
Youth, Rights & Justice

ATTORNEYS AT LAW

An independent, not-for-profit law firm, Est. 1975

FINANCIAL STATEMENTS

Year Ended December 31, 2019

with

Independent Auditors' Report

YOUTH, RIGHTS & JUSTICE

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Independent Auditors' Report

The Board of Directors
Youth, Rights & Justice

Report on the Financial Statements

We have audited the accompanying financial statements of Youth, Rights & Justice, which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Youth, Rights & Justice as of December 31, 2019, 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.

Emphasis of a Matter - Adoption of New Accounting Standard

As discussed in *Note 2* to the financial statements, Youth, Rights & Justice has adopted Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited Youth, Rights & Justice's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 14, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hellman, Seibert & Schmitz, P.C.

Lake Oswego, Oregon
July 23, 2020

YOUTH, RIGHTS & JUSTICE

Statement of Financial Position

December 31, 2019 <i>(With Comparative Amounts for 2018)</i>	2019	2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 437,013	\$ 402,768
Investments <i>(Note 3)</i>	338,628	296,441
Contributions and grants receivable	54,649	48,669
Other receivables	24,688	19,298
Prepaid expenses	83,290	83,781
Total current assets	938,268	850,957
Certificate of deposit	47,683	-
Property and equipment, net <i>(Note 4)</i>	86,576	91,597
Deposit	14,897	14,897
Total assets	<u>\$ 1,087,424</u>	<u>\$ 957,451</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 53,627	\$ 35,959
Accrued vacation	96,216	77,224
Current portion of unearned OPDS revenue <i>(Note 6)</i>	-	12,000
Total current liabilities	149,843	125,183
Deferred rent liability <i>(Note 5)</i>	19,104	23,933
Unearned OPDS revenue, net of current portion <i>(Note 6)</i>	-	104,969
Total liabilities	168,947	254,085
Net assets:		
Without donor restrictions	853,989	634,780
With donor restrictions <i>(Note 8)</i>	64,488	68,586
Total net assets	918,477	703,366
Total liabilities and net assets	<u>\$ 1,087,424</u>	<u>\$ 957,451</u>

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

YOUTH, RIGHTS & JUSTICE

Statement of Activities

Year Ended December 31, 2019 (With Comparative Totals for 2018)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2019	2018
Operating revenue and other support:				
OPDS contract revenue (Note 6)	\$ 2,408,812	\$ -	\$ 2,408,812	\$ 2,408,812
Contributions and grants (Note 9)	268,681	60,833	329,514	283,235
Special events	149,488	-	149,488	147,242
Less direct costs	(47,822)	-	(47,822)	(63,615)
Net proceeds from special events	101,666	-	101,666	83,627
Fees for services	4,220	-	4,220	164,184
Other	17,139	-	17,139	14,450
Net assets released from restriction (Note 8)	64,931	(64,931)	-	-
Net revenue and other support	2,865,449	(4,098)	2,861,351	2,954,308
Expenses:				
Program services	2,365,096	-	2,365,096	2,450,545
Management and general	306,167	-	306,167	293,183
Fundraising	135,879	-	135,879	149,056
Total expenses	2,807,142	-	2,807,142	2,892,784
Increase (decrease) from operations	58,307	(4,098)	54,209	61,524
Non-operating activities:				
Change in unearned OPDS revenue	116,969	-	116,969	(116,969)
Net investment return (loss)	43,933	-	43,933	(13,393)
Total non-operating activities	160,902	-	160,902	(130,362)
Increase (decrease) in net assets	219,209	(4,098)	215,111	(68,838)
Net assets, beginning of year	634,780	68,586	703,366	772,204
Net assets, end of year	\$ 853,989	\$ 64,488	\$ 918,477	\$ 703,366

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

YOUTH, RIGHTS & JUSTICE
Statement of Functional Expenses

Year Ended December 31, 2019 *(With Comparative Totals for 2018)*

	Program Services				Management and General	Fundraising	Total	
	Defense	Advocacy	Education	Total			2019	2018
Salaries and related expenses	\$ 1,671,847	\$ 9,082	\$ 164,361	\$ 1,845,290	\$ 193,762	\$ 101,183	\$ 2,140,235	\$ 2,235,151
Occupancy	183,794	54	14,123	197,971	13,676	8,178	219,825	219,745
Professional services	107,098	42,000	8,550	157,648	56,129	14,847	228,624	232,178
Travel	69,102	359	4,757	74,218	1,973	938	77,129	73,223
Supplies, printing, and postage	18,001	-	840	18,841	2,117	3,230	24,188	35,145
Insurance	18,313	-	1,374	19,687	3,281	395	23,363	23,572
Training and conferences	6,416	-	-	6,416	14,149	-	20,565	5,654
Equipment repair and maintenance	1,344	-	92	1,436	111	67	1,614	160
Memberships	15,009	154	898	16,061	467	199	16,727	17,883
Discovery and case expenses	4,828	-	-	4,828	-	-	4,828	2,986
Depreciation and amortization	19,855	-	1,361	21,216	1,633	987	23,836	22,768
Miscellaneous	1,454	-	30	1,484	18,869	5,855	26,208	24,319
Total expenses	\$ 2,117,061	\$ 51,649	\$ 196,386	\$ 2,365,096	\$ 306,167	\$ 135,879	\$ 2,807,142	\$ 2,892,784

