



**Gary McGee & Co. LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

## **Janus Youth Programs, Inc.**

Financial Statements, Single Audit Reports, and Other  
Information as of and for the Year Ended June 30, 2021  
and Reports of Independent Accountants

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## **REPORT OF INDEPENDENT ACCOUNTANTS**

*The Board of Directors  
Janus Youth Programs, Inc.:*

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Janus Youth Programs, Inc., which comprise the statement of financial position as of June 30, 2021, 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; 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization'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 organization'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 Janus Youth Programs, Inc. as of June 30, 2021, 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.

## **Other Matters**

### *Supplementary Information*

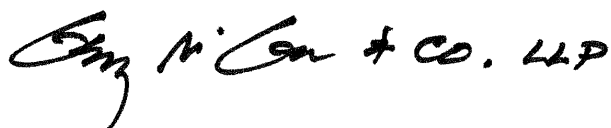
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards on pages 19 through 22, as required by Title 2, *U.S. Code of Federal Regulations* (CFR), Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### *Summarized Comparative Information*

We have previously audited Janus Youth Programs, Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 29, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2021 on our consideration of Janus Youth Programs, Inc.'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 Janus Youth Programs, Inc.'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 Janus Youth Programs, Inc.'s internal control over financial reporting and compliance.



October 29, 2021

JANUS YOUTH PROGRAMS, INC.

**STATEMENT OF FINANCIAL POSITION**

JUNE 30, 2021

(WITH COMPARATIVE AMOUNTS FOR 2020)

|  | <b>2021</b>         | <b>2020</b>      |
|--|---------------------|------------------|
| <b>Assets:</b>   |                     |                  |
| Cash and cash equivalents  | \$ 1,181,470        | 2,064,102        |
| Government grants and contracts receivable ( <i>note 5</i> )                               | 2,563,340           | 1,481,014        |
| Private grants receivable  | –                   | 20,000           |
| Prepaid expenses and other assets  | 185,605             | 292,423          |
| Beneficial interest in assets held at the<br>Oregon Community Foundation ( <i>note 6</i> ) | 292,616             | 226,506          |
| Property and equipment ( <i>notes 7 and 10</i> )   | 3,303,681           | 3,443,607        |
| <b>Total assets</b>  | <b>\$ 7,526,712</b> | <b>7,527,652</b> |
| <b>Liabilities:</b>  |                     |                  |
| Accounts payable and accrued expenses  | 370,548             | 369,993          |
| Construction payable   | –                   | 71,823           |
| Accrued payroll liabilities  | 659,304             | 630,769          |
| Deferred revenue   | 14,875              | 27,030           |
| Conditional government grant – Paycheck<br>Protection Program ( <i>note 9</i> )            | –                   | 313,489          |
| Long-term debt ( <i>note 10</i> )  | 1,591,242           | 1,652,574        |
| <b>Total liabilities</b>   | <b>2,635,969</b>    | <b>3,065,678</b> |
| <b>Net assets:</b>   |                     |                  |
| Without donor restrictions:  |                     |                  |
| Available for programs and general operations  | 2,361,082           | 1,849,670        |
| Net investment in capital assets   | 1,712,439           | 1,791,033        |
| <b>Total without donor restrictions</b>  | <b>4,073,521</b>    | <b>3,640,703</b> |
| With donor restrictions ( <i>note 11</i> )   | 817,222             | 821,271          |
| <b>Total net assets</b>  | <b>4,890,743</b>    | <b>4,461,974</b> |
| Commitments and contingencies ( <i>notes 7, 8, 16, 17, 18, 19, and 23</i> )                |                     |                  |
| <b>Total liabilities and net assets</b>  | <b>\$ 7,526,712</b> | <b>7,527,652</b> |

See accompanying notes to financial statements.

JANUS YOUTH PROGRAMS, INC.

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2021  
(WITH COMPARATIVE TOTALS FOR 2020)

|   | 2021                       |                         | Total      | 2020       |
|---|----------------------------|-------------------------|------------|------------|
|   | Without donor restrictions | With donor restrictions |            |            |
| <b>Operating revenues, gains and other support:</b>   |                            |                         |            |            |
| Government grants and contracts <i>(note 12)</i>  | \$ 12,778,634              | –                       | 12,778,634 | 11,316,502 |
| Paycheck Protection Program grant <i>(note 9)</i>   | 313,489                    | –                       | 313,489    | 1,561,104  |
| Private contributions and grants  | 365,128                    | 287,977                 | 653,105    | 853,458    |
| In-kind contributions <i>(note 13)</i>  | 221,567                    | –                       | 221,567    | 183,532    |
| Special events, net of direct costs of \$7,352 in 2021 and \$47,681 in 2020                         | 76,338                     | –                       | 76,338     | 66,869     |
| Sales, net of cost of goods sold of \$403,985 in 2021 and \$498,607 in 2020                         | 118,166                    | –                       | 118,166    | 157,654    |
| Net change in beneficial interest in assets held by the Oregon Community Foundation <i>(note 6)</i> | –                          | 75,902                  | 75,902     | 5,236      |
| Other   | 64,766                     | 306                     | 65,072     | 31,726     |
| Total operating revenues and gains  | 13,938,088                 | 364,185                 | 14,302,273 | 14,176,081 |
| Net assets released from restrictions for operating purposes <i>(note 14)</i>                       | 368,234                    | (368,234)               | –          | –          |
| Total operating revenues, gains, and other support  | 14,306,322                 | (4,049)                 | 14,302,273 | 14,176,081 |
| <b>Expenses <i>(note 15):</i></b>   |                            |                         |            |            |
| Program services  | 12,165,966                 | –                       | 12,165,966 | 11,909,096 |
| Management and general  | 1,515,581                  | –                       | 1,515,581  | 1,604,079  |
| Fundraising   | 191,957                    | –                       | 191,957    | 179,964    |
| Total expenses  | 13,873,504                 | –                       | 13,873,504 | 13,693,139 |
| Increase (decrease) in net assets before non-operating activities                                   | 432,818                    | (4,049)                 | 428,769    | 482,942    |
| <b>Non-operating activities:</b>  |                            |                         |            |            |
| Government capital grants   | –                          | –                       | –          | 144,815    |
| Gain on sale of capital assets  | –                          | –                       | –          | 204,569    |
| Increase (decrease) in net assets   | 432,818                    | (4,049)                 | 428,769    | 832,326    |
| Net assets at beginning of year   | 3,640,703                  | 821,271                 | 4,461,974  | 3,629,648  |
| Net assets at end of year   | \$ 4,073,521               | 817,222                 | 4,890,743  | 4,461,974  |

See accompanying notes to financial statements.

