

Nevada Partnership for Homeless Youth

Financial Statements for the Year Ended June 30, 2024 and Independent Auditor's Report

The logo consists of a dark blue square with a white border. Inside the square, the letters "HRC" are written in a white, bold, sans-serif font.

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NEVADA PARTNERSHIP FOR HOMELESS YOUTH

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR’S REPORT	1-3
FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024:	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8-15
INDEPENDENT AUDITOR’S 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 STANDARDS</i>	16-17
INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	18-20
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	21
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	22
SCHEDULE OF FINDINGS AND QUESTION COSTS	23
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	24

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Nevada Partnership for Homeless Youth
4981 Shirley Street
Las Vegas, Nevada 89119

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Nevada Partnership for Homeless Youth (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Nevada Partnership for Homeless Youth as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Nevada Partnership for Homeless Youth and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Nevada Partnership for Homeless 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government 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 Nevada Partnership for Homeless 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 Nevada Partnership for Homeless 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Title 45 U.S. *Code of Federal Regulations* Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS 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 of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the 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 December 20, 2024, on our consideration of Nevada Partnership for Homeless Youth'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 Nevada Partnership for Homeless Youth'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 Nevada Partnership for Homeless Youth's internal control over financial reporting and compliance.

Houldsworth, Russo & Company, P.C.

Las Vegas, Nevada
December 20, 2024

NEVADA PARTNERSHIP FOR HOMELESS YOUTH
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$	887,331
Cash and cash equivalents, restricted		1,065,333
Grants receivable		781,003
Pledges receivable		152,350
Other receivable		21,916
Gift card inventory		58,426
Food and supplies inventory		77,476
Prepaid expenses		19,001
Deposits		4,700

3,067,536

OTHER ASSETS

Cash and cash equivalents, restricted for housing		578,961
Property and equipment, net		5,265,220
Operating lease right-of-use (ROU) assets, net		6,939
Deferred compensation plan		18,089

\$ 8,936,745

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$	42,169
Accrued expenses		64,292
Client savings payable		24,562
Operating lease liabilities		3,660

134,683

OTHER LIABILITIES

Security deposits		500
Operating lease liabilities, net of current portion		3,279
Deferred compensation plan		18,089

156,551

NET ASSETS

Without donor restrictions		4,260,497
With donor restrictions		4,519,697

8,780,194

\$ 8,936,745

See accompanying notes to financial statements

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenue, gains, and other support:

Contributions and grants		\$	1,465,170
Government grants			2,619,341
Special event revenue	\$ 251,296		
Less: direct benefits to donors	97,894		153,402
In-kind contributions			719,181
Other income			69,952
Net assets released from restrictions			167,920

5,194,966

Expenses and losses:

Program services:

Emergency Services			461,546
Housing			1,609,317
Drop-in Center			1,120,423
Street Outreach			544,495

Supporting services:

Management and general			302,886
Fundraising			314,484

4,353,151

Net change in net assets without donor restrictions

841,815

NET ASSETS WITH DONOR RESTRICTIONS

Contributions			608,180
Net assets released from restrictions			(167,920)

