



FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023



Leaf & Cole, LLP
Certified Public Accountants
A Partnership of Professional Corporations

**JUST IN TIME FOR FOSTER YOUTH
FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1 - 2
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5 - 6
Statements of Cash Flows	7
Notes to Financial Statements	8 - 19



Leaf & Cole, LLP
Certified Public Accountants
A Partnership of Professional Corporations

Independent Auditor's Report

To the Board of Directors
Just in Time for Foster Youth

Opinion

We have audited the accompanying financial statements of Just in Time for Foster Youth (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Just in Time for Foster Youth as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Just in Time for Foster Youth, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Just in Time for Foster Youth's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Just in Time for Foster Youth's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Just in Time for Foster Youth's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Leaf & Cole LLP

San Diego, California
October 29, 2024

**JUST IN TIME FOR FOSTER YOUTH
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023**

ASSETS

	<u>2024</u>	<u>2023</u>
<u>Current Assets:</u> (Notes 2, 4, 5 and 6)		
Cash and cash equivalents	\$ 2,149,254	\$ 2,024,999
Investments	902,268	810,640
Accounts receivable	2,992	20,078
Contributions receivable	778,385	864,998
Prepaid expenses and other assets	125,726	51,645
Total Current Assets	<u>3,958,625</u>	<u>3,772,360</u>
<u>Noncurrent Assets:</u> (Notes 2, 6, 7, 8 and 10)		
Restricted cash	33,000	33,000
Contributions receivable, net	225,291	501,800
Property and equipment, net	198,703	258,888
Right-of-use assets - operating leases, net	648,504	835,518
Total Noncurrent Assets	<u>1,105,498</u>	<u>1,629,206</u>
TOTAL ASSETS	<u><u>\$ 5,064,123</u></u>	<u><u>\$ 5,401,566</u></u>

LIABILITIES AND NET ASSETS

<u>Current Liabilities:</u> (Notes 2 and 10)		
Accounts payable and accrued expenses	\$ 142,612	\$ 242,908
Accrued payroll and related liabilities	181,771	197,240
Deferred revenue	10,278	-
Operating lease liability	196,300	185,174
Total Current Liabilities	<u>530,961</u>	<u>625,322</u>
<u>Noncurrent liabilities:</u> (Notes 2 and 10)		
Operating lease liability, net of current portion	484,260	680,559
Total Noncurrent Liabilities	<u>484,260</u>	<u>680,559</u>
Total Liabilities	<u>1,015,221</u>	<u>1,305,881</u>
<u>Commitments and Contingency</u> (Notes 8 and 10)		
<u>Net Assets:</u> (Notes 2 and 9)		
Without donor restrictions	2,375,354	2,552,498
With donor restrictions	1,673,548	1,543,187
Total Net Assets	<u>4,048,902</u>	<u>4,095,685</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 5,064,123</u></u>	<u><u>\$ 5,401,566</u></u>