JANUS YOUTH PROGRAMS, INC.  
STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2021  
(WITH COMPARATIVE TOTALS FOR 2020)

|                                    | 2021             |                        |             |            | 2020       |
|------------------------------------|------------------|------------------------|-------------|------------|------------|
|                                    | Program services | Management and general | Fundraising | Total      |            |
| Salaries and related costs         | \$ 8,071,244     | 1,017,144              | 172,240     | 9,260,628  | 9,545,768  |
| Subcontractors                     | 257,020          | -                      | -           | 257,020    | 215,435    |
| Professional service fees          | 226,777          | 175,035                | 395         | 402,207    | 403,855    |
| Supplies and communications        | 566,418          | 129,173                | 8,770       | 704,361    | 680,037    |
| Occupancy                          | 641,446          | 110,159                | 10,237      | 761,842    | 835,691    |
| Conferences and travel             | 65,148           | 6,303                  | 298         | 71,749     | 109,451    |
| Client assistance                  | 2,071,362        | -                      | -           | 2,071,362  | 1,542,655  |
| Interest                           | 82,321           | 247                    | -           | 82,568     | 87,212     |
| Other                              | 31,908           | 47,874                 | 17          | 79,799     | 82,370     |
| Total expenses before depreciation | 12,013,644       | 1,485,935              | 191,957     | 13,691,536 | 13,502,474 |
| Depreciation                       | 152,322          | 29,646                 | -           | 181,968    | 190,665    |
| Total expenses                     | \$ 12,165,966    | 1,515,581              | 191,957     | 13,873,504 | 13,693,139 |

See accompanying notes to financial statements.

JANUS YOUTH PROGRAMS, INC.

**STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2021  
(WITH COMPARATIVE TOTALS FOR 2021)

|   | <b>2021</b>   | <b>2020</b>  |
|---|---------------|--------------|
| <b>Cash flows from operating activities:</b>  |               |              |
| Cash received from government grants and contracts  | \$ 11,685,840 | 11,352,572   |
| Cash received from Paycheck Protection Program grant <i>(note 9)</i>  | –             | 1,874,593    |
| Cash received from donors   | 755,545       | 1,002,326    |
| Cash received from other sources  | 586,786       | 687,996      |
| Distribution of investment return earned on assets<br>held at the Oregon Community Foundation <i>(note 6)</i> | 9,792         | 6,031        |
| Cash paid to suppliers and employees  | (13,662,830)  | (13,706,343) |
| Interest paid   | (82,568)      | (87,212)     |
| Net cash provided by (used in) operating activities   | (707,435)     | 1,129,963    |
| <b>Cash flows from investing activities:</b>  |               |              |
| Proceeds from sale of capital assets  | –             | 396,218      |
| Capital expenditures  | (113,865)     | (234,527)    |
| Net cash provided by (used in) investing activities   | (113,865)     | 161,691      |
| <b>Cash flows from financing activities:</b>  |               |              |
| Payments of long-term debt principal  | (61,332)      | (58,926)     |
| Net cash used in financing activities   | (61,332)      | (58,926)     |
| Net increase (decrease) in cash and cash equivalents  | (882,632)     | 1,232,728    |
| Cash and cash equivalents at beginning of year  | 2,064,102     | 831,374      |
| Cash and cash equivalents at end of year  | \$ 1,181,470  | 2,064,102    |

See accompanying notes to financial statements.



## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

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### 1. Organization

Janus Youth Programs, Inc. has been changing lives and building futures for children, youth, and families in Oregon and Washington since 1972. Innovative, community-based programs include the Northwest's largest array of runaway and homeless youth services; residential, transitional and independent living programs; a college scholarship program that helps youth who have been successful at Janus attend college or complete a vocational training program; young parent and child development services and community food programs in affordable housing communities.

Serving nearly 5,000 individuals annually, sheltering nearly 200 youth nightly, working with 400 youth daily, and initiating thousands of street outreach contacts annually with runaway and homeless youth, Janus is one of the largest youth-serving agencies in the Pacific Northwest.

### 2. Program Services

During the year ended June 30, 2021, Janus incurred program services expenses in the following major categories:

**Residential Services** – Five long and shorter-term residential programs provide specialized treatment and care for youth aged 13 to 24 who are in state custody, either through the Oregon Department of Human Services or the Oregon Youth Authority. The long-term goal of Janus' residential services is to facilitate a successful return to home and family or to independent living in the community.

**Youth Crisis Services** – Services are designed to ensure 24-hour availability of safety off the streets for any youth experiencing housing instability under age 18 in need of temporary shelter and/or family respite.

**Homeless Youth Services** – An extensive array of homeless youth programs, including street outreach, assessment, emergency and short-term shelter, and transitional and independent living options designed to assist homeless youth to successfully exit street life.

**Washington State Programs** – A coordinated and interlocking array of programs for runaway and homeless youth and youth aging out of state foster care includes street outreach, day drop-in services, crisis intervention and temporary shelter, and independent/supportive housing options.

**Youth Parent Services** – Eight distinct programs provide a variety of services for young parents and their children. Services include home visiting parent education, child development activities and assessments, and housing support.

**Community Food Program** – Includes community organic gardens, an orchard, and a community-run, healthy corner grocery store. Based in a North Portland affordable housing neighbourhood, the program focuses on eliminating hunger, providing employment opportunities, and leadership development.

**Scholarship Fund** – Assists youth who have been successful in any Janus program to pursue higher education or enroll in a vocational or technical training program.

### 3. Summary of Significant Accounting Policies

The significant accounting policies followed by Janus are described below to enhance the usefulness of the financial statements to the reader.

