

Financial Report

Judges and Lawyers Assistance Program, Inc.

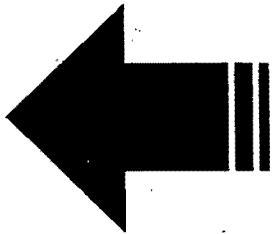
June 30, 2021



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Financial Report

Judges and Lawyers Assistance Program, Inc.

June 30, 2021



Financial Report

Judges and Lawyers Assistance Program, Inc.

June 30, 2021

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Mandeville, Louisiana

June 30, 2021 and 2020

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Judges and Lawyers Assistance Program, Inc.,
Mandeville, Louisiana.

Report on the Financial Statements

We have audited the accompanying financial statements of Judges and Lawyers Assistance Program, Inc., which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Judges and Lawyers Assistance Program, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer (Schedule 1) for the year ended June 30, 2021, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by Louisiana Revised Statute 24:513(A)(3). 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.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana.
December 28, 2021.

STATEMENTS OF FINANCIAL POSITION**Judges and Lawyers Assistance Program, Inc.**
Mandeville, Louisiana

June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Current assets:		
Cash	\$466,502	\$281,274
Grants and contributions receivable	30,000	30,000
Accounts receivable	18,123	15,781
Prepaid expenses	5,832	3,927
	<u>520,457</u>	<u>330,982</u>
Total current assets		
Property and equipment, net	-	-
Deposits	<u>2,250</u>	<u>2,250</u>
Total assets	<u><u>\$522,707</u></u>	<u><u>\$333,232</u></u>
Liabilities		
Current liabilities:		
Accounts payable	\$ 4,210	\$ 5,541
Accrued salaries and benefits	<u>18,905</u>	<u>19,485</u>
Total current liabilities	23,115	25,026
Long-term liability:		
Loan payable	<u>-</u>	<u>75,200</u>
	23,115	100,226
Net Assets		
Without donor restrictions	<u>499,592</u>	<u>233,006</u>
Total liabilities and net assets	<u><u>\$522,707</u></u>	<u><u>\$333,232</u></u>

See notes to financial statements.

STATEMENTS OF ACTIVITIES

Judges and Lawyers Assistance Program, Inc.
Mandeville, Louisiana

For the years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Support and Revenue Without Donor Restrictions:		
Grants and contributions	\$443,082	\$433,907
Paycheck Protection Program loan forgiveness	75,818	-
Governmental grant	61,877	61,877
Monitoring fees	45,083	50,270
Seminars	-	200
Interest income	38	21
	<u>625,898</u>	<u>546,275</u>
Expenses:		
Program services	250,385	370,864
Support services	108,927	170,141
	<u>359,312</u>	<u>541,005</u>
Change in net assets without donor restrictions	266,586	5,270
Net assets at beginning of year	<u>233,006</u>	<u>227,736</u>
Net assets at end of year	<u><u>\$499,592</u></u>	<u><u>\$233,006</u></u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES**Judges and Lawyers Assistance Program, Inc.**
Mandeville, Louisiana

For the year ended June 30, 2021

	<u>Program Services</u> Substance Abuse Counseling	<u>Support Services</u> Management and General	<u>Totals</u>
Salaries and related taxes	\$ 169,263	\$ 61,991	\$ 231,254
Employee benefits	27,667	11,252	38,919
Office lease	20,663	6,888	27,551
Legal and professional fees	932	18,015	18,947
Utilities	8,853	2,367	11,220
Repairs, maintenance, and small equipment	7,812	2,603	10,415
Office supplies and services	4,139	708	4,847
Education programs	3,334	-	3,334
Professional development seminars	3,379	-	3,379
Insurance	826	2,420	3,246
Medical consultant	2,306	-	2,306
Marketing and promotion	-	2,239	2,239
Intervention services	747	-	747
Interest expense	464	154	618
Miscellaneous	-	290	290
	<u> </u>	<u> </u>	<u> </u>
Total functional expenses	<u><u>\$250,385</u></u>	<u><u>\$108,927</u></u>	<u><u>\$359,312</u></u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

Judges and Lawyers Assistance Program, Inc.
Mandeville, Louisiana

For the year ended June 30, 2020

	<u>Program Services</u> Substance Abuse Counseling	<u>Support Services</u> Management and General	<u>Totals</u>
Salaries and related taxes	\$266,808	\$106,760	\$373,568
Employee benefits	44,872	19,104	63,976
Office lease	20,251	6,749	27,000
Legal and professional fees	931	19,547	20,478
Utilities	10,513	2,643	13,156
Repairs, maintenance, and small equipment	6,856	1,910	8,766
Marketing and promotion	-	8,524	8,524
Office supplies and services	5,487	975	6,462
Education programs	4,852	-	4,852
Professional development seminars	4,198	-	4,198
Insurance	1,458	2,639	4,097
Intervention services	2,104	773	2,877
Medical consultant	1,722	-	1,722
Depreciation	812	270	1,082
Miscellaneous	-	247	247
	<u> </u>	<u> </u>	<u> </u>
Total functional expenses	<u>\$370,864</u>	<u>\$170,141</u>	<u>\$541,005</u>

See notes to financial statements.

