

THE JUST ONE PROJECT
FINANCIAL STATEMENTS
DECEMBER 31, 2023

**THE JUST ONE PROJECT
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Table of Contents

Independent Auditor’s Report 1-2

Financial Statements:

 Statement of Financial Position..... 3

 Statement of Activities 4

 Statement of Functional Expenses..... 5

 Statement of Cash Flows 6

Notes to the Financial Statements7-13

Compliance Section:

**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*** 14-15

**Independent Auditor’s Report on Compliance for Each Major Program and on
 Internal Control Over Compliance Required by the Uniform Guidance**..... 16-18

 Schedule of Expenditures of Federal Awards..... 19

 Notes to the Schedule of Expenditures of Federal Awards..... 20

 Schedule of Findings and Questioned Costs..... 21-22

 Corrective Action Plan..... 23

 Summary Schedule of Prior Audit Findings 24-25

Independent Auditor's Report

To the Board of Directors of
The Just One Project

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Just One Project (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Just One Project (the "Organization") as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 the Organization 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 opinions.

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 the Organization'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.



The CPA. Never Underestimate The Value.®

Acuity Financial Center
7881 W. Charleston Blvd., Ste. 155 • Las Vegas, NV 89117
p 702-871-2727 f 702-876-0040

lvcpas.com

Members of the American Institute of Certified Public Accountants & Nevada Society of Certified Public Accountants

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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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*, 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 October 24, 2024 on our consideration of the Organization'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 the Organization'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 the Organization's internal control over financial reporting and compliance.

Ellsworth & Stout, LLC

October 24, 2024
Las Vegas, Nevada

**THE JUST ONE PROJECT
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023**

ASSETS

Current Assets

Cash and cash equivalents	\$ 1,729,247
Pledges receivable	1,314,522
Prepaid expenses	8,035
Inventory	212,967
Total current assets	<u>3,264,771</u>

Property and Equipment, net

3,404,533

Other Assets:

Refundable deposit	25,155
ROU asset for operating leases, net	378,775
Total other assets	<u>403,930</u>

Total Assets

\$ 7,073,234

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 45,077
Accrued expenses	216,814
Grant advances	709,123
Current operating lease liability	233,365
Total current liabilities	<u>1,204,379</u>

Long-Term Liabilities:

Liability for operating leases, net	<u>173,177</u>
-------------------------------------	----------------

Total Liabilities

1,377,556

Net Assets:

Without donor restrictions	4,808,517
With donor restrictions	887,161
	<u>5,695,678</u>

Total Liabilities and Net Assets

\$ 7,073,234

See accompanying notes to the financial statements.

**THE JUST ONE PROJECT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

Net Assets without Donor Restrictions

Revenue and other support:

In-kind donations	\$ 10,410,907
Grant income	7,301,525
Contributions	633,154
Special events, net expenses of \$154,050	263,219
Interest income	30,847
Net assets released from donor restrictions	<u>3,219,465</u>
	<u>21,859,117</u>

Expenses:

Program services	17,012,444
Supporting services:	
Management and general	1,630,417
Fundraising	7,812
	<u>18,650,673</u>

Other increase (decrease):

Loss on sale of fixed asset	<u>(16,487)</u>
Increase in net assets without donor restrictions	<u>3,191,957</u>

Net Assets with Donor Restrictions

Grant income	3,994,096
Contributions	15,000
Net assets released from donor restrictions	<u>(3,219,465)</u>
Increase in net assets with donor restrictions	<u>789,631</u>

Increase in Net Assets

3,981,588

Net Assets, Beginning of Year

1,714,090

Net Assets, End of Year

\$ 5,695,678

See accompanying notes to the financial statements.

