



**FINANCIAL STATEMENTS**

**Year Ended December 31, 2023**

**with**

**Independent Auditors' Report**

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# YOUTH, RIGHTS & JUSTICE

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## **Independent Auditors' Report**

The Board of Directors  
Youth, Rights & Justice

### **Opinion**

We have audited the accompanying financial statements of Youth, Rights & Justice (YRJ), which comprise the statement of financial position as of December 31, 2023, 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 referred to above present fairly, in all material respects, the financial position of Youth, Rights & Justice as of December 31, 2023, 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. 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 Youth, Rights & 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 opinion.

### **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 Youth, Rights & 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 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, 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 the Youth, Rights & 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 the Youth, Rights & 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.

## **Report on Summarized Comparative Information**

We have previously audited the Youth, Rights & Justice's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 26, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Hoffman, Stewart & Schmidt, P.C.*

Lake Oswego, Oregon  
June 5, 2024

## YOUTH, RIGHTS & JUSTICE

### Statement of Financial Position

December 31, 2023 <i>(With Comparative Amounts for 2022)</i>	2023	2022
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 1,852,864	\$ 1,524,679
Investments <i>(Note 3)</i>	1,449,734	1,302,483
Short-term certificates of deposit	-	49,420
Grants receivable	151,147	190,250
Other receivables	48,140	14,106
Prepaid expenses	45,959	56,025
	<b>3,547,844</b>	<b>3,136,963</b>
<b>Total current assets</b>		
Long-term certificate of deposit	49,654	-
Property and equipment - net <i>(Note 4)</i>	32,938	47,533
Deposit	16,844	16,844
Operating lease right-of-use asset <i>(Note 5)</i>	592,726	789,313
	<b>\$ 4,240,006</b>	<b>\$ 3,990,653</b>
<b>Total assets</b>		
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued payroll expenses	\$ 80,552	\$ 29,222
Accrued vacation	197,373	162,350
Current portion of operating lease liabilities <i>(Note 5)</i>	206,336	198,901
	<b>484,261</b>	<b>390,473</b>
<b>Total current liabilities</b>		
Operating lease liabilities - net of current portion <i>(Note 5)</i>	427,309	633,646
	<b>911,570</b>	<b>1,024,119</b>
<b>Total liabilities</b>		
<b>Net assets:</b>		
Without donor restrictions	3,218,989	2,834,444
With donor restrictions <i>(Note 8)</i>	109,447	132,090
	<b>3,328,436</b>	<b>2,966,534</b>
<b>Total net assets</b>		
<b>Total liabilities and net assets</b>	<b>\$ 4,240,006</b>	<b>\$ 3,990,653</b>

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

## YOUTH, RIGHTS & JUSTICE

### Statement of Activities

**Year Ended December 31, 2023** *(With Comparative Totals for 2022)*

	Without Donor Restrictions	With Donor Restrictions	Total	
			2023	2022
<b>Operating revenue and other support:</b>				
OPDC contract revenue <i>(Note 6)</i>	\$ 3,927,235	\$ -	\$ 3,927,235	\$ 3,725,166
Contributions and grants <i>(Note 9)</i>	824,188	186,924	1,011,112	761,906
Fundraising event	175,960	-	175,960	129,958
Less direct costs	<u>(56,485)</u>	<u>-</u>	<u>(56,485)</u>	<u>(22,348)</u>
Net proceeds from fundraising event	119,475	-	119,475	107,610
Other	40,963	-	40,963	6,420
Net assets released from restriction <i>(Note 8)</i>	<u>209,567</u>	<u>(209,567)</u>	<u>-</u>	<u>-</u>
<b>Net operating revenue and other support</b>	<b>5,121,428</b>	<b>(22,643)</b>	<b>5,098,785</b>	<b>4,601,102</b>
<b>Expenses:</b>				
Program services	4,334,511	-	4,334,511	3,612,008
Management and general	300,307	-	300,307	471,501
Fundraising	<u>254,262</u>	<u>-</u>	<u>254,262</u>	<u>179,258</u>
<b>Total expenses</b>	<b>4,889,080</b>	<b>-</b>	<b>4,889,080</b>	<b>4,262,767</b>
<b>Increase (decrease) from operations</b>	<b>232,348</b>	<b>(22,643)</b>	<b>209,705</b>	<b>338,335</b>
Net investment gain (loss)	<u>152,197</u>	<u>-</u>	<u>152,197</u>	<u>(76,979)</u>
<b>Increase (decrease) in net assets</b>	<b>384,545</b>	<b>(22,643)</b>	<b>361,902</b>	<b>261,356</b>
Net assets, beginning of year	<u>2,834,444</u>	<u>132,090</u>	<u>2,966,534</u>	<u>2,705,178</u>
<b>Net assets, end of year</b>	<b><u>\$ 3,218,989</u></b>	<b><u>\$ 109,447</u></b>	<b><u>\$ 3,328,436</u></b>	<b><u>\$ 2,966,534</u></b>