STATEMENTS OF CASH FLOWS**Judges and Lawyers Assistance Program, Inc.**
Mandeville, Louisiana

For the years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 266,586	\$ 5,270
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	-	1,082
Paycheck Protection Program loan forgiveness	(75,818)	-
Accrual of interest on Paycheck Protection Program loan	618	-
(Increase) decrease in operating assets:		
Accounts receivable	(2,342)	5,140
Prepaid expenses	(1,905)	2,010
Increase (decrease) in operating liabilities:		
Accounts payable	(1,331)	(10,809)
Accrued salaries and benefits	(580)	(542)
Net Increase in Cash - Provided by Operating Activities	<u>185,228</u>	<u>2,151</u>
Cash Flows From Financing Activities		
Proceeds from loan	<u>-</u>	<u>75,200</u>
Net Increase in Cash	185,228	77,351
Cash		
Beginning of year	<u>281,274</u>	<u>203,923</u>
End of year	<u><u>\$466,502</u></u>	<u><u>\$281,274</u></u>
Noncash Financing Activity		
Paycheck Protection Program loan forgiveness	<u><u>\$ 75,818</u></u>	<u><u>\$ -</u></u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Judges and Lawyers Assistance Program, Inc.**
Mandeville, Louisiana

June 30, 2021 and 2020

Note 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a. Organization**

Judges and Lawyers Assistance Program, Inc. (JLAP) was organized on February 8, 1992 as a Louisiana not-for-profit organization. The goal of JLAP is to serve the public, the Louisiana State Bar Association, and the profession by assisting, on a confidential basis, lawyers and judges whose professional impairment may stem from alcoholism, drug abuse, mental health, or gambling.

b. Basis of Accounting

The financial statements of JLAP have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

c. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

d. Cash and Cash Equivalents

For the purposes of the statements of cash flows, JLAP considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents. There were no cash equivalents as of June 30, 2021 and 2020.

Note 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

e. Accounts Receivable

JLAP uses the allowance method to determine uncollectible accounts receivable. Management periodically reviews the status of all accounts receivable balances for collectability. Based on past experience and analysis of receivable collectability, management has determined that no allowance for doubtful accounts is necessary.

f. Property and Equipment

Property and equipment are recorded at cost, net of accumulated depreciation. Repairs and maintenance are charged to expense as incurred. Major renewals and replacements and betterments are capitalized. JLAP follows a policy of capitalizing all expenditures of property and equipment in excess of its capitalization threshold, which was increased from \$1,000 to \$5,000 during the year ended June 30, 2021. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the respective assets which range from five to seven years.

g. Net Assets

JLAP classifies its net assets, revenues, and expenses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restriction - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization.

Net Assets with Donor Restrictions - Net assets subject to stipulations imposed by the grantor or donor to be used for a certain purpose, to benefit a specific accounting period, or to be maintained in perpetuity. Contributions that are restricted by grantors or donors are reported as an increase in net assets without donor restrictions if the restrictions expire in the reporting period in which the contributions are recognized. All other donor-restricted support is reported as increases in net assets with donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions. There were no net assets with donor restrictions as of June 30, 2021 and 2020.

Note 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

h. Support and Revenue

Grants and Contributions

Revenue from grants is recognized when notification of the grant award is received. Contributions are recognized when cash, securities, or 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. Contributions and grants are recorded as unrestricted or restricted support, depending on the existence or nature of any donor or grantor restrictions.

Monitoring Fees

Monitoring fees are paid monthly by participants of JLAP's Substance Abuse Counseling program. Revenue from monitoring fees is recognized in the period to which the fees relate, in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606 *Revenue from Contracts with Customers*.

i. Marketing and Promotion

All costs relating to the marketing and promotion of JLAP's services are expensed as incurred.

j. Compensated Absences

Employees of JLAP are entitled to paid leave depending upon length of service and other factors. Compensated absences are recognized when accrued. Accrued compensated absences were \$9,420 and \$1,817 as of June 30, 2021 and 2020, respectively, and are included in accrued salaries and benefits on the Statements of Financial Position and in salaries and related taxes on the Statements of Functional Expenses.

Note 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

l. Income Taxes

JLAP is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under Section 121(5) of Title 47 of the Louisiana Revised Statutes of 1950.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. They require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained on examination. As of June 30, 2021 and 2020, management of JLAP believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

m. Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among program services and supporting services. Such allocations are determined by management on an equitable basis.

Allocated expenses include the following:

Expense	Method of Allocation
Salaries and related taxes and employee benefits	Time and effort
Office lease, utilities, and depreciation	Square footage
Office supplies and services and repairs maintenance, and small equipment	Estimated employee usage

n. Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through December 28, 2021, which is the date the financial statements were available to be issued.

