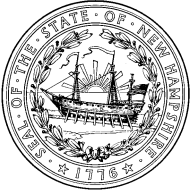


119 - 6/3/26



Lori A. Weaver
Commissioner

Marie Noonan
Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR CHILDREN, YOUTH & FAMILIES

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-4451 1-800-852-3345 Ext. 4451
Fax: 603-271-4729 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

May 11, 2026

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Children, Youth and Families, to enter into a **Sole Source** amendment to an existing contract with Youth Villages, Inc. (VC#266910), Memphis, TN to add funding to expand the Intercept® program, an intensive in-home service designed to prevent children from entering out-of-home care, to additional New Hampshire families, by increasing the price limitation by \$700,000 from \$30,600,000 to \$31,300,000, with no change to the contract completion date of June 30, 2027, effective July 1, 2026, upon Governor and Council approval. 43% Federal Funds. 57% General Funds.

The original contract was approved by Governor and Council on November 22, 2021, item #16, amended on June 14, 2023, item #15, amended on June 26, 2024, item #28, and most recently amended on June 25, 2025, item #182.

Funds are available in the following accounts for State Fiscal Year 2027, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

See attached fiscal details.

EXPLANATION

The purpose of this request is to add funding to State Fiscal Year 2027 for additional youth and their families to receive access to the Intercept® program. This request is **Sole Source** because MOP 150 requires all amendments to agreements originally approved as sole source to be identified as sole source. The Contractor is the proprietor of the Intercept® service model, and no other vendor offers this specific service; therefore, there are no known viable alternatives.

The Contractor's Intercept® service model was implemented in New Hampshire under the Families First Prevention Services Act (FFPSA) to deliver time-limited, evidence-based prevention services for children at risk of entering out-of-home care, supported by Title IV-E funding. It has been rated as a "well-supported practice" by the Title IV-E Clearing House—the highest rating available—indicating that at least two high-quality studies in real-world settings demonstrated sustained positive outcomes for at least 12 months post-treatment. No alternative services listed in the Clearing House meet the same level of evidence, effectiveness, or flexibility as Intercept®.

Intercept® is a preventative service designed to stabilize or reunify children from birth to age eighteen (18) who face emotional or behavioral issues, or who have experienced abuse or

neglect and are at risk of entering out-of-home care. The Contractor delivers intensive, in-home support focused on parenting skills, including case management, care coordination, and systemic family therapy to strengthen problem-solving and prevent out-of-home placements. Services are evidence-based and address a wide range of family challenges and trauma through risk assessments and comprehensive treatment. Families receive support an average of three times per week, along with 24/7 crisis response, typically over a period of four to six months.

The Intercept® service model is a core prevention service within the DCYF Service Array and DCYF's Title IV-E FFPSA Prevention Plan. This service is critical to DCYF's mission around prevention: Keeping families together, preventing out-of-home placement whenever possible, and maintaining successful reunifications.

An additional 30 youth and their families will be served in State Fiscal Year 2027, bringing the total served to approximately 300.

The Department will continue to monitor the Contractor's performance using the metrics established in the original contract. To date, the Department has identified the following outcome data for the Intercept® program in New Hampshire:

- Approximately 830 youth have been served through referrals from child protection and juvenile justice staff.
- Families typically begin receiving services within one week of referral.
- The average length of service is 160 days.
- 91% of participating families do not have new substantiated maltreatment reports during service.
- 72% of families do not have a new DCYF case opened after completing the program.
- 86% of families avoid out-of-home placement while enrolled.
- 89% of families continue to avoid out-of-home placement for at least 12 months after discharge.

Should the Governor and Council not authorize this request the Contractor will be unable to support additional New Hampshire families facing abuse, neglect, and related challenges. Families may lose access to effective, evidence-based, in-home parenting support designed to prevent children from entering out-of-home care.

Area served: Statewide.

Source of Federal Funds: Assistance Listing Number #93.658, FAIN #2601NHPSGP.

Respectfully submitted,



For:

Lori A. Weaver
Commissioner

Fiscal Details

05-95-42-421010-29580000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVS DEPT, HHS: DIV CHILDREN, YOUTH & FAM, CHILD PROTECTION, CHILD – FAMILY SERVICES, 50% FEDERAL 50% GENERAL

| State Fiscal Year | Class / Account | Class Title | Job Number | Current Budget | Increased (Decreased) Amount | Revised Budget |
|-------------------|-----------------|--------------------------|-----------------|---------------------|------------------------------|---------------------|
| 2022 | 637-504181 | IVE FOSSER FOSTER C SVCS | 42105869 | \$875,000 | \$0 | \$875,000 |
| 2023 | 637-504181 | IVE FOSSER FOSTER C SVCS | 42105869 | \$1,750,000 | \$0 | \$1,750,000 |
| 2024 | 637-504181 | IVE FOSSER FOSTER C SVCS | 42105869 | \$3,000,000 | \$0 | \$3,000,000 |
| 2025 | 637-504181 | IVE FOSSER FOSTER C SVCS | 42105869 | \$2,500,000 | \$0 | \$2,500,000 |
| 2026 | 637-504181 | IVE FOSSER FOSTER C SVCS | 42105869 | \$3,000,000 | \$0 | \$3,000,000 |
| 2027 | 637-504181 | IVE FOSSER FOSTER C SVCS | 42105869 | \$3,000,000 | \$600,000 | \$3,600,000 |
| | | | Subtotal | \$14,125,000 | \$600,000 | \$14,725,000 |

05-95-42-421010-29580000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVS DEPT, HHS: DIV CHILDREN, YOUTH & FAMILIES, CHILD PROTECTION, CHILD – FAMILY SERVICES, 100% GENERAL

| State Fiscal Year | Class / Account | Class Title | Job Number | Current Budget | Increased (Decreased) Amount | Revised Budget |
|-------------------|-----------------|---------------------|-----------------|--------------------|------------------------------|--------------------|
| 2025 | 644-504195 | SGFSER SGF SERVICES | 42105876 | \$300,000 | \$0 | \$300,000 |
| 2026 | 644-504195 | SGFSER SGF SERVICES | 42105876 | \$800,000 | \$0 | \$800,000 |
| 2027 | 644-504195 | SGFSER SGF SERVICES | 42105876 | \$400,000 | \$100,000 | \$500,000 |
| | | | Subtotal | \$1,500,000 | \$100,000 | \$1,600,000 |

05-95-47-470010-79480000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: DIV MEDICAID SERVICES, OFC OF MEDICAID SERVICES, MEDICAID CARE MANAGEMENT 50% Federal, 50% General

| State Fiscal Year | Class / Account | Class Title | Job Number | Current Budget | Increased (Decreased) Amount | Revised Budget |
|-------------------|-----------------|------------------------|-----------------|---------------------|------------------------------|---------------------|
| 2022 | 563-500915 | Contracts for Prog Svc | 47017002 | \$1,625,000 | \$0 | \$1,625,000 |
| 2023 | 563-500915 | Contracts for Prog Svc | 47017002 | \$3,250,000 | \$0 | \$3,250,000 |
| 2024 | 563-500915 | Contracts for Prog Svc | 47017002 | \$2,000,000 | \$0 | \$2,000,000 |
| 2025 | 563-500915 | Contracts for Prog Svc | 47017002 | \$2,500,000 | \$0 | \$2,500,000 |
| 2026 | 563-500915 | Contracts for Prog Svc | 47017002 | \$2,500,000 | \$0 | \$2,500,000 |
| 2027 | 563-500915 | Contracts for Prog Svc | 47017002 | \$2,500,000 | \$0 | \$2,500,000 |
| | | | Subtotal | \$14,375,000 | \$0 | \$14,375,000 |

05-95-98-980010-26480000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: HAMPSTEAD HOSPITAL, HAMPSTEAD HOSPITAL OPERATIONS, 33.33% GENERAL, 66.67% OTHER

| State Fiscal Year | Class / Account | Class Title | Job Number | Current Budget | Increased (Decreased) Amount | Revised Budget |
|-------------------|-----------------|------------------------|-----------------|------------------|------------------------------|------------------|
| 2025 | 102-500731 | Contracts for Prog Svc | 98000102 | \$600,000 | \$0 | \$600,000 |
| | | | Subtotal | \$600,000 | \$0 | \$600,000 |

| | | | |
|--------------|---------------------|------------------|---------------------|
| Total | \$30,600,000 | \$700,000 | \$31,300,000 |
|--------------|---------------------|------------------|---------------------|

**State of New Hampshire
Department of Health and Human Services
Amendment #4**

This Amendment to the Youth Villages Intercept Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Youth Villages, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on November 22, 2021 (Item #16), as amended on June 14, 2023 (Item #15), as amended on June 26, 2024 (Item #28) and as amended on June 25, 2025 (Item #182) the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37, General Provisions, Block 1.8., Price Limitation, to read:
\$31,300,000
2. Modify Exhibit A - Revisions to Standard Provisions, by adding Subsection 1.4., to read:
 - 1.3 Paragraph 6, Compliance by Contractor with Laws and Regulations/Equal Employment Opportunity, Subparagraph 6.1., is amended as follows:
 - 6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, RSA 151:21 Patients' Bill of Rights, civil rights and equal employment opportunity laws, and the Governor's order on Respect and Civility in the Workplace, Executive Order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.
3. Modify Exhibit B, Scope of Services, Section 2.15., to read:
 - 2.15. The Contractor shall serve an average daily census of 135 youth/families in State Fiscal Year (SFY) 2026 and 150 youth/families in SFY 2027.
 - 2.15.1 The Contractor shall serve an estimated combined total of 1,030 youth/families from Agreement effective date through SFY 2027.
4. Modify Exhibit C, Payment Terms; Section 1., to read:
 1. This Agreement is funded by:
 - 1.1. 47%, Federal funds:
 - 1.1.1. 23% Medicaid Entitlement, as awarded on 10/1/2022 and 10/1/2024, by the US Department of Health and Human Services, Centers for Medicare and Medicaid Services, Assistance Living #93.778, FAIN #2305NH5MAP and #2505NH5MAP.
 - 1.1.2. 24% Prevention Services Title IVE, as awarded on 3/26/2024, 10/1/2024, 4/1/2025, and 10/9/2025, by the US Department of Health and Human Services, Administration for Children and Families, Assistance Living #93.472, FAIN #2401NHPSGP and #2501NHPSGP and Assistance Living #93.658, FAIN



#2601NHPSGP.

- 1.2. 52% General funds.
- 1.3. 1% Other Funds (Agency income funds).
5. Modify Exhibit C, Payment Terms, Section 3.1.6., to read:
 - 3.1.6. \$6,600,000 for State Fiscal Year 2027.

^{DS}
PWL

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective July 1, 2026, upon Governor and Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

5/11/2026

Date

DocuSigned by:
Marie Noonan

Name: Marie Noonan
Title: DCYF Director

Youth Villages, Inc.

4/29/2026

Date

DocuSigned by:
Patrick W. Lawler

Name: Patrick W. Lawler
Title: CEO

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

5/11/2026

Date

DocuSigned by:
Robyn Guarino

Name: Robyn Guarino

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

State of New Hampshire

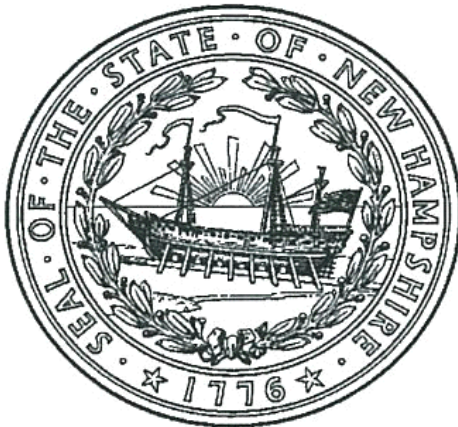
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that YOUTH VILLAGES, INC. is a Tennessee Nonprofit Corporation registered to transact business in New Hampshire on September 24, 2009. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **619973**

Certificate Number: **0007822817**



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 6th day of March A.D. 2026.

A handwritten signature in black ink, appearing to read "D. Scanlan", is written over a faint circular outline.

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORITY

I, Hugh A. Gregory, CFO, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Youth Villages, Inc.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on September 25, 2018, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Patrick W. Lawler, CEO and Robert E. Paine, COO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Youth Villages, Inc. to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for **thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 4-21-2026

Hugh A. Gregory
Signature of Elected Officer
Name: Hugh A. Gregory
Title: Chief Financial Officer

NONPROFIT COVER SHEET

A. Entity Name: Youth Villages, Inc.

B. Entity's Contact Information:

For Records Requests (e.g., resumes of key personnel; audited financial statements):

Name / Phone / Email: Matthew Stone, (978) 349-8580; matthew.stone@youthvillages.org

Person responsible for Accuracy and Completeness of information provided:

Name: Patrick W. Lawler Title: Chief Executive Officer

Signature: 

C. List Board of Directors and Affiliations

| <u>Name (Identify any additional role(s) in Parentheses)</u> | <u>Affiliations</u> |
|--|---|
| E.g., John Doe (President) | |
| Mark Allen (Vice Chair) | Retired, FedEx Corporation |
| Jamere Jackson | CFO, AutoZone |
| Mike Bruns (Board Chair) | Owner, Bruns Holdings |
| Mike Kenney | Community Member |
| Frederick Burns (Board Secretary) | Owner, RuniT Edlytics, Inc. |
| Gerald Laurain (Board Treasurer) | Retired, First Horizon Bank |
| Tyrone Burroughs | CEO, First Choice Global |
| Elizabeth Rose | Partner, Caiola & Rose, LLC. |
| Gary Shorb | Executive Director, The Urban Child Institute |
| David Tyler | Retired |
| Rev. Rufus Smith | Pastor, Hope Church |
| Monica Wharton | VP/COO Methodist Le Bonheur Healthcare |
| Matt Tarkenton | President, Tarkenton Financial |
| Kevin Thompson | Partner, Thompson Burton, PLLC |

D. List Key Personnel (Resumes must be available upon request to the person(s) listed in section B or may be attached):

| <u>Name</u> | <u>Role</u> | <u>Annual Salary</u> | <u>Amount Paid From This Contract</u> |
|--------------------------|---------------------------|----------------------|---------------------------------------|
| Matthew Stone | Executive Director | \$289,375.00 | \$20,256.25 |
| Lori Sustek | Managing Director | \$245,140.00 | \$17,159.80 |
| Scott Manheimer | Regional Program Director | \$197,239.97 | \$39,447.99 |
| Carly Branconnier | State Manager | \$128,659.90 | \$45,030.97 |
| Gabriella Maguire | Regional Supervisor | \$118,762.50 | \$29,690.62 |
| Krystin Morse | Regional Supervisor | \$116,051.00 | \$72,531.88 |

DISCLOSURE OF LEGAL ACTIVITIES INVOLVING THE STATE OF NEW HAMPSHIRE OR ANOTHER GOVERNMENT ENTITY

E. Check one of the following:

- The entity is **not currently or has not been** party to any legal proceeding involving the State of New Hampshire (or any agency or subdivision thereof) or any other state/federal government entity before any adjudicative body in any jurisdiction **OR**
- The entity is or has been party to one or more legal proceedings as set forth above. Identify the jurisdiction, court or other adjudicative body, case number, and briefly describe the nature of the proceeding (Attached extra sheet if necessary).