THE JUST ONE PROJECT
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program	Management and General	Fundraising	Total
Advertising	\$ 30,382	\$ 70,504	\$ -	\$ 100,886
Auto expenses	43,832	3,530	-	47,362
Bad debt	-	2,500	-	2,500
Depreciation	-	214,596	-	214,596
Dues and subscriptions	362	8,141	-	8,503
Fundraising	-	-	7,812	7,812
Insurance	127,123	7,826	-	134,949
Office expenses and other	280,031	51,264	-	331,295
Printing and design	29,895	2,895	-	32,790
Professional fees	18,639	119,212	-	137,851
Program expenses	13,263,892	-	-	13,263,892
Rent	206,754	82,522	-	289,276
Repairs and maintenance	83,007	27,743	-	110,750
Salaries, wages and related expenses	2,672,469	988,970	-	3,661,439
Travel, meals and entertainment	92,166	34,443	-	126,609
Utilities	163,892	16,271	-	180,163
	<u>\$ 17,012,444</u>	<u>\$ 1,630,417</u>	<u>\$ 7,812</u>	<u>\$ 18,650,673</u>

See accompanying notes to the financial statements.

THE JUST ONE PROJECT
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

Cash Flows from Operating Activities	
Increase in net assets	\$ 3,981,588
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Bad debt	2,500
Depreciation	214,596
Other	15,275
Lease accretion	(968)
Loss on sale of fixed asset	16,487
Changes in operating assets and liabilities:	
(Increase) decrease in inventory	(212,967)
(Increase) decrease in grants receivable	550,189
(Increase) decrease in pledges receivable	(1,280,677)
(Increase) decrease in prepaid expenses	159,883
(Increase) decrease in refundable deposit	10,015
Increase (decrease) in accounts payable	30,599
Increase (decrease) in accrued expenses	46,501
Increase (decrease) in grant advances	(916,186)
Net cash provided by operating activities	<u>2,616,835</u>
Cash Flows from Investing Activities	
Purchase of property and equipment	<u>(2,944,837)</u>
Net cash used in investing activities	<u>(2,944,837)</u>
Net Change in Cash and Cash Equivalents	(328,002)
Cash and Cash Equivalents, Beginning of Year	<u>2,057,249</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 1,729,247</u></u>

See accompanying notes to the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of The Just One Project (the “Organization”) is presented to assist in understanding the Organization’s financial statements. The financial statements and notes are representations of the Organization’s management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of the Organization

The Organization is a Nevada not-for-profit entity established on November 19, 2014, for the purpose of connecting the community by inspiring people to give back, get involved and make a difference in the lives of disadvantaged families and children. Projects are created that fill basic needs and positively impact the people the Organization serves. Individuals served are mainly residents of southern Nevada.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Accordingly, actual results could differ from those estimates.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The Organization presents a classified statement of financial position with additional qualitative information about availability of resources and liquidity in Note 2.

The accompanying financial statements have been presented in accordance with accounting principles generally accepted in the United States of America applicable to not-for-profit organizations, principally Accounting Standard Codification (“ASC”) 958, *Not-for-Profit Entities*. Under ASC 958 (as amended by Accounting Standards Update (“ASU”) 2016-14), the Organization is required to report information regarding its financial position and changes in financial position according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The classification of net assets is based on the existence or absence of donor-imposed restrictions. Net assets are released by donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents.

The Organization has concentrated its credit risk for cash by maintaining deposits in financial institutions, which at times may exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (“FDIC”). The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

THE JUST ONE PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants Receivable

Grants receivable represent unreimbursed costs and outstanding grant award balances. It is the Organization’s policy to charge off uncollectible receivables when management determines that receivables will not be collected. As of December 31, 2023, no allowances for doubtful grants receivable were deemed necessary.

Pledges Receivable

Certain Nevada businesses and individuals have made pledges in support of the Organization. In accordance with ASC 958, *Not-for-Profit Entities*, the promises to give are recorded at their present value. As of December 31, 2023, no discount on pledges was deemed necessary.

Inventory

Inventories primarily consist of food that is both purchased and donated. Food donations are recorded as in-kind contributions and valued at \$1.70 per pound for half the year and \$11.92 for the second half of the year based on the rate given to them by their grantors.

Property and Equipment

The Organization capitalizes significant expenditures for property and equipment at cost, generally those that exceed \$1,000. Property and equipment that are contributed to the Organization are recorded at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range between three to ten years.