Net change in net assets with donor restrictions

440,260

NET CHANGE IN NET ASSETS

1,282,075

NET ASSETS, BEGINNING OF YEAR

7,498,119

NET ASSETS, END OF YEAR

\$ 8,780,194

See accompanying notes to financial statements

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

	Program Services				Program Total	Supporting Services		Special Event Direct Benefits to Donors	Total
	Emergency Services	Housing	Drop-in Center	Street Outreach		Management and General	Fundraising		
Salaries	\$ 288,985	\$ 734,370	\$ 313,001	\$ 262,785	\$ 1,599,141	\$ 150,645	\$ 234,998	\$ -	\$ 1,984,784
Payroll taxes	25,668	65,226	27,801	23,340	142,035	13,380	20,872	-	176,287
Employee benefits	30,593	77,742	33,135	27,819	169,289	15,948	24,878	-	210,115
Accounting fees	-	-	-	-	-	28,950	-	-	28,950
Bank fees	-	-	-	-	-	13,081	-	-	13,081
Depreciation	18,233	125,304	50,488	32,953	226,978	15,624	15,650	-	258,252
Insurance	5,938	40,809	16,443	10,732	73,922	5,088	5,097	-	84,107
Legal fees	-	-	-	-	-	8,197	-	-	8,197
Meetings and seminars	9,289	23,605	10,061	8,447	51,402	4,842	7,553	-	63,797
Occupancy	1,138	7,819	3,150	2,056	14,163	975	977	-	16,115
Office	3,240	8,234	3,509	2,946	17,929	1,689	2,635	32,928	55,181
Outside services	-	-	4,450	4,200	8,650	43,669	580	10,784	63,683
Printing and postage	1,530	3,888	1,657	1,391	8,466	798	1,244	-	10,508
Venue	-	-	-	-	-	-	-	54,182	54,182
	<u>384,614</u>	<u>1,086,997</u>	<u>463,695</u>	<u>376,669</u>	<u>2,311,975</u>	<u>302,886</u>	<u>314,484</u>	<u>97,894</u>	<u>3,027,239</u>
Direct client expenses:									
Food and clothing	19,135	94,475	36,526	92,421	242,557	-	-	-	242,557
Lodging	9,384	67,261	400,456	3,326	480,427	-	-	-	480,427
Services	22,919	292,529	32,505	2,763	350,716	-	-	-	350,716
Supplies	25,494	68,055	187,241	69,316	350,106	-	-	-	350,106
	<u>76,932</u>	<u>522,320</u>	<u>656,728</u>	<u>167,826</u>	<u>1,423,806</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,423,806</u>
Less: costs of direct benefits to donors	-	-	-	-	-	-	-	(97,894)	(97,894)
Total expenses	<u>\$ 461,546</u>	<u>\$ 1,609,317</u>	<u>\$ 1,120,423</u>	<u>\$ 544,495</u>	<u>\$ 3,735,781</u>	<u>\$ 302,886</u>	<u>\$ 314,484</u>	<u>\$ -</u>	<u>\$ 4,353,151</u>

See accompanying notes to financial statements

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES

Net change in net assets	\$ 1,282,075
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	258,252
Donated property and equipment	(196,430)
Amortization of operating lease ROU asset	10,006
(Increase) decrease in operating assets:	
Grants receivable	218,587
Pledges receivable	(4,850)
Other receivable	(16,370)
Gift card inventory	(1,443)
Food and supplies inventory	(61,406)
Prepaid expenses	(10,720)
Deferred compensation plan	(18,089)
Increase (decrease) in operating liabilities:	
Accounts payable	(16,921)
Accrued expenses	(27,389)
Client savings payable	12,865
Operating lease liabilities	(10,006)
Deferred compensation plan liabilities	18,089
	1,436,250

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	(607,991)
	(607,991)
Net cash used in investing activities	(607,991)

NET CHANGE IN CASH 828,259

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 1,703,366

CASH AND CASH EQUIVALENTS, END OF YEAR \$ 2,531,625

SUMMARY OF CASH ACCOUNTS

Cash and cash equivalents	\$ 887,330
Cash and cash equivalents, restricted, current	1,065,334
Cash and cash equivalents, restricted for housing	578,961
	\$ 2,531,625

See accompanying notes to financial statements

NEVADA PARTNERSHIP FOR HOMELESS YOUTH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities – Nevada Partnership for Homeless Youth (Organization) was organized as a nonprofit Nevada corporation in December 2000. The Organization provides wraparound services to meet homeless youths’ immediate, emergency needs and empower them to obtain stable housing, grow, and flourish. The Organization’s support comes primarily from government grants and corporate donations. The Organization receives donations primarily from donors in the Southern Nevada region and provides services to those residing in the Southern Nevada region.

The Organization operates its multi-pronged Outreach Program to prevent youth homelessness, provide life-sustaining supplies and information to youth currently living on the streets, educate the community-at-large about youth homelessness, and advocate with and for homeless youth at the local, state, and federal levels to create transformative change.

The Organization’s Safe Place program offers mobile crisis intervention and an entry point to the Organization’s comprehensive services around-the-clock at virtually every street corner in Southern Nevada.

The hub of all of the Organization’s programs, the Drop-In Center provides youth with survival, educational, employment, therapeutic, engagement, and other resources at a comprehensive, centrally-located facility, meeting youths’ immediate needs while connecting them to a full range of services offered by both the Organization and community partners.