Youth Villages, Inc. is a co-defendant with the State of New Hampshire, Department of Health and Human Services in the matter of *Jane Doe #116 v. State of New Hampshire, Department of the Health and Human Services, et. al.*, Civil Action No. 218-2023-CV-01245, which is pending in the Superior Court for Rockingham County, New Hampshire. The allegation s contained in the Compliant relate to the alleged conduct at a residential treatment facility occurring over 8 years prior to Youth Villages' acquisition of the property.

CHARITABLE TRUSTS UNIT COMPLIANCE CERTIFICATION

F. Check one of the following:

- is registered and in good standing with the New Hampshire Department of Justice Charitable Trusts Unit (** see note below) **or** has submitted a complete application for registration to the Charitable Trusts Unit and is awaiting a registration determination **OR**
- is not required to register with the Charitable Trusts Unit because it is neither tax-exempt under section 501(c)(3) of the Internal Revenue Code nor engages in charitable solicitations in the State of New Hampshire **OR**
- is exempt from registration with the Charitable Trusts Unit because it is a federal or state government, agency, or subdivision or is a religious organization, an integrated auxiliary of a religious organization, or is a convention or association of churches.

** Note: Attached screen shot from the DOJ Registered Charities List found at:

<https://mm.nh.gov/files/uploads/doj/remote-docs/registered-charities.pdf>

| | | | | | | | |
|-------|----------------------|---------------------------------------|--------|----|-------|---|------------|
| 18200 | Youth Villages, Inc. | 113 3675 Crestwood Parkway, Suite 350 | Duluth | GA | 30096 | G | 11/14/2025 |
|-------|----------------------|---------------------------------------|--------|----|-------|---|------------|

| | | | | | | | |
|-------|----------------------|---------------------------------------|--------|----|-------|---|------------|
| 18200 | Youth Villages, Inc. | 113 3675 Crestwood Parkway, Suite 350 | Duluth | GA | 30096 | G | 11/14/2026 |
|-------|----------------------|---------------------------------------|--------|----|-------|---|------------|

FINANCIAL DISCLOSURES

G. Check one the following:

- [X] The organization hired an outside firm to audit its financial statements or to prepare GAAP-compliant financial statements for its most recently completed fiscal year. If so, please ensure that the financial statements and audit results are available to be requested from the contact listed on Page 1 (audited financials may be attached) **OR**
- [] The above does not apply, but the organization filed an IRS Form 990 or Form 990-EZ for its most recently completed fiscal year. Please attach that IRS Form 990 or Form 990-EZ to the submission. (Form 990 Schedule B is not required) **OR**
- [] ***If neither of the above apply***, complete the Income Statement and Balance Sheet below with the following basic financial information from the organization’s most recently completed fiscal year:

1. INCOME STATEMENT

| | <u>Revenue</u> | | <u>Expenses</u> |
|---------------------------------|----------------|---|-----------------|
| <i>Grants</i> | \$ | <i>Compensation of officers, directors, and key personnel</i> | \$ |
| <i>Donations</i> | \$ | <i>Other salaries & wages</i> | \$ |
| <i>Program Services Revenue</i> | \$ | <i>Payroll taxes & employee benefits</i> | \$ |
| <i>Interest & Dividends</i> | \$ | <i>Occupancy, rent, utilities, and insurance</i> | \$ |
| <i>All other Revenue</i> | \$ | <i>Printing, publications, postage, office supplies, and IT</i> | \$ |
| <u>Total Revenue</u> | \$ | <i>All other expenses</i> | \$ |
| | | <u>Total Expenses</u> | \$ |

2. BALANCE SHEET

| <u>Assets</u> | | <u>Liabilities</u> | |
|---|----|------------------------------|----|
| <i>Cash & Equivalents</i> | \$ | <i>Accounts Payable</i> | \$ |
| <i>Investments</i> | \$ | <i>Loans Payable</i> | \$ |
| <i>Real Estate (less any depreciation)</i> | \$ | <i>All other liabilities</i> | \$ |
| <i>Other Property & Equipment (less any depreciation)</i> | \$ | <u>Total Liabilities</u> | \$ |
| <i>Pledges, grants, accounts receivable</i> | \$ | | |
| <i>All other assets</i> | \$ | | |
| <u>Total Assets</u> | \$ | | |

YOUTH VILLAGES MISSION & VALUES

Youth Villages helps children and families live successfully.

Kids' needs come first... always.

We make every decision in the best interest of each child. We adapt our programs to accommodate the special needs of children and families. Often, we make personal sacrifices in order to help children and families achieve their potential.

Children are raised best by their families.

When at all possible, children belong with their families. We help families provide the support and structure that all children need.

We provide a safe place.

We provide care and treatment for children in an open, safe environment. We ensure that young people are physically and emotionally safe.

We strive to achieve positive, lasting results.

We help children and families develop skills to live successfully by focusing on areas that have a long-term impact on the family.

We are committed to our staff.

We recognize the many challenges our staff face each day. We value teamwork and help staff achieve their potential through an atmosphere of open communication, learning and fun.

We are each responsible for providing the highest level of service to our customers.

We deliver our best by listening and responding to our customers...every time, every day.

We constantly improve our performance to achieve excellence.

We measure our efforts by assessing our strengths and need to identify areas for improvement. We believe that anything can be made better.

We create new programs to meet the needs of children, families and the community.

We develop innovative programs that serve children and families facing the most challenging circumstances. Our entrepreneurial spirit leads us to test the limits of existing services and create new opportunities.

We do what we say we do.

Our mission and values are more than just something to talk about. They guide all of our decisions. We believe that our integrity can only be measured by how we live by these values each day.



YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2025 and 2024



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YOUTH VILLAGES, INC. AND AFFILIATES

ROSTER OF MANAGEMENT OFFICIALS

For the Year Ended June 30, 2025

Patrick Lawler, *Chief Executive Officer*
Greg Gregory, *Chief Financial Officer*
Catherine Smith, *Chief Strategy Officer*
Charmaine Kromer, *Chief Operating Officer for Community Based Programs*
Jody Paine, *Chief Operating Officer for Residential Services*
Scott Palmer, *Chief Information Officer*
LaTonya Pendleton, *Chief Human Resources Officer*
Cliff Reyle, *Chief of Staff*
Richard Shaw, *Chief Development Officer*
Dr. Fred Thomason, *Chief Medical Officer*

YOUTH VILLAGES, INC. AND AFFILIATES

ROSTER OF BOARD MEMBERS

For the Year Ended June 30, 2025

Mark Allen, Board Vice Chair, FedEx Corporation
Mike Bruns, Board Chair/Chair Emeritus, Bruns Holdings
Fredrick Burns, Board Secretary, RuniT and Safr Management
Tyrone Burroughs, First Choice Global Sales & Merchandising Group
Amy Crate
Jamere Jackson, AutoZone
Gerald Laurain, Board Treasurer
Elizabeth Rose, Caiola & Rose LLC
Gary Shorb, The Urban Child Institute
Rev. Rufus Smith, Hope Church
Matt Tarkenton, Tarkenton Financial
Kevin Thompson, Thompson Burton PLLC
David Tyler, Grant Thornron LLP
Monica Wharton, Methodist Le Bonheur Healthcare



Watkins Uiberall, PLLC

1661 Aaron Brenner Drive • Suite 300
Memphis, Tennessee 38120
901.761.2720 • Fax: 901.683.1120

417 West Main Street • Suite 100
Tupelo, Mississippi 38804
662.269.4014 • Fax: 662.269.4016

www.wucpas.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Youth Villages, Inc. and Affiliates
Memphis, Tennessee

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Youth Villages, Inc. and Affiliates (a non-profit organization, the "Organization"), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Youth Villages, Inc. and Affiliates as of June 30, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 discussed in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Youth Villages, Inc. and Affiliates and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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.

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 consolidated financial statements of Youth Villages, Inc. and Affiliates as a whole. The supplemental information as described in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the rosters of management officials and board members but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2025, on our consideration of Youth Villages, Inc. and Affiliates' 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 Youth Villages, Inc. and Affiliates' 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 Youth Villages, Inc. and Affiliates' internal control over financial reporting and compliance.



Memphis, Tennessee
November 25, 2025

YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2025 and 2024

| | <u>Assets</u> | |
|--|-----------------------------------|-----------------------|
| | 2025 | 2024 |
| Current Assets | | |
| Cash and cash equivalents | \$ 76,053,191 | \$ 65,471,382 |
| Receivables | | |
| Promises to give, current portion | 7,492,911 | 11,017,611 |
| Grantor agencies | 2,412,726 | 2,129,533 |
| Contract receivables, net of allowance for credit losses of \$772,734 and \$804,504, respectively | 50,497,768 | 51,952,646 |
| Other | 2,071,923 | 1,255,456 |
| Investments | 456,194,666 | 406,555,175 |
| Prepaid expenses | 3,885,807 | 3,509,004 |
| Total current assets | 598,608,992 | 541,890,807 |
| Property and equipment, net | 125,573,178 | 104,180,626 |
| Other Assets | | |
| Promises to give, net of current portion | 5,442,422 | 7,609,400 |
| Right-of-use asset, non-current | 8,586,343 | 8,656,183 |
| Other | 8,427,172 | 7,840,432 |
| Total other assets | 22,455,937 | 24,106,015 |
| Total assets | \$ 746,638,107 | \$ 670,177,448 |
| | <u>Liabilities and Net Assets</u> | |
| Current Liabilities | | |
| Accounts payable | \$ 9,238,284 | \$ 8,670,238 |
| Accrued expenses | 5,933,287 | 5,189,011 |
| Deferred revenue | 356,959 | 735,123 |
| Other liabilities | 10,837,069 | 7,680,308 |
| Lease liabilities | 3,333,721 | 2,117,841 |
| Payroll liabilities | 15,625,181 | 12,071,765 |
| Total current liabilities | 45,324,501 | 36,464,286 |
| Long-Term Liabilities | | |
| Lease liabilities | 5,576,909 | 6,801,687 |
| Total liabilities | 50,901,410 | 43,265,973 |
| Net Assets | | |
| Without donor restrictions | 591,405,634 | 516,043,632 |
| With donor restrictions | 104,331,063 | 110,867,843 |
| Total net assets | 695,736,697 | 626,911,475 |
| Total liabilities and net assets | \$ 746,638,107 | \$ 670,177,448 |

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

YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2025 and 2024

| | 2025 | 2024 |
|--|----------------|----------------|
| Net Assets Without Donor Restrictions | | |
| Revenues and Support | | |
| State of Tennessee contract revenue | \$ 180,853,625 | \$ 162,496,186 |
| Contract revenue | 109,100,501 | 90,510,633 |
| TennCare revenue | 25,743,364 | 23,063,256 |
| Medicaid revenue | 83,904,481 | 70,965,859 |
| Net private insurance | 4,343,165 | 5,574,751 |
| USDA & Grants | 31,512,653 | 30,232,318 |
| Other - local education authority, county, city, provider agency | 2,430,365 | 3,878,574 |
| Special events revenue | 4,322,105 | 3,739,081 |
| Less: costs of direct benefits to donors | (2,199,426) | (2,105,093) |
| Net revenues from special events | 2,122,679 | 1,633,988 |
| | | |
| Dividends and interest on investments | 3,042,394 | 2,662,749 |
| Net gain on investments | 46,957,325 | 46,190,545 |
| Gain on sale of fixed assets | 239,155 | 40,250 |
| Miscellaneous income | 1,011,051 | 179,843 |
| | 491,260,758 | 437,428,952 |
| Net assets released from donor restrictions | 45,673,050 | 30,392,381 |
| Total revenues and support | 536,933,808 | 467,821,333 |
| | | |
| Expenses | | |
| Program services | 390,344,177 | 333,648,790 |
| Management and general | 64,847,011 | 51,757,076 |
| Fundraising | 6,380,618 | 5,781,833 |
| Total expenses | 461,571,806 | 391,187,699 |
| | | |
| Change in net assets without donor restrictions | \$ 75,362,002 | \$ 76,633,634 |

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

YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES (CONTINUED)

For the Years Ended June 30, 2025 and 2024

| | 2025 | 2024 |
|--|----------------|----------------|
| Net Assets With Donor Restrictions | | |
| Donations and promises to give | \$ 39,136,270 | \$ 38,167,785 |
| Net assets released from donor restrictions | (45,673,050) | (30,392,381) |
| Change in net assets with donor restrictions | (6,536,780) | 7,775,404 |
| Change in net assets | 68,825,222 | 84,409,038 |
| Net assets - beginning of year | 626,911,475 | 542,502,437 |
| Net assets - end of year | \$ 695,736,697 | \$ 626,911,475 |