**Basis of Accounting** – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and the principles of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

**Basis of Presentation** – Net assets, revenues, gains and losses are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of Janus and changes therein are classified and reported as follows:

- *Net assets without donor restrictions* – Net assets available for use in general operations and not subject to donor-imposed stipulations. From time to time, the Board of Directors may designate a portion of these net assets for particular purposes and objectives.
- *Net assets with donor restrictions* – Net assets subject to donor-imposed stipulations that will be met either by actions of Janus and/or the passage of time. These balances represent the unexpended portion of donor-restricted contributions and investment return to be used for specific programs and activities as directed by the donor. The balances also include net assets subject to donor-imposed stipulations that they be maintained permanently by Janus (e.g., endowment funds). Generally, the donors of these assets permit Janus to use all or part of the income earned on related investments for general or specific purposes.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are also reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor-imposed 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.

**Use of Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. In the opinion of management, such differences, if any, would not be significant.

**Cash Equivalents** – For purposes of the financial statements, Janus considers all liquid investments having initial maturities of three months or less to be cash equivalents.

**Inventories** – Inventories, which consist primarily of perishable and non-perishable items held for sale by the organization's grocery store, are carried at the lower of cost or market value. Cost is determined using the retail method. Inventories totaled \$35,535 at June 30, 2021, and were included among prepaid expenses and other assets in the accompanying financial statements.

**Capital Assets and Depreciation** – Property and equipment are carried at cost, and at fair value when acquired by gift. Depreciation is provided on a straight-line basis over the estimated useful lives of the respective assets, which is generally thirty years for buildings and land improvements, three to five years for furniture and equipment, five years for vehicles, and ten years, or the length of the lease term if fewer, for leasehold improvements.

**Operating Results** – Operating results reported in the statement of activities reflect all transactions that change unrestricted net assets, except gifts of capital assets, contribution restricted for capital acquisitions, and gains or losses on the sale of capital assets.

**Revenue Recognition** – With regard to revenues from grants and contracts, Janus evaluates whether each transfer of assets is (1) an exchange (reciprocal) transaction in which a resource provider receives commensurate value in return for the assets transferred, or (2) a nonreciprocal transfer (a contribution or a grant), where no value is exchanged.

- *Exchange Transactions* – If the transfer of assets is determined to be an exchange transaction, Janus recognizes revenue when or as it satisfies the required performance obligations and transfers the promised good or service to a customer, and when the customer obtains control of that good or service.

In 2021, Janus' revenues from exchange transactions consisted primarily of revenues from the grocery store. These revenues are recognized at the time of sale.

- *Contributions and Grants* – If the transfer of assets is determined to be a contribution, Janus evaluates whether the contribution is conditional based upon whether the agreement includes both (1) a barrier that must be overcome to be entitled to the funds and (2) either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.
- *Governmental Support* – Activities funded by governments are often carried out for the benefit of the general public, rather than to obtain goods or services for the government's own use or proprietary benefit. Accordingly, if the primary beneficiary of the activity is the general public, rather than the government itself, the transaction is treated as nonreciprocal (i.e., a contribution).

**Contributions** – Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the donor's commitment is received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Contributions and grants received with donor stipulations that limit the use of the donated assets are reported as net assets with donor restrictions.

Unconditional promises to give with payments due in future periods, are recorded as increases in net assets with donor restrictions at the estimated present value of future cash flows using credit adjusted discount rates which articulate to the collection period of the respective pledge. Such discount rates are not subsequently revised. Amortization of the discount is recorded as additional contribution revenue in subsequent years in the appropriate net asset class.

Contributions and grants receivable are reported net of an allowance for estimated uncollectible promises. Promises to give are written off when deemed uncollectible.

When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, 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.

Conditional contributions with donor-imposed restrictions are recorded as net assets without donor restrictions if those restrictions are satisfied in the same reporting period.

Contributions of capital assets without donor stipulations concerning the use of such long-lived assets are reported as revenues of the net assets without donor restrictions class. Contributions of cash or other assets restricted to the acquisition of capital assets with such donor stipulations are reported as net assets with donor restrictions; the restrictions are considered to be released at the time of acquisition of such long-lived assets, in accordance with donor intent.

**Benefits Provided to Donors at Special Events –**

Janus conducts special fundraising events in which a portion of the gross proceeds paid by the participants represents payment for the direct costs of the benefits received. Unless a verifiable, objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the organization.

**Advertising and Marketing Expenses –**

Advertising and marketing costs are charged to expense as they are incurred.

**Concentrations of Credit Risk –**

The organization’s financial instruments consist primarily of cash equivalents, which may subject the organization to concentrations of credit risk as, from time to time, for example, cash balances may exceed amounts insured by the Federal Deposit Insurance Corporation (“FDIC”).

All checking and savings accounts, money market deposit accounts, and certificates of deposit are insured by the FDIC for up to \$250,000 for each depositor, for each insured bank, for each account ownership category. At June 30, 2021, Janus held approximately \$871,191 in cash and cash equivalents in excess of insured levels.

Certain receivables may also, from time to time, subject the organization to concentrations of credit risk. To minimize its exposure to significant losses from customer or donor insolvencies, the organization’s management evaluates the financial condition of its customers and donors, and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics. When necessary, receivables are reported net of an allowance for uncollectible accounts.

Finally, the reported value of Janus’ beneficial interest in funds held by the Oregon Community Foundation (“OCF”) is dependent upon changes in the fair values of the underlying investments and the ability of OCF to honor its commitment.

**Limitations on Certain Net Assets without Donor Restrictions –**

Certain net assets without donor restrictions are limited by contract to use within the program from which they were generated. In these cases, surplus funds are neither refundable nor payable to the contractor, but are generally limited to providing an extension or continuation of specific program services.

**Income Taxes –**

Janus is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. Janus derives its public charity status as an organization described in Sections 170(b)(1)(A)(vi) and 509(a)(1) of the Internal Revenue Code.

**Subsequent Events –**

Subsequent events have been evaluated by management through October 29, 2021, which is the date the financial statements were available to be issued.