Grant Advances

When grant money is received in advance, and not all the requirements necessary to be eligible for the advance to be recognized as revenue has been met, the advance is reported as a liability.

Leases

The Organization has elected to apply the portfolio approach to account for right-to-use (“ROU”) assets and liabilities, where applicable.

The Organization has elected the practical expedient that does not require the Organization to separate lease and non-lease components for its leases.

The Organization has elected the short-term lease recognition exemption for all applicable classes of underlying assets. Short-term disclosures include only those leases with a term greater than one month and 12 months or less, and expense is recognized on a straight-line basis over the lease term. Leases with an initial term of 12 months or less that do not include an option to purchase the underlying asset that the Organization is reasonably certain to exercise, are not recorded on the statement of financial position.

The Organization has elected to use the risk-free rate as the discount rate for its operating leases.

THE JUST ONE PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Organization leases operating spaces. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term using the applicable rate. Operating lease ROU assets also includes any lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise the option. For the year ended December 31, 2023, lease commencements resulted in an increase in operating lease ROU assets of \$176,453 and an increase in operating lease liabilities of \$169,490.

Revenue Recognition

All donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions.

Contributions may be considered conditional or unconditional. A conditional contribution exists if both a) one or more barriers exist and b) the right of return to the contributor for assets transferred (or a right of release of the promisor from its obligation) depends on overcoming the stated barriers before a recipient is entitled to the assets transferred or promised. In cases of ambiguous donor stipulations or stipulations that are not clearly unconditional, contributions are presumed to be conditional. Conditional contributions are recognized when conditions have been substantially met or waived by the donor. Unconditional contributions are recognized when received or when the right to receive is obtained through documentation.

Grant revenue may be considered a contribution, entirely an exchange transaction, or a combination of the two. If a grant is considered a contribution, it is recognized as described in the above paragraph. If a grant is considered an exchange transaction, it falls under the guidance of Topic 606 and additional steps are taken to ensure correct recording of revenue. The performance obligation is satisfied when the services outlined in the grant contract are rendered. For the year ended December 31, 2023, all exchange grant revenue was recognized at a point-in-time when services were performed.

Contributed Materials and Services

Generally, donated materials, if significant in amount, are recorded at their fair market value, provided the Organization has a clearly measurable and objective basis for determining the fair value. In the case of materials where such values cannot reasonably be determined, the donations is not recorded.

THE JUST ONE PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
DECEMBER 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Materials and Services (Continued)

Donated professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Unpaid volunteers have donated their time to the Organization’s programs. The value of such services has not been reflected in the accompanying financial statements since the volunteers’ time does not meet the criteria for recognition as contributed services.

Food donations are recorded as in-kind donations and valued at \$1.70 per pound for the first half of the year and \$1.92 for the second half of the year based on fair market value provided by grantors. Food donations are recorded in program expenses on the statement of functional expenses. Supplies/materials and rent are allocated between program and management and general column on the statement of functional expenses based on management’s estimate of time and effort. Donated equipment is included on the statement of financial position in property and equipment, net of related depreciation.

The fair values of in-kind donations are summarized as follows:

Food donations	\$ 10,349,285
Supplies and materials	11,267
Other - non-food	47,355
Small equipment	3,000
	<u>10,410,907</u>
Special event in-kind	49,731
	<u>\$ 10,460,638</u>

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements. Management has evaluated the tax positions taken within their tax returns and does not believe there are any significant uncertain positions taken on the returns. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

The Organization is no longer subject to potential income tax examinations by tax authorities for years for which the statute of limitations has expired.

Allocation Methodology

The statement of functional expenses presents expenditures by both their nature and their function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. All expenses are allocated based on management’s estimate of time and effort, except for those expenditures that are considered direct expenses.

Advertising

Advertising costs are expensed as incurred.