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

YOUTH VILLAGES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2025

| | Dogwood Residential | Bartlett Campus Residential | Bill's Place Residential | Rose Center for Girls Residential | Inner Harbour | Other Residential |
|---|------------------------|-----------------------------------|-----------------------------|---|------------------|----------------------|
| Salaries & Wages | 10,937,973 | 13,352,850 | \$ 22,362,162 | \$ 10,454,621 | \$ 20,664,842 | \$ - |
| Fringe Benefits | 2,289,778 | 2,986,518 | 4,873,807 | 2,206,871 | 4,525,654 | - |
| Professional Services | 144,647 | 91,671 | 336,022 | 277,595 | 480,377 | - |
| Advertising | 116,300 | 118,821 | 116,750 | 116,427 | 37,950 | - |
| Supplies | 31,676 | 75,465 | 49,575 | 34,274 | 47,385 | - |
| Communications | 31,401 | 32,034 | 36,800 | 32,557 | 50,710 | - |
| Travel | 56,662 | 97,957 | 58,833 | 28,675 | 133,962 | - |
| Occupancy | 299,982 | 319,248 | 350,124 | 251,885 | 600,253 | 7,560 |
| Leasing Expenses | 29,808 | 38,052 | 43,368 | 33,120 | 81,756 | - |
| Maintenance | 496,701 | 588,449 | 569,075 | 261,405 | 858,803 | - |
| Program Expenses | 914,438 | 1,067,240 | 1,499,614 | 721,042 | 1,596,305 | - |
| Parent Contracting | - | - | - | - | - | - |
| Training & Seminars | 64,622 | 80,936 | 99,622 | 47,386 | 84,703 | - |
| Other Operating Expenses | 77,967 | 122,365 | 92,564 | 48,060 | 131,743 | 126 |
| Insurance | 427,809 | 817,309 | 755,878 | 195,678 | 991,048 | 1,515 |
| Bad Debt Expense | 57,783 | 87,200 | 186,482 | 43,575 | 61,100 | - |
| Partners Blue Meridian Support | - | - | - | - | - | - |
| Total functional expenses before depreciation | 15,977,547 | 19,876,115 | 31,430,676 | 14,753,171 | 30,346,591 | 9,201 |
| Depreciation | 665,293 | 821,808 | 1,815,127 | 614,993 | 1,253,088 | 350,248 |
| Total | \$ 16,642,840 | \$ 20,697,923 | \$ 33,245,803 | \$ 15,368,164 | \$ 31,599,679 | \$ 359,449 |

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

YOUTH VILLAGES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended June 30, 2025

| | Therapeutic Foster Care | In-Home Services | Wrap-Around Services | Group Homes | Transition-Age Youth Services | Crisis Services |
|---|-------------------------------|-----------------------|-------------------------|---------------------|----------------------------------|---------------------|
| Salaries & Wages | \$ 10,062,134 | \$ 93,505,211 | \$ 15,287,006 | \$ 4,846,097 | \$ 23,886,061 | \$ 4,705,874 |
| Fringe Benefits | 2,266,418 | 21,323,777 | 3,975,505 | 1,086,908 | 5,309,956 | 1,207,390 |
| Professional Services | 143,079 | 1,027,782 | 446,065 | 38,432 | 157,081 | 30,082 |
| Advertising | 999,991 | 627,564 | 47,274 | 228 | 184,968 | 39,735 |
| Supplies | 39,053 | 380,713 | 71,419 | 9,716 | 87,936 | 10,659 |
| Communications | 140,311 | 1,107,892 | 226,636 | 25,248 | 291,188 | 66,641 |
| Travel | 696,634 | 9,852,582 | 2,166,166 | 94,529 | 2,245,891 | 81,302 |
| Occupancy | 80,552 | 633,094 | 118,714 | 108,329 | 154,118 | 42,065 |
| Leasing Expenses | 65,506 | 1,952,181 | 415,204 | 6,660 | 761,874 | 16,970 |
| Maintenance | 132,665 | 1,110,939 | 157,867 | 306,579 | 226,704 | 127,005 |
| Program Expenses | 304,164 | 820,582 | 26,260 | 477,213 | 504,397 | 2,249 |
| Parent Contracting | 10,617,770 | - | - | - | - | - |
| Training & Seminars | 98,988 | 722,122 | 107,651 | 23,153 | 230,706 | 25,155 |
| Other Operating Expenses | 258,081 | 777,203 | 93,862 | 36,932 | 157,968 | 77,616 |
| Insurance | 116,149 | 1,405,328 | 226,610 | 155,657 | 232,485 | 58,550 |
| Bad Debt Expense | 143,686 | 116,118 | 89,689 | - | 15,618 | 3,307 |
| Partners Blue Meridian Support | - | - | - | - | 815,183 | - |
| Total functional expenses before depreciation | <u>26,165,181</u> | <u>135,363,088</u> | <u>23,455,928</u> | <u>7,215,681</u> | <u>35,262,134</u> | <u>6,494,600</u> |
| Depreciation | <u>185,681</u> | <u>512,261</u> | <u>49,508</u> | <u>244,241</u> | <u>85,525</u> | <u>22,766</u> |
| Total | <u>\$ 26,350,862</u> | <u>\$ 135,875,349</u> | <u>\$ 23,505,436</u> | <u>\$ 7,459,922</u> | <u>\$ 35,347,659</u> | <u>\$ 6,517,366</u> |

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

YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended June 30, 2025

| | Strategic Partnerships | Community Violence Intervention | Other Programs | Total Program Services |
|--|---------------------------|---------------------------------------|----------------------|------------------------------|
| Salaries & Wages | \$ 2,594,692 | \$ 10,852,939 | \$ 7,672,957 | \$ 251,185,419 |
| Fringe Benefits | 613,054 | 2,367,182 | 1,554,782 | 56,587,600 |
| Professional Services | 262,078 | 2,767,508 | 946,108 | 7,148,527 |
| Advertising | 18 | 3,418 | 71,050 | 2,480,494 |
| Supplies | 1,741 | 129,027 | 27,119 | 995,758 |
| Communications | 24,253 | 164,046 | 100,760 | 2,330,477 |
| Travel | 228,247 | 525,058 | 822,897 | 17,089,395 |
| Occupancy | - | 140,362 | 42,095 | 3,148,381 |
| Leasing Expenses | - | 262,280 | 17,009 | 3,723,788 |
| Maintenance | 395,732 | 224,615 | 185,013 | 5,641,552 |
| Program Expenses | - | 867,637 | 88,015 | 8,889,156 |
| Parent Contracting | - | - | - | 10,617,770 |
| Training & Seminars | 227,192 | 234,115 | 157,836 | 2,204,187 |
| Other Operating Expenses | 28,435 | 221,340 | 69,054 | 2,193,316 |
| Insurance | 23,188 | 183,349 | 96,035 | 5,686,588 |
| Bad Debt Expense | 1 | 1,500 | - | 806,059 |
| Partners Blue Meridian Support | 1,998,354 | - | - | 2,813,537 |
| Total functional expenses before depreciation | 6,396,985 | 18,944,376 | 11,850,730 | 383,542,004 |
| Depreciation | - | 127,246 | 54,388 | 6,802,173 |
| Total | <u>\$ 6,396,985</u> | <u>\$ 19,071,622</u> | <u>\$ 11,905,118</u> | <u>\$ 390,344,177</u> |

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

YOUTH VILLAGES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended June 30, 2025

| | Management and General | Fundraising | Total Expenses |
|---|---------------------------|---------------------|-----------------------|
| Salaries & Wages | \$ 33,707,429 | \$ 3,715,124 | \$ 288,607,972 |
| Fringe Benefits | 8,175,057 | 923,418 | 65,686,075 |
| Professional Services | 7,557,695 | 489,757 | 15,195,979 |
| Advertising | 968,949 | 14,271 | 3,463,714 |
| Supplies | 189,365 | 29,115 | 1,214,238 |
| Communications | 1,155,522 | 404,734 | 3,890,733 |
| Travel | 865,683 | 96,456 | 18,051,534 |
| Occupancy | 180,856 | 40,090 | 3,369,327 |
| Leasing Expenses | 34,834 | - | 3,758,622 |
| Maintenance | 7,595,436 | 271,081 | 13,508,069 |
| Program Expenses | 14,199 | - | 8,903,355 |
| Parent Contracting | - | - | 10,617,770 |
| Training & Seminars | 1,300,050 | 36,654 | 3,540,891 |
| Other Operating Expenses | 1,245,187 | 358,320 | 3,796,823 |
| Insurance | 736,681 | 1,598 | 6,424,867 |
| Bad Debt Expense | - | - | 806,059 |
| Partners Blue Meridian Support | - | - | 2,813,537 |
| Total functional expenses before depreciation | <u>63,726,943</u> | <u>6,380,618</u> | <u>453,649,565</u> |
| Depreciation | <u>1,120,068</u> | <u>-</u> | <u>7,922,241</u> |
| Total | <u>\$ 64,847,011</u> | <u>\$ 6,380,618</u> | <u>\$ 461,571,806</u> |

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

YOUTH VILLAGES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2024

| | Dogwood Residential | Bartlett Campus Residential | Bill's Place Residential | Rose Center for Girls Residential | Inner Harbour | Other Residential |
|---|------------------------|-----------------------------------|-----------------------------|---|----------------------|----------------------|
| Salaries & Wages | \$ 10,627,977 | \$ 12,061,186 | \$ 20,776,492 | \$ 9,986,321 | \$ 18,711,085 | \$ 5,213 |
| Fringe Benefits | 2,001,980 | 2,407,555 | 3,863,200 | 1,910,158 | 3,757,305 | 1,330 |
| Professional Services | 179,553 | 109,358 | 480,966 | 901,667 | 320,254 | - |
| Advertising | 118,625 | 120,083 | 120,707 | 118,843 | 42,183 | - |
| Supplies | 32,454 | 52,927 | 46,038 | 28,725 | 28,445 | - |
| Communications | 23,048 | 24,903 | 31,044 | 22,260 | 52,212 | - |
| Travel | 63,185 | 87,789 | 44,463 | 29,211 | 102,668 | 1,864 |
| Occupancy | 283,946 | 290,937 | 320,840 | 221,656 | 430,788 | 11,283 |
| Leasing Expenses | 29,808 | 38,052 | 43,368 | 33,120 | 81,756 | - |
| Maintenance | 382,768 | 632,039 | 553,149 | 296,351 | 576,657 | 1,165 |
| Program Expenses | 912,031 | 1,083,725 | 1,393,878 | 711,573 | 1,543,888 | 11 |
| Parent Contracting | - | - | - | - | - | - |
| Training & Seminars | 50,333 | 61,784 | 81,710 | 49,080 | 115,388 | - |
| Other Operating Expenses | 63,632 | 66,239 | 88,198 | 40,570 | 138,054 | - |
| Insurance | 523,588 | 460,081 | 709,550 | 507,482 | 694,463 | (1,070) |
| Bad Debt Expense | 35,000 | 54,267 | 97,023 | 35,521 | 87,250 | - |
| Partners Blue Meridian Support | - | - | - | - | - | - |
| | <u>15,327,928</u> | <u>17,550,925</u> | <u>28,650,626</u> | <u>14,892,538</u> | <u>26,682,396</u> | <u>19,796</u> |
| Less: costs of direct benefits to donors | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total functional expenses before depreciation | 15,327,928 | 17,550,925 | 28,650,626 | 14,892,538 | 26,682,396 | 19,796 |
| Depreciation | <u>688,569</u> | <u>728,886</u> | <u>1,975,823</u> | <u>604,562</u> | <u>820,177</u> | <u>386,326</u> |
| Total | <u>\$ 16,016,497</u> | <u>\$ 18,279,811</u> | <u>\$ 30,626,449</u> | <u>\$ 15,497,100</u> | <u>\$ 27,502,573</u> | <u>\$ 406,122</u> |

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

YOUTH VILLAGES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended June 30, 2024

| | Therapeutic Foster Care | In-Home Services | Wrap-Around Services | Group Homes | Transition-Age Youth Services | Crisis Services |
|---|-------------------------------|-----------------------|-------------------------|---------------------|----------------------------------|---------------------|
| Salaries & Wages | \$ 9,266,481 | \$ 78,547,663 | \$ 15,449,937 | \$ 5,263,719 | \$ 18,966,460 | \$ 4,827,931 |
| Fringe Benefits | 1,809,457 | 15,991,514 | 3,421,700 | 969,481 | 3,966,090 | 1,055,968 |
| Professional Services | 175,095 | 741,921 | 329,269 | 41,854 | 81,501 | 30,230 |
| Advertising | 525,108 | 586,836 | 54,978 | 35 | 106,248 | 15,989 |
| Supplies | 45,675 | 364,978 | 83,123 | 9,260 | 86,960 | 12,002 |
| Communications | 138,536 | 1,029,727 | 319,362 | 21,673 | 256,228 | 66,093 |
| Travel | 669,351 | 8,990,378 | 2,385,426 | 88,549 | 1,870,301 | 93,543 |
| Occupancy | 95,363 | 598,653 | 105,465 | 97,457 | 166,465 | 46,771 |
| Leasing Expenses | 59,643 | 1,552,632 | 416,615 | 6,660 | 848,860 | 13,440 |
| Maintenance | 117,804 | 819,691 | 77,711 | 267,927 | 152,530 | 68,072 |
| Program Expenses | 295,656 | 719,019 | 107,412 | 357,395 | 487,106 | 3,382 |
| Parent Contracting | 9,414,404 | - | - | - | - | - |
| Training & Seminars | 84,313 | 594,616 | 110,614 | 24,917 | 128,588 | 26,623 |
| Other Operating Expenses | 227,878 | 744,774 | 139,456 | 32,817 | 181,037 | 33,821 |
| Insurance | 125,389 | 1,485,251 | 193,798 | 98,214 | 266,833 | 58,849 |
| Bad Debt Expense | - | 411,484 | 283,618 | - | 10,030 | - |
| Partners Blue Meridian Support | - | - | - | - | 135,322 | - |
| | <u>23,050,153</u> | <u>113,179,137</u> | <u>23,478,484</u> | <u>7,279,958</u> | <u>27,710,559</u> | <u>6,352,714</u> |
| Less: costs of direct benefits to donors | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total functional expenses before depreciation | 23,050,153 | 113,179,137 | 23,478,484 | 7,279,958 | 27,710,559 | 6,352,714 |
| Depreciation | <u>160,736</u> | <u>443,100</u> | <u>66,724</u> | <u>227,998</u> | <u>70,836</u> | <u>30,234</u> |
| Total | <u>\$ 23,210,889</u> | <u>\$ 113,622,237</u> | <u>\$ 23,545,208</u> | <u>\$ 7,507,956</u> | <u>\$ 27,781,395</u> | <u>\$ 6,382,948</u> |