**Summarized Financial Information for 2020 –**

The accompanying financial information as of and for the year ended June 30, 2020 is presented for comparative purposes only and is not intended to represent a complete financial statement presentation.

**Other Significant Accounting Policies –**

Other significant accounting policies are set forth in the financial statements and the following notes.

**4. Recently-Adopted Accounting Standard**

Effective July 1, 2020, Janus adopted Financial Accounting Standards Board (“FASB”) Accounting Standards Update 2014-09, *Revenue from Contracts with Customers (Topic 606)* (“ASU 2014-09”), which amends the existing accounting standards for revenue recognition. Janus adopted this new revenue standard applying the modified retrospective transition method to contracts not yet completed as of the date of adoption. The adoption of this standard did not have a material effect on Janus’ financial statements.

## 5. Government Grants and Contracts Receivable

At June 30, 2021, the following grants and contract payments receivable are outstanding:

|  |              |
|--|--------------|
| Multnomah County, Oregon – Department of County Human Services                 | \$ 574,355   |
| U.S. Department of Health and Human Services                                   | 434,314      |
| State of Oregon – Oregon Youth Authority and Services to Children and Families | 385,200      |
| Clark County, Washington – Department of Community Services                    | 301,211      |
| State of Oregon – Department of Human Services                                 | 279,353      |
| State of Washington – Department of Commerce                                   | 212,984      |
| City of Portland   | 184,812      |
| State of Oregon – Oregon Health Authority                                      | 30,734       |
| Other  | 176,027      |
|  | 2,578,990    |
| Less allowance for doubtful collection   | (15,650)     |
|  | \$ 2,563,340 |

## 6. Beneficial Interest in Assets Held by the Oregon Community Foundation

Janus has established the Janus Youth Programs Scholarship Fund at the Oregon Community Foundation. Janus accounts for its interest in these funds using the equity method of accounting, which approximates the present value of the estimated expected future cash flow that will inure to the organization in the future.

Changes in Janus' beneficial interest in this fund for the year ended June 30, 2021 are summarized as follows:

|   |            |
|---|------------|
| Balance at beginning of year                            | \$ 226,506 |
| Net increase in the beneficial interest                 | 75,902     |
| Less the distribution of investment return <sup>1</sup> | (9,792)    |
|   | \$ 292,616 |

<sup>1</sup> Under the terms of its agreement with OCF, the funds are invested at the discretion of OCF and are held in a mixture of asset classes designed to maximize return while minimizing risk. Janus receives annual distributions of the net investment return earned on these assets (generally 4.35% of the average fair market value of the funds using a trailing 13-quarter average).

## 7. Property, Equipment, and Related Capital Investments

A summary of capital assets and related capital investments at June 30, 2021 is as follows:

|                                    |              |
|------------------------------------|--------------|
| Land and land improvements         | \$ 665,098   |
| Buildings and related improvements | 4,985,374    |
| Leasehold improvements             | 736,909      |
| Furniture and equipment            | 453,286      |
| Vehicles                           | 318,424      |
|                                    | 7,159,091    |
| Less accumulated depreciation      | (3,855,410)  |
|                                    | \$ 3,303,681 |

During the year ended June 30, 2016, the State of Washington donated property to Janus, with the stipulation that Janus continue to operate the property as a shelter for homeless or at-risk youth through May 31, 2046. If the property is sold, transferred, or if its use is changed before May 31, 2046, the full value of the property at the date of donation, totaling \$393,640, plus a proportional share of the appreciated value of the property, will be due and payable to the State of Washington within 30 days of the event.

In addition, included in the preceding table is one property donated to Janus by Multnomah County, Oregon in 1997, with the stipulation that the property only be used for social service purposes and/or for childcare in accordance with the provisions of ORS 271.330. If either of the property is used for any other purpose or if the property is sold or transferred, it must be replaced within a period of one year by another property of similar value and used for the same limited purposes described above. In the event that Janus ever ceases to exist as a nonprofit, tax-exempt corporation, titles to the property revert to Multnomah County, Oregon.

**8. Line of Credit**

Janus maintains a line of credit secured by all of the organization’s assets not otherwise encumbered for up to a total of \$1,200,000, bearing interest at the bank’s prime rate plus 2.0% but not less than 5.5%, and payable in full on March 10, 2022. The agreement with the bank contains certain provisions that require the maintenance of a debt service coverage ratio of 1.25 to 1.0. At June 30, 2021, Janus was in compliance with this requirement. At June 30, 2021, Janus had no outstanding debt under the line of credit.

**9. Paycheck Protection Program Grant**

On April 16, 2020, Janus was granted an unsecured loan from a commercial bank in the amount of \$1,874,593, pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the CARES Act, which was enacted March 27, 2020.

Janus considers the PPP “loan” to be a conditional government grant, with a right-of return in the form of an obligation to be repaid if a barrier to entitlement is not met. The barrier is that PPP loan funds must be used to maintain compensation costs and employee headcount, and certain other qualifying expenses (mortgage interest, rent and utilities) incurred following receipt of the funds. Accordingly, it accounts for the proceeds of the PPP, and its use of the proceeds, under ASC 958-605, *Not-for-Profit Entities: Revenue Recognition*.

During the year ended June 30, 2021, Janus recognized ther remaining \$313,489 of the PPP as grant revenue as it incurred the necessary qualifying expenses and as the barriers to entitlement were satisfied.

**10. Long-Term Debt**

The acquisition and rehabilitation of Janus’ properties as well as some vehicles include costs financed through loans received from various parties. The following obligations were outstanding at June 30, 2021:

|  |                           |
|--|---------------------------|
| Wells Fargo Bank, 5.0%, due in monthly payments of \$10,276 through 2027, with a balloon payment of \$1,303,820 due at that time. Secured by land and buildings. | \$ 1,587,443              |
| Wells Fargo Equipment Finance, Inc., 4.75%, due in monthly payments of \$804 through 2021. Secured by vehicle.   | 3,799                     |
| <hr/>  |                           |
| Total long-term debt   | <hr/> <b>\$ 1,591,242</b> |

Maturities of loan principals for the years subsequent to June 30, 2021 are as follows:

| <i>Years ending June 30,</i> |              |
|------------------------------|--------------|
| 2022                         | \$ 47,409    |
| 2023                         | 45,879       |
| 2024                         | 48,266       |
| 2025                         | 50,777       |
| 2026                         | 53,420       |
| Thereafter                   | 1,345,491    |
|                              | \$ 1,591,242 |

Interest expense on the above notes totaled \$82,568 for the year ended June 30, 2021.