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

YOUTH, RIGHTS & JUSTICE

Statement of Cash Flows

Year Ended December 31, 2019 <i>(With Comparative Totals for 2018)</i>	2019	2018
Cash flows from operating activities:		
Cash received from OPDS	\$ 2,408,812	\$ 2,408,812
Cash received from contributors and grants	425,200	392,296
Interest and dividend income	8,154	7,649
Other receipts	21,359	178,633
Cash paid to employees and vendors	<u>(2,756,374)</u>	<u>(2,887,688)</u>
Net cash provided by operating activities	107,151	99,702
Cash flows from investing activities:		
Purchase of investments	(6,408)	(6,911)
Purchase of a certificate of deposit	(47,683)	-
Purchases of property and equipment	<u>(18,815)</u>	<u>(29,400)</u>
Net cash used by investing activities	<u>(72,906)</u>	<u>(36,311)</u>
Net increase in cash and cash equivalents	34,245	63,391
Cash and cash equivalents, beginning of year	<u>402,768</u>	<u>339,377</u>
Cash and cash equivalents, end of year	<u>\$ 437,013</u>	<u>\$ 402,768</u>

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

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements

1. Nature of Activities

Youth, Rights & Justice (YRJ) is dedicated to improving the lives of vulnerable children and families through legal representation and advocacy in the courts, legislature, schools and community. It is YRJ's vision that all children and families in Oregon receive the support they need to be successful members of the community. Since YRJ's founding in 1975 as a program of Multnomah County Legal Aid, they have represented over 25,000 children and parents in the juvenile court system. In 1985, they became an independent nonprofit and are devoted exclusively to representing children, youth, and parents in juvenile court and at the Court of Appeals. All of their clients are indigent and qualify for public defense services. Because of YRJ's unique position handling court-appointed juvenile cases, they often see the same systemic problems affecting many children and families, and they work to change the policies that contribute to these problems through legislative advocacy and impact litigation. In 2002, YRJ established their acclaimed and innovative SchoolWorks program, which helps vulnerable children succeed in school. YRJ is recognized as a statewide expert, and provide training and technical assistance to attorneys through the Juvenile Law Resource Center. YRJ is supported by state, city, and county contracts, foundation grants, and individual donors.

YRJ's primary source of revenue is from a contract with the Public Defense Services Commission, Office of Public Defense Services (OPDS) which expires June 30, 2020. Support from OPDS during 2019 represented 83 percent of total revenue and support (*Note 6*).

2. Significant Accounting Policies

Basis of Accounting - The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation - Net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of YRJ and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that will be met either by actions of YRJ and/or the passage of time.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements - Continued

2. Significant Accounting Policies - Continued

Measure of Operations - The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to YRJ's ongoing program services. Non-operating activities are limited to resources that generate return from investments and the change in the liability for unearned OPDS revenue, which is described in *Note 6*.

Use of Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates are used in the financial statements for, among other things, the calculation of any allowance for uncollectible receivables, the estimated useful lives of property and equipment, and the calculation of the liability for unearned OPDS revenue.

Cash and Cash Equivalents - YRJ considers all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents.

Investments - Investments are recorded at fair value as determined primarily by quoted market prices. The net increase or decrease in the fair value of investments, which consists of realized and unrealized gains or losses on those investments, is included with net investment return in the statement of activities, along with interest and dividend income, which is accrued as earned.

Fair Value Measurements - GAAP establishes a three-level hierarchy for disclosure of assets and liabilities recorded at fair value. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect estimates about market data.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1: Quoted prices are available in active markets for identical assets or liabilities readily accessible at the reporting date.

Level 2: Pricing inputs are observable for the asset or liability, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1.

Level 3: Pricing inputs are unobservable for the asset or liability and may include significant management judgment or estimation.

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements - Continued

2. Significant Accounting Policies - Continued

Certificate of Deposit - The certificate of deposit is recorded at cost plus accumulated interest, which approximates fair value. The certificate of deposit matures in November 2021 and is expected to be held to maturity.

Contribution Recognition - YRJ recognizes contributions when cash, securities or other assets; an unconditional promise to give (including grants); or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

At December 31, 2019, all contributions and grants receivable were due within one year.

YRJ reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, 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 statement of activities as net assets released from restrictions. All contributions are considered without donor restrictions unless specifically restricted by the donor.

