

**LOUISIANA CASA ASSOCIATION  
BATON ROUGE, LOUISIANA**

**Financial Report  
As of and for the Year Ended  
June 30, 2021**

**Louisiana CASA Association  
Financial Report  
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June 30, 2021**

**TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
<b>INDEPENDENT AUDITOR’S REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	<b>3</b>
Statement of Activities	<b>4</b>
Statement of Functional Expenses	<b>5</b>
Statement of Cash Flows	<b>6</b>
Notes to Financial Statements	<b>7</b>
<b>SUPPLEMENTARY INFORMATION</b>	
Internal Control over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	<b>12</b>
Schedule of Findings and Questioned Costs	<b>14</b>
Schedule of Prior Year Findings and Recommendations	<b>15</b>
Schedule of Compensation, Benefits and Other Payments to the Executive Director	<b>16</b>

**John L. McKowen**  
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**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Louisiana CASA Association  
Baton Rouge, Louisiana

I have audited the accompanying financial statements of Louisiana CASA Association, a nonprofit organization, which comprise the statement of financial position as of June 30, 2021, and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Member**

*American Institute of Certified Public Accountants  
Society of Louisiana Certified Public Accountants*

## **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisiana CASA Association as of June 30, 2021, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of compensation, benefits and other payments to the Executive Director is presented for purposes of additional analysis and is not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Report on Summarized Comparative Information**

I have previously audited Louisiana CASA Association's 2020 financial statements, and I expressed an unmodified opinion on those audited financial statements in my report dated October 15, 2020. In my opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it was derived.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated October 15, 2021, on my consideration of Louisiana CASA Association's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Louisiana CASA Association's internal control over financial reporting and compliance.



John L. McKowen, CPA

Baton Rouge, Louisiana  
October 15, 2021

**Louisiana CASA Association**  
Baton Rouge, Louisiana

**Statement of Financial Position**

June 30, 2021  
(with summarized comparative amounts for 2020)

**ASSETS**

<b>CURRENT ASSETS</b>	<u>2021</u>	<u>2020</u>
Cash	\$ 165,655	\$ 189,745
Grants receivable	60,699	57,493
Prepaid expenses	<u>3,524</u>	<u>2,099</u>
Total current assets	<u>229,878</u>	<u>249,337</u>
 <b>NON-CURRENT ASSETS</b>		
Property and equipment, net	<u>9,292</u>	<u>5,939</u>
Total assets	<u>\$ 239,170</u>	<u>\$ 255,276</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 4,633	\$ 5,841
Current portion of PPP Loan	<u>3,636</u>	<u>          </u>
 <b>NON-CURRENT LIABILITIES</b>		
PPP Loan	<u>-</u>	<u>83,900</u>
Total liabilities	<u>\$ 8,269</u>	<u>\$ 89,741</u>
 <b>NET ASSETS</b>		
Without donor restrictions	229,801	150,935
With donor restrictions	<u>1,100</u>	<u>14,600</u>
Total net assets	<u>\$ 230,901</u>	<u>\$ 165,535</u>
Total liabilities and net assets	<u>\$ 239,170</u>	<u>\$ 255,276</u>

**Louisiana CASA Association**  
Baton Rouge, Louisiana

**STATEMENT OF ACTIVITIES**

For the year ended June 30, 2021  
(with summarized comparative amounts for 2020)

	<u>2021</u>			<u>2020</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Total</u>
<b>PUBLIC SUPPORT AND REVENUE</b>				
Grants	80,264	416,422	496,686	\$ 648,290
Contributions	15,827	-	15,827	64,546
Other	4,249	-	4,249	25,824
	<u>100,340</u>	<u>416,422</u>	<u>516,762</u>	<u>738,660</u>
Net assets released from restrictions	429,922	(429,922)	-	-
Total public support and revenue	<u>530,262</u>	<u>(13,500)</u>	<u>516,762</u>	<u>738,660</u>
<b>EXPENSES</b>				
Program services	371,896	-	371,896	616,422
Management and general	77,500	-	77,500	57,796
Fundraising	2,000	-	2,000	3,688
Total expenses	<u>451,396</u>	<u>-</u>	<u>451,396</u>	<u>677,906</u>
Increase (decrease) in net assets	78,866	(13,500)	65,366	60,754
<b>NET ASSETS</b>				
Beginning of year	150,935	14,600	165,535	104,781
End of year	<u>229,801</u>	<u>1,100</u>	<u>230,901</u>	<u>\$ 165,535</u>

The accompanying notes are an integral part of this statement.