The Emergency Shelter Program provides youth experiencing homelessness with much-needed temporary shelter and emergency services while helping them transition to stable housing.

The Housing Program encompasses two offerings: the Independent Living Program (ILP) and Transitional and Rapid Re-Housing Program (TH-RRH). Youth in the housing program either live in Nevada Partnership for Homeless Youth owned multi-site condos or receive rental assistance to live in apartments throughout Clark County. In addition to providing youth with safe housing and meeting their basic needs, this program offers holistic services, including case management, therapy, life skills classes, and education and employment support, to empower young people to succeed in school, grow their income, build self-sufficiency skills, and achieve long-term housing stability.

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation – The Organization presents its financial statements in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under the FASB ASC, the Organization is required to report information regarding its financial position and changes in financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Use of Estimates – Timely preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP) requires management to make estimates and assumptions that affect certain reported amounts, some of which may require revision in future periods.

Income Tax Status – The Organization is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from income taxes on related income pursuant to the appropriate section of the Internal Revenue Code.

NEVADA PARTNERSHIP FOR HOMELESS YOUTH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Organization considers all highly-liquid investments with an initial maturity of three months or less to be cash equivalents.

Receivables – Receivables are stated at the amount that management expects to collect from outstanding balances. It is the Organization’s policy to charge off uncollectible receivables when management determines the receivables will not be collected. Management considers all receivables to be collectible within one year as of June 30, 2024.

Inventory – Inventory is comprised of food, supplies, and gift cards that the Organization holds in their facilities for disbursement to clients. The Organization values inventory at estimated fair value at the time of contribution or cost at the time of purchase.

Donated Assets and Services – Donated marketable securities and other noncash donations are recorded as in-kind contributions at their estimated fair value at the date of donation.

Donated services are recognized as contributions in accordance with FASB ASC, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

The Organization records the fair value of donated materials, supplies, and services as revenue in the accompanying statement of activities and as either an expense in the same statement or as an asset in the accompanying statement of financial position, depending on the nature of the contribution, in accordance with FASB ASC (See Note 7).

Property and Equipment – The Organization capitalizes all expenditures for property and equipment that have a useful life of over one year and have a cost in excess of \$1,000. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Property and equipment are depreciated using the straight-line method over the estimated useful life of the asset, which is 5 to 7 years for equipment and vehicles, 10 to 15 years for land improvements and 30 years for buildings.

Impairment of Long-Lived Assets – The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount which the carrying amount of the assets exceeds the fair value of the assets.

Deferred Compensation Plan – Effective January 1, 2023, the Organization entered into a 457(b) deferred compensation agreement (Plan) with the Executive Director. Under the agreement, the Organization is required to contribute \$12,500 annually to the Plan. During the year ended June 30, 2024, the Organization’s contributed \$15,625 to the plan.

Advertising, Marketing, and Public Relations – The Organization uses advertising, marketing, and public relations to promote its programs among the audiences it serves. The costs of advertising, marketing, and public relations are expensed as incurred.

NEVADA PARTNERSHIP FOR HOMELESS YOUTH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition – The Organization accounts for contributions in accordance with the FASB ASC. Accordingly, contributions are recognized as revenue when they are received or unconditionally pledged at their estimated net realizable value. Contributions received are recorded as increases in net assets with or without restrictions, depending on the existence of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Leases - The Organization leases office equipment and vehicles and determines if an arrangement is a lease at inception. Operating leases for equipment and vehicles are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the statement of financial position.

ROU assets represent the Organization’s right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Organization’s leases do not provide an implicit rate, a risk-free rate is used based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU assets also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend the lease when it is reasonably certain that such options will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Client Savings Payable – Client savings payable represents monies held for the Organization’s clients in a custodial capacity.

Functional Allocation of Expense – The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program and supporting services benefited.

The following expenses were directly allocated by function based on the nature of the expense: accounting fees, bank fees, legal fees, outside services, venue, and direct client expenses.

The following expenses were allocated on the basis of employee time and effort: salaries, payroll taxes, employee benefits, meetings and seminars, office, and printing and postage.

The following expenses were allocated on the basis of the square footage allocation: depreciation, insurance, and occupancy.

Concentration of Credit Risk

The Organization maintains its deposits at two financial institutions which, at most times, exceeded amounts covered by the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. The Organization has not experienced any losses on deposits and does not believe they are exposed to significant risk.