YRJ reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, YRJ reports expirations of donor restrictions of donated or acquired long-lived assets when the asset is placed into service.

Contributions of assets other than cash are recorded at their estimated fair value. Contributions of donated services that create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. There were no noncash contributions or donated services during the year ended December 31, 2019.

Prepaid Expenses - YRJ records advance payments for goods and services that will benefit a future period as prepaid expenses. Prepaid expenses typically consist primarily of insurance and rent.

Property and Equipment - Acquisitions of property and equipment in excess of \$500 are capitalized. Capitalized property and equipment are stated at cost or, if donated, at fair market value at the time of receipt. Depreciation and amortization of property and equipment are calculated using the straight-line method over the estimated useful lives of the assets, as follows:

Office furniture and equipment	4 - 8 years
Leasehold improvements	10 years

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements - Continued

2. Significant Accounting Policies - Continued

Deferred Rent Expense - YRJ records lease expense over the lease term on a straight-line basis for leases with fixed escalation clauses. Accordingly, YRJ recognizes deferred rent to the extent that the straight-line recognition of lease expense exceeds required lease rental payments. Deferred rents are reduced when lease payment requirements exceed the recognized amount of expense.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities.

The statement of functional expenses reports certain categories of expenses that are attributable to more than one program or supporting services function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and related expenses, occupancy, certain professional services, supplies, printing and postage, depreciation, and certain other expenses. They are allocated using estimates of time and effort.

Financial Instruments with Concentrations of Risk - Financial instruments that potentially subject YRJ to concentrations of risk consist principally of cash equivalents, investments, and contributions and grants. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible changes in the values of investment securities will occur in the near term and such changes could materially affect the market value reported in the financial statements. YRJ often maintains cash balances in excess of Federal Deposit Insurance Corporation limits.

At December 31, 2019 and 2018, contributions and grants receivable consisted of amounts due from the City of Portland. The amounts were collected after year-end.

Income Taxes - YRJ is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. No provision for income taxes is made in the accompanying financial statements, as YRJ has no activities subject to unrelated business income tax. YRJ is not a private foundation.

GAAP prescribes a recognition threshold and measurement process for accounting for uncertain tax positions, and also provides guidance on various related matters such as interest, penalties, and required disclosures. Management believes YRJ does not have any uncertain tax positions. YRJ files informational returns. Generally, the returns are subject to examination by income tax authorities for three years from the filing of a return. Interest or penalties assessed by taxing authorities, if any, would be included with management and general expenses. There are currently no tax examinations in progress for any periods.

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements - Continued

2. Significant Accounting Policies - Continued

New Accounting Standard - The Financial Accounting Standards Board issued ASU 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and for determining whether a contribution is conditional. YRJ implemented the provisions of ASU 2018-08 applicable to contributions received in the accompanying financial statements under a modified prospective basis. There was no impact on YRJ's previously recognized revenues as a result of the adoption of this ASU. Accordingly, there is no effect on net assets in the implementation of ASU 2018-08.

Summarized Financial Information for 2018 - The accompanying financial information as of and for the year ended December 31, 2018, is presented for comparative purposes only and is not intended to represent a complete financial statement presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with YRJ's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

3. Investments

Investments are measured at fair value on a recurring basis using quoted prices in active markets. A summary of investments by type, along with how fair value was determined is as follows at December 31:

	2019 (Level 1)	2018 (Level 1)
Equity securities:		
Equity mutual funds	\$ 85,422	\$ 66,726
Equity exchange traded funds	74,744	59,660
Debt securities:		
Bond mutual funds	90,512	84,327
Bond exchange traded funds	79,108	74,969
Money market funds	8,842	10,759
	<u>\$ 338,628</u>	<u>\$ 296,441</u>

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements - Continued

4. Property and Equipment

Property and equipment at December 31 consists of the following:

	2019	2018
Office furniture and equipment	\$ 180,821	\$ 162,006
Leasehold improvements	<u>38,044</u>	<u>38,044</u>
	218,865	200,050
Less accumulated depreciation and amortization	<u>(132,289)</u>	<u>(108,453)</u>
Property and equipment, net	<u>\$ 86,576</u>	<u>\$ 91,597</u>

5. Operating Leases

YRJ leases office facilities under an operating lease which expires in September 2021, and includes an option to renew for an additional five year term. The lease calls for monthly base rent of \$14,076 which increases over the term of the lease. YRJ recognized deferred rent, which represents the difference between straight-line recognition of lease expense and actual lease payments made.

YRJ leases certain office equipment under operating leases that expire through December 2022.

Future minimum payments due under the aforementioned leases are as follows at December 31, 2019:

Years Ending December 31,	Amount
2020	\$ 196,791
2021	154,165
2022	<u>19,764</u>
	<u>\$ 370,720</u>

Lease expense for the year ended December 31, 2019, totaled \$199,359.