**Louisiana CASA Association**  
Baton Rouge, Louisiana

**STATEMENT OF FUNCTIONAL EXPENSES**

For the year ended June 30, 2021  
(with comparative amounts for June 30, 2020)

	2021			2020	
	Program Services	Management and General	Fundraising	Total	Total
<b>EXPENSES</b>				-	
Salaries	238,415	52,299		290,714	361,548
Fringe benefits	29,579	10,276		39,855	46,536
Travel	4,142			4,142	24,936
Occupancy expense	19,872	1,728		21,600	21,600
Telephone	1,709	394		2,103	1,920
Supplies	7,742	1,086		8,828	11,634
Professional services	37,996	5,946	2,000	45,942	99,890
Repairs and maintenance	3,050	325		3,375	6,001
Insurance	4,739	130		4,869	2,499
Printing	1,140	1,370		2,510	3,170
Training	18,967	330		19,297	92,520
Program support	3,780			3,780	1,992
Depreciation		3,308		3,308	2,048
Other costs	765	308		1,073	1,612
Total expenses	371,896	77,500	2,000	451,396	677,906

**Louisiana CASA Association**  
Baton Rouge, Louisiana

**STATEMENT OF CASH FLOWS**

For the year ended June 30, 2021  
(with comparative amounts for 2020)

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITES</b>		
Increase (decrease) in net assets	\$ 65,366	\$ 60,754
Adjustments for non-cash items:		
Depreciation	3,308	2,048
Change in operating assets and liabilities		
(Increase) decrease in grants receivable	(3,206)	34,107
(Increase) decrease in other receivables	-	-
(Increase) decrease in prepaid expenses	(1,425)	(720)
Increase (decrease) in accounts payable and accrued liabilities	(1,208)	(2,100)
Net cash provided (used) by operating activities	62,835	94,089
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Proceeds of PPP loan	-	83,900
Forgiveness of PPP loan	(80,264)	
Net cash provided by investing activities	(80,264)	83,900
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of property and equipment	(6,661)	(3,506)
Net cash provided by investing activities	(6,661)	(3,506)
Net increase (decrease) in cash	(24,090)	174,483
Beginning of year	189,745	15,262
End of year	\$ 165,655	\$ 189,745

Louisiana CASA Association had interest expense of \$308 and income tax expense of zero for the year ended June 30, 2021, It had none of either expense for the year ended June 30, 2020.



**Louisiana CASA Association**  
Baton Rouge, Louisiana  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of activities**

Louisiana CASA Association is a Louisiana nonprofit corporation organized to support evidence-based services and programs for vulnerable families. Louisiana CASA Association's programs support and encourage the Court Appointed Special Advocate programs in Louisiana, promote cooperation and communication among CASA programs within Louisiana, coordinate and encourage funding of CASA programs at the state level, and represent the Louisiana CASA programs at the national level.

**Basis of presentation**

Louisiana CASA Association prepares its financial statements on the accrual basis of accounting. The significant accounting policies are described below to enhance the usefulness of the financial statements.

Louisiana CASA Association reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions, and net assets without donor restrictions.

The statement of activities presents expenses of Louisiana CASA Association functionally by program services, fundraising, and management and general.

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with Louisiana CASA Association' financial statements for the year ended June 30, 2020, from which the summarized information was derived.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Estimates are used primarily when accounting for the allowance for doubtful accounts, prepaid assets, and accrued liabilities.

**Income tax status**

Louisiana CASA Association qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code; therefore, the financial statements have no provision for federal and state income tax.

Louisiana CASA Association follows FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Management has determined that there is no impact to the financial statements as a result of ASC 740-10. Louisiana CASA Association's open audit periods are 2018 through 2020.

**Net assets**

Net assets without donor restrictions represent resources over which the Board of Directors has discretionary control and are used to fund operations of Louisiana CASA Association in accordance with its bylaws.

Net assets with donor restrictions are contributions and grants restricted for various purposes. During the year ended June 30, 2021, contributions of \$429,922 were transferred to net assets without restrictions as restrictions were satisfied.

**Cash and cash equivalents**

Louisiana CASA Association considers all highly liquid investments, money market funds and certificates of deposit with a maturity of three months or less at the date of acquisition to be cash equivalents. There were no cash equivalents at June 30, 2021.

**Grants receivable**

Accounts receivable are recorded at cost, net of an allowance for doubtful accounts. Management believes all accounts are collectible; therefore, an allowance has not been recorded at June 30, 2021. Louisiana CASA Association does not require collateral for its receivables. There were \$60,699 in receivables less than 90 days past due at June 30, 2021.

**Property and depreciation**

Property is stated at cost, or fair market value if donated, and depreciated over the estimated useful lives using the straight-line method for values in excess of \$1,000. Maintenance and repairs expenditures are expensed as incurred.

**Fair value of financial instruments**

The carrying value of receivables, prepaid insurance, accounts payable and accrued liabilities approximates fair value due to the short-term maturity of these instruments. None of these financial instruments are held for trading purposes.

### Grant revenue

Louisiana CASA Association receives grants to support its activities as well as grants restricted for specific purposes. Restricted grants that have not been fully expended at year-end are classified as temporarily restricted net assets.

### Concentrations of credit risk

Louisiana CASA Association typically maintains cash in local banks. Cash deposits are fully insured by Federal Deposit Insurance Corporation (FDIC) as they are below the maximum insured amounts of \$250,000.