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncement – In June 2016, the FASB issued guidance FASB ASC Topic 326, Financial Instruments – *Credit Losses: Measurement of Credit Losses on Financial Instruments* (ASU 2016-13) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren’t measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity’s exposure to credit risk and the measurement of credit losses. Currently, the Organization does not have any financial assets that are subject to the guidance in FASB ASC 326. The Organization adopted this standard effective July 1, 2023.

Date of Management’s Review – Subsequent events have been evaluated through December 20, 2024, which is the date the financial statements were available to be issued.

2. ESTIMATES

The Organization received significant amounts of donated clothing, food, household and other supplies, which is recognized as in-kind revenue and a related expense, or inventory until disbursed. The valuation of these in-kind goods is a significant estimate. The valuation of these supplies is based upon comparability data of similar items at their selling price.

The Organization also used estimates to allocate expenses by function. The estimate of the functional expense allocation is based upon salary and square footage allocations. The salary allocation is determined based on how much time each employee spends working in each function. The square footage allocation is based on how much space each department occupies related to each function.

3. INFORMATION REGARDING LIQUIDITY AND AVAILABILITY

The Organization receives program and contribution revenues, and considers contributions restricted for programs which are ongoing, major, and central to its operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

The following table reflects the Organization’s financial assets as of June 30, 2024, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date:

Cash and cash equivalents	\$ 2,531,625
Grants receivable	781,003
Pledges receivable	152,350
Other receivable	21,916
Less: cash restricted for long term purposes	(578,961)
Less: client savings payable	<u>(24,562)</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 2,883,371</u>

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024**

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30, 2024:

Buildings and improvements	\$ 5,105,201
Computers and software	37,840
Equipment	234,217
Furniture	222,381
Land and land improvements	861,061
Vehicles	201,539
Leasehold improvements	<u>2,060</u>
	6,664,299
Less: accumulated depreciation	<u>(1,399,079)</u>
	<u>\$ 5,265,220</u>

5. RESTRICTIONS ON PROPERTIES

The Organization obtained federal grants passed through Clark County, the State of Nevada, and the City of Henderson to purchase and/or renovate ten properties for its programs from 2006 through 2023. Under the various grant agreements, the Organization is required to use the properties for its programs for periods ranging from 10 years to indefinitely, or repay the grant funds, resulting in time restrictions for the total amounts received. As such, Clark County, the State of Nevada, and the City of Henderson will retain an interest in the properties through a Trust Deed until the restrictions expire. The restrictions on the properties are released over time when the time period is specified by the grantor.

In accordance with FASB ASC, in the absence of explicit donor restrictions to the contrary, capital assets purchased with restricted contributions should be released when those capital assets are placed in service.

6. OPERATING LEASES

The Organization has four non-cancelable operating leases for office equipment and vehicles that expire in February 2025, July 2024, and January 2027.

Total operating lease costs for the year ended June 30, 2024 were \$10,383. The weighted average of the lease term is 2.08 years and the weighted average discount rate is 3.05% as of June 30, 2024. Short-term lease costs for the year ended June 30, 2024 were \$14,400.

Future minimum lease payments are as follows:

2025	\$ 3,807
2026	2,125
2027	<u>1,239</u>
Total future minimum lease payments	7,171
Less: imputed interest	<u>(232)</u>
Total operating lease liabilities	6,939
Less: current portion	<u>(3,660)</u>
Long-term operating lease liabilities	<u>\$ 3,279</u>

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024**

7. IN-KIND CONTRIBUTIONS

The Organization's in-kind contributions consisted of the following as of June 30, 2024:

<u>Category</u>	<u>Usage</u>		
Clothing	Drop-in Center	\$	286,259
Food	Drop-in Center		33,411
Supplies	Drop-in Center		69,514
Household and other	Drop-in Center		55,581
Gift cards	Drop-in Center		25,986
Building	Drop-in Center		196,430
Program event	Drop-in Center		<u>52,000</u>
		<u>\$</u>	<u>719,181</u>

Clothing, food, supplies, household and other, building expenses and program event were all valued at the estimated purchase price for similar items. Gift cards were valued at the cash value of the card. All donated services and goods were utilized by the Organization.