### 11. Net Assets with Donor Restrictions

The following summarizes Janus' net assets with donor-imposed restrictions as of June 30, 2021:

|   |            |
|---|------------|
| <i>Expendable net assets</i>                            |            |
| <i>restricted for the</i>                               |            |
| <i>following purposes:</i>                              |            |
| Scholarship fund <sup>1</sup>                           | \$ 535,196 |
| Various other programs and operating costs              | 267,026    |
|   | 802,222    |
| Endowment restricted to the Insight Teen Parent Program | 15,000     |
| Total net assets with donor restrictions                | \$ 817,222 |

<sup>1</sup> At June 30, 2021, \$292,616 of the Scholarship Fund had been designated by the Board of Directors to function as quasi-endowment funds. See note 6.

### 12. Government Grants and Contracts

The following summarizes Janus' revenues from government grants and contracts for the year ended June 30, 2021:

|  |               |
|--|---------------|
| Multnomah County, Oregon – Department of County Human Services                 | \$ 3,313,391  |
| State of Oregon – Oregon Youth Authority and Services to Children and Families | 3,110,638     |
| State of Oregon – Department of Human Services                                 | 1,432,200     |
| State of Washington – Department of Commerce                                   | 1,797,023     |
| U.S. Department of Health and Human Services                                   | 957,834       |
| City of Portland   | 611,600       |
| Clark County, Washington – Department of Community Services                    | 526,225       |
| City of Vancouver  | 180,635       |
| State of Oregon – Oregon Health Authority                                      | 162,776       |
| U.S. Department of Housing and Urban Development                               | 152,332       |
| Other  | 533,980       |
|  | \$ 12,778,634 |

During the year ended June 30, 2021, Janus received 27% of its total grants from components of Multnomah County, Oregon (representing 23% of total operating revenues), and 37% from various departments and agencies of the State of Oregon (representing 33% of total operating revenues).

### **13. In-Kind Contributions**

Janus reports as revenue the fair value of contributed services received where the services require specialized skills, are provided by individuals possessing those skills. During the year ended June 30, 2021, Janus received contributed services valued at approximately \$31,387 for its Street Outreach program.

Certain donated services have not been reflected in the accompanying financial statements as the appropriate criteria for recording these services have not been satisfied. Nevertheless, a large number of volunteers have donated their time to both program and fundraising activities.

In-kind contributions of properties, equipment and materials, and the free use of facilities, are recorded where there is an objective basis upon which to value these contributions. During the year ended June 30, 2021, Janus recorded \$135,220 in contributed program materials, and \$54,960 in the free use of facilities.

### **14. Net Assets Released from Restrictions**

During the year ended June 30, 2021, Janus incurred \$368,234 in satisfaction of the restricted purposes specified by donors, or satisfied the restrictions by the occurrence of other events, as follows. Accordingly, a corresponding amount is reported as a reclassification from net assets with donor restrictions to net assets without donor restrictions in the accompanying financial statements.

### **15. Expenses**

The costs of providing the various programs and activities of Janus have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Those expenses include depreciation, as well as shared facility costs, which are allocated on a square footage basis. Salaries and related costs, certain professional services, office expenses, information technology, and other expenses, which are allocated on the basis of estimates of time and effort or full-time-equivalent estimates.

### **16. Unemployment Insurance Coverage**

Janus participates in the Northwest Agencies Trust for funding of unemployment insurance. Use of the Trust is intended to reduce Janus' unemployment costs. The Trust provides the organization with a program of self-insurance with stop-loss insurance purchased to cover unusual amounts of unemployment costs. The Trust bills Janus for amounts intended to reach a predetermined reserve level. The assessments, billed quarterly, consider any investment income and adjust for administrative costs, payments to former employees, and insurance payments.

At June 30, 2021, Janus' reserve with the Trust was \$213,670. During the year ended June 30, 2021, the Trust paid out \$96,028 in benefits. Contributions to the Trust are reported as insurance costs, even though substantial portions are used to build the reserve. As such, the reserve is not recorded as an asset of Janus, and the amount of the estimated liability for unemployment insurance is not recorded as a liability because management expects that the amount will be permanently on deposit with the Trust, and the balances are not considered excessive to meet Janus' responsibility under unemployment law and regulations.



## 17. Contingencies

Certain amounts received or receivable under Janus' contracts with Multnomah County, the State of Oregon, and others are subject to audit and adjustment by the contracting agencies, by the State of Oregon, and by various agencies of the U.S. government. Any expenditures or claims disallowed as a result of such audits would become a liability of Janus' general operating fund. In the opinion of management, any adjustments that might result from such audits would not be material to Janus' overall financial statements.

## 18. Operating Lease Commitments

Janus leases several of its facilities and office equipment under noncancelable operating leases that expire in various years through 2025. The organization has the option to renew many of these leases at various terms and amounts.

At June 30, 2021, approximate minimum rental commitments for all of the above are as follows:

| <i>Years ending June 30,</i> |            |
|------------------------------|------------|
| 2022                         | \$ 233,291 |
| 2023                         | 147,835    |
| 2024                         | 111,209    |
| 2025                         | 70,800     |
|                              | <hr/>      |
|                              | \$ 563,135 |

Rent expense for facilities and office equipment totaled \$348,166 for the year ended June 30, 2021.

## 19. Retirement Plan

Janus provides substantially all full-time, and certain part-time, employees with a qualified profit-sharing retirement plan, as described under Section 401(k) of the Internal Revenue Code. Employees who have completed at least 12 consecutive months of work and have worked 1,000 or more hours annually may elect to make voluntary contributions to the plan on a pre-tax basis, up to the limits allowed by law.