### NOTE 2 – GRANTS RECEIVABLE

At June 30, 2021, grants receivable were as follows:

	<u>Amount</u>
Corporation for National and Community Service State of Louisiana	<u>\$ 6,347</u>
Commission on Law Enforcement and Admin of Criminal Justice	23,693
Supreme Court	27,367
Department of Children and Family Services	2,422
Other	870
	<u>\$60,699</u>

### NOTE 3 – PROPERTY AND EQUIPMENT

At June 30, 2021, property and equipment was as follows:

<u>Description</u>	<u>Estimated Service Life</u>	<u>Amount</u>
Furniture and fixtures	7 years	9,790
Equipment	5 years	3,506
Software	3 years	2,700
		<u>15,996</u>
Less accumulated depreciation		(6,703)
		<u>\$ 9,293</u>

Depreciation expense for the year ended December 31, 2021 was \$3,308.

The organization purchased two computers and a desk during the year ended December 31, 2021 at a cost of \$6,662.

#### **NOTE 4 – NET ASSETS**

At June 30, 2021, Louisiana CASA Association had \$229,801 in net assets without donor restrictions, and \$1,100 in net assets with donor restrictions, for a total of \$230,901 in net assets.

#### **NOTE 5 – OPERATING LEASE**

The Organization leases its administrative facility under a month to month operating lease. Rental expense for the year ended June 30, 2021 totaled \$21,600.

#### **NOTE 6 – RETIREMENT PLAN**

The Organization has a defined contribution plan covering all full-time employees who have reached the age of 21 with at least one year of service. The Organization contributes to the plan an amount equal to 7% of total employee's compensation. There was no change in the contribution rate from the prior year. The retirement expense for the year ended June 30, 2021 and June 30, 2020 were \$11,068 and \$14,179, respectively.

#### **NOTE 7 – ECONOMIC DEPENDENCY**

The Organization received the majority of its revenue from funds provided through grants administered by the State of Louisiana and other nonprofit entities. The grant amounts are appropriated each year by both the state and the federal government. If significant budget cuts were to be made at the federal and/or state levels, the amount of funds the organization receives could be reduced significantly and have an adverse impact on its operation. As of the date of these financial statements, management was not aware of any actions taken that would adversely affect the amount of funds to be received in the next fiscal year. It should be noted, however, that the organization received 96% of its total support in the year ended June 30, 2021 from such grants.

#### **NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization has \$226,354 of financial assets available within one year of the statement of financial position date available to meet cash needs for general and operating expenditures, consisting of cash and equivalents of \$165,65 and grants receivable of \$60,699.

As part of the organization's liquidity management plan, requests for reimbursement on each contract are prepared monthly and timely submitted in an effort to maintain liquidity.

#### **NOTE 9 – ALLOCATION OF FUNCTIONAL EXPENSES**

The Statement of Functional Expenses reports certain categories of expenses that are attributable to more than one program or support function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are

allocated include salaries and benefits and professional fees, which are allocated on the basis of estimates of time and effort.

**NOTE 10 – SUBSEQUENT EVENTS**

Management of Louisiana CASA Association has evaluated subsequent events through October 15, 2021, the date that these financial statements were available to be issued and has determined that there are no significant subsequent events that require recognition or disclosure through that date.

**John L. McKowen**  
Certified Public Accountant

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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***

Board of Directors  
Louisiana CASA Association  
Baton Rouge, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Louisiana CASA Association, which comprise the statement of financial position as of June 30, 2021 and the related statement of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated October 15, 2021.

**Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, I considered Louisiana CASA Association' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Louisiana CASA Association' internal control. Accordingly, I do not express an opinion on the effectiveness of Louisiana CASA Association' 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Louisiana CASA Association' financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of 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.

Under Louisiana Revised Statute 24:513, the Legislative Auditor distributes this report as a public document.

A handwritten signature in blue ink that reads "John L. McKowen, CPA". The signature is written in a cursive style.

John L. McKowen, CPA

Baton Rouge, Louisiana  
October 15, 2021

**Louisiana CASA Association**  
Baton Rouge, Louisiana

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the year ended June 30, 2021

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**Section I Internal Control and Compliance Material to the Financial Statements**

None

**Section II Internal Control and Compliance Material to Federal Awards**

None

**Section III Management Letter**

None



**Louisiana CASA Association**  
Baton Rouge, Louisiana

**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**  
For the year ended June 30, 2020

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**Section I Internal Control and Compliance Material to the Financial Statements**

None

**Section II Internal Control and Compliance Material to Federal Awards**

None

**Section III Management Letter**

None

**Louisiana CASA Association**  
Baton Rouge, Louisiana

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO  
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

**For the year ended June 30, 2021**

**AGENCY HEAD NAME: Kathleen Stewart Richey, Executive Director**

<u>Purpose</u>	<u>Amount</u>
Salary	\$85,000
Benefits – retirement	5,950
Travel reimbursements:	
Mileage	<u>147</u>
Total	<u>\$91,097</u>