for Youth Justice
Schedule of Compensation, Reimbursements, Benefits, and
Other Payments to Agency Head
For the Year Ended June 30, 2022**

Agency Head Name: Kelli Todd, Executive Director

Purpose	Amount	
Salary	\$	102,988
Payroll taxes	\$	7,589
Retirement	\$	2,935
Insurance (Health)	\$	13,166
Insurance (Life)	\$	1,440
Cell phone	\$	1,200
Reimbursements	\$	420
Travel	\$	932

See Independent Auditors' Report.

**Volunteers for Youth Justice
Schedule of Revenue and Expenditures – CASA Assistance Program Grant
For the Year Ended June 30, 2022**

Revenue	
Federal - TANF	\$ 418,287
State - CASA AP	459,508
<hr/>	
Total revenue	877,795
<hr/>	
Expenditures	
Salaries	472,113
Fringe	107,550
Professional services	15,455
Operating expenses	127,923
Travel	34,801
Training	1,985
Equipment	4,275
Supplies	7,594
Printing and copying	2,520
Administrative costs	103,579
<hr/>	
Total expenditures	877,795
<hr/>	
Excess (deficiency) of revenues over expenditures	\$ -
<hr/>	

See Independent Auditors' Report.

**Volunteers for Youth Justice
Justice System Funding Schedule – Receiving Entity
For the Year Ended June 30, 2022**

Identifying Information

Entity Name	Volunteers for Youth Justice
LLA Entity ID #	7141
Date that reporting period ended	6/30/2022

	First Six Month Period Ended	Second Six Month Period Ended
Cash Basis Presentation	12/31/2021	6/30/2022

Receipts From:

Juvenile Court for Caddo Parish - Civil Fees	\$ 560	\$ 520
Subtotal Receipts	\$ 560	\$ 520
Ending Balance of Amounts Assessed but Not Received	\$ 80	\$ 120

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



REPORT ON INTERNAL CONTROL





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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, 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, and have issued our report thereon dated December 30, 2022.

Report on 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 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

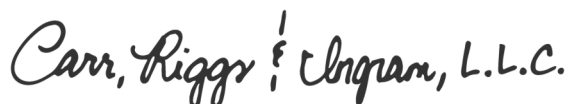
any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on 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, LLC

Shreveport, Louisiana
December 30, 2022

**Volunteers for Youth Justice
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2022**

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

Not applicable.

Section II – Financial Statement Findings

No matters were reported.

Section III – Summary of Prior Year Findings

No matters were reported.



Volunteers for Youth Justice

STATEWIDE AGREED-UPON PROCEDURES REPORT

June 30, 2022



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Volunteers for Youth Justice
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. Volunteers for Youth Justice's management is responsible for those C/C areas identified in the SAUPs.

Volunteers for Youth Justice (the Organization) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Results: No exceptions were found as a result of applying the procedure.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

Results: The Organization's written policies do not include how new vendors are added to the vendor list.

- c) **Disbursements**, including processing, reviewing, and approving.

Results: No exceptions were found as a result of applying the procedure.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Results: No exceptions were found as a result of applying the procedure.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Results: No exceptions were found as a result of applying the procedure.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Results: The Organization's written policies do not include legal review of contracts.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Results: No exceptions were found as a result of applying the procedure.

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results: No exceptions were found as a result of applying the procedure.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Results: This procedure is not applicable as Volunteers for Youth Justice is not a governmental entity.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: This procedure is not applicable as Volunteers for Youth Justice is not a governmental entity.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results: No exceptions were found as a result of applying the procedure.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: This procedure is not applicable as Volunteers for Youth Justice is not a governmental entity.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Results: No exceptions were found as a result of applying the procedure.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Results: No exceptions were found as a result of applying the procedure.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results: This procedure is not applicable as Volunteers for Youth Justice is not a governmental entity.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Results: No exceptions were found as a result of applying the procedure.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Results: No exceptions were found as a result of applying the procedure.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: One exception was identified relating to documentation reflecting management researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Results: CRI obtained a list of deposits sites and management's representation that the listing was complete. Volunteers for Youth Justice has one deposit site.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.