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

**JUST IN TIME FOR FOSTER YOUTH
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<u>Revenue and Support:</u>						
Contributions	\$ 3,013,289	\$ 1,578,487	\$ 4,591,776	\$ 2,844,574	\$ 1,869,486	\$ 4,714,060
Special events, net of related expenses of \$171,271 and \$156,832, respectively	1,316,435	-	1,316,435	1,059,990	-	1,059,990
In-kind contributions	320,658	-	320,658	133,958	-	133,958
Program fees	211,808	-	211,808	-	-	-
Investment income	118,203	-	118,203	83,470	-	83,470
Other income	1,034	-	1,034	445	-	445
Net assets released from restrictions	1,448,126	(1,448,126)	-	1,188,675	(1,188,675)	-
Total Revenue and Support	<u>6,429,553</u>	<u>130,361</u>	<u>6,559,914</u>	<u>5,311,112</u>	<u>680,811</u>	<u>5,991,923</u>
<u>Expenses:</u>						
Program Services:						
Knowledge	1,125,993	-	1,125,993	1,117,114	-	1,117,114
Basic needs	1,097,230	-	1,097,230	1,002,574	-	1,002,574
Connections	861,390	-	861,390	875,610	-	875,610
Empowerment	751,075	-	751,075	666,510	-	666,510
Scaling	731,252	-	731,252	773,692	-	773,692
Total Program Services	<u>4,566,940</u>	<u>-</u>	<u>4,566,940</u>	<u>4,435,500</u>	<u>-</u>	<u>4,435,500</u>
Supporting Services:						
General and administrative	867,808	-	867,808	435,052	-	435,052
Fundraising	1,171,949	-	1,171,949	1,002,549	-	1,002,549
Total Supporting Services	<u>2,039,757</u>	<u>-</u>	<u>2,039,757</u>	<u>1,437,601</u>	<u>-</u>	<u>1,437,601</u>
Total Expenses	<u>6,606,697</u>	<u>-</u>	<u>6,606,697</u>	<u>5,873,101</u>	<u>-</u>	<u>5,873,101</u>
Change in Net Assets	(177,144)	130,361	(46,783)	(561,989)	680,811	118,822
Net Assets at Beginning of Year	<u>2,552,498</u>	<u>1,543,187</u>	<u>4,095,685</u>	<u>3,114,487</u>	<u>862,376</u>	<u>3,976,863</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 2,375,354</u></u>	<u><u>\$ 1,673,548</u></u>	<u><u>\$ 4,048,902</u></u>	<u><u>\$ 2,552,498</u></u>	<u><u>\$ 1,543,187</u></u>	<u><u>\$ 4,095,685</u></u>

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

**JUST IN TIME FOR FOSTER YOUTH
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

	Program Services						Supporting Services			
	Knowledge	Basic Needs	Connections	Empowerment	Scaling	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total Expenses
Advertising, marketing and promotional events	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,423	\$ 66,423	\$ 66,423
Conference, meetings and training	214	204	79	264	49,831	50,592	40,668	20,803	61,471	112,063
Contract labor	11,586	6,993	22,751	29,043	8,441	78,814	378,074	166,839	544,913	623,727
Depreciation	5,720	35,013	21,390	25,298	-	87,421	5,640	7,122	12,762	100,183
Insurance	5,018	1,633	13,786	6,675	1,791	28,903	2,662	5,035	7,697	36,600
Office expense	42,982	39,869	99,279	90,665	33,278	306,073	44,837	90,912	135,749	441,822
Postage and shipping	419	255	255	255	-	1,184	271	9,944	10,215	11,399
Printing	4,621	2,267	2,284	3,921	5,362	18,455	1,514	33,577	35,091	53,546
Program related expenses	563,114	607,346	299,233	109,730	7,204	1,586,627	-	-	-	1,586,627
Salaries and related benefits	490,826	403,037	401,505	484,811	620,640	2,400,819	392,855	766,152	1,159,007	3,559,826
Travel	1,493	613	828	413	4,705	8,052	1,287	5,142	6,429	14,481
Total Expenses	\$ 1,125,993	\$ 1,097,230	\$ 861,390	\$ 751,075	\$ 731,252	\$ 4,566,940	\$ 867,808	\$ 1,171,949	\$ 2,039,757	\$ 6,606,697