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

**YOUTH, RIGHTS & JUSTICE**  
**Statement of Functional Expenses**

**Year Ended December 31, 2023** *(With Comparative Totals for 2022)*

	<b>Program Services</b>						<b>Total</b>	
	<b>Defense</b>	<b>Expunction Clinic &amp; System Reform</b>	<b>Education</b>	<b>Total</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>2023</b>	<b>2022</b>
Salaries and related expenses	\$ 2,740,241	\$ 372,715	\$ 566,946	\$ 3,679,902	\$ 241,477	\$ 209,980	\$ 4,131,359	\$ 3,465,317
Occupancy	178,833	19,417	32,446	230,696	2,311	11,052	244,059	230,152
Professional services	171,550	57,531	27,751	256,832	43,938	20,191	320,961	381,531
Travel	25,059	4,844	7,102	37,005	574	152	37,731	35,885
Supplies, printing, and postage	21,875	2,082	3,377	27,334	390	5,182	32,906	40,631
Insurance	16,905	469	761	18,135	7,017	272	25,424	28,605
Training and conferences	24,452	1,457	4,175	30,084	1,349	1,019	32,452	18,064
Memberships	21,111	-	2,270	23,381	667	7	24,055	24,757
Discovery and case expenses	3,214	213	-	3,427	-	-	3,427	2,456
Depreciation and amortization	17,406	2,200	3,570	23,176	1,806	1,274	26,256	32,661
Miscellaneous	3,860	265	414	4,539	778	5,133	10,450	2,708
<b>Total expenses</b>	<b>\$ 3,224,506</b>	<b>\$ 461,193</b>	<b>\$ 648,812</b>	<b>\$ 4,334,511</b>	<b>\$ 300,307</b>	<b>\$ 254,262</b>	<b>\$ 4,889,080</b>	<b>\$ 4,262,767</b>

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

## YOUTH, RIGHTS & JUSTICE

### Statement of Cash Flows

<b>Year Ended December 31, 2023</b> <i>(With Comparative Totals for 2022)</i>	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities:</b>		
Cash received from OPDC	\$ 3,927,235	\$ 3,725,166
Cash received from contributors and grants	1,169,689	748,902
Interest and dividend income	32,513	16,443
Other receipts	40,963	6,420
Cash paid to employees and vendors	<u>(4,802,753)</u>	<u>(4,200,590)</u>
<b>Net cash provided by operating activities</b>	<b>367,647</b>	<b>296,341</b>
<b>Cash flows from investing activities:</b>		
Purchase of investments	(27,801)	(414,640)
Redemption of certificate of deposit	-	405,636
Purchases of property and equipment	<u>(11,661)</u>	<u>(2,418)</u>
<b>Net cash used by investing activities</b>	<b><u>(39,462)</u></b>	<b><u>(11,422)</u></b>
<b>Net increase in cash and cash equivalents</b>	<b>328,185</b>	<b>284,919</b>
Cash and cash equivalents, beginning of year	<u>1,524,679</u>	<u>1,239,760</u>
<b>Cash and cash equivalents, end of year</b>	<b><u>\$ 1,852,864</u></b>	<b><u>\$ 1,524,679</u></b>

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



# YOUTH, RIGHTS & JUSTICE

## Notes to Financial Statements

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### 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 provides 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 contracts with the Oregon Public Defense Commission (OPDC) (formerly Public Defense Services Commission, Office of Public Defense Services). The contracts expire June 30, 2025, and represented 75 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

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#### 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.