**Note 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

o. Recent Accounting Pronouncements

Revenue from Contracts with Customers

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), which provides a single comprehensive model for entities to use in accounting for revenue from contracts with customers and supersedes most current revenue recognition models. Subsequent to the issuance of ASU 2014-09, the FASB issued several additional ASUs which amended and clarified the guidance and deferred the effective date to annual reporting periods beginning after December 15, 2019. JLAP adopted the provisions of ASU 2014-09 during its year ended June 30, 2021 and retrospectively applied this standard to the financial statements. The adoption of this accounting standard had no impact on the June 30, 2021 or 2020 financial statements.

Leases

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). ASU 2016-02 requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the Statement of Financial Position. Classification criteria for distinguishing between operating leases and finance leases is similar to the criteria in existing lease accounting guidance for operating and capital leases. As a result, the adoption of ASU 2016-02, will have little to no effect on the Statement of Activities and the Statement of Cash Flows. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. JLAP is currently evaluating the effect that the adoption of this standard will have on its financial statements.

Note 2 - CONCENTRATIONS

JLAP maintains cash balances at a local financial institution where they are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institute. As of June 30, 2021, cash deposits in excess of the insured limits were approximately \$218,000.

For the years ended June 30, 2021 and 2020, JLAP received grants and other awards totaling approximately 81% and 77%, respectively, of total revenues, excluding the loan forgiveness, from two organizations. Funding from one of these organizations, representing approximately 27% of grant revenue for the years ended June 30, 2021 and 2020, is received quarterly and will be ending after December 31, 2021.

Note 3 - PROPERTY AND EQUIPMENT

A summary of property and equipment as of June 30, 2021 and 2020 is as follows:

	2021	2020
Furniture and equipment	\$ 30,219	\$ 30,219
Less accumulated depreciation	(30,219)	(30,219)
Property and equipment, net	\$ -	\$ -

Depreciation expense for the years ended June 30, 2021 and 2020 was \$0 and \$1,082, respectively.

Note 4 - PAYCHECK PROTECTION PROGRAM LOAN

On April 29, 2020, JLAP received a \$75,200 loan from Hancock Whitney Bank under the Paycheck Protection Program (PPP) of the U.S. Small Business Administration (SBA). Interest on the loan was 1%. All expenditures paid from the loan proceeds were approved as eligible for loan forgiveness under the requirements of the PPP program and the debt, including accrued interest of \$618, was repaid by the SBA on February 24, 2021. The forgiveness of the loan is recognized as revenue on the Statement of Activities for the year ended June 30, 2021. The debt obligation was reported as a long-term liability on the Statement of Financial Position as of June 30, 2020.

Note 5 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects JLAP's financial assets as of June 30, 2021:

Financial assets:	
Cash	\$ 466,502
Grants and contributions receivable	30,000
Accounts receivable	18,123
Financial assets available to meet cash needs for general expenditures within one year	\$ 514,625

JLAP maintains funds in cash accounts sufficient to meet its operating needs. In the event that JLAP has funds in excess of its operating needs, such funds may be invested in a prudent manner as determined by the Board.

Note 6 - OPERATING LEASE COMMITMENT

JLAP leases office facilities under a 60 month operating lease agreement that commenced on December 1, 2017 and expires November 30, 2022. Future minimum rent payments are as follows:

Year Ended June 30,	
2022	\$ 28,102
2023	<u>11,710</u>
Total	<u>\$ 39,812</u>

Note 7 - RETIREMENT PLAN

JLAP offers a 401(k) retirement plan to its employees. The plan, which is sponsored by the Louisiana State Bar Association, requires JLAP to contribute 10% of participants' salaries into the plan after two years of employment. JLAP contributed \$17,539 and \$31,268 to the plan for the years ended June 30, 2021 and 2020, respectively.

Note 8 - RELATED PARTY TRANSACTIONS

The Louisiana State Bar Association (LSBA) is the sole member of JLAP; therefore, JLAP is a consolidated entity in the financial statements of LSBA. Transactions between the two entities are considered to be related party transactions.

LSBA provides support to JLAP in the form of unrestricted contributions. LSBA funding totaled \$300,000 for each of the years ended June 30, 2021 and 2020.

Additionally, LSBA collects donations from its members on behalf of JLAP. Amounts collected by LSBA totaled \$21,644 and \$12,369 for the years ended June 30, 2021 and 2020, respectively. As of June 30, 2021 and 2020, \$7,424 and \$5,056, respectively, of these funds were receivable from LSBA.

JLAP offers employee benefits which are administered by the LSBA. As of June 30, 2021 and 2020, \$9,212 and \$17,668, respectively, was due to LSBA for those benefits.

SUPPLEMENTAL INFORMATION

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

Judges and Lawyers Assistance Program, Inc.
Mandeville, Louisiana

For the year ended June 30, 2021

Agency Head Name: Dr. Angela White-Bazile, Executive Director

Purpose

Salary	\$ 25,510
Benefits - insurance	274
Benefits - retirement	0
Benefits - other	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	278
Travel	0
Registration fees	0
Conference travel	2,570
License fees	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0
Other	0
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