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

**JUST IN TIME FOR FOSTER YOUTH
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023**

	Program Services						Supporting Services			
	Knowledge	Basic Needs	Connections	Empowerment	Scaling	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total Expenses
Advertising, marketing and promotional events	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,051	\$ 31,051	\$ 31,051
Conference, meetings and training	1,251	1,180	2,211	2,401	8,827	15,870	45,514	26,628	72,142	88,012
Contract labor	16,058	14,401	35,073	29,236	105,075	199,843	201,976	167,108	369,084	568,927
Depreciation	4,905	39,208	17,264	10,650	-	72,027	6,610	6,079	12,689	84,716
Insurance	3,794	2,981	12,710	2,385	-	21,870	759	4,472	5,231	27,101
Office expense	41,049	39,627	145,323	45,677	7,272	278,948	68,736	90,783	159,519	438,467
Postage and shipping	435	246	120	250	-	1,051	302	9,595	9,897	10,948
Printing	5,577	7,070	4,764	3,084	22,041	42,536	1,564	24,919	26,483	69,019
Program related expenses	588,271	485,714	222,333	87,434	24,861	1,408,613	-	-	-	1,408,613
Salaries and related benefits	453,549	411,426	434,009	484,720	593,752	2,377,456	106,858	640,455	747,313	3,124,769
Travel	2,225	721	1,803	673	11,864	17,286	2,733	1,459	4,192	21,478
Total Expenses	\$ <u>1,117,114</u>	\$ <u>1,002,574</u>	\$ <u>875,610</u>	\$ <u>666,510</u>	\$ <u>773,692</u>	\$ <u>4,435,500</u>	\$ <u>435,052</u>	\$ <u>1,002,549</u>	\$ <u>1,437,601</u>	\$ <u>5,873,101</u>

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

**JUST IN TIME FOR FOSTER YOUTH
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<u>Cash Flows From Operating Activities:</u>		
Change in net assets	\$ (46,783)	\$ 118,822
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	100,183	84,716
Net realized and unrealized gain on investments	(69,797)	(47,688)
Donated stock	(30,148)	(75,166)
Right-of-use assets – operating leases, net	187,014	171,713
(Increase) Decrease in:		
Accounts receivable	17,086	(20,078)
Contributions receivable, net	363,122	(837,369)
Prepaid expenses and other assets	(74,081)	(15,736)
Increase (Decrease) in:		
Accounts payable and accrued expenses	(100,296)	130,161
Accrued payroll and related liabilities	(15,469)	17,805
Deferred revenue	10,278	(2,030)
Operating lease liability	(185,173)	(141,498)
Net Cash Provided by (Used in) Operating Activities	<u>155,936</u>	<u>(616,348)</u>
<u>Cash Flows From Investing Activities:</u>		
Investment (purchases)/sales, net	8,317	(681,256)
Purchase of property and equipment	(39,998)	(173,677)
Net Cash Used in Investing Activities	<u>(31,681)</u>	<u>(854,933)</u>
Net Increase (Decrease) in Cash and Cash Equivalents and Restricted Cash	124,255	(1,471,281)
Cash and Cash Equivalents and Restricted Cash at Beginning of Year	<u>2,057,999</u>	<u>3,529,280</u>
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT END OF YEAR	<u>\$ 2,182,254</u>	<u>\$ 2,057,999</u>
<u>Supplemental Disclosure of Cash Flow Information:</u>		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	<u>\$ 206,998</u>	<u>\$ 193,660</u>

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

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 1 - Organization:

Just in Time for Foster Youth (JIT) is a San Diego based nonprofit that creates access to the essential lasting relationships and critical resources leading to more equitable outcomes for young people impacted by foster care. Since 2003, JIT has partnered with the transition age youth it serves, ages 18-26, leveraging their lived expertise to design, implement, and evolve the eco-system of services offered through a reliable, responsive, and real community of support. As JIT focuses on long-term empowerment and impacts, it identifies innovative ideas and best practices to share with others whose missions and values are aligned and who want to join JIT in leading change.

Most young people have ample time to finish school, begin a career, and build a support network as they prepare to be on their own. Yet, hundreds of youth exit foster care each year to fend for themselves with a lack of preparation and resources, limited financial training or security, and no dependable safety net. It should be no surprise that a large percentage are unstable, under-employed, and set up to fail. Nationally, only 3-6% of foster youth graduate from college, and foster youth are particularly vulnerable to sex trafficking, homelessness, depression, and poverty.

