

**COLORADO CRIMINAL JUSTICE REFORM COALITION**

**Reviewed Financial Statements**

**December 31, 2010**



**COLORADO CRIMINAL JUSTICE REFORM COALITION**

**REVIEWED FINANCIAL STATEMENTS**

**December 31, 2010**

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## **Independent Accountants' Review Report**

To the Board of Directors  
Colorado Criminal Justice Reform Coalition  
Denver, CO

We have reviewed the accompanying statement of assets, liabilities and net assets-income tax basis of Colorado Criminal Justice Reform Coalition, as of December 31, 2010, and the related statement of revenue and expenses-income tax basis, statement of functional expenses-income tax basis, and statement of cash flows-income tax basis for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquires of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the income tax basis of accounting as described in Note 2.

*Affleck Gilman Ross & Co., P.C.*

**AFFLECK GILMAN ROSS & CO., P.C.**  
Certified Public Accountants

Denver, CO  
October 15, 2011

**COLORADO CRIMINAL JUSTICE REFORM COALITION**

**STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS-INCOME TAX BASIS**

**December 31, 2010**

**ASSETS**

**Current assets:**

Cash	\$ <u>329,002</u>
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Total current assets	<u>329,002</u>
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**PROPERTY AND EQUIPMENT**

Furniture and fixtures	550
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Computers and equipment	5,090
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Less accumulated depreciation	<u>(5,616)</u>
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Total property and equipment	<u>24</u>
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Total assets	<u><u>\$ 329,026</u></u>
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**LIABILITIES AND NET ASSETS**

**Current liabilities:**

Accounts payable	\$ 409
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Incite payable	<u>2,383</u>
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Total current assets	<u>2,792</u>
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**Net assets:**

Restricted	32,167
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Unrestricted	<u>294,067</u>
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Total liabilities and net assets	<u><u>\$ 329,026</u></u>
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See accountants' review report.

**COLORADO CRIMINAL JUSTICE REFORM COALITION**

**STATEMENT OF REVENUE AND EXPENSES-INCOME TAX BASIS**

**Year Ended December 31, 2010**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND SUPPORT			
Grants-foundations and other	\$ 189,500	\$ 63,000	\$ 252,500
Contributions	56,222		56,222
Program service fees and miscellaneous	32,178		32,178
Interest income	4,190		4,190
Restrictions satisfied by payments	<u>30,833</u>	<u>(30,833)</u>	<u>0</u>
<b>TOTAL REVENUES AND SUPPORT</b>	<u>312,923</u>	<u>32,167</u>	<u>345,090</u>
EXPENSES			
Program services:			
Salaries	125,496		125,496
Printing	9,951		9,951
Other program expenses	<u>88,639</u>		<u>88,639</u>
	<u>224,086</u>	<u>0</u>	<u>224,086</u>
Supporting services:			
Management and general	27,113		27,113
Fundraising and development	<u>37,411</u>		<u>37,411</u>
	<u>64,524</u>		<u>64,524</u>
<b>TOTAL EXPENSES</b>	<u>288,610</u>	<u>0</u>	<u>288,610</u>
<b>CHANGE IN NET ASSETS</b>	24,313	32,167	56,480
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>269,754</u>	<u>0</u>	<u>269,754</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 294,067</u>	<u>\$ 32,167</u>	<u>\$ 326,234</u>

See accountants' review report.

**COLORADO CRIMINAL JUSTICE REFORM COALITION**

**STATEMENT OF FUNCTIONAL EXPENSES-INCOME TAX BASIS**

**Year Ended December 31, 2010**

	<u>Program Services</u>	<u>Management And General</u>	<u>Fundraising and Development</u>	<u>Total Expenses</u>
Salaries	\$ 125,496	\$ 15,493	\$ 13,944	\$ 154,933
Printing	9,951	676	608	11,235
Contract and professional	16,939	2,091	1,882	20,912
Payroll and other taxes	9,813	1,212	1,090	12,115
Postage	4,514	557	502	5,573
Employee benefits	6,397	790	711	7,898
Insurance	3,892	481	432	4,805
Office expenses and miscellaneous	4,859	600	13,550	19,009
Occupancy	4,317	533	480	5,330
Publication expense	26,730	3,300	2,970	33,000
Web hosting/internet	5,214	644	579	6,437
Telecommunications	1,778	219	198	2,195
Travel, meetings and conferences	874	108	97	1,079
Events and training for others	2,818	348	313	3,479
Payroll processing fees	472	58	52	582
Depreciation	22	3	3	28
<b>Total expenses</b>	<b>\$ 224,086</b>	<b>\$ 27,113</b>	<b>\$ 37,411</b>	<b>\$ 288,610</b>

See accountants' review report.