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

YOUTH VILLAGES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended June 30, 2024

| | Strategic Partnerships | Community Violence Intervention | Other Programs | Total Program Services |
|---|---------------------------|---------------------------------------|---------------------|------------------------------|
| Salaries & Wages | \$ 2,378,952 | \$ 6,566,030 | \$ 3,942,661 | \$ 217,378,108 |
| Fringe Benefits | 552,399 | 1,246,907 | 658,567 | 43,613,611 |
| Professional Services | 539,942 | 1,850,422 | 333,117 | 6,115,149 |
| Advertising | 5,275 | 14,176 | 12,580 | 1,841,666 |
| Supplies | 1,269 | 82,624 | 12,330 | 886,810 |
| Communications | 22,118 | 92,865 | 53,543 | 2,153,612 |
| Travel | 166,950 | 285,171 | 349,973 | 15,228,822 |
| Occupancy | 3,696 | 50,024 | 10,322 | 2,733,666 |
| Leasing Expenses | 1,848 | 60,883 | - | 3,186,685 |
| Maintenance | 220,215 | 179,815 | 137,039 | 4,482,933 |
| Program Expenses | - | 302,665 | 141,058 | 8,058,799 |
| Parent Contracting | - | - | - | 9,414,404 |
| Training & Seminars | 73,842 | 71,278 | 168,252 | 1,641,338 |
| Other Operating Expenses | 25,280 | 226,825 | 40,543 | 2,049,124 |
| Insurance | 21,673 | 47,965 | 51,381 | 5,243,447 |
| Bad Debt Expense | 18,197 | - | 4,741 | 1,037,131 |
| Partners Blue Meridian Support | 2,062,292 | - | - | 2,197,614 |
| | <u>6,093,948</u> | <u>11,077,650</u> | <u>5,916,107</u> | <u>327,262,919</u> |
| Less: costs of direct benefits to donors | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total functional expenses before depreciation | 6,093,948 | 11,077,650 | 5,916,107 | 327,262,919 |
| Depreciation | <u>-</u> | <u>149,084</u> | <u>32,816</u> | <u>6,385,871</u> |
| Total | <u>\$ 6,093,948</u> | <u>\$ 11,226,734</u> | <u>\$ 5,948,923</u> | <u>\$ 333,648,790</u> |

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

YOUTH VILLAGES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended June 30, 2024

| | Management and General | Fundraising | Total Expenses |
|---|---------------------------|---------------------|-----------------------|
| Salaries & Wages | \$ 27,088,307 | \$ 3,441,439 | \$ 247,907,854 |
| Fringe Benefits | 5,633,220 | 909,897 | 50,156,728 |
| Professional Services | 5,218,859 | 471,122 | 11,805,130 |
| Advertising | 835,275 | 30,801 | 2,707,742 |
| Supplies | 85,449 | 19,385 | 991,644 |
| Communications | 977,152 | 257,917 | 3,388,681 |
| Travel | 738,070 | 69,833 | 16,036,725 |
| Occupancy | 160,152 | 33,332 | 2,927,150 |
| Leasing Expenses | 37,296 | - | 3,223,981 |
| Maintenance | 6,831,375 | 221,031 | 11,535,339 |
| Program Expenses | 13,495 | - | 8,072,294 |
| Parent Contracting | - | - | 9,414,404 |
| Training & Seminars | 1,130,810 | 35,767 | 2,807,915 |
| Other Operating Expenses | 1,037,837 | 288,166 | 3,375,127 |
| Insurance | 692,387 | 3,143 | 5,938,977 |
| Bad Debt Expense | - | - | 1,037,131 |
| Partners Blue Meridian Support | - | - | 2,197,614 |
| | <u>50,479,684</u> | <u>5,781,833</u> | <u>383,524,436</u> |
| Total functional expenses before depreciation | <u>-</u> | <u>-</u> | <u>-</u> |
| Less: costs of direct benefits to donors | 50,479,684 | 5,781,833 | 383,524,436 |
| | <u>1,277,392</u> | <u>-</u> | <u>7,663,263</u> |
| Depreciation | <u>\$ 51,757,076</u> | <u>\$ 5,781,833</u> | <u>\$ 391,187,699</u> |
| Total | | | |

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

YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2025 and 2024

| | 2025 | 2024 |
|---|---------------|---------------|
| Cash Flows From Operating Activities: | | |
| Change in net assets | \$ 68,825,222 | \$ 84,409,038 |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided By Operating Activities: | | |
| Depreciation | 7,922,244 | 7,663,263 |
| Noncash lease expense | 60,942 | 187,983 |
| Gain on investments | (46,957,325) | (46,190,545) |
| Gain on disposal of property and equipment | (239,155) | (40,250) |
| Changes in operating assets and liabilities: | | |
| (Increase) decrease in : | | |
| Receivables | 6,046,896 | (13,216,180) |
| Prepaid expenses | (376,803) | 232,999 |
| Increase (decrease) in : | | |
| Accounts payable | 568,046 | 3,223,878 |
| Accrued expenses | 744,276 | 272,385 |
| Deferred revenue | (378,164) | (422,303) |
| Other liabilities | 3,156,761 | 93,143 |
| Payroll liabilities | 3,553,416 | 1,290,528 |
| Total adjustments | (25,898,866) | (46,905,099) |
| Net cash provided by operating activities | 42,926,356 | 37,503,939 |
| Cash Flows From Investing Activities: | | |
| Purchase of property and equipment | (29,314,796) | (19,195,220) |
| Proceeds from the sale of property and equipment | 239,155 | 40,250 |
| Investment in securities | (59,181,333) | (107,494,362) |
| Proceeds from sales of securities | 56,499,167 | 94,500,856 |
| Increase in sundry assets | (586,740) | (512,515) |
| Net cash used for investing activities | (32,344,547) | (32,660,991) |
| Net increase in cash and cash equivalents | 10,581,809 | 4,842,948 |
| Cash and cash equivalents at beginning of the year | 65,471,382 | 60,628,434 |
| Cash and cash equivalents at end of the year | \$ 76,053,191 | \$ 65,471,382 |
| Supplemental Disclosure of Cash Flow Information: | | |
| Non-Cash Investing Activities: | | |
| Acquisition of right of use assets under lease liabilities | \$ 1,808,084 | \$ 3,136,541 |

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

YOUTH VILLAGES, INC. AND AFFILIATES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2025 and 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIESOrganization and Nature of Operations

Youth Villages, Inc. and Affiliates (the “Organization”) is a not-for-profit corporation designed to offer a comprehensive continuum of care to children and youth who are in need due to life circumstances including but not limited to emotional disturbance, mental illness, serious problem behaviors, and histories of abuse and neglect. The Organization recognizes that just as life circumstances can produce a broad spectrum of needs, an equally diverse array of services is required to meet those needs utilizing evidence and research-based practices whenever possible. The programs offered vary in location from residential services to transitional-age services and intensity from intensive residential treatment to volunteer based mentoring.

Youth Villages Foundation, Inc. is a not-for-profit corporation organized on July 1, 1996, to provide financial and support services for and operates in conjunction with Youth Villages, Inc.

The most restrictive level of care offered by the Organization is the Residential Treatment programs which provide treatment in a secured residential setting to the most seriously troubled youth. All residential treatment allows for educational, social, and recreational opportunities. Children are accepted into the residential programs when they are unable to be successful in their homes or in other placements such as foster care. Residential campuses are in Georgia and Tennessee. In addition to serving youth from these states, Youth Villages also accepted and provided residential services to out-of-state youth from Alabama, Colorado, Florida, Illinois, Indiana, Kentucky, Massachusetts, Mississippi, North Carolina, Ohio, Oklahoma, Wisconsin. Payments for residential services are provided through contracts and/or through Medicaid and private insurance carriers as services are rendered. Residential care comprises the Organization’s largest program.

The Group Home programs are less restrictive than residential programs, allowing children to attend public schools when possible and more community outings while still living in supervised small homes. Locations for group homes are in Memphis and Nashville, Tennessee.

The Therapeutic Foster Care program provides settings for children with the opportunity to live and function as part of an individual family fully integrated within the community. These services are provided in Tennessee.

The Organization’s next largest program is the In-Home Services program which provides intensive in-home services to youth and their families to prevent the child from being placed out of the home. In-Home Services also works with families to remove barriers so that children can return home from placements such as hospitals, residential treatment centers, and foster care. The multisystemic Therapy (“MST”) program also provides intensive treatment in the home utilizing the nationally recognized MST model. This model serves youth presenting serious anti-social behaviors, often involving the juvenile justice systems, who are at high risk of placement out of the home. In-home services are provided in the states of Alabama, Arkansas, Florida, Georgia, Indiana, Kentucky, Louisiana, Massachusetts, Maine, Mississippi, New Hampshire, North Carolina, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, and Tennessee.

As children grow into young adults, the Organization recognized their changing needs by developing the Transition-Age Services program to work one-on-one with young adults, many of whom are in state foster care, to help establish independence. Job skills, budgeting, continuing education, and independent living skills help to lay a solid foundation for a successful move into adulthood. These services are currently provided in Alabama, Arizona, Arkansas, Georgia, Kentucky, Massachusetts, Mississippi, New Hampshire, North Carolina, Oklahoma, Oregon, and Tennessee.

In addition, the Mentoring program pairs adult volunteers with young adults to provide additional support and guidance in Tennessee and Georgia.

The Organization's Specialized Crisis Services provide emergency psychiatric support and recommendations for most children living in Tennessee. This unique program sends staff into the home or the child's placement to assist in providing immediate support and guidance to ensure appropriate placement decisions which includes avoiding unnecessary placements into psychiatric hospitals by providing immediate support in the home setting. Crisis support services are also provided in Oregon.

The Organization's Strategic Partnerships program started in January 2016 and allows for the Transition-Age Services and In-Home Services program models to be implemented by public or private child welfare organizations for a fee.

The Organization's Memphis Allies/SWITCH/SWITCH Youth programs started in 2021. These programs were created to aid youth affected by the juvenile justice system and gun violence.

Wrap-Around Services – Wrap Around is a way or process of working with children and youth with serious mental health challenges and their families. During the Wrap Around process, community-based services and supports “wrap around” a child or youth and their family in their home, school, and community in an effort to help meet their needs.

Other Programs – this comprises much smaller programs at Youth Villages and includes: Core, FSW/FSS, Scholars, Mentoring, and New Allies.

Basis of Consolidation

The consolidated financial statements include the accounts of Youth Villages, Inc. and Youth Villages Foundation, Inc. The intercompany balances and transactions have been eliminated.

Method of Accounting and Basis of Presentation

The Organization uses the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Use of Estimates

The presentation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the consolidated financial statements. Actual results could differ from those estimates.

Credit Risk

The Organization's credit risks primarily relate to cash and cash equivalents and investments. The Organization maintains cash balances at several banks. Those accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to an aggregate of \$250,000 at each institution and by the investment companies holding mutual funds and common stocks up to an aggregate of \$150,000,000. A portion of the Organization's bank deposits are held in a business investment account which is fully collateralized by U.S. government backed securities or agencies. The Organization's cash deposits exceeded FDIC limits at various times during the year. The Organization believes it is not exposed to any significant credit risk on its cash balances, due to its policy of banking with high quality financial institutions.

Revenue Recognition and Support

State contract revenue, TennCare, Medicaid, and private insurance revenue are reported at estimated net realizable amounts from third-party payers and others for services rendered and may include estimates for retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations. Revenues are recognized as performance obligations are satisfied.

The Organization does not have revenue recognized from performance obligations that were satisfied in prior periods and does not have any transaction price allocated to unsatisfied performance obligations. Certain judgments and estimates are used in the identification and timing of satisfaction of performance obligations and the related allocation of the transaction price. The Organization believes that these estimates represent an accurate depiction of the transfer of services to its clients.

Performance obligations are determined based on the nature of the services the Organization provides. Revenues are recognized for performance obligations satisfied over time. It is the Organization's belief that this method provides a faithful depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations. Performance obligations are measured from the commencement of services to the point when there are no further services required for the client.

Promises to give and contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Promises to give and contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restrictions expire in the fiscal year in which they are recognized. All other donor-restricted promises to give and contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less. Cash and cash equivalents and investments include amounts that are donor restricted totaling \$93,109,056 and \$94,514,296 as of June 30, 2025 and 2024, respectively, and are limited in use to specific program support, program expansion and growth, capital asset purchases, mergers and acquisitions, plus infrastructure support with selected administrative functions that are tied to growth.

Investments

Investments are carried at fair market value with realized and unrealized gains and losses reflected in the consolidated statements of activities. Donated investments are recorded at fair value at the date of donation. Net investment return is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized gains and losses, less related investment advisory fees.

Property and Equipment

The Organization capitalizes all property and equipment purchases of \$5,000 or greater at cost at the date of acquisition, or at estimated fair market value at the date of donation in the case of donated property. Depreciation is provided using the straight-line method over the expected useful lives of the related assets which range from three to thirty years. Interest incurred on financing during a construction period is capitalized.

Leases

FASB Topic 842, *Leases*, was issued to increase the usefulness of financial statements by requiring reporting certain right-of-use assets and lease liabilities that are currently not reported. The Organization has elected to apply the short-term lease exemption for leases with terms of 12 months or less. Under the exemption, right-of-use assets and corresponding liabilities will not be recognized for short-term leases. Lease expense for short-term leases will continue to be recognized on the statement of activities on a straight-line basis over the term of the lease. Right of use assets are amortized in a straight-line basis over the term of the lease. Reduction of the lease liability will be recorded using the effective interest rate, similar to other long-term debt arrangements.