Just in Time offers a very different future for young people impacted by foster care. It has proven that meaningful connections to caring adults, staff with lived experience in foster care, and peers who also strive to succeed result in long-term positive impacts. For example, 77% of JIT's College Bound youth have graduated or are still enrolled in school, and JIT surveys reveal measurable increases in earnings, savings, and durable supportive networks long after JIT participants leave its window of service. JIT offers a broad range of services and resources, each designed to connect youth to a caring community and lasting relationships. These include:

- *Basic Needs:* Emergency assistance including access to medical care and family planning; a safe, stable, supportive place to live through My First Home; and transportation equity through Changing Lanes, which offers driver training and the purchase of reliable vehicles at affordable interest rates.
- *Knowledge:* College Bound, Financial Fitness, Pathways to Financial Power, and NEXTjobs provide tools and support for success in education, employment, and financial stability.
- *Empowerment:* Rise to Resilience, My Life My Story, and on-site Therapy focus on strengthening youth mentally, physically, and emotionally to mitigate the toxic stress of Adverse Childhood Experiences (ACEs) and move toward life-changing choices and healthy relationships.
- *Connections:* The power of 600+ volunteers to build a welcoming Community for all its participants is at the heart of JIT's model for lasting change. Every JIT event and activity is an opportunity to build valuable connections.

In addition to the direct services JIT provides, JIT recently published a book called *Life Changing Choices: The 7 Essential Choices at the Heart of Transformational Change for Foster Youth and Your Community*. The book is a call to action for child welfare systems and other communities across the U.S. to embrace a very different mental model, including seven significant, life-altering choices that are critical to changing the outcomes for foster youth. JIT is currently working with like-minded nonprofits throughout the United States so that all young people impacted by foster care can benefit from JIT's community-based model.

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 2 - Significant Accounting Policies:

Accounting Method

The financial statements of JIT have been prepared on the accrual basis of accounting, which is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), and, accordingly, reflects all significant receivables, payables, and other liabilities.

Financial Statement Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes thereon are classified and reported as follows:

- Net Assets Without Donor Restrictions - Net assets available for use in general operations, and not subject to donor (or certain grantor) restrictions.
- Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires—that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Estimates

The preparation of a financial statement in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value Measurements

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value, and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy), and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

- Level 1 inputs are quoted prices in active markets for identical investments that the investment manager has the ability to access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the investment, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the investment.

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 2 - Significant Accounting Policies: (Continued)

Fair Value Measurements (Continued)

JIT's statements of financial position includes the following financial instruments that are required to be measured at fair value on a recurring basis:

- Investments in corporate stock are considered Level 1 assets and are reported at fair value based on quoted prices in active markets for identical assets at the measurement date.
- Investments - Rancho Santa Fe Foundation funds are considered Level 2 assets, and are reported at fair value based on the fair value of the underlying assets in the funds as reported by the fund manager, Rancho Santa Fe Foundation, since these funds are valued by the fund manager and are not traded in an active market.
- Jewish Community Foundation funds are considered Level 2 assets, and are reported at fair value based on the fair value of the underlying assets in the funds as reported by the fund manager, Jewish Community Foundation.

Allowance for Credit Losses

JIT recognizes an allowance for credit losses on accounts receivable to present the net amount expected to be collected as of the statements of financial position date. Such allowance is based on the credit losses expected to arise over the life of the asset which is based on the expectation as of the statements of financial position date, aging reports and historical information. Accounts receivable are written off when JIT determines such receivables are deemed uncollectible. Write-offs are recognized as a deduction from the allowance for credit losses. Management believes that all accounts receivable were fully collectible; therefore, no allowance for credit losses on accounts receivable were recorded at June 30, 2024 and 2023.

