

**CAPITAL AREA CASA ASSOCIATION  
BATON ROUGE, LOUISIANA  
FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

# CAPITAL AREA CASA ASSOCIATION

## TABLE OF CONTENTS

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>Statement of Financial Position</b>	<b>4</b>
<b>Statement of Activities</b>	<b>5</b>
<b>Statement of Functional Expenses</b>	<b>6</b>
<b>Statement of Cash Flows</b>	<b>7</b>
<b>Notes to the Financial Statements</b>	<b>8</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>Schedule of CASA Assistance Program Grant Revenue and Expenses</b>	<b>14</b>
<b>Schedule of Compensation, Benefits and Other Payments to Agency Head of Chief Executive Officer</b>	<b>15</b>
<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>16</b>
<b>Schedule of Findings and Questioned Costs</b>	<b>18</b>
<b>Schedule of Prior Year Findings</b>	<b>19</b>

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Capital Area CASA Association  
Baton Rouge, LA

### Report on the Financial Statements

We have audited the accompanying financial statements of Capital Area CASA Association (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements 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.

### Auditors' Responsibility

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Capital Area CASA Association as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Information**

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2018, on our consideration of Capital Area CASA Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Capital Area CASA Association's internal control over financial reporting and compliance.

*Chester E. Associates, LLC*

Baton Rouge, LA  
June 22, 2018

**Capital Area CASA Association**  
**STATEMENT OF FINANCIAL POSITION**  
December 31, 2017

**ASSETS**

**Current Assets**

Cash and cash equivalents	\$	398,122
Investments		731,527
Grants receivable		73,135
Prepaid expenses		7,179
<b>Total current assets</b>		<b>1,209,962</b>

**Fixed Assets**

Land		80,000
Building		1,477,871
Furniture & fixtures		113,291
Less: Accumulated depreciation		(394,879)
<b>Net fixed assets</b>		<b>1,276,283</b>

<b>Total assets</b>	<b>\$</b>	<b>2,486,244</b>
---------------------	-----------	------------------

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts payable	\$	2,658
<b>Total current liabilities</b>		<b>2,658</b>

**Net assets**

Unrestricted		2,474,089
Temporarily restricted		9,497

<b>Total net assets</b>		<b>2,483,586</b>
-------------------------	--	------------------

<b>Total liabilities and net assets</b>	<b>\$</b>	<b>2,486,244</b>
---	-----------	------------------

The accompanying notes are an integral part of this statement.

**Capital Area CASA Association**  
**STATEMENT OF ACTIVITIES**  
For the year ended December 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUES AND OTHER SUPPORT</b>			
Grant income	\$ 484,955	\$	\$ 484,955
Court costs	80,391		80,391
Dividend income	17,157		17,157
Donated services	243,761		243,761
Interest income	4,438		4,438
Other donations	167,623		167,623
Fundraising events	184,025		184,025
Net assets released from restrictions	<u>0</u>		<u>0</u>
<b>Total revenues and other support</b>	1,182,350	0	1,182,350
<b>EXPENSES</b>			
Program services	996,611		996,611
Management and general	85,182		85,182
Fundraising	<u>126,056</u>		<u>126,056</u>
<b>Total expenses</b>	1,207,849	0	1,207,849
Realized (gain) loss on investments	(341)		(341)
Unrealized (gain) loss on investments	<u>(20,633)</u>		<u>(20,633)</u>
<b>Total expenses, gains and losses</b>	<u>1,186,875</u>	0	<u>1,186,875</u>
Increase (decrease) in net assets	(4,525)	0	(4,525)
Net assets, beginning of year	<u>2,478,614</u>	<u>9,497</u>	<u>2,488,111</u>
Net assets, end of year	<u>\$ 2,474,089</u>	<u>\$ 9,497</u>	<u>\$ 2,483,586</u>

The accompanying notes are an integral part of this statement.

**Capital Area CASA Association**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the year ended December 31, 2017

	Program Services			
	Child Advocacy	Management and General	Fundraising	Totals
Audit	\$ 0	\$ 12,000	\$ 0	\$ 12,000
Casual labor	0	8,421	0	8,421
Depreciation	36,550	3,196	3,048	42,794
Equipment expense	15,816	1,383	1,319	18,518
Foster child emergency fund	23,068	0	0	23,068
Fundraising expense	0	0	72,432	72,432
Insurance:				
Health	30,305	2,650	2,527	35,482
Liability	17,380	1,520	1,449	20,349
Workmen's compensation	1,760	154	147	2,061
Investment expense	0	3,775	0	3,775
Miscellaneous	0	4,740	0	4,740
Mileage	4,477	392	373	5,242
Office supplies	4,621	404	383	5,408
Payroll taxes	32,823	2,871	2,737	38,431
Postage	2,309	202	193	2,704
Printing	856	75	71	1,002
Professional dues	375	0	0	375
Repair and maintenance	21,934	1,918	1,829	25,681
Retirement contribution	9,642	843	804	11,289
Salaries	446,881	39,082	37,261	523,224
Staff training	2,496	0	0	2,496
Telephone	10,411	911	868	12,190
Utilities	7,371	645	615	8,631
Volunteer recruitment	68,618	0	0	68,618
Volunteer recognition	1,180	0	0	1,180
Volunteer services	243,761	0	0	243,761
Volunteer training	13,977	0	0	13,977
	<u>\$ 996,611</u>	<u>\$ 85,182</u>	<u>\$ 126,056</u>	<u>\$ 1,207,849</u>

The accompanying notes are an integral part of this statement.