Contract Receivables, Promises to Give, and the Allowance for Credit Losses

The Organization reports contract receivables for services rendered at net realizable amounts from third-party payors and others. The Organization estimates the net realizable amounts based upon a review of outstanding receivables, historical collection and payment percentages, payor specific contractual agreements, and expectations of future economic conditions. There are various factors that can impact the collection trends, such as changes in the economy, which in turn have an impact on unemployment rates and the number of uninsured and underinsured beneficiaries, the increased burden of copayments to be made by clients with insurance, and business practices related to collection efforts. These factors continuously change and can have an impact on collection trends and the estimation process. As a service to the client, the Organization bills third-party payors directly and bills the client when the client's liability is determined. At June 30, 2025 and 2024, such receivables held balances of \$50,497,768 and \$51,952,646, respectively, net of allowances for credit losses of \$772,734 and \$804,504, respectively.

The Organization evaluates the collectability of promises to give and makes adjustments to the assets accordingly. An allowance for uncollectible promises to give of \$415,282 and \$604,150 was established at June 30, 2025 and 2024, respectively, based on management's estimation that all promises to give are not fully collectible.

In-Kind Donations and Donated Services

In-kind donations of goods are recorded at their estimated fair market value at the date of donation. Volunteers periodically provide uncompensated non-specialized services as administrative and special events assistants. During 2025 and 2024, there were no material donation of goods or specialized services which would require recognition in the consolidated financial statements.

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. The income from these net assets may be used for specific purposes. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Advertising

The Organization expenses advertising costs as they are incurred. Advertising expenses were \$3,463,714 and \$2,707,742 for the years ended June 30, 2025 and 2024, respectively.

Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Organization have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated by management among the programs and supporting services benefited. The consolidated statements of functional expenses present the natural classification detail of expenses by function.

The Organization classifies as program services expense those items which are directly attributable to a specific program service. Those expenses which benefit more than one specific program service (shared program service expenses) are included in management and general or fundraising expenses.

Federal Tax Status

No provision for federal income taxes is required since the Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and has been determined to be an organization that is not a private foundation. The Organization files exempt returns in the U.S. federal jurisdiction.

Financial Instruments

The carrying amounts of the financial instruments of the Organization, consisting of cash, accounts receivable, and other assets, approximate their fair value.

Reclassifications

For comparability, certain prior year amounts have been reclassified where appropriate to conform to the presentation in the current year.

Recent Accounting Pronouncement

In June 2016, the FASB issued guidance (FASB ASC 326), *Credit Losses*, which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that are not 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. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were accounts receivable. The Organization adopted the new standard effective July 1, 2023. The impact of this adoption was not considered material to the financial statements and primarily resulted in changes to disclosures only.

Date of Management's Review

The Organization evaluated its June 30, 2025, consolidated financial statements for subsequent events through November 25, 2025, the date the consolidated financial statements were available to be issued. The Organization is not aware of any subsequent events which would require recognition or disclosure in the consolidated financial statements.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of the consolidated statements of financial position date, are noted below.

The Organization's overall goal is to maintain one year's operating expenses (\$461,000,000 currently) in cash and investments. The Entity holds liquid cash to meet one to two months' operating expenses (currently approximately \$35,000,000 to \$75,000,000). All liquid monies are invested in overnight repurchase agreements which are guaranteed by the US government.

As described in Note 8, the Organization also has a line of credit in the amount of \$8,000,000. There were no draws on this line of credit during the years ended June 30, 2025 and 2024.

| | <u>2025</u> | <u>2024</u> |
|---|-----------------------|-----------------------|
| Cash and cash equivalents | \$ 76,053,191 | \$ 65,471,382 |
| Receivables | | |
| Promises to give, current portion | 7,492,911 | 11,017,611 |
| Grantor agencies, net of allowance | 2,412,726 | 2,129,533 |
| Contract receivables, net of allowance | 50,497,768 | 51,952,646 |
| Other | 2,071,923 | 1,255,456 |
| Investments | 456,194,666 | 406,555,175 |
| | <u>594,723,185</u> | <u>538,381,803</u> |
| Less: donor restricted cash and investments | (93,109,056) | (94,514,296) |
| Less: donor restricted promises to give | <u>(6,109,583)</u> | <u>(9,607,500)</u> |
| Available for general expenditure | <u>\$ 495,504,546</u> | <u>\$ 434,260,007</u> |

NOTE 3 – PROMISES TO GIVE

Promises to give are restricted for various programs offered by the Organization, as well as for covering the costs associated with constructing new program service facilities and other expansion activities. These unconditional contributions are recorded as income when contributed and have been discounted to net present value using a discount rate of 3.79% based on expected payments.

Promises to give are due as follows at June 30, 2025:

| | |
|-----------------------------------|----------------------------|
| 2026 | \$ 7,492,911 |
| 2027 | 4,916,029 |
| 2028 | 1,328,206 |
| 2029 | 105,017 |
| 2030 | 576 |
| | <u>13,842,739</u> |
| Promises to give, current portion | <u>7,492,911</u> |
| Promises to give, long-term | 6,349,828 |
| Less discount to present value | (492,124) |
| Less allowance, non-current | (415,282) |
| | <u><u>\$ 5,442,422</u></u> |

As of June 30, 2024, total promises to give were \$18,627,011, net of a discount to present value of \$907,174 and the allowance of \$604,150. Three donors accounted for 36 percent and 45 percent of promises to give at June 30, 2025 and 2024, respectively.

NOTE 4 – CONDITIONAL PROMISES TO GIVE AND INTENTIONS TO GIVE

During 2023, the Organization received a conditional promise to help support its Transition-Age Services program for young people aging out of the child welfare system. This was an agreement made between the Organization and a third party. This third-party made a conditional promise to give to contribute an additional amount as defined by their contract dependent upon the Organization meeting certain milestones each year. For the years ended June 30, 2025 and 2024, the amounts received and recorded by the Organization related to this agreement totaled \$300,000 and \$200,000, respectively. As of June 30, 2025 and 2024, the Organization had outstanding commitments of \$400,000 and \$700,000 respectively, which have not been recorded in the accompanying consolidated financial statements, nor will they be until the defined program accomplishments are met.

During 2022, the Organization received a conditional promise to give in relation to its efforts to expand its services in New England. This was an agreement made between the Organization and a third party. This third party agreed to contribute an amount defined by their contract dependent upon the Organization meeting certain milestones each year. For the year ended June 30, 2024, the amount received and recorded by the Organization related to this agreement totaled \$500,000, which fulfilled the original commitment. During 2025, the third-party made a conditional promise to contribute an additional amount as defined by their contract dependent upon the Organization meeting certain milestones each year. The Organization received and recorded \$500,000 relating to this new agreement during the year ended June 30, 2025. As of June 30, 2025, the Organization had no outstanding commitments.

During 2020, the Organization continued the growth capital campaign in its efforts to further expand its Transition-Age Services program. This campaign was an agreement made between the Organization and a third party. This third party agreed to contribute an amount defined by their contract dependent upon the Organization meeting certain milestones each year. For the year ended June 30, 2024, the amount received and recorded by the Organization related to this agreement totaled \$14,000,000, which fulfilled the original commitment. During 2025, the third-party made a conditional promise to contribute an additional amount as defined by their contract dependent upon the Organization meeting certain milestones each year. The Organization received and recorded \$23,000,000 relating to this new agreement during the year ended June 30, 2025. As of June 30, 2025, the Organization had an outstanding commitment of \$36,000,000.

NOTE 5 – INVESTMENTS

The cost and market value of investments are as follows at June 30:

| | 2025 | |
|--|-----------------------|-----------------------|
| | Cost | Market Value |
| Fixed Income | \$ 98,064,868 | \$ 102,607,661 |
| Domestic Equity | 98,120,131 | 165,315,307 |
| International equity | 18,696,820 | 34,427,645 |
| Global equities | 33,986,549 | 49,079,090 |
| Private equity funds and master limited partnerships | 29,960,343 | 46,246,171 |
| Hedge funds | 23,747,161 | 33,352,229 |
| Real estate investment trusts | 19,952,838 | 25,166,563 |
| Total | <u>\$ 322,528,710</u> | <u>\$ 456,194,666</u> |
| Cumulative unrealized gain on investments | | <u>\$ 133,665,956</u> |

| | 2024 | |
|--|-----------------------|-----------------------|
| | Cost | Market Value |
| Fixed Income | \$ 71,815,628 | \$ 95,293,088 |
| Domestic Equity | 106,673,780 | 160,708,258 |
| International equity | 42,044,259 | 29,572,769 |
| Global equities | 26,747,147 | 44,379,829 |
| Private equity funds and master limited partnerships | 16,882,902 | 25,252,948 |
| Hedge funds | 23,811,559 | 30,505,533 |
| Real estate investment trusts | 16,513,143 | 20,842,750 |
| Total | <u>\$ 304,488,418</u> | <u>\$ 406,555,175</u> |
| Cumulative unrealized gain on investments | | <u>\$ 102,066,757</u> |

The Organization holds shares in domestic and foreign companies that invest in derivative financial instruments for the purpose of hedging the risks of certain identifiable and anticipated transactions. In general, the types of risks hedged are those relating to the effects of stock selections through 1) borrowing money against their long positions and 2) borrowing securities in connection with short positions. The hedged investments are carried at fair market value. During 2025 and 2024, the Organization recognized a net gain of \$2,945,420 and \$2,710,768 respectively, from fair value hedges which are included in “Net gain on investments” in the consolidated statements of activities.

At June 30, 2025 and 2024, the Foundation had commitments to fund private equity and real estate investment trusts of \$19,220,173 and \$16,779,487, respectively, which are due upon request.

NOTE 6 – FAIR VALUE MEASUREMENT

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under generally accepted accounting principles are described below:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities the Organization has the ability to access.
- Level 2 – Inputs (other than quoted prices with level 1) that are observable for the asset or liability, either directly or indirectly.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 – Inputs which are unobservable for the asset or liability and rely on management’s own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used attempt to maximize the use of observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025.

Private equity funds, master limited partnerships, hedge funds and real estate investment trusts: Valued at the net asset value of shares held by the Organization at year end, as reported by the fund.

Equity securities and mutual funds: Valued at the closing price reported on the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2025 and 2024.

Assets at Fair Value as of June 30, 2025

| | Level 1 | Level 2 | Level 3 | Assets Measured at Net Asset Value | Total |
|---|-----------------------|-------------|-------------|--|-----------------------|
| Fixed income | \$ 102,607,661 | \$ - | \$ - | \$ - | \$ 102,607,661 |
| Domestic Equity | 165,315,307 | - | - | - | 165,315,307 |
| International equity at NAV | - | - | - | 34,427,645 | 34,427,645 |
| Global equity at NAV | - | - | - | 49,079,090 | 49,079,090 |
| Private equity funds and master limited partnerships at NAV | - | - | - | 46,246,171 | 46,246,171 |
| Hedge funds at NAV | - | - | - | 33,352,229 | 33,352,229 |
| Real estate investment trusts at NAV | - | - | - | 25,166,563 | 25,166,563 |
| Total assets at fair value | <u>\$ 267,922,968</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 188,271,698</u> | <u>\$ 456,194,666</u> |

Assets at Fair Value as of June 30, 2024

| | Level 1 | Level 2 | Level 3 | Assets Measured at Net Asset Value | Total |
|---|-----------------------|-------------|-------------|--|-----------------------|
| Fixed Income | \$ 95,293,088 | \$ - | \$ - | \$ - | \$ 95,293,088 |
| Domestic Equity | 160,708,258 | - | - | - | 160,708,258 |
| International equity at NAV | - | - | - | 29,572,769 | 29,572,769 |
| Global equity at NAV | - | - | - | 44,379,829 | 44,379,829 |
| Private equity funds and master limited partnerships at NAV | - | - | - | 25,252,948 | 25,252,948 |
| Hedge funds at NAV | - | - | - | 30,505,533 | 30,505,533 |
| Real estate investment trusts at NAV | - | - | - | 20,842,750 | 20,842,750 |
| Total assets at fair value | <u>\$ 256,001,346</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 150,553,829</u> | <u>\$ 406,555,175</u> |

The Organization has the following investments which calculate net asset value (NAV) per share at June 30:

| | 2025 | | | |
|-------------------------------|-----------------------|-------------------------|---|-----------------------------|
| | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
| International equity | \$ 34,427,645 | \$ - | Monthly or quarterly | 15-60 days |
| Global Equity | 49,079,090 | 1,360,000 | Monthly, quarterly, as provided | 6-60 days |
| Hedge Funds | 33,352,229 | - | Quarterly | 60-90 days |
| Private equity funds | 46,246,171 | 9,471,997 | Monthly, quarterly, annually, or as provided | 30-180 days |
| Real estate investment trusts | 25,166,563 | 8,388,176 | Daily or as provided | Not applicable |
| | <u>\$ 188,271,698</u> | <u>\$ 19,220,173</u> | | |

| | 2024 | | | |
|-------------------------------|-----------------------|-------------------------|---|-----------------------------|
| | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
| International equity | \$ 29,572,769 | \$ - | Monthly or quarterly | 15-60 days |
| Global Equity | 44,379,829 | 1,944,079 | Monthly, quarterly, as provided | 6-60 days |
| Hedge Funds | 30,505,533 | - | Quarterly | 60-90 days |
| Private equity funds | 25,252,948 | 5,183,862 | Monthly, quarterly, annually, or as provided | 30-180 days |
| Real estate investment trusts | 20,842,750 | 9,651,546 | Daily or as provided | Not applicable |
| | <u>\$ 150,553,829</u> | <u>\$ 16,779,487</u> | | |

Private Equity and Master Limited Partnerships

Youth Villages, Inc. and Affiliates invests in several private equity and master limited partnership funds that invests in private equity, venture capital, closed end bond funds, long Japanese and pan-Asia equity, U.S. equity, international equity, emerging markets equity, global long/short equity, and designated side pocket equity that are not publicly traded. Redemptions are permitted during the life of the funds, and the redemption notice period ranges from 30-90 days. When the assets are sold, the proceeds, less any incentive due to the fund sponsor, will be distributed to the investors. The sale of the assets is subject to the approval of the fund's managers.