During the year ended June 30, 2021, Janus' elective contributions equaled 2% of the total annual compensation of each employee. Employees select from several investment options. Contributions to the plan from both the employees and Janus vest as accrued. Contributions by the organization to the plan totaled \$115,146 for the year ended June 30, 2021.

## 20. Liquidity and Availability of Financial Assets

Financial assets available for general expenditure within one year of the statement of financial position date comprise the following at June 30, 2021:

|  |              |
|--|--------------|
| <i>Total financial assets available to fund general operations:</i>              |              |
| Cash and cash equivalents  | \$ 1,181,470 |
| Contract payments receivable   | 2,563,340    |
| Beneficial interest in assets held at the Oregon Community Foundation            | 292,616      |
|  | <hr/>        |
|  | 4,037,426    |
| <i>Less financial assets not available within the year ending June 30, 2022:</i> |              |
| Scholarship fund   | (535,196)    |
| Endowment fund   | (15,000)     |
| Financial assets restricted by donors for Our Village Gardens (note 23)          | (80,895)     |
|  | <hr/>        |
|  | (631,091)    |
|  | <hr/>        |
|  | \$ 3,406,335 |

As part of its liquidity management, Janus has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, Janus invests cash in excess of daily requirements in money market funds. To help manage unanticipated liquidity needs, Janus has committed lines of credit upon which it could draw (see note 8).

## 21. Fair Value Measurements

The accompanying financial statements report the Janus beneficial interest in assets held by OCF at fair value. These assets have been classified, for disclosure purposes, based on a hierarchy that gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3).

At June 30, 2021, Janus' beneficial interest in assets held by OCF is measured at fair value using information received from OCF (i.e., Level 3). See note 6 for a summary of the change in these assets during the year ended June 30, 2021.

## 22. Statement of Cash Flow Reconciliation

The following presents a reconciliation of the increase in net assets (as reported on the statement of activities) to net cash used in operating activities (as reported on the statement of cash flows):

|  |            |
|--|------------|
| Increase in net assets   | \$ 428,769 |
| <hr/>  |            |
| <i>Adjustments to reconcile increase in net assets to net cash used in operating activities:</i> |            |
| Depreciation   | 181,968    |
| Distribution of investment return earned on assets held at the Oregon Community Foundation       | 9,792      |
| Net change in beneficial interest in assets held at the Oregon Community Foundation              | (75,902)   |

Continued

## Net changes in:

|  |              |
|--|--------------|
| Government grants and contract service fees receivable     | (1,082,326)  |
| Private grants receivable                                  | 20,000       |
| Prepaid expenses and other assets                          | 106,818      |
| Accounts payable and accrued expenses                      | 555          |
| Accrued payroll liabilities                                | 28,535       |
| Conditional government grant – Paycheck Protection Program | (313,489)    |
| Deferred revenue (associated with contract service fees)   | (10,468)     |
| Deferred revenue (associated with special events)          | (1,250)      |
| Deferred revenue (associated with other sales)             | (437)        |
| <hr/>  |              |
| Total adjustments  | (1,136,204)  |
| <hr/>  |              |
| Net cash used in operating activities                      | \$ (707,435) |

## 23. Subsequent Event

As of July 1, 2021, Janus' Community Food program spun off into a separate, independent §501(c)(3) organization, Our Village Gardens. At June 30, 2021, Janus held cash balances totaling \$80,895 representing unexpended contributions and grants restricted by donors to the Community Food program. These were transferred to Our Village Gardens subsequent to June 30, 2021. In addition, at June 30, 2021, Janus held \$41,079 in food inventory, as well as miscellaneous capital assets, all of which were granted to Our Village Gardens at the time of spin off.

## 24. Reclassification of 2020 Comparative Totals

Certain 2020 amounts presented herein have been reclassified to conform to the 2021 presentation.



JANUS YOUTH PROGRAMS, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED JUNE 30, 2021

| <b>Federal grantor/pass-through grantor/program or cluster title</b>                                | <b>Pass-through entity identifying number</b> | <b>Federal Assistance Listing No.</b> | <b>Provided to subrecipients</b> | <b>Total federal expenditures</b> |
|---|---|---------------------------------------|----------------------------------|-----------------------------------|
| <b>U.S. Department of Health and Human Services</b>   |   |                                       |                                  |                                   |
| <i>Transitional Living for Homeless Youth</i>   |   |                                       |                                  |                                   |
| Direct award  | n/a   | 93.550                                | \$ —                             | 269,516                           |
| COVID-19 Supplemental funding   | n/a   | 93.550                                | —                                | 54,566                            |
| Total Federal Assistance Listing No. 93.550   |   |                                       |                                  | 324,082                           |
| <i>Maternal, Infant, and Early Childhood Home Visiting Grant</i>                                    |   |                                       |                                  |                                   |
| Passed through:   |   |                                       |                                  |                                   |
| State of Oregon Health Authority  | 167441  | 93.870                                | —                                | 123,701                           |
| State of Oregon Health Authority  | 162075  | 93.870                                | —                                | 39,075                            |
| Total Federal Assistance Listing No. 93.870   |   |                                       |                                  | 162,776                           |
| <i>Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth</i> |   |                                       |                                  |                                   |
| Direct award  | n/a   | 93.557                                | —                                | 171,479                           |
| <i>Basic Center Grant</i>   |   |                                       |                                  |                                   |
| Direct award  | n/a   | 93.623                                | —                                | 462,273                           |
| <i>Foster Care Title IV-E</i>   |   |                                       |                                  |                                   |
| Passed through:   |   |                                       |                                  |                                   |
| Oregon Department of Human Services   | 159886-3                                      | 93.658                                | —                                | 750                               |
| <b>Total U.S. Department of Health and Human Services</b>   |   |                                       |                                  | <b>1,121,360</b>                  |
| <b>U.S. Department of Housing and Urban Development</b>   |   |                                       |                                  |                                   |
| <i>Continuum of Care Program</i>  |   |                                       |                                  |                                   |
| Direct award  | n/a   | 14.267                                | —                                | 152,332                           |
| Passed through:   |   |                                       |                                  |                                   |
| Multnomah County Department of County Human Services  | [1]   | 14.267                                | —                                | 516,029                           |
| Passed through:   |   |                                       |                                  |                                   |
| New Avenues for Youth   | OR0121L0E011808                               | 14.267                                | —                                | 2,361                             |
| New Avenues for Youth   | OR0121L0E011809                               | 14.267                                | —                                | 7,083                             |
| Total Federal Assistance Listing No. 14.267   |   |                                       |                                  | 677,805                           |