A substantial number of volunteers have made significant contributions of time to assist the Organization's services and programs. No amounts have been recognized in the financial statements because the criteria for recognition under FASB ASC have not been met.

Donated food, clothing, supplies, and gift cards are recorded as in-kind donation revenues and tracked for inventory purposes. These items are expensed as used by clients during the period and are reported on the statement of functional expenses.

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024**

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, 2024 consist of the following:

Affordable housing	\$ 2,723,053
Building retrofit	420,461
Housing/rental assistance	1,550
Housing expansion	158,500
Community reinvestment	9,761
Scholarships	30,826
Financial literacy and assistance	15,475
Specific personnel	50,000
Operational enhancements	207,443
Education supplies	4,178
Program supplies	164,746
Organizational capacity	232,213
Vehicle Fleet	94,864
Drop-in Center	18,681
Training	2,670
Client medical expenses	70,000
Client transportation	9,353
Research, policy and advocacy	153,573
Time restricted	<u>152,350</u>
	<u>\$ 4,519,697</u>

The Organization's net assets with donor restrictions as of June 30, 2024 are held as follows:

Cash and cash equivalents	\$ 1,644,294
Pledges receivable	152,350
Land	223,399
Buildings, improvements and construction-in-progress	<u>2,499,654</u>
	<u>\$ 4,519,697</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the passage of time for the year end June 30, 2024, as follows:

Community reinvestment	\$ 8,197
Community summit on homelessness	2,743
Drop-in Center	14,234
Education supplies	1,802
Food and pantry	506
Organizational capacity	67,787
Outreach	40,000
Program supplies	3,838
Scholarships	5,116
Strategic planning	21,680
Training	<u>2,017</u>
	<u>\$ 167,920</u>

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2024**

9. RELATED PARTIES

The Organization's Board of Directors members are active in both the oversight of the Organization and its various fundraising events. Contributions received from Board of Directors members, their employers and affiliates were approximately \$629,036 for the year ended June 30, 2024.

10. EMPLOYMENT AGREEMENT

On January 1, 2022, the Organization entered into an employment agreement with its Executive Director. The agreement, which supersedes any previous agreements, is effective through December 31, 2024, after which, at January 1st of each year, the agreement shall be automatically extended for one additional year unless either party notifies the other that the agreement should terminate. This contract can be terminated with 30 days' notice. Subsequent to year-end, the contract has been renewed for an additional three years.

This agreement includes an annual base salary and bonus of a minimum of 25% of the base salary, contributions to a 403(b) plan, a monthly car allowance and a bonus of \$30,000, if the employee remains employed through December 31, 2024. The employee is also entitled to all other benefits normally provided. An amendment to the agreement was entered into on December 31, 2022, which changes the contributions from a 403(b) plan to a 457(b) deferred compensation plan. The new agreement includes an annual base salary and bonus of a minimum of 7.5% of the base salary, contributions to the deferred compensation plan and a long-term incentive bonus of \$70,000.

Under the agreement, the Executive Director agreed to defer a payment of \$25,000 due to him under a previous agreement. This amount is included in accrued expenses on the statement of financial position.

11. LINE OF CREDIT

The Organization has a revolving line of credit for \$250,000 which expires on September 21, 2025. Interest accrues on the unpaid outstanding principal balance at the prime rate as published in the Wall Street Journal. The line of credit had a \$0 balance for the year ended June 30, 2024.

INDEPENDENT AUDITOR’S 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*

To the Board of Directors
Nevada Partnership for Homeless Youth
4981 Shirley Street
Las Vegas, Nevada

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 financial statements of Nevada Partnership for Homeless Youth (a nonprofit organization) (Organization), which comprise the statement of financial position as of June 30, 2024, 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 December 20, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Nevada Partnership for Homeless Youth’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 Nevada Partnership for Homeless Youth’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’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 entity’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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization’s financial statements are free of 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 determination of 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.

Houldsworth, Russo & Company, P.C.