**COLORADO CRIMINAL JUSTICE REFORM COALITION**

**STATEMENT OF CASH FLOWS-INCOME TAX BASIS**

**Year Ended December 31, 2010**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$	56,480
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		28
(Increase) decrease in operating assets:		
Inventory		4,477
Increase (decrease) in operating liabilities:		
Accounts payable		224
Incite payable		857
		<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES		62,066
		<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		-
		<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		-
		<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS		62,066
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		266,936
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CASH AND CASH EQUIVALENTS, END OF YEAR	\$	<u>329,002</u>

See accountants' review report.

## **COLORADO CRIMINAL JUSTICE REFORM COALITION**

### **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2010**

#### **1. ORGANIZATION AND NATURE OF ACTIVITIES:**

The Colorado Criminal Justice Reform Coalition (CCJRC) was originally founded in 1999 as a project of the Rocky Mountain Peace and Justice Center and incorporated as an independent non-profit organization in 2003. The mission of the Organization is to reverse the trend of mass incarceration in Colorado. The Organization also strongly opposes the for-profit, private prison industry and its presence in Colorado. The Organization's objectives are focused on:

- Reforming criminal justice policies at the state and local level that are fueling prison expansion with a priority on drug policy and parole/reentry
- Halting prison expansion and ending the use of private, for-profit prisons in Colorado
- Serving as a resource for people in prison and their families, and
- Building, empowering, and mobilizing an active statewide coalition.

Today, CCJRC is supported by over 112 organizations and faith communities and over 6,800 individuals throughout the state. The Organization is involved in public education, research, policy analysis, community organizing, coalition building, litigation and legislative campaigns.

The Organization is supported mainly from contributions from individuals, private foundations and fundraising events.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

##### Method of Accounting

The financial statements of the Organization have been prepared on the basis of accounting the Organization uses for federal income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.



**COLORADO CRIMINAL JUSTICE REFORM COALITION**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2010**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. As of December 31, 2010 and 2009, the Organization did not have any permanently restricted net assets.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with comprehensive basis of accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2009, from which the summarized information was derived.

Functional Allocation of Expenses

The Organization allocates certain costs between program, administration and development activities, according to the estimated relative usage of resources attributable to these activities.

Cash and Cash Equivalents

For purposes of the financial statements, cash and cash equivalents includes cash on hand and demand deposit accounts.

Donated Services

Many individuals volunteer a substantial amount of their time and perform a variety of tasks for the Organization. However, none of these services met the criteria for recognition as contributed services and none were recorded in the financial statements.

Property and Equipment

The Organization's capitalization policy is to capitalize asset costing more than \$100.00 and with useful life more than one year. Property and equipment are recorded at acquisition cost. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets, which is generally about five years.

**COLORADO CRIMINAL JUSTICE REFORM COALITION**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2010**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Printing and Publication Costs

Printing and publication costs are charged to expense in the period in which they are incurred. These costs amounted to \$ 44,235 and \$ 15,894 during the years ended December 31, 2010 and 2009, respectively.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and, accordingly, is not subject to federal or state income taxes. Donors are entitled to a charitable deduction for their contribution to the Organization. The Organization has also been classified as an organization that is not a private foundation under Section 509(a) of the Internal Revenue Code.

3. CONCENTRATIONS OF CREDIT RISK:

The Organization's cash balances as of December 31, 2010, included \$329,002 in one bank, which exceeded the federally insured limit of \$250,000 for each bank. Management of the Organization believes it is not exposed to any significant risk of loss on these cash balances.

4. TEMPORARILY RESTRICTED NET ASSETS:

A total of \$32,167 of net assets as of December 31, 2010 were temporarily restricted for Re-entry guide writing and publishing.

5. LEASE COMMITMENT:

The Organization subleases its office space from Denver Inner City Parish. The lease agreement renews every year. \$430 per month was due on the first day of every month from November 2009 through October 2010. \$395 per month is due on the first day of every month from November 2010 through October 2011. The sublease agreement will renew at the end of October 2011.

**COLORADO CRIMINAL JUSTICE REFORM COALITION**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2010**

6. SUBSEQUENT EVENTS:

The date to which events occurring after December 31, 2010 have been evaluated by management for possible adjustment to or disclosure in the financial statements is October 15, 2011, which is the date on which the financial statements were available to be issued.