THE JUST ONE PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
DECEMBER 31, 2023

NOTE 2 – LIQUIDITY AND AVAILABILITY

The Organization has \$560,324 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of pledges receivable of \$560,324. Contractual or donor-imposed restrictions are not available for general expenditure. As part of the Organization’s liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 3 – PROPERTY AND EQUIPMENT

As of December 31, 2023, property and equipment consisted of the following:

Non-depreciable assets:	
Land	\$ 2,604,057
Depreciable assets:	
Vehicles	951,771
Equipment	157,643
Leasehold improvements	41,934
Furniture and fixtures	11,663
	<u>3,767,068</u>
Less: accumulated depreciation	<u>(362,535)</u>
	<u>\$ 3,404,533</u>

Depreciation expense for the year ended December 31, 2023 was \$214,596.

NOTE 4 – LEASE AGREEMENTS

As of December 31, 2023, the following summarizes the line items on the statement of financial position, which include amounts for operating leases:

ROU asset for operating leases	<u>\$ 378,775</u>
Current operating lease liability	\$ 233,365
Liability for operating leases	<u>173,177</u>
	<u>\$ 406,542</u>

As of December 31, 2023, the following summarizes the weighted average remaining lease term and discount rate:

Weighted Average Remaining Lease Term	1.78 years
Weighted Average Discount Rate	4.64 %

THE JUST ONE PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
DECEMBER 31, 2023

NOTE 4 – LEASE AGREEMENTS (Continued)

As of December 31, operating lease liabilities mature as follows:

2024	\$ 242,625
2025	170,425
2026	<u>9,768</u>
Total lease payments	422,818
Less interest	<u>(16,276)</u>
Present value of lease liabilities	<u><u>\$ 406,542</u></u>

For the year ended December 31, 2023, the following summarizes the line items in the statement of functional expenses, which include the components of lease expense:

Lease Costs (included in rent expense):	
Operating lease cost	\$ 221,716
Short-term lease cost	<u>67,560</u>
	<u><u>\$ 289,276</u></u>

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. As of December 31, 2023, net assets with donor restrictions consisted of the following:

Subject to expenditure for specified purpose and/or passage of time:	
Grant Advance Food Markets	\$ 656,279
Food Rescue Initiative	198,136
Emergency Help	20,000
Community Connect	9,993
Program Operations	<u>2,753</u>
	<u><u>\$ 887,161</u></u>

NOTE 6 – COMMITMENTS AND CONTINGENCIES

During the year ended December 31, 2023, the Organization entered into an agreement with Three Square to operate a facility dedicated to expanding current operations in a food pantry used to assist in volunteering activities related to serving low-income vulnerable adults. They also have a grant with the State of Nevada Department of Agriculture to distribute commodities. The food that is donated by these entities is recorded as in-kind revenues and expenses, which makes up approximately 50% of in-kind revenues and 34% of program expenses.

THE JUST ONE PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
DECEMBER 31, 2023

NOTE 7 – RETIREMENT PLAN

The Organization has a defined-contribution 401(k) retirement plan (the “Plan”) which is available to all eligible employees. Employees become eligible to participate in the Plan the first day of employment. Through payroll deductions, plan participants contribute elective deferrals up to the maximum amount allowed by law and the Plan. For the year ended December 31, 2023, the Organization made matching contributions of \$38,553.

NOTE 8 – SUBSEQUENT EVENTS

Management of the Organization has evaluated subsequent events through October 24, 2024, which is the date the financial statements were available to be issued. No events were identified that would require additional disclosure.

COMPLIANCE SECTION

**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 of
The Just One Project

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 The Just One Project (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 24, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Just One Project’s (the “Organization”) internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’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 preceding paragraph 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing standards*.



The CPA. Never Underestimate The Value.®

Acuity Financial Center
7881 W. Charleston Blvd., Ste. 155 • Las Vegas, NV 89117
p 702-871-2727 f 702-876-0040

lvcpas.com

Members of the American Institute of Certified Public Accountants & Nevada Society of Certified Public Accountants

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.

Ellsworth & Stout, LLC

Las Vegas, Nevada

October 24, 2024

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

To the Board of Directors of
The Just One Project

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Just One Project's (the "Organization") 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 The Organization's major federal programs for the year ended December 31, 2023. The Organization'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, The Organization 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 December 31, 2023.

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 The Organization 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 The Organization'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 the Organization'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 The Organization'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 The Organization's compliance with the requirements of each major federal program as a whole.