**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 estimated useful lives of property and equipment, and the allocation of certain expenses by function.

**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.

**Certificate of Deposit** - The certificate of deposit is recorded at cost plus accumulated interest. The certificate of deposit matures November 2025 and is expected to be held to maturity.

## YOUTH, RIGHTS & JUSTICE

### Notes to Financial Statements - Continued

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#### 2. Significant Accounting Policies - Continued

**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.

Conditional contributions whose conditions are satisfied in the same reporting period in which the revenue is recognized are reported as an increase in net assets without donor restrictions.

At December 31, 2023, all 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, 2023.

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

**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

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#### 2. Significant Accounting Policies - Continued

**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 amortization, 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 grants receivable. 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.

**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.

**Summarized Financial Information for 2022** - The accompanying financial information as of and for the year ended December 31, 2022, 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, 2022, from which the summarized information was derived.

## YOUTH, RIGHTS & JUSTICE

### Notes to Financial Statements - Continued

#### 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:

	2023 (Level 1)	2022 (Level 1)
Investments measured at fair value:		
Equity mutual funds	\$ 403,901	\$ 270,862
Equity exchange traded funds	491,702	452,200
Bond exchange traded funds	524,162	513,984
	<u>1,419,765</u>	<u>1,237,046</u>
Cash	29,969	65,437
	<u>\$ 1,449,734</u>	<u>\$ 1,302,483</u>

Cash that is included in YRJ's investment portfolio is not subject to the fair value leveling requirements.

Investments have been designated by the Board of Directors for a Reserve Fund.

#### 4. Property and Equipment - Net

Property and equipment consists of the following at December 31:

	2023	2022
Office furniture and equipment	\$ 203,791	\$ 192,130
Leasehold improvements	38,044	38,044
	<u>241,835</u>	<u>230,174</u>
Less accumulated depreciation and amortization	<u>(208,897)</u>	<u>(182,641)</u>
Property and equipment, net	<u>\$ 32,938</u>	<u>\$ 47,533</u>

## YOUTH, RIGHTS & JUSTICE

### Notes to Financial Statements - Continued

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#### 5. Operating Leases

YRJ determines if an arrangement is a lease or a service contract at inception. A contract is determined to be or contain a lease if the contract conveys the right to control the use of an identified asset in exchange for consideration. When an arrangement is a lease, YRJ determines whether it is an operating lease or finance lease.

Leases result in recognition of right-of-use (ROU) assets and liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term. Lease liabilities represent the obligation to make lease payments, measured on a discounted basis. At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU assets equal the lease liability, adjusted for any direct costs, prepaid or deferred rent, and lease incentives. YRJ has elected not to separate lease components from non-lease components, and to apply the short-term lease exception, which does not require the capitalization of leases with a term of 12 months or less. Short-term leases are recognized as expense on a straight-line basis over the term of the lease. Variable lease payments, if any, are recognized as lease expense in the period in which the obligation for payment is incurred.

YRJ leases its office and office equipment under operating leases with 5-year initial terms. The leases expire through December 2026. Some leases may include renewal options which can extend the lease term. The exercise of these renewal options are generally at the discretion of YRJ, and only lease options that YRJ believes are reasonably certain to be exercised are included in the measurement of the lease assets and liabilities. The lease agreements do not include any residual value guarantees or restrictive covenants. YRJ has elected to use the risk-free interest rate of return as the discount rate for these leases as neither the rate implicit in the lease nor YRJ's incremental borrowing rate are readily determinable.