Real Estate Investment Trusts

Youth Villages, Inc. and Affiliates invests in one real estate investment trust that invests in residential real estate. Redemptions are permitted. When the underlying assets are sold, the proceeds, less any incentive due to the fund sponsor, will be distributed to the investors.

Hedge Funds

Youth Villages, Inc. and Affiliates invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. These funds invest in private equity, venture capital, global long/short equity, designated side pocket investments, insurance linked securities, municipal bonds, corporate stocks, real estate, insurance linked debt, film receivables lending, and cash. The fair values of these investments have been estimated using the net asset value per share of the investments provided by the hedge fund managers.

NOTE 7 – PROPERTY AND EQUIPMENT

A summary of property and equipment is as follows at June 30:

| | 2025 | 2024 |
|-------------------------------|-----------------------|-----------------------|
| Land | \$ 9,761,414 | \$ 8,823,737 |
| Buildings | 139,692,930 | 122,907,405 |
| Equipment and vehicles | 34,962,580 | 32,414,907 |
| Furniture and fixtures | 15,960,261 | 14,378,905 |
| Construction in progress | 22,413,992 | 16,063,253 |
| | <u>222,791,177</u> | <u>194,588,207</u> |
| Less accumulated depreciation | (97,217,999) | (90,407,581) |
| | <u>\$ 125,573,178</u> | <u>\$ 104,180,626</u> |

Construction in progress primarily consists of various construction projects including the Dogwood Campus and Activity Center, Inner Harbour Campus and Education Building, Rose Center renovations, and other miscellaneous projects. As of June 30, 2025, the estimated cost to complete these projects was approximately \$81,463,175.

NOTE 8 – LINE OF CREDIT

The Organization holds a line of credit with a financial institution with a credit limit of \$8,000,000. Regular monthly payments of all accrued unpaid interest are due as of each payment date, beginning April 30, 2025, with all subsequent interest payments to be due on the same day of each month thereafter. The line of credit matures on March 31, 2026, with all outstanding principal plus all accrued unpaid interest due on that date. Interest is equal to the one-month SOFR rate plus 1.61%. As of June 30, 2025, the rate was 5.93%. The note is unsecured. There were no draws on this line of credit during the years ended June 30, 2025 or 2024.

NOTE 9 – LETTER OF CREDIT

The Organization has established one letter of credit with a bank, which names an insurance company as beneficiary. The Organization is self-insured with regard to workers’ compensation, and the letter of credit was established to cover workers’ compensation claims in the event of default on the part of the Organization. The letter of credit allows beneficiary drawings up to \$2,490,000; it expires December 16, 2025. As of June 30, 2025 and 2024, there were no drawings made by the beneficiary.

NOTE 10 – NET ASSETS

As of June 30, 2025 and 2024, net assets without donor restriction, designated by the board are, \$8,427,172 and \$7,840,432, respectively. These amounts have been designated to pay benefits to key employees upon termination of employment.

Net assets with donor restrictions are available for the following purposes at June 30:

| | 2025 | 2024 |
|--|----------------|----------------|
| Purpose Restrictions: | | |
| Transition-Age Services | \$ 31,184,241 | \$ 32,234,882 |
| Memphis Allies/SWITCH | 6,748,336 | 21,872,897 |
| Capital Projects | 506,171 | 487,342 |
| Bills' Place Campaign | 155,000 | 205,000 |
| Janie's Fund | 8,802,082 | 7,154,218 |
| Blue Meridian Partners/Growth Capital Campaign III | 56,935,233 | 48,913,504 |
| | \$ 104,331,063 | \$ 110,867,843 |

NOTE 11 – LEASE COMMITMENTS

The Organization maintains various lease agreements for certain administrative and operating facilities in Alabama, Arizona, Arkansas, District of Columbia, Georgia, Florida, Indiana, Kentucky, Louisiana, Massachusetts, Mississippi, North Carolina, New Hampshire, Ohio, Oklahoma, Oregon, South Carolina, and Tennessee. The Organization has elected to use the portfolio approach in determining the discount rate which will be applied to all leases which do not qualify as short-term. These leases qualify as operating leases for financial statement presentation purposes. Interest rates are not implicit in the leases, and as the Organization does not carry any debt, management has determined that the risk-free rate should be used to discount the lease payments to their present value. For the years ended June 30, 2025 and 2024, operating lease expenses totaled \$3,758,622 and \$3,223,981, respectively, while payments made under short-term leases were approximately \$660,000 and \$662,000 during 2025 and 2024, respectively.

The future minimum lease obligations are as follows:

| | <u>June 30</u> | |
|--|----------------|---------------------|
| | 2026 | \$ 3,333,721 |
| | 2027 | 2,217,223 |
| | 2028 | 1,619,804 |
| | 2029 | 1,004,483 |
| | 2030 | 410,284 |
| | Thereafter | <u>1,145,577</u> |
| | | 9,731,092 |
| Less effects of discounting | | (820,462) |
| Present value of future minimum lease payments | | <u>\$ 8,910,630</u> |

NOTE 12 – CONTINGENCIES

The Organization is involved in various legal actions incident to the ordinary course of business. In the opinion of management, the eventual disposition of these matters will not have a material adverse effect on financial position or results of operations.

NOTE 13 – RETIREMENT PLAN

The Organization maintains a plan that allows employee deferrals and provides for employer matching of up to two percent and a fixed contribution of three percent of eligible compensation. Employer contributions for the years ended June 30, 2025 and 2024 were \$9,854,691 and \$8,028,521, respectively.

NOTE 14 – RELATED PARTY TRANSACTIONS

Youth Villages, Inc. is affiliated through common management and membership with Youth Villages Foundation, Inc. The Foundation collects donations and pledges for Youth Villages, Inc. and transferred \$47,898,405 and \$28,868,013 to Youth Villages, Inc. for the years ended June 30, 2025 and 2024, respectively. Also, Youth Villages, Inc. and Youth Villages Foundation, Inc. have intercompany receivables/payables which totaled \$131,692,327 and \$116,637,755 as of June 30, 2025 and 2024, respectively. These amounts have been eliminated in the consolidation.

The Organization maintains cash and investments in numerous banks and trust companies. Officers of these banks and trust companies served on the Board of Directors of the Organization in 2025. The amount of funds maintained at these institutions at June 30, 2025 was \$72,679,941. Any fees paid were at market rates. There are no related party transactions with Arkansas funding.

The Organization purchased insurance services through a company that is owned and managed by a member of the Board of Directors of the Organization. The amounts paid totaled \$300,000 and \$290,000 for the years ended June 30, 2025 and 2024, respectively.

The Organization purchased consulting services from a company owned by a relative of a member of management of the Organization. The amounts totaled \$127,668 and \$95,000 for the years ended June 30, 2025 and June 30, 2024, respectively. The Organization purchased specialty services from a company owned by a member of the Board of Directors of the Organization. The amounts paid totaled \$162,000 and \$40,500 for the years ended June 30, 2025 and June 30, 2024, respectively.

NOTE 15 – INSURANCE POLICIES

Youth Villages, Inc. maintains life insurance policies on certain key employees of the Organization. As of June 30, 2025 and 2024, the cash value of these policies totaled \$8,427,172 and \$7,840,432, respectively and are included in “Other Assets” on the consolidated statements of financial position.

NOTE 16 – ECONOMIC DEPENDENCY

Youth Villages, Inc. relies upon the State of Tennessee as its major source of revenue. For the years ended June 30, 2025 and 2024, revenues from the State of Tennessee were \$206,596,989 and \$185,559,442, respectively. These revenues represented 43% and 45% of total revenue for Youth Villages, Inc. for the years ended June 30, 2025 and 2024, respectively. The Organization places an emphasis on diversifying its sources of revenue. The Organization has been successful in its diversification plan by lowering the dependence on revenue from the State of Tennessee from 69% in 2005 to 43% in 2025. State of Tennessee contract revenue is reported at estimated net realizable amounts for services rendered. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations.

NOTE 17 – UNCERTAINTIES

The Medicaid program accounted for approximately 17% of Youth Villages, Inc.’s total revenue for both the years ended June 30, 2025 and 2024, respectively. Laws and regulations governing the Medicaid program are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by material amounts in the near term.

SUPPLEMENTAL INFORMATION

YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

June 30, 2025

| | Youth Villages, Inc. | Youth Villages Foundation, Inc. | Eliminations | Total |
|--|-------------------------|------------------------------------|-------------------------|-----------------------|
| Current Assets | | | | |
| Cash and cash equivalents | \$ 21,227,118 | \$ 54,826,073 | \$ - | \$ 76,053,191 |
| Receivables | | | | |
| Affiliate | 131,692,327 | - | (131,692,327) | - |
| Promises to give, current portion | - | 7,492,911 | - | 7,492,911 |
| Grantor agencies | 2,412,726 | - | - | 2,412,726 |
| Contract receivables, net | 50,497,768 | - | - | 50,497,768 |
| Other | 2,071,923 | - | - | 2,071,923 |
| Investments | - | 456,194,666 | - | 456,194,666 |
| Prepaid expenses | 3,855,774 | 30,033 | - | 3,885,807 |
| Total current assets | <u>211,757,636</u> | <u>518,543,683</u> | <u>(131,692,327)</u> | <u>598,608,992</u> |
| Property and Equipment | | | | |
| Land | 9,761,414 | - | - | 9,761,414 |
| Buildings | 139,692,930 | - | - | 139,692,930 |
| Equipment and vehicles | 34,812,993 | 149,587 | - | 34,962,580 |
| Furniture and fixtures | 15,948,222 | 12,039 | - | 15,960,261 |
| Construction in progress | 22,413,992 | - | - | 22,413,992 |
| | <u>222,629,551</u> | <u>161,626</u> | <u>-</u> | <u>222,791,177</u> |
| Accumulated depreciation | <u>(97,056,373)</u> | <u>(161,626)</u> | <u>-</u> | <u>(97,217,999)</u> |
| Total property and equipment | <u>125,573,178</u> | <u>-</u> | <u>-</u> | <u>125,573,178</u> |
| Other Assets | | | | |
| Promises to give, net of current portion | - | 5,442,422 | - | 5,442,422 |
| Right-of-use assets, noncurrent | 8,586,343 | - | - | 8,586,343 |
| Other | 8,427,172 | - | - | 8,427,172 |
| Total other assets | <u>17,013,515</u> | <u>5,442,422</u> | <u>-</u> | <u>22,455,937</u> |
| Total assets | <u>\$ 354,344,329</u> | <u>\$ 523,986,105</u> | <u>\$ (131,692,327)</u> | <u>\$ 746,638,107</u> |

See independent auditor's report.

YOUTH VILLAGES, INC. AND AFFILIATES

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)

June 30, 2025

| | Youth Villages, Inc. | Youth Villages Foundation, Inc. | Eliminations | Total |
|---|-------------------------|------------------------------------|-------------------------|-----------------------|
| Current Liabilities | | | | |
| Accounts payable | \$ 9,083,274 | \$ 155,010 | \$ - | \$ 9,238,284 |
| Accounts payable, affiliate | - | 131,692,327 | (131,692,327) | - |
| Accrued expenses | 5,898,980 | 34,307 | - | 5,933,287 |
| Deferred revenue | 356,959 | - | - | 356,959 |
| Other liabilities | 10,676,707 | 160,362 | - | 10,837,069 |
| Lease liabilities | 3,333,721 | - | - | 3,333,721 |
| Payroll liabilities | 15,294,623 | 330,558 | - | 15,625,181 |
| Total current liabilities | 44,644,264 | 132,372,564 | (131,692,327) | 45,324,501 |
| Long-Term Liabilities | | | | |
| Lease liabilities | 5,576,909 | - | - | 5,576,909 |
| Total liabilities | 50,221,173 | 132,372,564 | (131,692,327) | 50,901,410 |
| Net Assets | | | | |
| Without donor restrictions | 304,123,156 | 287,282,478 | - | 591,405,634 |
| With donor restrictions | - | 104,331,063 | - | 104,331,063 |
| Total net assets | 304,123,156 | 391,613,541 | - | 695,736,697 |
| Total liabilities and net assets | \$ 354,344,329 | \$ 523,986,105 | \$ (131,692,327) | \$ 746,638,107 |

See independent auditor's report.

YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF ACTIVITIES

For the Year Ended June 30, 2025

| | Youth Villages Inc. | Youth Villages Foundation Inc. | Eliminations | Total |
|---|------------------------|-----------------------------------|---------------------|--------------------|
| Net Assets Without Donor Restrictions | | | | |
| Revenues and Support | | | | |
| State of Tennessee contract revenue | \$ 180,853,625 | \$ - | \$ - | \$ 180,853,625 |
| Contract revenue | 109,100,501 | - | - | 109,100,501 |
| TennCare revenue | 25,743,364 | - | - | 25,743,364 |
| Medicaid revenue | 83,904,481 | - | - | 83,904,481 |
| Net private insurance | 4,343,165 | - | - | 4,343,165 |
| USDA & Grants | 27,441,285 | 4,071,368 | - | 31,512,653 |
| Other - local education authority, county, city, provider agency | 2,430,365 | - | - | 2,430,365 |
| Donations and promises to give | 47,898,405 | - | (47,898,405) | - |
| Special events revenue | - | 4,322,105 | - | 4,322,105 |
| Less: costs of direct benefits to donors | - | (2,199,426) | - | (2,199,426) |
| Net revenues from special events | - | 2,122,679 | - | 2,122,679 |
| Dividends and interest on investments | 502,005 | 2,540,389 | - | 3,042,394 |
| Net gain on investments | - | 46,957,325 | - | 46,957,325 |
| Gain on sale of fixed assets | 239,155 | - | - | 239,155 |
| Miscellaneous income | 1,008,955 | 2,096 | - | 1,011,051 |
| | 483,465,306 | 55,693,857 | (47,898,405) | 491,260,758 |
| Net assets released from donor restrictions | - | 45,673,050 | - | 45,673,050 |
| Total revenues and support | 483,465,306 | 101,366,907 | (47,898,405) | 536,933,808 |
| Expenses | | | | |
| Charitable contributions | - | 47,898,405 | (47,898,405) | - |
| Program services | 390,344,177 | - | - | 390,344,177 |
| Management and general | 63,433,222 | 1,413,789 | - | 64,847,011 |
| Fundraising | - | 6,380,618 | - | 6,380,618 |
| Total expenses | 453,777,399 | 55,692,812 | (47,898,405) | 461,571,806 |
| Change in net assets without donor restrictions | \$ 29,687,907 | \$ 45,674,095 | \$ - | \$ 75,362,002 |

See independent auditor's report.

YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF ACTIVITIES (CONTINUED)

For the Year Ended June 30, 2025

| | Youth Villages Inc. | Youth Villages Foundation Inc. | Eliminations | Total |
|--|-----------------------|-----------------------------------|--------------|-----------------------|
| Net Assets With Donor Restrictions | | | | |
| Donations and promises to give | \$ - | \$ 39,136,270 | \$ - | \$ 39,136,270 |
| Net assets released from donor restrictions | - | (45,673,050) | - | (45,673,050) |
| Change in net assets with donor restrictions | - | (6,536,780) | - | (6,536,780) |
| Change in net assets | 29,687,907 | 39,137,315 | - | 68,825,222 |
| Net assets - beginning of year | 274,435,249 | 352,476,226 | - | 626,911,475 |
| Net assets - end of year | <u>\$ 304,123,156</u> | <u>\$ 391,613,541</u> | <u>\$ -</u> | <u>\$ 695,736,697</u> |

See independent auditor's report.

YOUTH VILLAGES, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF CASH FLOWS

For the Year Ended June 30, 2025

| | Youth Villages, Inc. | Youth Villages Foundation, Inc. | Eliminations | Total |
|--|-------------------------|------------------------------------|--------------|----------------------|
| Cash Flows From Operating Activities: | | | | |
| Change in net assets | \$ 29,687,907 | \$ 39,137,315 | \$ - | \$ 68,825,222 |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided By Operating Activities: | | | | |
| Depreciation | 7,922,244 | - | - | 7,922,244 |
| Noncash lease expense | 60,942 | - | - | 60,942 |
| Gain on investments | - | (46,957,325) | - | (46,957,325) |
| Gain on disposal of property and equipment | (239,155) | - | - | (239,155) |
| Changes in operating assets and liabilities: | | | | |
| (Increase) decrease in: | | | | |
| Receivables | 355,218 | 5,691,678 | - | 6,046,896 |
| Receivables - affiliate | (15,054,572) | - | 15,054,572 | - |
| Prepaid expenses | (368,582) | (8,221) | - | (376,803) |
| Increase (decrease) in: | | | | |
| Accounts payable | 517,988 | 50,058 | - | 568,046 |
| Accounts payable - affiliate | - | 15,054,572 | (15,054,572) | - |
| Accrued expenses | 740,720 | 3,556 | - | 744,276 |
| Deferred revenue | (378,164) | - | - | (378,164) |
| Other liabilities | 3,204,763 | (48,002) | - | 3,156,761 |
| Payroll liabilities | 3,455,649 | 97,767 | - | 3,553,416 |
| Total adjustments | <u>217,051</u> | <u>(26,115,917)</u> | <u>-</u> | <u>(25,898,866)</u> |
| Net cash provided by operating activities | <u>29,904,958</u> | <u>13,021,398</u> | <u>-</u> | <u>42,926,356</u> |
| Cash Flows From Investing Activities: | | | | |
| Purchase of property and equipment | (29,314,796) | - | - | (29,314,796) |
| Proceeds from the sale of property and equipment | 239,155 | - | - | 239,155 |
| Investment in securities | - | (59,181,333) | - | (59,181,333) |
| Proceeds from sales of securities | - | 56,499,167 | - | 56,499,167 |
| Increase in sundry assets | (586,740) | - | - | (586,740) |
| Net cash used for investing activities | <u>(29,662,381)</u> | <u>(2,682,166)</u> | <u>-</u> | <u>(32,344,547)</u> |
| Net increase in cash and cash equivalents | 242,577 | 10,339,232 | - | 10,581,809 |
| Cash and cash equivalents at beginning of the year | <u>20,984,541</u> | <u>44,486,841</u> | <u>-</u> | <u>65,471,382</u> |
| Cash and cash equivalents at end of the year | <u>\$ 21,227,118</u> | <u>\$ 54,826,073</u> | <u>\$ -</u> | <u>\$ 76,053,191</u> |

See independent auditor's report.



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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
Youth Villages, Inc. and Affiliates

We have audited, 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, the consolidated financial statements of Youth Villages, Inc. and Affiliates (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 25, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Youth Villages, Inc. and Affiliates' 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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Youth Villages, Inc. and Affiliates' internal control. Accordingly, we do not express an opinion on the effectiveness of Youth Villages, Inc. and Affiliates' 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 Organization's consolidated 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Youth Villages, Inc. and Affiliates' consolidated 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 consolidated 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.

A handwritten signature in black ink that reads "Watkins Mikusall, PLLC". The signature is written in a cursive, flowing style.

Memphis, Tennessee
November 25, 2025



Matt Stone



EXPERIENCE

Youth Villages, Executive Director

JUNE 2006-PRESENT

- Responsible for the initial and ongoing expansion and operation of Youth Villages in Massachusetts, New Hampshire, Rhode Island, and Maine, building an organization with an annual operating budget of over \$55 million.
- Oversee more than 400 staff providing evidence-based, intensive in-home and community services to more than 1,000 youth, families, and young adults per day that totals more than 3,500 young people and families per year.
- Leader in collaboration and advocacy with state child welfare and mental health leaders to increase in-home and community-based prevention services for at-risk youth and families and for young adults aging out of the foster care system.

ADDITIONAL SERVICE IN NEW ENGLAND

- Children's League of Massachusetts (CLM)
 - Co-Chair of Transition Age Youth Coalition focused on addressing the needs of young adults aging out of the Massachusetts system of care
 - Board Chair from 2016-2018.
- Association of Behavioral Healthcare Providers
 - Member of Board of Directors
- Massachusetts & New Hampshire State Officials
 - Liaison with state officials to strengthen programing and ensure program adherence to state and federal audit standards

EDUCATION

University of Tennessee, Memphis, TN

- *Masters of Science in Social Work 2006*
- *Bachelor of Arts, Psychology 1998*

AWARDS & HONORS

Spring Celebration Honoree 2022 - Youth Villages

Top 40 Under Forty Class of 2011 - Boston Business Journal

Teacher-Counselor of The Year 2003 - Youth Villages

Research Poster Presented and Accepted 1998 - 10th Annual Convention of the American Psychological Society

First Place Undergraduate Award 1998 - University of Memphis 10th Annual Research Forum - Sigma Xi (Scientific Research Society)

First Place Poster Presentation 1998 - University of Memphis 10th Annual Research Forum

Second Place Undergraduate Award 1997 - University of Memphis 9th Annual Research Forum Sigma Xi

Second Place Poster Presentation 1997 - University of Memphis 9th Annual Research Forum

Lori Sustek, MSW

PROFESSIONAL EXPERIENCE

Youth Villages, Inc.

Managing Director of MA, NH, RI and ME (January 2016 to present)

- Provide clinical and operational oversight of the Intercept and LifeSet programs in MA, NH, RI and ME
- Provide leadership development of specialists, supervisors, consultants, senior leadership and specialized positions
- Oversee operations for 8 offices and 400 staff
- Responsible for program budgeting
- Participate in marketing, lobbying, communications, and fund-raising efforts in MA, NH, RI and ME
- Responsible for program adherence to state audit standards
- Responsible for program adherence to Joint Commission accreditation standards
- Interface with state agencies on fiscal budgeting, funding and expansion opportunities
- Monitor census of programs for over 1200 families and young adults
- Monitor and forecast growth needs of regions through hiring and retention strategies

Assistant Director of Community Based Programs (August 2011- January 2016); Woburn, MA

- Provide clinical and operational oversight of Intercept, Transitional Living, Continuum and CBHI programs in MA and NH
- Provide leadership development of specialists, supervisors, consultants, senior leadership and specialized positions
- Responsible for program budgeting
- Participate in marketing, lobbying, communications, and fund-raising efforts in MA and NH
- Responsible for program adherence to state audit standards
- Responsible for program adherence to Joint Commission accreditation standards
- Interface with Commonwealth agencies on fiscal budgeting, funding and expansion opportunities
- Monitor census of programs
- Monitor and forecast growth needs of regions through hiring and retention strategies

Regional Manager (December 2008 – August 2011); Woburn, MA

- Provide clinical and operational oversight of Intercept and Transitional Living programs in MA
- Provide leadership development of counselors, specialists, supervisors, and specialized positions
- Responsible for program budgeting
- Participate in marketing, lobbying, communications, and fund-raising efforts in MA
- Responsible for program adherence to state audit standards
- Responsible for program adherence to Joint Commission accreditation standards
- Interface with Commonwealth agencies on fiscal budgeting, funding and expansion opportunities
- Monitor census of programs
- Monitor and forecast growth needs of regions through hiring and retention strategies
- Provide clinical and programmatic supervision for graduate school interns

Regional Supervisor (March 2008- December 2008); Woburn, MA

- Provide clinical and operational oversight of the Intercept Program that includes 40+ families.
- Provide leadership development of clinical supervisor and counselors.
- Responsible for budgetary concerns of programs
- Responsible for program adherence to Joint Commission accreditation standards
- Responsible for expansion of the Intercept Program, increasing funding sources to increase the number of families served over three regions
- Develop and maintain relationships with Commonwealth agencies for program referral and expansion opportunities
- Monitor and report on census
- Interfacing with Commonwealth agencies on fiscal budgeting and funding opportunities
- Marketing of program commonwealth-wide including benefit fundraisers, program presentations, and career fairs
- Collection and reporting of data on customer satisfaction
- Adherence of program and staff to APA/ACA Code of Ethics

- Forecasting growth needs of the region through hiring and retention strategies

Clinical Supervisor (August 2007- March 2008); Lawrence, MA

- Supervision of 5- 7 clinicians with a combined case load of 20-42 families
- Managed case load documentation and ensured compliance with JCAHO quality and contractual standards
- Provided clinical direction to counselors to ensure case progress
- Educated staff on organizations' analytical model
- Administered in-field supervisory assessments of staff
- Conducted weekly supervision meetings and training development classes
- Administered performance appraisals, as well as, disciplinary action for counselors not meeting program expectations
- Acquired and review referrals for program participation
- Developed program awareness with the Department of Children and Families and the Department of Mental Health providers
- Conducted training of new counselors

Family Counselor (July 2006- August 2007); Washington, D.C. / Lawrence, MA

- Managed a case load of 5 families, including a minimum of 3 therapy sessions per week and 24/7 crisis response availability
- Advocated for families ensuring needs were met within the 5 system perspective (individual, family, peer, community, and school)
- Facilitated and secured enrollment in developmentally appropriate community activities
- Identified and connected families with basic needs agencies
- Advocated for families at IEP meetings, court and provider meetings
- Assisted families in the development of peer directories to reduce time of runaway incidents, and ensure safety of at-risk youth in the program
- Complete documentation in a timely manner and communicated case progress to funders, DCF social workers, probation officers, and the Clinical Supervisor

University of Colorado at Denver and Health Sciences Center- Synergy Outpatient Programs, Denver, CO.

MST Family Therapist (full- time 2005- 2006)

- Counsel male and female adolescence with conduct disorders and substance dependency issues
- Provide intensive in- home family therapy and community based treatment, having an average of 4 direct client hours per week, using an ecological and evidence based approach, CBT, solution focused, psychodynamic and multisystemic therapy
- Case management and collaboration with involved systemic providers, including human services and probation office
- Advocacy within juvenile justice system
- Complete comprehensive substance abuse and psychiatric evaluations including use of multi- disciplinary team format for generation of recommendations

EDUCATION

| | |
|-------------|---|
| April, 2014 | Boston University, School of Management Institute for Nonprofit Management and Leadership Core Certificate Program |
| May, 2005 | Simmons College, Graduate School of Social Work Master of Social Work |
| May, 2003 | Clark University, Worcester, MA Bachelor of Arts in Psychology, minor in Sociology, certificate in School Psychology Dean's List, Scholar Athlete Award, 2002 |

TRAININGS AND CERTIFICATIONS

- CPI Crisis Prevention/Intervention

Lori Sustek

Page 3

- First Aid
- CPR
- HIPAA
- CBT including DBT
- MST
- Process of Change – Substance Abuse Protocol
- PAYA Preparing Adolescents for Young Adulthood Curriculum
- Suicide Risk Assessment
- Motivational Interviewing
- Collaborative Problem Solving (CPS)

VOLUNTEER WORK

- Town of Tewksbury
Elementary School Building Committee, May 2019 to 2022
- Tewksbury Boy Scout Pack 49
Treasurer, January 2023 to 2025

Scott Manheimer

WORK EXPERIENCE

Youth Villages

MA, NH, ME

Regional Program Director

Oct 24- present

- Responsible for management and clinical aspects of in-home programs
- Works with internal and external customers to ensure that needs of both staff and young adults/families in the programs are adequately met.
- Sees that the programs remain financially sound by participating in the marketing of the program, by managing caseloads and by keeping expenditures within the budget.
- Develops and implements policies and procedures for management and clinical aspects of the program.
- Recruits, hires, terminates and evaluates staff for all programs
- Responsible for oversight of placement department

Youth Villages

MA and NH

Regional Director

May 19- Oct 24

- Provide clinical and operational oversight Intercept and Lifeset programs in MA and NH
- Provide leadership development of specialists, supervisors, and specialized positions
- Responsible for program budgeting
- Participate in marketing, lobbying, communications, and fund-raising efforts
- Responsible for program adherence to state audit standards
- Responsible for program adherence to Joint Commission accreditation standards
- Interface with Commonwealth agencies on fiscal budgeting, funding and expansion opportunities
- Monitor and forecast growth needs of regions through hiring and retention strategies and census

Youth Villages

Woburn, MA

Regional Supervisor

September 16-May 19

- Oversee Intercept Program including census management, clinical integrity, staff management and retention, customer service, and marketing.
- Directly supervise and provide professional development of 4 supervisors to ensure all staff are supported in providing the highest quality of care to a census of up to 64

Youth Villages

Woburn,

Clinical Supervisor

Aug 14- Sept 16

- Responsible for the overall direction, coordination and evaluation of 4-5 counselors on a team
- Ensuring treatment progress for youth and families
- Appraising performances of counselors
- Run weekly group supervision to ensure effective clinical work
- Providing on call supervision to support and guide counselors

Youth Villages

Woburn, MA

Senior Family Intervention Specialist

March 12- Aug 14

Intensive in-home services

- Provide intensive home based treatment to families in a variety of settings and communities.
- Implementing weekly interventions for families based on their specific needs.
- Assist in diverting youth from out of home placements by providing treatments that support families to safely maintain the youth in their home environment.
- Provide 24/7 on-call support to families including rotating weekend schedule.
- Work closely with collaterals on a weekly basis reviewing family progress, goals and potential struggles for upcoming treatment cycles.