Continued

JANUS YOUTH PROGRAMS, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, CONTINUED**

YEAR ENDED JUNE 30, 2021

| <b>Federal grantor/pass-through grantor/program or cluster title</b> | <b>Pass-through entity identifying number</b> | <b>Federal Assistance Listing No.</b> | <b>Provided to subrecipients</b> | <b>Total federal expenditures</b> |
|--|---|---------------------------------------|----------------------------------|-----------------------------------|
| <i>Home Investment Partnerships Program</i>                          |   |                                       |                                  |                                   |
| Passed through:  |   |                                       |                                  |                                   |
| Clark County Department of Community Services                        | 2019-HOME-19H5                                | 14.239                                | —                                | 34,385                            |
| Clark County Department of Community Services                        | 2020-HOME-20H1                                | 14.239                                | —                                | 34,194                            |
| City of Vancouver Department of Community Planning                   | 2019-HOME-PRJ100366                           | 14.239                                | —                                | 7,572                             |
| City of Vancouver Department of Community Planning                   | 2020-HOME-PRJ100459                           | 14.239                                | —                                | 81,840                            |
| Total Federal Assistance Listing No. 14.239                          |   |                                       | —                                | 157,991                           |
| <i>Community Development Block Grants/Entitlement Grants</i>         |   |                                       |                                  |                                   |
| Passed through:  |   |                                       |                                  |                                   |
| City of Vancouver Department of Community Planning                   | 2019-CDBG-PRJ100453                           | 14.218                                | —                                | 34,461                            |
| City of Vancouver Department of Community Planning                   | 2020-CDBG-PRJ100453                           | 14.218                                | —                                | 47,339                            |
| City of Vancouver Department of Community Planning                   | 2019-CDBG-PRJ100364                           | 14.218                                | —                                | 9,423                             |
| Clark County Department of Community Services                        | 2019-CDBG-1905                                | 14.218                                | —                                | 11,834                            |
| Clark County Department of Community Services                        | 2019-CDBG-CV04                                | 14.218                                | —                                | 14,249                            |
| Total Federal Assistance Listing No. 14.218                          |   |                                       | —                                | 117,306                           |
| <i>Emergency Solutions Grant Program/</i>                            |   |                                       |                                  |                                   |
| Passed through:  |   |                                       |                                  |                                   |
| Multnomah County Department of County Human Services                 | [1]   | 14.231                                | —                                | 43,976                            |
| <b>Total U.S. Department of Housing and Urban Development</b>        |   |                                       | —                                | <b>997,078</b>                    |

*Continued*

JANUS YOUTH PROGRAMS, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, CONTINUED**

YEAR ENDED JUNE 30, 2021

| <b>Federal grantor/pass-through grantor/program or cluster title</b> | <b>Pass-through entity identifying number</b> | <b>Federal Assistance Listing No.</b> | <b>Provided to subrecipients</b> | <b>Total federal expenditures</b> |
|--|---|---------------------------------------|----------------------------------|-----------------------------------|
| <b>U.S. Department of Justice —</b>                                  |   |                                       |                                  |                                   |
| <b>Office for Victims of Crime:</b>                                  |   |                                       |                                  |                                   |
| <i>Crime Victim Assistance</i>                                       |   |                                       |                                  |                                   |
| Passed through:  |   |                                       |                                  |                                   |
| Oregon Department of Justice   | VOCA/CFA-2019                                 | 16.575                                | —                                | 67,150                            |
| State of Washington Department of Commerce                           | 21-31219-204                                  | 16.575                                | —                                | 163,903                           |
| Total Federal Assistance Listing No. 16.575                          |   |                                       | —                                | 231,053                           |
| <b>Total U.S. Department of Justice</b>                              |   |                                       | —                                | <b>231,053</b>                    |
| <b>U.S. Department of Agriculture —</b>                              |   |                                       |                                  |                                   |
| <i>Healthy Food Financing Initiative</i>                             |   |                                       |                                  |                                   |
| Direct award   | n/a   | 10.872                                | —                                | 3,475                             |
| <b>Food and Nutrition Service —</b>                                  |   |                                       |                                  |                                   |
| <b>Child Nutrition Cluster</b>                                       |   |                                       |                                  |                                   |
| <i>National School Lunch Program</i>                                 |   |                                       |                                  |                                   |
| Passed through:  |   |                                       |                                  |                                   |
| Oregon Department of Education                                       | 2610001                                       | 10.555                                | —                                | 36,388                            |
| <i>School Breakfast Program</i>                                      |   |                                       |                                  |                                   |
| Passed through:  |   |                                       |                                  |                                   |
| Oregon Department of Education                                       | 2610001                                       | 10.553                                | —                                | 5,326                             |
| Total Child Nutrition Cluster  |   |                                       | —                                | 41,714                            |
| <b>Total U.S. Department of Agriculture</b>                          |   |                                       | —                                | <b>45,189</b>                     |
| <b>U.S. Department of Homeland Security:</b>                         |   |                                       |                                  |                                   |
| <i>Emergency Food and Shelter National Board Program</i>             |   |                                       |                                  |                                   |
| Passed through:  |   |                                       |                                  |                                   |
| United Way   | 886800-010                                    | 97.024                                | —                                | 29,375                            |
| <b>Total U.S. Department of Homeland Security</b>                    |   |                                       | —                                | <b>29,375</b>                     |

*Continued*

JANUS YOUTH PROGRAMS, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, CONTINUED**

YEAR ENDED JUNE 30, 2021

| <b>Federal grantor/pass-through grantor/program or cluster title</b>   | <b>Pass-through entity identifying number</b> | <b>Federal Assistance Listing No.</b> | <b>Provided to subrecipients</b> | <b>Total federal expenditures</b> |
|--|---|---------------------------------------|----------------------------------|-----------------------------------|
| <b>U.S. Department of the Treasury:</b><br><i>COVID-19 Coronavirus Relief Fund</i><br>Passed through:<br>Multnomah County Department<br>of County Human Services | [1]   | 21.019                                | —                                | 56,680                            |
| <b>Total U.S. Department of the Treasury</b>   |   |                                       | —                                | <b>56,680</b>                     |
| <b>Total expenditures of federal awards</b>  |   |                                       | —                                | <b>\$ 2,480,735</b>               |

See accompanying notes to schedule of expenditures of federal awards.

