

JUST DETENTION INTERNATIONAL

**CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021**

JUST DETENTION INTERNATIONAL

TABLE OF CONTENTS JUNE 30, 2021

Independent Auditors' Report	1-2
Financial Statements:	
Consolidated Statement of Financial Position, June 30, 2021	3
Consolidated Statement of Activities, for the year ended June 30, 2021	4
Consolidated Statement of Functional Expenses, for the year ended June 30, 2021	5
Consolidated Statement of Cash Flows, for the year ended June 30, 2021	6
Notes to Financial Statements	7-13
Supplementary Information	
Schedule of Expenditures of Federal Awards, for the year ended June 30, 2021.....	14
Notes to Schedule of Expenditures of Federal Awards.....	15
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing</i> Standards.....	16-17
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance.....	18-19
Schedule of Findings and Questioned Costs.....	20-21

Rojas & Associates, CPAs

500 South Grand Avenue, Suite 2080, Los Angeles, CA 90071

www.rojascpa.com

Phone – 213-283-9500

To the Board of Directors
Just Detention International

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of JUST DETENTION INTERNATIONAL (a non-profit organization), and affiliates, which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 misstatements.

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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Just Detention International and affiliates 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 of America.

Other Matters

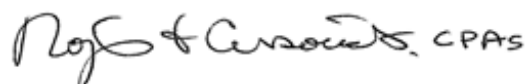
Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by the Title 2 U.S. Code of Federal Regulations 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2022, on our consideration of Just Detention International'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 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 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 Just Detention International's internal control over financial reporting and compliance.

ROJAS & ASSOCIATES, CPAs



Los Angeles, California
January 10, 2022

JUST DETENTION INTERNATIONAL

CONSOLIDATED STATEMENT OF FINANCIAL POSITION JUNE 30, 2021

ASSETS

Current Assets:

Cash and cash equivalents	\$ 2,212,974
Investments	600,340
Accounts receivable	366,336
Contributions receivable, current portion	<u>380,147</u>
Total current assets	<u>3,559,797</u>

OTHER ASSETS

Property and equipment, net	20,290
Deposits	15,841
Prepaid expenses	34,630
Contributions receivable, less current portion	<u>195,565</u>
Total other assets	<u>266,326</u>

TOTAL ASSETS \$ 3,826,123

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable and accrued expenses	\$ 341,779
Deferred rent	5,610
PPP loan	<u>335,096</u>
Total current liabilities	<u>682,485</u>

Net Assets:

Without donor restrictions	2,509,645
With donor restrictions	<u>633,993</u>
Total net assets	<u>3,143,638</u>

TOTAL LIABILITIES AND NET ASSETS \$ 3,826,123

See independent auditors' report and notes to financial statements.

JUST DETENTION INTERNATIONAL

CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2021

	Net Assets Without Donor Restrictions	Net Assets With Donor Restriction	Total
REVENUES AND OTHER SUPPORT			
Contributions	\$ 828,300	\$ 289,100	\$ 1,117,400
Government grants	1,574,186	-	1,574,186
Paycheck protection program income	366,110	-	366,110
Interest and other income	<u>83,228</u>	<u>-</u>	<u>83,228</u>
TOTAL REVENUES AND OTHER SUPPORT	2,851,824	289,100	3,140,924
Net assets released from restrictions	<u>752,813</u>	<u>(752,813)</u>	<u>-</u>
	<u>3,604,637</u>	<u>(463,713)</u>	<u>3,140,924</u>
EXPENSES			
Program expenses	2,931,750	-	2,931,750
Supporting services expenses			
Administration	227,650	-	227,650
Fundraising	<u>152,859</u>	<u>-</u>	<u>152,859</u>
Total supporting services expenses	380,509		380,509
TOTAL EXPENSES	<u>3,312,259</u>	<u>-</u>	<u>3,312,259</u>
CHANGE IN NET ASSETS	292,378	(463,713)	(171,335)
NET ASSETS			
BEGINNING OF THE YEAR	<u>2,217,267</u>	<u>1,097,706</u>	<u>3,314,973</u>
END OF THE YEAR	<u>\$ 2,509,645</u>	<u>\$ 633,993</u>	<u>\$ 3,143,638</u>

See independent auditors' report and notes to financial statements.