Allowance for Uncollectible Contributions Receivable

Bad debts are recognized on the allowance method, based on historical experience and management's evaluation of contributions receivable. Management believes that all contributions receivable were fully collectible; therefore, no allowance on contributions receivable were recorded at June 30, 2024 and 2023.

Capitalization and Depreciation

JIT capitalizes all expenditures in excess of \$6,000 for property and equipment at cost, while donations of property and equipment are recorded at their estimated fair values. Such donations are reported as support without donor restrictions, unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, JIT reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. JIT reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Property and equipment are depreciated using the straight-line method over the estimated useful asset lives as follows:

Office equipment and computers	5 years
Vehicle	5 years
Leasehold improvements	5 years

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 2 - Significant Accounting Policies: (Continued)

Capitalization and Depreciation (Continued)

Depreciation totaled \$100,183 and \$84,716 for the years ended June 30, 2024 and 2023, respectively.

Maintenance and repairs are charged to operations as incurred. Upon sale or disposition of property, furniture, or equipment, the asset account is reduced by the cost, and the accumulated depreciation account is reduced by the depreciation taken prior to the sale. Any resultant gain or loss is then recorded as income or expense.

Compensated Absences

Accumulated unpaid vacation totaling \$134,445 and \$125,747 at June 30, 2024 and 2023, respectively, is accrued when earned, and included in accrued payroll and related liabilities.

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to JIT that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Special event revenue is recognized in the period that the event occurs.

Program fees are recognized as performance obligations are satisfied, and any non-refundable portion of the contract is recorded as revenue upon receipt. Deferred revenue from program fees totaled \$10,278 and \$-0- at June 30, 2024 and 2023, respectively.

Other income is related to various programs conducted throughout the year and is recognized as revenue in the period in which the program relates.

Donated Materials and Facilities

JIT utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the financial statements, unless the services received (a) create or enhance nonfinancial assets, or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The donated services for the years ended June 30, 2024 and 2023 did not meet the requirements above, therefore no amounts were recognized in the financial statements.

JIT received in-kind donations of program supplies and equipment totaling \$303,858 and \$117,158 for the years ended June 30, 2024 and 2023, respectively, which have been recorded as in-kind contributions and functional expenses in the statements of activities.

JIT occupied office facilities donated by North County Lifeline. Donated facilities totaled \$16,800 for each of the years ended June 30, 2024 and 2023, and were recorded at fair value at the date of donation, and have been included in in-kind contributions and functional expenses in the statements of activities.

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 2 - Significant Accounting Policies: (Continued)

Donated Materials and Facilities (Continued)

The following table summarizes donated services and goods measured at fair value received for the years ended June 30:

2024				
Items Donated	Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Program supplies	\$303,858	Various program services	No associated donor restrictions	Estimated the fair value on the basis of estimate of current market price that would be received for selling similar products in the United States.
Rent	\$16,800	General and Administrative	No associated donor restrictions	Estimated the fair value on the basis of similar properties available in commercial real estate listings.
2023				
Items Donated	Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Program supplies	\$117,158	Various program services	No associated donor restrictions	Estimated the fair value on the basis of estimate of current market price that would be received for selling similar products in the United States.
Rent	\$16,800	General and Administrative	No associated donor restrictions	Estimated the fair value on the basis of similar properties available in commercial real estate listings

Functional Allocation of Expenses

The statements of functional expenses present expenses by function and natural classification. JIT allocates its expenses on a functional basis among its various programs and supporting services. Expenditures which can be identified with a specific program or support services are allocated directly, according to their natural expenditure classification. Costs that are common to several functions are allocated among the program and supporting services on the basis of time records, space utilized, and estimates made by JIT's management.

JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

Note 2 - Significant Accounting Policies: (Continued)

Income Taxes

JIT is a public charity, and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. JIT believes that it has appropriate support for any tax positions taken, and, as such, does not have any uncertain tax positions that are material to the financial statements. JIT is not a private foundation.