[1] JOHS-SVCSGEN-1181-2017-CONV

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED JUNE 30, 2021

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**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of Janus Youth Programs, Inc. under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2, *U.S. Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the “Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of Janus Youth Programs, Inc., it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of Janus Youth Programs, Inc.

For purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly between Janus and agencies and departments of the Federal Government and all sub-awards to the organization by non-federal organizations pursuant to federal grants, contracts and similar agreements.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**3. Indirect Cost Rate**

Janus applies its predetermined, approved facilities and administrative rate when charging indirect costs to federal awards; thus, Janus did not elect to use the ten-percent de minimis cost rate, as described in Section 200.414 of the Uniform Guidance.



**REPORT OF INDEPENDENT ACCOUNTANTS 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***

*The Board of Directors  
Janus Youth Programs, Inc.:*

We have audited, in accordance with the auditing standards generally accepted in the United States 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 Janus Youth Programs, Inc., which comprise the statement of financial position as of June 30, 2021, 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 October 29, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Janus Youth Programs, Inc.'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 Janus Youth Programs, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Janus Youth Programs, Inc.'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 organization'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 may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Janus Youth Programs, Inc.'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.

A handwritten signature in black ink that reads "Amy McCon + CO. LLP". The signature is written in a cursive, flowing style.

October 29, 2021

**REPORTS OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

*The Board of Directors  
Janus Youth Programs, Inc.:*

**Report on Compliance for Each Major Federal Program**

We have audited Janus Youth Programs, Inc.'s compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of Janus Youth Programs, Inc.'s major federal programs for the year ended June 30, 2021. Janus Youth Programs, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

*Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

*Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of Janus Youth Programs, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2, *U.S. Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Janus Youth Programs, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Janus Youth Programs, Inc.'s compliance.

*Opinion on Each Major Federal Program*

In our opinion, Janus Youth Programs, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

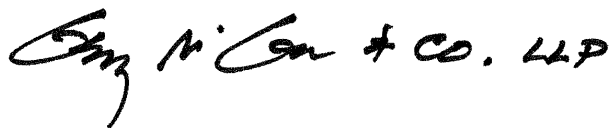
## **Report on Internal Control Over Compliance**

Management of Janus Youth Programs, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Janus Youth Programs, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Janus Youth Programs, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Handwritten signature in black ink that reads "Amy McLean & Co. LLP". The signature is written in a cursive, flowing style.

October 29, 2021

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

YEAR ENDED JUNE 30, 2021

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**Section 1 – Summary of Auditors’ Results**

*Financial Statements*

1. Type of auditor’s report issued on whether the audited financial statements were prepared in accordance with GAAP – **unmodified**
2. Significant deficiency(ies) in internal control identified in the audit of the financial statements – **none reported**
3. Material weakness(es) in internal control identified in the audit of the financial statements – **none**
4. Noncompliance that is material to the financial statements noted – **none**

*Federal Awards*

5. Significant deficiency(ies) in internal control over major federal programs identified in the audit – **none reported**
6. Material weakness(es) in internal control over major federal programs identified in the audit – **none**
7. The type of auditor’s report issued on compliance for major federal programs – **unmodified**
8. Audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) – **none**

*Identification of Major Federal Program*

- **U.S. Department of Health and Human Services – Transitional Living for Homeless Youth (ALN: 93.550)**
  - **U.S. Department of Health and Human Services – Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth (ALN: 93.557)**
  - **U.S. Department of the Treasury – COVID-19 Coronavirus Relief Fund (ALN: 21.019)**
9. Dollar threshold used to distinguish between Type A and Type B programs – **\$750,000**
  10. Is the auditee qualified as a low-risk auditee under 2 CFR 200.520? – **yes**

**Section 2 – Financial Statement Findings**

11. Findings relating to the financial statements reported in accordance with *Government Auditing Standards* – **none**

**Section 3 – Federal Award Findings and Questioned Costs**

12. Findings and questioned costs relating to federal awards – **none**

JANUS YOUTH PROGRAMS, INC.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

YEAR ENDED JUNE 30, 2021

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There were no audit findings reported in the prior year.

**GOVERNING BOARD AND MANAGEMENT**

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**Board of Directors**

Peter Beyer, *President*  
*Home Forward*

Sue Campo, *Vice-President*  
*Community Volunteer*

Hirdesh Lal, *Treasurer*  
*Kaiser Permanente*

Melissa Bauer, *Secretary*  
*Bauer Northwest*  
*Enterprises, LLC*

Todd Allais  
*Century Link*

Greg Bauer  
*Community Volunteer*

Tim Colton, *Past President*  
*Tidewater Transportation*  
*& Terminals*

Jessie Fan, M.D., MBA  
*Northwest Permanente*

Robert Field  
*Northwest Investments*

Thomas Fink, CLU, Ch.FC  
*Magnacorp*

Nancy Hurley  
*VxRail Product Marketing*  
*Dell EMC*

David R. Jarman  
*Wells Fargo Advisors, LLC*

Stephen McCammon  
*Community Volunteer*

Jeany Park  
*Tree Swing Video*

Amy Joseph Pedersen  
*Stoel Rives, LLP*

Mary Seabright  
*Community Volunteer*

John Stageberg  
*Capital Market Solutions, Inc.*

Chris Wolfe  
*The Standard*

**Management**

Dennis L. Morrow  
*Executive Director*

Rosalie Karp  
*Advancement Director*

Tiffany Tucker  
*Fiscal Director*

JANUS YOUTH PROGRAMS, INC.

**INQUIRIES AND OTHER INFORMATION**

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