JUST DETENTION INTERNATIONAL

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2021

	Program Services	Administration	Fundraising	Total
Salaries	\$1,561,644	\$ 106,476	\$ 106,476	\$1,774,596
Payroll Taxes	109,793	7,486	7,486	124,765
Employee Benefit	208,354	14,206	14,206	236,766
Professional Fees	-	72,497	-	72,497
Website	5,192	354	354	5,900
Consultants	674,750	-	-	674,750
Technical Support	6,464	441	441	7,346
Staff Recruitment	-	435	-	435
Insurance	6,653	454	454	7,561
Permits and Licenses	-	165	-	165
Office Supplies	55,725	3,799	3,799	63,323
Telephone and Internet	20,790	1,418	1,418	23,626
Online Communications	31,998	-	-	31,998
Postage and Delivery	16,207	1,105	1,105	18,417
Rent	171,692	11,706	11,706	195,104
Printing and Publications	20,417	-	2,269	22,686
Travel	9,746	-	513	10,259
Survivor Outreach and Meetings	8,023	-	2,006	10,029
Dues and Subscriptions	2,165	148	148	2,461
Equipment Leases	3,443	235	235	3,913
Staff and Board Development	15,124	6,482	-	21,606
Depreciation Expenses	<u>3,570</u>	<u>243</u>	<u>243</u>	<u>4,056</u>
TOTAL FUNCTIONAL EXPENSES	<u>\$2,931,750</u>	<u>\$ 227,650</u>	<u>\$ 152,859</u>	<u>\$3,312,259</u>

See independent auditors' report and notes to financial statements.

JUST DETENTION INTERNATIONAL
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	(\$ 171,335)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	4,056
Net realized and unrealized gain	5,860
Sale of donated securities	44,917
Receipt of donated securities	(44,917)
Increase in accounts receivable	(106,374)
Decrease in contributions receivable	446,994
Increase in deposits	(3,501)
Increase in accounts payable and accrued expenses	<u>128,620</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>304,171</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of securities	(600,000)
Sale of securities	800,000
Purchase of fixed assets	<u>(19,428)</u>
NET CASE PROVIDED BY INVESTING ACTIVITIES	<u>180,572</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	484,743
CASH AND CASH EQUIVALENTS- BEGINNING OF THE YEAR	<u>1,728,231</u>
CASH AND CASH EQUIVALENTS- END OF THE YEAR	<u>\$ 2,212,974</u>

See independent auditors' report and notes to financial statements.

JUST DETENTION INTERNATIONAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 1. DESCRIPTION OF THE ORGANIZATION

Just Detention International ("JDI" or the "Organization") is a health and human rights organization that seeks to end sexual abuse in all forms of detention. Founded in 1980, JDI is the only organization in the U.S., and the world, dedicated exclusively to ending sexual abuse behind bars. JDI holds government officials accountable for prisoner rape; challenges the attitudes and misperceptions that allow sexual abuse to flourish; and makes sure that survivors get the help they need. In addition, the Organization founded Just Detention International South Africa Trust ("Trust"). The Trust, located in Johannesburg, South Africa, was incorporated in November 2013 and shares the same goals as the Organization. The Trust is included in the consolidated financial statements of the Organization as a result of common control. The Organization's primary sources of revenue are contributions from individuals and foundations and government grants.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation and Principles of Consolidation

Consolidated financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its accounting principles generally accepted in the United States of America. Under accounting principles generally accepted in the United States of America, JDI and the trust are required to report their financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, based upon the presence or absence of donor or grant imposed restrictions. All interorganizational accounts and transactions have been eliminated in consolidation.

B. Property and Equipment

Property and equipment are recorded at cost if purchased, or fair value on the date of donation. Property and equipment over \$1,000 are capitalized. They are depreciated using the straight line method over the estimated useful lives of the assets. Estimated useful lives range from three to five years.

C. Grants and Contributions

Grants and contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Grants and contributions that are restricted by the donor are reported as increases in net assets with donor restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without restrictions. Net assets with donor restrictions are restricted for use in specific periods or programs of the Organization. Also see Note 8.

Reimbursements for project costs under government grants are recognized when costs are incurred in accordance with the applicable grant agreements. JDI submits funding requests to the cognizant agency(ies) monthly or quarterly, based upon its expenditures under the grants. As of June 30, 2021, accounts receivable consists largely of reimbursements due under government grants for costs incurred before year end. Management has evaluated the receivables and believes them to be fully collectible. Accordingly, no allowance for doubtful accounts is necessary.