JIT's Return of Organization Exempt from Income Tax for the years ended June 30, 2024, 2023, 2022 and 2021 are subject to examination by the Internal Revenue Service and State taxing authorities, generally three-to-four years after the returns were filed.

Concentration of Credit Risk

JIT maintains its cash in bank deposit accounts and money market funds which, at times, may exceed federally insured limits. JIT has not experienced any losses in such accounts. JIT believes it is not exposed to any significant credit risk on cash and cash equivalents.

Cash and Cash Equivalents and Restricted Cash

For purposes of the statements of cash flows, JIT considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The following is a reconciliation of cash and cash equivalents and restricted cash reported within the statements of financial position that sum to the total in the statements of cash flows at June 30:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,149,254	\$ 2,024,999
Restricted cash	<u>33,000</u>	<u>33,000</u>
Total Cash and Cash Equivalents and Restricted Cash	<u>\$ 2,182,254</u>	<u>\$ 2,057,999</u>

Accounting Pronouncement Adopted

In June 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-13, *Financial Instruments – Credit Losses ("Topic 326")* to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. FASB ASU 2016-13 affects loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash.

The standard requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset(s) to present the net carrying value at the amount expected to be collected on the financial asset.

FASB ASU 2016-13 was adopted July 1, 2023 on a prospective transition approach. With respect to accounts receivables, ASU 2016-13 did not have a material impact on the financial statements.

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 2 - Significant Accounting Policies: (Continued)

Lease

JIT leases office space under a lease agreement that expires on June 30, 2027. JIT leases storage space under a lease agreement that expires on April 30, 2028. Pursuant to the guidance for accounting for leases, JIT accounts for the operating leases as noted below.

JIT determines if an arrangement is a lease at inception. An arrangement is a lease if the arrangement conveys a right to direct the use of, and obtain substantially all of the economic benefits from, the use of an asset for a period of time in exchange for consideration.

Operating lease right-of-use assets and liabilities are recognized at the commencement date based on the present value of the lease payments over the lease term. JIT use the risk-free rate in determining the present value of the lease payments.

The operating lease right-of-use asset also includes any lease payments made, and excludes lease incentives. The lease term may include options to extend or terminate the lease when it is reasonably certain that JIT will exercise that option. The lease does not contain any material residual value guarantee or material restrictive covenants. Lease expense for lease payments is recognized on the straight-line basis over the lease term.

Subsequent Events

JIT has evaluated subsequent events through October 29, 2024, which is the date the financial statements are available for issuance, and concluded that there were no events or transactions that needed to be disclosed.

Reclassification

JIT has reclassified certain prior year information to conform with the current year presentation.

Note 3 - Liquidity and Availability

JIT regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, JIT considers all expenditures related to its ongoing programs, as well as, the conduct of services undertaken to support those activities, to be general expenditures.

The table below presents financial assets available for general expenditures within one year at June 30:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,149,254	\$ 2,024,999
Investments	902,268	810,640
Accounts receivable	2,992	20,078
Contributions receivable	778,385	864,998
Financial assets available to meet general expenditures within one year	<u>\$ 3,832,899</u>	<u>\$ 3,720,715</u>

In addition to financial assets available to meet general expenditures over the next 12 months, JIT has a line-of-credit agreement with available borrowings totaling \$250,000, as described in Note 8. In addition, JIT operates with a balanced budget, and anticipates collecting sufficient revenue to cover general expenditures.