During the year ended December 31, 2023, lease expense for the operating leases totaled \$208,598, and is included with occupancy expenses on the accompanying statement of functional expenses.

The following summarizes the cash flow information related to operating leases for the year ended December 31, 2023:

Cash paid for amounts included in the measurement of lease liabilities for operating leases included in operating cash flows	\$ 205,638
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Weighted average lease term and discount rate were as follows at December 31, 2023:

Weighted-average remaining lease term (in years) for operating leases	2.97
Weighted-average discount rate for operating leases	0.93%

## YOUTH, RIGHTS & JUSTICE

### Notes to Financial Statements - Continued

#### 5. Operating Leases - Continued

The maturities of operating lease liabilities were as follows as of December 31, 2023:

Years Ending December 31,	Amount
2024	\$ 211,188
2025	216,910
2026	214,180
	<hr/>
	642,278
Less present value discount	<hr/>
	(8,633)
Operating lease liabilities	633,645
Less current portion	<hr/>
	(206,336)
Long-term portion	<hr/> <hr/>
	\$ 427,309

#### 6. OPDC Revenue

The majority of YRJ's revenue comes from contracts with OPDC, which are accounted for as conditional grants that are recognized as revenue when conditions stated in the contracts have been met. The contracts are conditioned on YRJ providing certain levels of legal representation services over the term of the contracts, which expire June 30, 2025.

Accordingly, at December 31, 2023, \$6,473,024 was available under the contracts but was not recognized as revenue in the financial statements because YRJ had not yet provided the required legal representation services. The amount available is expected to be recognized as revenue over the term of the contracts.

#### 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 \$83,345 for the year ended December 31, 2023.

## YOUTH, RIGHTS & JUSTICE

### Notes to Financial Statements - Continued

#### 8. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at December 31:

	2023	2022
SchoolWorks program	\$ 59,659	\$ 36,984
Family Defense	30,269	-
Changing Lives Forever Fund	14,669	14,431
Other program purposes	4,850	5,675
Restricted for use in a future period	-	75,000
	<u>\$ 109,447</u>	<u>\$ 132,090</u>

During the year ended December 31, 2023, net assets of \$209,567 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 and grants were received from the following sources during the years ended December 31:

	2023	2022
Foundations	\$ 299,685	\$ 287,000
Individuals and corporations	156,261	71,455
City of Portland	237,753	222,322
United States Department of Justice	305,913	181,129
Other grants	11,500	-
	<u>\$ 1,011,112</u>	<u>\$ 761,906</u>

The grants received from the City of Portland and United States Department of Justice (US DOJ) are conditioned on the incurrence of qualifying expenses. Accordingly, as of December 31, 2023, \$592,694 of these grants were not recognized as revenue in the financial statements because qualifying expenses were not yet incurred. The grant period for the City of Portland grant ends June 2025, and the grant period for the US DOJ grant ends September 2024.



**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:

	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 1,852,864	\$ 1,524,679
Investments	1,449,734	1,302,483
Short-term certificates of deposit	-	49,420
Grants receivable	151,147	190,250
Other receivables	<u>48,140</u>	<u>14,106</u>
 Total financial assets available for general expenditures within one year	 3,501,885	 3,080,938
 Less:		
Amounts unavailable for general expenditures within one year:		
Net assets with donor restrictions for specific purposes	(109,447)	(57,090)
Board designated Reserve Fund	<u>(1,449,734)</u>	<u>(1,302,483)</u>
 Total financial assets available to management for general expenditures within one year	 <u>\$ 1,942,704</u>	 <u>\$ 1,721,365</u>

YRJ's board designated Reserve Fund is a component of net assets without donor restrictions. Although management intends to use this fund in accordance with provisions outlined by the Board of Directors, amounts could be available for current operations, if approved by the Board.

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

**11. Subsequent Events**

Management has evaluated subsequent events through June 5, 2024 the date the financial statements were available for issue.