See accompanying independent auditors' report.

JUST DETENTION INTERNATIONAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Organization receives donated securities, which are reported at fair value based on quoted market prices on the date of the donation. It is JDI's policy to sell donated securities immediately. Donated securities totaled \$44,917 in the year ended June 30, 2021, and are included in contributions.

D. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. Tax-Exempt Status

The Organization is a non-profit corporation organized under the laws of the state of New York and recognized as a non-profit organization by California and Washington, D.C. The Organization is exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code, and exempt from state franchise or income tax under section 23701d of the California Revenue and Taxation Code. Accordingly, no provisions for income taxes or related credits are included in the accompanying financial statements.

F. Contributions Receivable

Contributions receivable are estimated based on contributions promised on or before June 30, 2021 for which payment had not yet been received. Management has evaluated the receivables and believes them to be fully collectible. Accordingly, no allowance for doubtful accounts is necessary.

Contributions receivable as of June 30, 2021 include \$380,147 due within one year and \$195,565 due in one to five years. Contributions expected to be collected after one year, totaling \$195,565, are discounted to present value at the rate of 2.08% and are reported net. The aggregate discount is \$3,985.

G. Cash and Cash Equivalents

JDI considers short-term investments with initial maturities of 90 days or less to be cash equivalents. Cash and cash equivalents consist of cash on hand and deposits in banks and brokerage accounts.

See accompanying independent auditors' report.

JUST DETENTION INTERNATIONAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Investment Valuation

GAAP establishes a fair value hierarchy that prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Management has valued its donated securities using level 1 inputs.

Level 1- Inputs are quoted prices in an active market.

Level 2- Inputs are quoted prices for similar instruments and model based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data.

Level 3- Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

I. Functional Allocation of Expenses

The costs of providing JDI's program and other activities are reported on a functional basis in the statement of functional expenses. Expenditures that can be identified with a specific program or supporting services are allocated directly according to their purpose. Costs that are common to more than one function are allocated among the applicable programs and supporting services based on employees' time records using percentages that represent their hours spent or salaries.

J. New Accounting Pronouncements Adopted in Current Year

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-13, Fair Value Measurement (Topic 820), which modifies the disclosure requirements for investments measured at fair value. The Organization prospectively adopted provisions of this new standard effective July 1, 2020. The adoption of this standard did not have any significant impacts on the reported results of operations.

In June, 2018, FASB issued ASU No. 2018-08, Not-for-profit entities (Topic 958), which clarifies the scope and accounting guidance for contributions received and contributions made. The Organization prospectively adopted provisions of this new standard effective July 1, 2020. The adoption of this standard did not have any significant impacts on the reported results of operations.

In February 2016, FASB issued ASU No. 2016-02, Leases. ASU No. 2016-02 was issued to increase transparency and compatibility among entities. Lessees will need to recognize nearly all lease transaction (other than leases that meet the definition of a short-term lease) on the statement of financial position as a lease liability and a right- of-use asset (as defined).

Lessor accounting under the new guidance will be similar to the current model. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2021. Early application is permitted. Upon adoption, leases and lessors will be required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients that entities may elect to apply. JDI and the Trust is currently evaluating the effect the provisions of this ASU will have on the financial statements.

See accompanying independent auditors' report.

JUST DETENTION INTERNATIONAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 3. PROPERTY AND EQUIPMENT

Property and equipment are reported at cost and are depreciated over their estimated useful lives of three to five years using the straight line method. Individual property and equipment acquisitions exceeding a cost of \$1,000 are capitalized. At June 30, 2021, property and equipment consisted of the following:

Office Equipment	\$ 69,121
Leasehold Improvements	5,363
Less: Accumulated Depreciation	(54,194)
Net Property and Equipment	<u>\$ 20,290</u>

NOTE 4. INVESTMENTS

Investments measured at fair value on a recurring basis have been categorized into the fair value hierarchy as follows at June 30, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$ -	\$ 600,340	\$ -	\$ 600,340

NOTE 5. LOANS PAYABLE

At June 30, 2021, loans are payable as follows:

	<u>Short-Term</u>	<u>Long-Term</u>	<u>Total</u>
Note payable to Wells Fargo, 1% interest, due May 2022 to the extent loan amount is not forgiven under the Paycheck Protection Program	\$ 335,096	\$ -	\$ 335,096

See Note 6 for additional information related to the Paycheck Protection Program loan payable.