The CPA. Never Underestimate The Value.®

Acuity Financial Center
7881 W. Charleston Blvd., Ste. 155 • Las Vegas, NV 89117
p 702-871-2727 f 702-876-0040

lvcpas.com

Members of the American Institute of Certified Public Accountants & Nevada Society of Certified Public Accountants

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 The Organization'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 The Organization'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 The Organization'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-001, to be material weaknesses.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response

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.

Ellsworth & Stout, LLC

Las Vegas, Nevada
October 24, 2024

**THE JUST ONE PROJECT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	FEDERAL ASSISTANCE LISTING NUMBER ("ALN")	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PROVIDED TO SUB- RECIPIENTS	TOTAL FEDERAL EXPENDITURES
U.S. Department of Agriculture				
Passed through State of Nevada Department of HHS				
Division of Welfare and Supportive Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	OUT2315 OUT2415	\$ -	\$ 39,527
Total SNAP Cluster			-	39,527
Passed through State of Nevada Department of Agriculture:				
Commodity Supplemental Food Program*	10.565		-	2,437,177
Commodity Supplemental Food Program	10.565	CSFP 23-03	-	182,155
Passed through Three Square:				
Emergency Food Assistance Program (Food Commodities)*	10.569		-	2,804,845
Total Food Distribution Cluster			-	5,424,177
U.S. Department of Housing and Urban Development				
Passed through City of North Las Vegas:				
Community Development Block Grants/Entitlement Grants	14.218	276968	-	73,098
Passed through City of Las Vegas:				
Community Development Block Grants/Entitlement Grants	14.218	CDBG 22	-	19,353
Passed through Clark County:				
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	OH! RRRH005-04-TJOP-21	-	128,814
Total CDGB- Entitlement Grants Cluster			-	221,265
COVID-19 Emergency Solutions Grant Program	14.231	OH! RRRH005-04-TJOP-21	-	42,597
Passed through City of North Las Vegas:				
COVID-19 Emergency Solutions Grant Program	14.231	275676	-	38,468
Total ALN 14.241			-	81,065
Passed through City of Las Vegas:				
Housing Opportunity for Persons with AIDS Program	14.241		-	791,821
Continuum of Care	14.267			20,793
U.S Department of the Treasury				
Passed through City of Las Vegas:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP0217	-	446,410
Passed through City of North Las Vegas:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	274128	-	307,861
Passed through State of Nevada Department of Agriculture:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	REBRAND CSFP23-05 REBRANDCSFP23-06 ARPA-NCFA23-09	-	671,432
Total ALN 21.027			-	1,425,703
U.S. Department of Health and Human Services				
Passed through the State of Nevada Department of HHS				
Aging and Disability Services Division:				
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	03-115-04-2X-22 03-115-04-2X-23 03-115-04-2X-24	-	1,039,661
Nutrition Services Incentive Program	93.053	03-115-57-NX-23 03-115-57-NX-24	-	115,971
Corporation for National and Community Service				
Retired and Senior Volunteer Program	94.002		-	86,399
U.S. Department of Homeland Security				
Passed through United Way of Southern Nevada:				
COVID-19 Emergency Food and Shelter National Board Program	97.024	LRO586800-064	-	55,288
Emergency Food and Shelter National Board Program	97.024	LRO586800-064	-	72,000
Total ALN 97.024			-	127,288
Total Expenditures of Federal Awards			\$ -	\$ 9,373,670

See accompanying notes to the schedule of expenditures of federal awards.

**THE JUST ONE PROJECT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of The Just One Project (the “Organization”) under programs of the federal government for the year ended December 31, 2023. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

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

The amount of noncash expenditures reported on the Schedule as indicated with an * is the value of the food commodities distributed by the Organization during the current year and priced as described in the notes to the financial statements in Note 1 subsection contributed materials and services.