Results: No exceptions were found as a result of applying the procedure.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Results: No exceptions were found as a result of applying the procedure.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Results: No exceptions were found as a result of applying the procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results: No exceptions were found as a result of applying the procedure.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Results: No exceptions were found as a result of applying the procedure.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

Results: No exceptions were found as a result of applying the procedure.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Results: No exceptions were found as a result of applying the procedure.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Results: No exceptions were found as a result of applying the procedure.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Results: Four exceptions were identified where the deposit was not made within one business day of receipt.

- e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were found as a result of applying the procedure.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results: CRI obtained listing of locations that process payments and management's representation that the listing was complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Results: No exceptions were found as a result of applying the procedure.

- b) At least two employees are involved in processing and approving payments to vendors.

Results: No exceptions were found as a result of applying the procedure.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Results: No exceptions were found as a result of applying the procedure.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results: No exceptions were found as a result of applying the procedure.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

Results: No exceptions were found as a result of applying the procedure.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: No exceptions were found as a result of applying the procedure.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: CRI obtained a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period and management's representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Results: One exception was identified where the Executive Director reviewed and approved her own credit card charges for the period.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Results: No exceptions were found as a result of applying the procedure.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: There were 3 of 18 transactions subject to this procedure that did not have written documentation of the business purpose of the transaction on file.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Results: No exceptions were found as a result of applying the procedure.

b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Results: No exceptions were found as a result of applying the procedure.

c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Results: No exceptions were found as a result of applying the procedure.

d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No exceptions were found as a result of applying the procedure.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Results: This procedure is not applicable as the contracts selected were not required to be bid in accordance with the Louisiana Public Bid Law.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

Results: This procedure is not applicable as Volunteers for Youth Justice's policies did not require board approval of the contracts selected.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Results: This procedure is not applicable as the contracts selected were not amended.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were found as a result of applying the procedures.

Payroll and Personnel

- 16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results: No exceptions were found as a result of applying the procedure.

- 17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

Results: No exceptions were found as a result of applying the procedure.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Results: No exceptions were found as a result of applying the procedure.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results: No exceptions were found as a result of applying the procedure.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results: No exceptions were found as a result of applying the procedure.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Results: No exceptions were found as a result of applying the procedure.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were found as a result of applying the procedure.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results: This procedure is not applicable to Volunteers for Youth Justice as a nonprofit.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Results: This procedure is not applicable to Volunteers for Youth Justice as a nonprofit.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: This procedure is not applicable to Volunteers for Youth Justice as a nonprofit.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results: Management represented that no misappropriations of public funds and assets occurred during the fiscal period.

24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: The notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds is not posted on Volunteers for Youth Justice's website. No other exceptions were identified.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

Results: We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Results: We performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Results: We performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Results: This procedure is not applicable to Volunteers for Youth Justice as a nonprofit.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

Results: This procedure is not applicable to Volunteers for Youth Justice as a nonprofit.

28. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Results: This procedure is not applicable to Volunteers for Youth Justice as a nonprofit.

We were engaged by Volunteers for Youth Justice to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Volunteers for Youth Justice and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

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

CARR, RIGGS, & INGRAM, LLC

Shreveport, Louisiana

December 30, 2022

December 30, 2022

Louisiana Legislative Auditor
1600 North 3rd Street
Baton Rouge, LA 70802
and
Carr, Riggs & Ingram, LLC
1000 East Preston Avenue, Suite 200
Shreveport, LA 71105

RE: Management's Response to Agreed-Upon Procedures

Management of Volunteers for Youth Justice has reviewed the Independent Accountants' Report on Applying Agreed-Upon Procedures. We are in agreement with the report of Carr, Riggs & Ingram, LLC. Volunteers for Youth Justice will add policies and procedures and implement changes as considered necessary and cost-beneficial to meet the expectations identified in the report and future agreed-upon procedures engagements.



Name

Executive Director

Title