See accompanying independent auditors' report.

JUST DETENTION INTERNATIONAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 6. RISKS, COMMITMENTS AND CONTINGENCIES

JDI leases office space in Los Angeles and Washington D.C. under agreements expiring in 2023 and 2021, respectively. JDI received two months free rent under its Washington D.C. lease, which has been recorded as deferred rent to be amortized over the life of the lease. In June 2021, JDI signed a lease agreement for a new Washington, D.C. office location commencing in July 2021, after the conclusion of the lease for the existing Washington, D.C. location. The lease expires in July 2026. Future minimum lease payments are as follows:

<u>Year Ending</u>	<u>Total</u>
June 30, 2022	\$189,834
June 30, 2023	135,074
June 30, 2024	55,737
June 30, 2025	57,412
June 30, 2026	59,136
Thereafter	<u>4,940</u>
Total	<u>\$502,133</u>

Rent paid under the leases totaled \$195,104 for the year ended June 30, 2021.

JDI has been negatively affected by the effects of the world-wide COVID-19 pandemic. JDI is closely monitoring its operations, liquidity, capital and financial resources, and is actively working to minimize the current and future effects of this unprecedented situation. As of the date of these financial statements, the full impact to JDI's financial position or operations is not known.

In May 2020, JDI received loan proceeds in the amount of \$335,096 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act, and later modified by the PPP Flexibility Act, provides for loans to qualifying organizations for amounts up to 2.5 times the average monthly payroll expenses of the qualifying organization. The Loans and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities during the covered period. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the covered period. On July 12, 2021, JDI received loan forgiveness of \$335,096.

In February 2021, JDI received additional PPP loan proceeds in the amount of \$366,110. JDI believes that its use of the loan proceeds has met all of the terms and conditions for forgiveness at June 30, 2021. Therefore, JDI elected to treat the proceeds as a grant and has recognized the total proceeds as income during the year ended June 30, 2021. On January 11, 2022, JDI received loan forgiveness of \$366,110.

NOTE 7. RETIREMENT PLAN CONTRIBUTIONS

JDI has established a defined contribution retirement plan for the benefit of its employees. All employees are eligible to participate after six months of service. JDI contributes an amount equal to 7% of each participant's compensation to the plan. Contributions to the plan totaled \$108,654 for the year ended June 30, 2021.

See accompanying independent auditors' report.

JUST DETENTION INTERNATIONAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 8. CONCENTRATION OF CREDIT RISK

The Organization maintains cash and investment accounts at several financial institutions. Cash balances in U.S. institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000 per bank. At June 30, 2021, uninsured balances in the U.S. institutions totaled \$1,635,325. Trust cash totaling \$82,686 was held at First National Bank, a division of First Rand Bank Limited of South Africa, and is not covered by deposit insurance.

NOTE 9. NET ASSETS

Net assets with donor restrictions were as follows for the year ended June 30, 2021:

Specific Purpose	
Great warden's project	\$ 203,846
South Africa program	<u>134,132</u>
Total specific purpose	337,978
Passage of Time	
Contributions receivable	<u>296,015</u>
Total	<u>\$ 633,993</u>

Net assets released from net assets with donor restrictions during the year ended June 30, 2021 are as follows:

Satisfaction of Purpose Restrictions	
Great warden's project	\$ 96,154
Staff training and development	10,000
Survivor council	5,000
South Africa program	206,659
Other	<u>85,000</u>
Total satisfaction of purpose restrictions	402,813
Satisfaction of Time Restrictions	
Receipt of contributions receivable	<u>350,000</u>
Total	<u>\$ 752,813</u>

NOTE 10. RESTRICTED TRUST ASSETS

The trust is registered with the Master of the High Court in South Africa under the Trust Property Control Act of 1988, and, as such all of the Trust's net assets are prohibited from being transferred to JDI's U.S. operations or offices. The total restricted in this manner as of June 30, 2021, was \$134,132, which includes net assets restricted for the South African Program shown in note 9. There are no restrictions on transfers from JDI's U.S. operations or offices to the Trust.

See accompanying independent auditors' report.

JUST DETENTION INTERNATIONAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 11. SUBSEQUENT EVENTS

Management has evaluated subsequent events through, January 10, 2022, the date the financial statements were available to be issued. There were no subsequent events that required recognition or additional disclosures in these financial statements.