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 4 - Fair Value Measurements:

The following table summarizes assets measured at fair value by classification within the fair value hierarchy at June 30:

	2024			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2024
Corporate stock	\$ 11,005	\$ -	\$ -	\$ 11,005
Investments at Rancho Santa Fe Foundation	-	7,610	-	7,610
Investments at Jewish Community Foundation	-	883,653	-	883,653
	<u>\$ 11,005</u>	<u>\$ 891,263</u>	<u>\$ -</u>	<u>\$ 902,268</u>
	2023			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2023
Investments at Rancho Santa Fe Foundation	\$ -	\$ 6,981	\$ -	\$ 6,981
Investments at Jewish Community Foundation	-	803,659	-	803,659
	<u>\$ -</u>	<u>\$ 810,640</u>	<u>\$ -</u>	<u>\$ 810,640</u>

Note 5 - Investments:

JIT's investments consist of the following at June 30:

	2024	2023
Corporate stock	\$ 11,005	\$ -
Rancho Santa Fe Foundation	7,610	6,981
Jewish Community Foundation	883,653	803,659
Total Investments	<u>\$ 902,268</u>	<u>\$ 810,640</u>

The investments held at Rancho Santa Fe Foundation ("RSF") are classified as without donor restrictions. The investments are held in an investment pool. RSF invests in 61% equities, 36% fixed income, and 3% cash and cash equivalents. The investments held at Jewish Community Foundation ("JCF") are classified as without donor restrictions. The investments are held in a Long Term investment pool. JCF invests in 75% equities and 25% fixed income.

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 5 - Investments: (Continued)

The following schedule summarizes the investment income without donor restrictions for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Interest and dividend income	\$ 54,114	\$ 39,517
Realized and unrealized gain	69,797	47,688
Investment fees	<u>(5,708)</u>	<u>(3,735)</u>
Total Investment Income	<u>\$ 118,203</u>	<u>\$ 83,470</u>

Note 6 - Contributions Receivable:

Contributions receivable consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
Current:		
Receivables due in less than one year	\$ <u>778,385</u>	\$ <u>864,998</u>
Total Current	<u>778,385</u>	<u>864,998</u>
Noncurrent:		
Receivables due in one-to-five years	250,000	555,000
Less: Discounts to present value	<u>(24,709)</u>	<u>(53,200)</u>
Total Noncurrent, Net	<u>225,291</u>	<u>501,800</u>
Total Contributions Receivable, Net	<u>\$ 1,003,676</u>	<u>\$ 1,366,798</u>

Contributions receivable have been discounted to their present value, using a discount rate ranging from 4.86% to 5.42%, and from .07% to 5.42%, at June 30, 2024 and 2023, respectively.

Note 7 - Property and Equipment:

Property and equipment consist of the following at June 30:

	<u>2024</u>	<u>2023</u>
Office equipment and computers	\$ 65,413	\$ 65,413
Vehicle	391,277	391,277
Leasehold improvements	<u>97,096</u>	<u>57,098</u>
Subtotal	553,786	513,788
Less: Accumulated depreciation	<u>(355,083)</u>	<u>(254,900)</u>
Property and Equipment, Net	<u>\$ 198,703</u>	<u>\$ 258,888</u>

Note 8 - Line-of-Credit:

JIT had a revolving line-of-credit with JP Morgan Chase & Co. in the amount of \$125,000. The line-of-credit was secured by all business property owned by JIT, with an interest rate of 11.32% per annum and renewed annually. There was no outstanding balance on the line-of-credit at June 30, 2024 and 2023. This line-of-credit was closed on March 21, 2024.

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 8 - Line-of-Credit: (Continued)

JIT has a line-of-credit which originated on March 1, 2024 and is held by Endeavor Bank in the original amount of \$250,000 and bears interest at the index rate less .50% per annum. The line-of-credit is secured by JIT's assets. Interest is payable monthly. Principal and accrued interest are due on March 1, 2025. There was no outstanding balance on the line-of-credit at June 30, 2024.