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements - Continued

6. Unearned OPDS Revenue

The majority of YRJ's revenue comes from a two year contract with OPDS (the contract had an original expiration date of December 31, 2019, but was extended 6 months and now expires June 30, 2020). The contract includes minimum caseload requirements throughout the contract period and for renegotiation when the probable number of available cases increases or decreases substantially.

YRJ's total case coverage or underage for each contract period, and the result of actual negotiations with OPDS, determines either the amount to be paid to or to be received from OPDS or the amount to be settled with OPDS through future contract terms.

There was a case underage for the year ended December 31, 2019. However, after negotiation with OPDS, OPDS communicated that a reimbursement from YRJ relating to this underage would not be required. Therefore, no liability for unearned OPDS revenue has been recorded at December 31, 2019.

YRJ has classified the OPDS contract revenue as a conditional contribution. The recognition of revenue is conditioned upon YRJ providing legal representation services for a required number of cases as stated in the contract.

At December 31, 2019, \$1,369,677 was available under the contract expiring June 30, 2020 and is expected to be recognized as revenue in 2020 when YRJ provides the legal representation services outlined in the contract.

A summary of OPDS contract revenue as reported in the statement of activities is as follows:

	2019	2018
Operating revenue:		
Cash received	\$ 2,408,812	\$ 2,408,812
Non-operating revenue:		
Change in unearned OPDS revenue	<u>116,969</u>	<u>(116,969)</u>
Total	<u>\$ 2,525,781</u>	<u>\$ 2,291,843</u>

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements - Continued

7. Retirement Plan

YRJ maintains a 401(k) retirement plan and trust (the Plan). The Plan covers substantially all employees employed longer than six months. Employees may make voluntary contributions to the Plan. YRJ's contributions to the Plan are determined each year on a discretionary basis. Currently, YRJ has elected to contribute 1 percent of salary for all eligible employees, plus a matching contribution equal to 25 percent of employee contributions, up to a maximum of 2 percent of compensation for a total maximum contribution of 3 percent of eligible compensation. Employer contributions to the Plan totaled \$40,976 for the year ended December 31, 2019.

8. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for use within specific programs as directed by the donors.

During the year ended December 31, 2019, net assets of \$64,931 were released from restrictions by either incurring expenses related to the restricted purposes specified by donors or by the passage of time.

9. Contributions and Grants

Contributions were received from the following sources during the years ended December 31:

	2019	2018
Foundations	\$ 53,000	\$ 33,831
Individuals and corporations	62,984	70,749
City of Portland	<u>213,530</u>	<u>178,655</u>
	<u>\$ 329,514</u>	<u>\$ 283,235</u>

The City of Portland grant is conditioned on the incurrence of qualifying expenses. Consequently, at December 31, 2019, \$99,651 of this grant was not recognized as revenue in the financial statements.

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements - Continued

10. Liquidity and Availability of Financial Assets

YRJ's financial assets available for general expenditure within one year of the statement of financial position date are as follows:

	2019	2018
Cash and cash equivalents	\$ 437,013	\$ 402,768
Investments	338,628	296,441
Contributions and grants receivable	54,649	48,669
Other receivables	<u>24,688</u>	<u>19,298</u>
 Total financial assets available for general expenditures within one year	 854,978	 767,176
 Less amounts unavailable for general expenditures within one year:		
Net assets with donor restrictions	<u>64,488</u>	<u>68,586</u>
 Total financial assets available to management for general expenditures within one year	 <u><u>\$ 790,490</u></u>	 <u><u>\$ 698,590</u></u>

YRJ has a certificate of deposit that matures in November 2021. At December 31, 2019, the balance was \$47,683. Should the need arise, management has the ability to withdraw these funds and use for general expenditures, but would incur an early withdrawal penalty.

YRJ maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

YOUTH, RIGHTS & JUSTICE

Notes to Financial Statements - Continued

11. Subsequent Events

Management has evaluated subsequent events through July 23, 2020, the date the financial statements were available for issue.

As of that date financial markets and economic conditions in general had undergone a significant negative impact as a result of the COVID-19 health crisis. The extent of the impact of COVID-19 on YRJ's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on potential donors, employees, and vendors all of which are uncertain and cannot be predicted. As such, the extent to which COVID-19 may impact YRJ's financial position and results of operations cannot be reasonably estimated at this time.

As of April 2020, YRJ has secured a \$393,535 loan from the Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). If YRJ meets certain criteria under the CARES Act, all or a portion of the loan may be forgiven. Any portion of the loan not forgiven will bear interest at one percent per annum over a two year period. YRJ may elect to defer initial loan payments up to six months. Future monthly repayments will range from \$-0- to approximately \$16,500 per month depending on the amount of the loan that is forgiven.