NOTE 12. LIQUIDITY AND AVAILABILITY

Financial assets available for expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, comprise the following at June 30, 2021.

Cash and cash equivalents	\$ 2,212,974
Investments	600,340
Contributions receivable	575,712
Accounts receivable	<u>366,336</u>
Total Financial Assets	\$ 3,755,362
Less financial assets unavailable for general purposes	
Donor restrictions	633,993
Noncurrent receivable	<u>195,565</u>
Financial Assets Available to Meet Cash Needs For General Expenditures within One Year	<u>\$ 2,925,804</u>

JDI has a practice of keeping three to six months of anticipated operating expenses in cash reserve.

See accompanying independent auditors' report.

JUST DETENTION INTERNATIONAL
CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2021

<u>Federal Grantor/ Pass- Through Grantor/ Program of Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Justice</u>			
Office for Victims of Crime	16.582	2017-VF-GX-K040	\$ 44,406
Office of Violence Against Woman	16.526	2019-TA-AX-K017	203,842
Passed Through California Governor’s Office of Emergency Services: CalOES- California Advancing PREA	16.588	AP19-06-8671	664,570
PRC- IJ TTA/SBTTA (Category 4)	16.812	2019-RP-BX-K001	409,377
PRC 2020- Category 3	16.812	2019-RP-BX-K001	<u>88,801</u>
			<u>498,178</u>
TOTAL FEDERAL AWARDS			<u>\$1,410,996</u>

See accompanying independent auditors’ report.

JUST DETENTION INTERNATIONAL

NOTES TO CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2021

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Unified Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
2. Just Detention International has selected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Rojas & Associates, CPAs

500 South Grand Avenue, Suite 2080, Los Angeles, CA 90071

www.rojascpa.com

Phone – 213-283-9500

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Just Detention International

Members of the Board:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Just Detention International (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 10, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Just Detention International's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Just Detention International's internal control. Accordingly, we do not express an opinion on the effectiveness of Just Detention International's internal control.

A *deficiency in internal control* exists when the design of operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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.

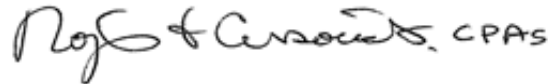
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Just Detention International's consolidated financial statements are free of material misstatements, 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such opinion. The results of our tests disclose 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 on the Just Detention International's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Just Detention International's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

ROJAS & ASSOCIATES, CPAs



Los Angeles, California
January 10, 2022

Phone – 213-283-9500

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Just Detention International

Report on Compliance for Each Major Federal Program

We have audited Just Detention International'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 Just Detention International's major federal programs for the year ended June 30, 2021. Just Detention International's major federal programs are identified in the summary of auditors' 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Just Detention International's major federal programs based on our audit of types of the compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain assurance about whether noncompliance with the types of compliance requirements referred to above that could have direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Just Detention International's compliance with those requirements and performing such other procedures and we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for its major federal programs. However, our audit does not provide a legal determination of Just Detention International's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, Just Detention International 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

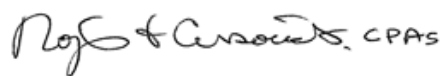
Management of Just Detention International is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred above. In planning and performing our audit of compliance, we considered Just Detention International's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal programs to determine the auditing procedures that are appropriate in 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 on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Just Detention International's internal control over compliance.

A deficiency in internal control over compliance exists when the design of operation of the 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 in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material compliance 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 combination of deficiencies, in internal control over compliance that is less severe than a material weakness, 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. Given these limitations, during our audit, 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.

ROJAS & ASSOCIATES, CPAs



Los Angeles, California
January 10, 2022

JUST DETENTION INTERNATIONAL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021

Section I- Summary of Auditors' Results

Financial Statements

Type of auditors' report issued	Unmodified
Internal Control over financial reporting Material weakness identified?	No
Significant deficiencies identified that are not considered material weaknesses?	None reported
Noncompliance material to consolidated financial statements noted?	No

Federal Awards

Internal control over financing reporting Material weakness identified?	No
Significant deficiencies identified that are not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	No
Identification of major program Department of Justice 16.588 CalOES- California Advancing PREA	
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

JUST DETENTION INTERNATIONAL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021

Section II- Financial Statement Findings

No matters were reported.

Section III- Federal Award Findings and Questioned Costs

No matters were reported.