Note 9 - Net Assets With Donor Restrictions:

Net assets with donor restrictions represent contributions and other inflows received by JIT, which are limited in their use by the donor-imposed stipulations. Net assets with donor restrictions are available for the following purposes at June 30:

	<u>2024</u>	<u>2023</u>
Subject to Expenditure for Specified Purpose:		
Knowledge	\$ 311,618	\$ 377,201
Basic needs	269,554	137,141
Empowerment	88,700	39,998
Connections	-	21,610
Total Subject to Expenditure for Specified Purpose	<u>669,872</u>	<u>575,950</u>
Subject to the Passage of Time:		
Contributions receivable, net	<u>1,003,676</u>	<u>967,237</u>
Total Subject to the Passage of Time	<u>1,003,676</u>	<u>967,237</u>
Total Net Assets With Donor Restrictions	<u>\$ 1,673,548</u>	<u>\$ 1,543,187</u>

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose, or by the occurrence of the passage of time or other events specified by the donors, are as follows for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Purpose Restrictions Accomplished:		
Knowledge	\$ 435,524	\$ 325,830
Basic needs	434,257	233,939
Empowerment	51,300	232,895
Other restricted	39,998	122,717
Connections	21,610	15,000
Time Restrictions Fulfilled	<u>465,437</u>	<u>258,294</u>
Total Net Assets Released from Restrictions	<u>\$ 1,448,126</u>	<u>\$ 1,188,675</u>

Note 10 - Commitments and Contingency:

Operating Leases

JIT leases office space under a lease agreement that expires on June 30, 2027. Rent expense totaled \$172,221 and \$146,390 for the years ended June 30, 2024 and 2023, respectively, and is included with office expense. JIT leases storage space under a lease agreement that expires on April 30, 2028. Storage expense totaled \$64,313 and \$88,617 for the years ended June 30, 2024 and 2023, respectively, and is included with program-related expenses.

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 10 - Commitments and Contingency: (Continued)

Operating Leases (Continued)

The following summarizes the line items on the statements of financial position for the operating lease at June 30:

	<u>2024</u>	<u>2023</u>
Right-of-use assets - operating leases, net	\$ <u>648,504</u>	\$ <u>835,518</u>
Operating lease liability - current portion	\$ 196,300	\$ 185,174
Operating lease liability - noncurrent portion	<u>484,260</u>	<u>680,559</u>
Total Operating Lease Liabilities	\$ <u><u>680,560</u></u>	\$ <u><u>865,733</u></u>

The following summarizes the weighted average remaining lease term and discount rate at June 30:

	<u>2024</u>	<u>2023</u>
Weighted average remaining lease term - operating	41 months	53 months
Weighted average discount rate – operating	2.69%	2.69%

The following summarizes the line items in the statements of activities which include the components of lease expense for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Operating lease expense	\$ <u>236,535</u>	\$ <u>235,007</u>
Total Operating Lease Cost	\$ <u><u>236,535</u></u>	\$ <u><u>235,007</u></u>

The following summarizes cash flow information related to leases for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Operating cash outflows from operating leases	\$ <u><u>206,998</u></u>	\$ <u><u>193,660</u></u>

The following is a schedule of future minimum lease payments under the leases:

<u>Years Ended June 30</u>	
2025	\$ 217,089
2026	220,209
2027	233,350
2028	<u>63,670</u>
Total Lease Payments	\$ 734,318
Less: Discount	<u>(53,758)</u>
Present Value of Lease Liabilities	\$ <u><u>680,560</u></u>

**JUST IN TIME FOR FOSTER YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

Note 10 - Commitments and Contingency: (Continued)

Guarantees

In November 2017, JIT entered into an agreement with Self-Help Federal Credit Union as a guarantor in connection with JIT's automobile loan program. JIT shall maintain no less than 33% of the aggregate outstanding balance of all loans under the automobile loan program, not to be less than \$33,000, as guaranty for the Self-Help Loans. Per the agreement, JIT must maintain a restricted cash account at Self-Help Federal Credit Union to cover any losses. The restricted cash account balance totaled \$33,000 at June 30, 2024 and 2023. The aggregate outstanding balance of all loans under the automobile loan program totaled \$8,823 and \$15,906 at June 30, 2024 and 2023, respectively.