Indirect Cost Rate

The Organization has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**SCHEDULE OF FINDINGS AND
QUESTIONED COSTS**

**THE JUST ONE PROJECT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED DECEMBER 31, 2023**

Section I - Summary of Auditor's Results:

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weaknesses identified? yes x no

Significant deficiencies identified? yes x none reported

Noncompliance material to financial statements noted? yes x no

Federal Awards

Internal control over major federal programs:

Material weaknesses identified? yes x no

Significant deficiencies identified? x yes none reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? yes x no

Identification of major federal programs:

<u>ALN</u>	<u>Name of Federal Program or Cluster:</u>
	Total Food Distribution Cluster:
10.565	Commodity Supplemental Food Program
10.569	Emergency Food Assistance Program
14.241	Housing Opportunity for Persons with AIDS Program
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? yes x no

**THE JUST ONE PROJECT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – CONTINUED
YEAR ENDED DECEMBER 31, 2023**

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

Finding: 2023-001

ALN and Title: 10.565 – Commodity Supplemental Food Program
Cluster Name: Total Food Distribution Cluster
Federal Agency: U.S. Department of Agriculture
Passthrough Entity: State of Nevada Department of Agriculture
Type of Finding: Significant Deficiency

Criteria: Per 7 CFR section 251.5 (referenced in the Compliance Supplement of the Uniform Guidance), commodities received by the Organization requires certification of households eligible to receive these commodities for consumption by applying income eligibility criteria established by the state agency (Nevada Department of Agriculture, in this case).

Condition: During testing procedures over eligibility, it was noted that the Organization had not retained supporting documentation to verify certification was complete and accurate.

Cause: The Organization was unable to establish consistent controls over certification of income eligibility due to high staff turnover.

Effect: Documentation to determine eligibility was not retained for every participant during the fiscal year.

Questioned Costs: Unknown.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2022-001.

Context: The Organization was missing verifiable documentation for eligible income requirements for 3 out of the 25 participants tested for the single audit.

Recommendation: The Organization should develop and implement written policies and procedures that meet the eligibility requirements of the Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards. This would include a review of applications to ensure participants have confirmed in a verifiable way that they meet the income eligibility criteria to receive benefits. Documentation should be retained so testing procedures by outside auditors can be performed.

Views of responsible Officials: Management agrees with this recommendation. See auditee prepared corrective action plan for details.



THE JUST ONE PROJECT

Inspire. Impact. Change.

The Just One Project
Corrective Action Plan
Year Ended December 31, 2023

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

Finding: 2023-001

ALN and Title: 10.565 – Commodity Supplemental Food Program
Cluster Name: Total Food Distribution Cluster
Federal Agency: U.S. Department of Agriculture
Passthrough Entity: State of Nevada Department of Agriculture

Name of Contact Person: Brooker Neubauer, Founder & CEO

Corrective Action Plan: Management has implemented a filing system to ensure current client information is collected and recertified regularly. CSFP/SNW staff have maintained a system organizing all clients by month and year of registration, site of service, and then alphabetized by client name to aid in certification & recertification. Certification and recertification are occurring at CSFP/SNW distribution sites during service, and CSFP/SNW staff randomly audit files of active clients as they are being served to confirm their certification. CSFP/SNW staff also leverage a tracking system in our TJOP Salesforce Software System to reinforce client certification and recertification status. We will implement an internal audit at least once annually to ensure participant files have all required documents and certifications.

Proposed Completion Date: December 31, 2024

Sincerely,

Brooke Neubauer
Founder & CEO

The Just One Project
1401 N Decatur Blvd suite 34
Las Vegas, NV 89108



THE JUST ONE PROJECT

Inspire. Impact. Change.

The Just One Project Summary Schedule of Prior Audit Findings

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

Finding: 2022-001

ALN and Title: 10.565 – Commodity Supplemental Food Program
Cluster Name: Total Food Distribution Cluster
Federal Agency: U.S. Department of Agriculture
Passthrough Entity: State of Nevada Department of Agriculture

Condition: During testing procedures over eligibility, it was noted that the Organization had not retained supporting documentation to verify certification was complete and accurate.

Status: See current status of finding, 2023-001

Sincerely,

Brooke Neubauer
Founder & CEO

The Just One Project
1401 N Decatur Blvd suite 34
Las Vegas, NV 89108