Futures Clinic

Beverly, MA

1:1 Teacher/Case Manager

May 11- March 12

- Utilized ABA teacher of students with Autism in a 1:1 school setting.
- Implement behavior intervention and curriculum programs.
- Follow Behavioral Programs and complete daily data collection on target behaviors.

- Responsible for daily entry of academic and social data into graphing system.
- Maintain student's academic books, supplies and updating material for lessons.
- Assist in assessing progress of effectiveness of behavior plans and curriculum modifications.

Melmark New England

ABA (Applied Behavior Analysis) Counselor

Dracut, MA

Oct 09 – April 11

- Provide care for children with ages ranging from 6-14 in a residential setting.
- Assist students with everyday living skills to increase independence and rehabilitate behavior.
- Run students schedule of IEPs (Individualized Educational Program) on a daily basis.
- Monitor, oversee and communicate all aspects of behavior support plans for students.
- Manage and organize the logistics of the educational and clinical programs.
- Responsible for extensive data collection pertaining to behavior, lifestyle and everyday activities.

CERTIFICATIONS & SKILLS

CPR, First Aide, Crisis Prevention Institute, Public Service License, Medication Certified
Microsoft Word, Excel, PowerPoint, Outlook, Adobe, Lotus Notes, Photoshop

EDUCATION & ACADEMICS:

Merrimack College, North Andover, MA

2008 Graduation

Bachelor of Arts – Concentration Psychology

Cambridge College, Lawrence, MA

2017 Graduation

Masters of Education -Mental Health Counseling

Carly Branconnier



Education

Clark University, Worcester, MA
Master's in Public Administration December 2018
GPA: 4.0
Bachelor of Arts in Psychology, Concentration in Public Health December 2017
GPA: 3.93

Work Experience

Youth Villages Manchester, NH
State Manager May 2024-Present

- Maintain all licenses and/or certifications required by the state and/or region; this includes training staff for audits and submitting the necessary materials to state certification boards
- Responsible and accountable for developing, managing, and maintaining processes for quality indicator data that ensures successful outcomes for children in all programs.
- Required to establish and maintain strong relationships with key state decision makers this includes communicating outcome data, the vision and mission of Youth Villages, and plans for future expansion.
- Manages regional supervisors/regional managers/or assistant directors in assigned state or region and handles all employee related issues for the state and/or region.
- Responsibilities include but are not limited to the success and expansion of all programs within the state and/or region. This will include the development and design of all new programs based on the needs of the customer.
- Ensures that state and/region remains financially sound by overseeing marketing, managing caseloads and keeping expenditures within the budget. This includes the successful billing of contractors and presenting all documentation that is necessary for processing payment.
- Addressing complaints and resolving problems and supervising the regional supervisors to ensure that the integrity of clinical models is maintained on all cases; the staff is trained, motivated and productive; customers are satisfied; referrals are handled appropriately; and other duties
- Interviewing, hiring, and training employees; planning, assigning, and directing work; appraising performance; and rewarding and disciplining employees.

Youth Villages Manchester, NH
Regional Supervisor July 2020-May 2024

- Launched a new Lifeset program in Manchester, NH
- Trains and develops staff and supervisors for the Lifeset program and one team from the Intercept program
- Ensures quality of services and meeting of compliance standards
- Assists and oversees crisis management and reporting up procedures to ensure safety of clients
- Communicates and builds partnerships with DCYF and other community agencies and handles customer service concerns
- Responsible for interviewing, hiring and onboarding procedures

Youth Villages LifeSet Program, Woburn, MA

August 2018-July 2020

Clinical Supervisor

- Oversees management of crises with young adults and assists staff in their course of action
- Oversees treatment model adherence and conceptualization of treatment
- Checks for quality assurance of all documentation including adherence to the clinical model
- Trains and develops strengths and needs of new and continuing staff
- Communicates consistently and professionally with outside organizations such as DCF and DMH

Youth Villages LifeSet Program, Woburn, MA

December 2018-August 2018

YV LifeSet Specialist

- Providing support for youth ages 17-22 in reaching their goals in adulthood and helping them build the skills to maintain long term success.
- Assists youth with building up lagging skills around housing acquisition, job acquisition and maintenance, money management and budgeting, educational success and general health.
- Develops safety plans that empower youth to build up their natural supports, coping skills and ensure their own long term safety
- Communicate consistently and professionally with outside organizations such as DCF and DMH

Worcester District Attorney's Office, Worcester, MA

January 2017- May 2017

Superior Court Intern

- Performed clerical duties
- Read case information include police reports, grand jury minutes and interviews and synthesized information into a succinct outline
- Observed superior court proceedings

Skills

Certifications: CPR, First Aid, A-CRA

Software: Microsoft Office (Word, Powerpoint, Excel)

Gabriella Maguire (Desjardins)

SUMMARY:

Current Youth Villages employee, Masters of Criminal Justice graduate, and current graduate student in a CACREP-accredited MA in Clinical Mental Health Counseling program with a passion for supporting young adults seeking additional avenues to educate others to make a difference in the field

EDUCATION:

Master of Clinical Mental Health Counseling, June 2025
Southern New Hampshire University,

Master of Science in Criminal Justice, December 2018
Johnson & Wales University

SKILLS:

- Educate, train, and lead a team of specialist who provide clinical case management to vulnerable young adults referred by the state of NH
- Employ culturally sensitive counseling strategies related to human development to promote wellness
- Determine ethical standards and legal considerations as they relate to client case conceptualization
- Discern traumatic events that require intervention and prevention strategies based on presenting symptoms
- Analyze physical, cognitive, and systemic development across the lifespan for their effect on human development

CERTIFICATIONS:

- Emergency Medical Technician EMT-B National Certification, National EMS Institute, November 2017
- Crisis Prevention Institute (CPI), February 2022

WORK EXPERIENCE

Regional Supervisor- Intercept and Lifeset Program / Youth Villages: June 2024- current

- Supervise and oversee a team of clinical supervisors for both lifeset and intercept programs, those supervisors oversee specialist working with families and young adults to support, educate, and stabilize within the evidence-based treatment model that is utilized.
- Oversee general operations of clinical supervisors for Intercept and Lifeset programs which includes census management, compliance, clinical direction and management of cases, staff management, staff development, hiring, and general daily operations.

Clinical Supervisor- Lifeset Program / Youth Villages: June 2020 – June 2024

- Supervise a team of specialists to provide in-depth, comprehensive, and collaborative treatment to young adults 17-23 whom have aged out of the state system.
- Provide treatment to young adults 17-23 whom have aged out of the system to help improve their mental health, independent living skills, and overall wellness.

Family Intervention Specialist / Youth Villages: July 2019 - June 2020

- Maintained a caseload of youth aged birth-17 working to decrease their likelihood of out of home placement through clinical interventions.
- Provided psychoeducation to caregivers and families to increase their ability to maintain healthy and safe lives.

Ongoing Social Worker / Department of Children and Families: November 2018 - August 2019

- Provided case management to families who have been entered into the DCF system thru a report of abuse or neglect and increased the supports and resources available to these families.

Residential Counselor / Case Manager / Nashua Children's Home: February 2018 - November 2018

- Facilitated the day to day lives of adolescent girls who were placed in the Nashua Children's Home group home.
- Supported designated youth during times of struggle and aided them in overcoming barriers to maintain safety.

VOLUNTEER WORK:

- United Planet Volunteer Mission to work with orphans in Costa Rica in 2015
- Special Olympics Preliminary Ski Instructor
- Collegiate Volunteer Endeavors: Habitat for Humanity, Relay for Life, Providence, RI Soup Kitchen, Manchester, NH Soup Kitchen

Krystin Morse

EDUCATION

Plymouth State University

Bachelor of Arts in Criminal Justice

Women's Varsity Basketball

Four-year member, Captain Junior and Senior seasons.

Plymouth, NH

2014

University of New Hampshire

Master of Social Work

Durham, New Hampshire

2024

CPI certified, RENEW Facilitator, Tier 2 Collaborative Problem-solving practitioner, Management of Aggressive Behaviors I (MOAB), CPR/AED Certified, Dialectical Behavior Therapy Trained

Recipient for the NH Division for Children, Youth, and Families Exemplary Leadership and Service Award -Community Member 2021

Recipient of Supervisor of the Year Award for Youth Villages NH in 2022

EXPERIENCE

Youth Villages

Regional Supervisor, Intercept/Lifeset Program

Manchester, NH

March 2025-Present

- Ensures quality of services and meeting of compliance standards
- Assists and oversees crisis management and reporting up procedures to ensure safety of clients
- Communicates and builds partnerships with DCYF and other community agencies and handles customer service concerns
- Responsible for interviewing, hiring and onboarding procedures

Youth Villages

Family Intervention Specialist, Lifeset Program

Manchester, NH

March 2024-December 2024

Riverbend Community Mental Health Center- Community Support Program

Master's Level Intern Clinician

Concord, NH

August 2022-April 2023

- Carried a caseload of 5-7 clients with severe and persistent mental illness providing individual office based therapy as well as community based Functional Support Services
- Worked independently and as part of a team
- Completed Dialectical Behavioral Therapy (DBT) training as well as shadowed and participated in the full Pre-DBT group curriculum
- Engaged clients and families with respect to cultural and linguistic differences
- Effectively utilized a translator service to facilitate sessions
- Completed clinical documentation in accordance with medical necessity guidelines and agency standards

Youth Villages

Clinical Supervisor, Intercept Program

Manchester, NH

June 2020-March 2025

- Provide direct supervision of a team of 4-6 Family Intervention Specialists, facilitating Weekly Development meetings with staff
- Lead trainings for staff both in the field and with documentation needs
- Review treatment plans weekly and provide feedback to staff so that to support comprehensive treatment goals compliant with contract requirements
- Facilitate weekly group supervision meetings
- Facilitate admission sessions, complete initial safety planning and assessments relative to treatment needs
- Triage weekend crisis calls for both Massachusetts and New Hampshire In-Home programs
- Supervise response ready staff triaging and responding to crisis calls weeknights/weekends/holidays
- Work collaboratively with Hampstead Hospital to facilitate the roll out of Emergency Department Diversion Services in New Hampshire

- Meet with local child protection and juvenile justice offices as well as Division for Youth and Families service array to collaborate around effective implementation of the Intercept Program as a contracted Title-IV well-supported program

Youth Villages

Manchester, NH

Family Intervention Specialist

April 2019-June 2020

- Provided primary therapy activities using structural, strategic, and evidenced based interventions to address structure, individual, and parental needs.
- Provides support/sessions in home, schools, and communities as well as supported resource identification and utilization
- Worked collaboratively in an inter-agency team setting directly with Department of Health and Human services agencies Division for Children, Youth, and Families and Division for Juvenile Justice, coordinates wrap around services
- Developed safety and support plans with each family based on various referral or risky behaviors and mental health needs including but not limited to delinquency, abuse and neglect, domestic violence, aggression, self-harm, suicidality, truancy, and relapse prevention planning.
- Developed bi-weekly treatment plans including updated safety plans as well as clinically focused therapeutic objectives.
- Provide quality and thorough documentation in a timely manner, specifically focusing on collaborative documentation and best practice
- Complete strengths based comprehensive assessments such as psycho-social assessments, and Columbia-Suicidality Screeners and Lifetime/Recent
- Constantly strive to provide therapeutic focused services which represent a strengths based and systematic model focused on long term success
- Triage weekly crisis calls and respond to crises on the weekends as holidays as they arise within an alternating schedule
- Triage crisis calls and respond to crises 12 hours per day during the work week with assigned families on caseload

Community Partners of NH

Rochester, NH

Senior Functional Support Specialist- Youth and Family Services

September 2018-April 2019

- In addition to Functional Support Specialist duties listed below; lead clinical meetings with functional support staff, oversaw and facilitated therapeutic groups, and aided in the training of new staff.
- Bachelor level intern supervisor

Community Partners of NH

Rochester, NH

Functional Support Specialist- Youth and Family Services

April 2016-September 2018

- Created and implemented treatment plans, completed required weekly, quarterly and annual assessments and documentation.
- Provided case management support, identifying needs and providing resources regarding identified needs.
- Provided psycho-education, positive parent management training, created and utilized appropriate therapeutic interventions 1:1 with clients as well as with caregivers in home, school and community settings.
- Consistently collaborated with treatment team members, school staff, and other service providers to provide high quality care.
- Maintained professional and positive therapeutic rapport with families and clients while empowering them to be more effective in their lives
- Trained RENEW facilitator actively utilizing curriculum with numerous clients to support them in achieving educational, vocational, and various personal goals.

Plymouth Regional High School

Plymouth, NH

Paraprofessional

2014-2016

- Worked with students to reinforce learning of materials or skills initially introduced and outlined by teachers while complying with IEP and 504 plans.
- Monitored work, and supervised curriculum-based testing and makeup work
- Provided appropriate amount of support to students to promote a successful and safe learning environment, whether it be educational support or emotional and used positive reinforcement to help guide student behavior.