Las Vegas, Nevada
December 20, 2024

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

To the Board of Directors
Nevada Partnership for Homeless Youth
4981 Shirley Street
Las Vegas, Nevada

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Nevada Partnership for Homeless Youth’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Nevada Partnership for Homeless Youth’s major federal programs for the year ended June 30, 2024. Nevada Partnership for Homeless Youth’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Nevada Partnership for Homeless Youth 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, 2024.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Nevada Partnership for Homeless Youth and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Nevada Partnership for Homeless Youth’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Nevada Partnership for Homeless Youth’s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Nevada Partnership for Homeless Youth's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Nevada Partnership for Homeless Youth's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Nevada Partnership for Homeless Youth's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Nevada Partnership for Homeless Youth's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Nevada Partnership for Homeless Youth's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Houldsworth, Russo & Company, P.C.

Las Vegas, Nevada
December 20, 2024

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Grantor and Program Title	Assistance Listing Number	Pass-Through Identifying Number	Total Federal Expenditures
<u>United States Department of Housing and Urban Development</u>			
Continuum of Care Program	14.267		\$ 226,210
CDBG - Entitlement Grants Cluster			
<i>Passed through City of Las Vegas, Nevada:</i>			
Community Development Block Grant	14.218	Not assigned	50,000
<i>Passed through Clark County, Nevada:</i>			
Community Development Block Grant	14.218	1080.CDBG.2021	440,897
			<u>490,897</u>
<i>Passed through Clark County, Nevada:</i>			
Emergency Solutions Grants Program	14.231	1080.ESG.2024	56,719
			<u>56,719</u>
Total Department of Housing and Urban Development			<u>773,826</u>
<u>United States Department of Health and Human Services</u>			
Basic Center Grant	93.623		62,553
Basic Center Grant	93.623		170,615
			<u>233,168</u>
<i>Passed through Clark County, Nevada:</i>			
Transitional Living Program	93.550	90CX7424-01-00	68,720
Transitional Living Program	93.550	90CX7424-02-00	191,910
			<u>260,630</u>
Total Department of Health and Human Services			<u>493,798</u>
<u>Department of Homeland Security</u>			
<i>Passed through United Way of Southern Nevada:</i>			
Emergency Food and Shelter National Board Program	97.024	Phase 41	5,500
Total Department of Homeland Security			<u>5,500</u>
<u>The Department of the Treasury</u>			
<i>Passed through The State of Nevada</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	ARPA-NCFA22-04	41,181
Total Department of Homeland Security			<u>41,181</u>
			<u>\$ 1,314,305</u>

See notes to schedule of expenditures of federal awards

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes federal award activity of Nevada Partnership for Homeless Youth (the Organization) under programs of the federal government for the year ended June 30, 2024. The information in the 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* (Uniform Guidance) and Title 45 U.S. *Code of Federal Regulations* Part 75, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for HHS Awards* (Uniform Guidance). Because this schedule only presents a select portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, functional expenses, or cash flows of the Organization.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule of expenditures of federal awards 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.

NOTE 3. INDIRECT COST RATES

The Organization has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4. PRIOR YEAR EXPENDITURES

During the year ended June 30, 2024, one grantor allowed the Organization to draw additional expenditures from July 1, 2022 through June 30, 2023. As a result, the June 30, 2024 schedule of expenditures of federal awards includes \$39,814 in expenditures from the year ended June 30, 2023.

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

SUMMARY OF AUDITOR’S RESULTS

Financial Statements

1. The auditor’s report expresses an unmodified opinion on the financial statements of the Organization.
2. No instances of material weaknesses or significant deficiencies related to the audit of the financial statements required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
3. No instances of noncompliance material to the financial statements of the Organization, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

Federal Awards

4. No material weaknesses or significant deficiencies related to the audit of major federal award programs are reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor’s report on compliance for the Organization expresses an unmodified opinion.
6. There are no audit findings that are required to be reported in accordance with 2 CFR 200.516(a).
7. The program tested as a major program was the U.S. Department of Housing and Urban Development, CDBG - Entitlement Grants Cluster, Assistance Listing Number 14.218.
8. The threshold used for distinguishing between Type A and Type B programs was \$750,000.
9. The Organization did qualify as a low-risk auditee.

FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENT AUDIT

None.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARDS PROGRAM AUDIT

None.

**NEVADA PARTNERSHIP FOR HOMELESS YOUTH
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

PRIOR YEAR FINDINGS – FINANCIAL STATEMENT AUDIT

None.

PRIOR YEAR FINDINGS – MAJOR FEDERAL AWARDS PROGRAM AUDIT

None.