**Capital Area CASA Association**  
**STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2017

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Decrease in net assets	\$ <u>(4,525)</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	42,794
Unrealized (gain) loss on investment	(20,633)
(Increase) decrease in operating assets:	
Grants receivable	8,412
Prepaid expenses	(1,580)
Increase (decrease) in operating liabilities:	
Accounts payable	(3,833)
Payroll withholding	<u>21</u>
Total adjustments	<u>25,181</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b><u>20,656</u></b>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Proceeds from sales of available-for-sale securities	77,810
Purchases of available-for-sale securities	<u>(123,885)</u>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b><u>(46,075)</u></b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(25,419)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>423,541</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 398,122</u></b>

The accompanying notes are an integral part of this statement.

**Capital Area CASA Association**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2017**

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

NATURE OF ACTIVITIES

Capital Area CASA Association is a nonprofit corporation organized under the laws of Louisiana on May 13, 1992. The corporation was formed for the purpose of recruiting and training volunteers who will become court appointed advocates for abused and neglected children. The Organization's stated goal is "a safe and permanent home for every child." The Organization is primarily funded through grants from various organizations and state agencies as well as contributions.

BASIS OF ACCOUNTING

The financial statements of Capital Area CASA Association have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

BASIS OF PRESENTATION

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification as set forth under FASB ASC 958. Accordingly, the Organization is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions.

CASH AND CASH EQUIVALENTS

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

INVESTMENTS

Investments consist of mutual funds and certificates of deposit which do not meet the Association's definition of cash equivalents. The investments are carried at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

DONATED ASSETS AND SERVICES

The Organization records noncash donations as contributions at its estimated fair value at the date of donation. It receives a substantial amount of services donated by program volunteers acting as court appointed advocates for children served by Capital Area CASA Association. These services are valued using an hourly rate published by the Independent Sector.

The value of these donations is reflected in the financial statements as revenue and expenses.

**Capital Area CASA Association**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2017**

EXPENSE ALLOCATION

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated by management among the programs and supporting services benefitted.

INCOME TAX STATUS

The Organization is exempt from federal income tax under Internal Revenue Code Section 501(c)(3). In addition, the Organization qualifies for the charitable contribution deduction under Internal Revenue Code Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Internal Revenue Code Section 509(a)(2). The Organization is required to file Federal Form 990 for informational purposes and federal income tax returns for tax years 2014 and beyond remain subject to examination by the Internal Revenue Service. The Organization must review various tax positions taken with respect to its exempt status and determine whether it continues to qualify as a tax exempt entity. It must consider whether it has nexus in jurisdictions in which it has income and whether a tax return is required in those jurisdictions. It must also assess whether it has taken any tax positions associated with unrelated business income subject to income tax. The Organization does not expect these tax positions to change significantly over the next twelve months. Any penalties related to tax filings or other requirements would be recognized as penalty expense in the accounting records.

PROMISES TO GIVE

Promises to give are recognized as revenues or gains and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received, when the donor makes an unconditional promise to give. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

PROPERTY AND EQUIPMENT

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the assets. The Organization capitalizes fixed assets with a cost of \$1,000 or more. The Organization capitalizes real property improvements and leasehold improvements with a cost of \$5,000 or more, and capitalizes repairs with a cost of \$5,000 or more if not covered by insurance. Certain furniture and fixtures included on the Statement of Financial Position, in the amount of \$16,941 with related accumulated depreciation of \$16,941, have donor imposed restrictions on the disposal of these assets. The Organization capitalizes project costs including preacquisition, acquisition development and construction costs.

ADVERTISING COSTS

Advertising costs are expensed in the year incurred and were \$19,813 for the year ended December 31, 2017.

**Capital Area CASA Association**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2017**

RESTRICTED AND UNRESTRICTED REVENUE AND SUPPORT

Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Grant awards are classified as refundable advances until expended for the purposes of the grants since they are conditional promises to give.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

RECEIVABLES

The Organization considers grants receivable to be fully collectible since the balance consists principally of payments due under governmental contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

**NOTE 2: INVESTMENTS**

Investments as of December 31, 2017, are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Unrestricted:			
Certificates of deposit	\$ 315,000	\$ 314,900	\$ 314,900
Mutual funds	396,480	416,627	416,627
	<u>\$ 711,480</u>	<u>\$ 731,527</u>	<u>\$ 731,527</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended December 31, 2017:

Interest income	\$ 4,438
Dividends	17,157
Unrealized gain	20,633
Realized gain	341
Total investment return	<u>\$ 42,569</u>

**Capital Area CASA Association**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2017**

**NOTE 3: DONATED SERVICES**

The value of donated services included in the financial statements and the corresponding expenses for the year ended December 31, 2017, are:

Casework	\$ 243,761
----------	------------

**NOTE 4: FINANCIAL INSTRUMENTS**

Financial instruments that potentially subject the Organization to concentrations of credit and market risk consist principally of cash and equity investments. The Organization maintains cash balances at several banks which are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times such balances may exceed FDIC insured limits. The Organization maintains an account with a stock brokerage firm. The account contains money market accounts, certificates of deposit and mutual funds. Balances are insured up to \$500,000 (with a limit of \$250,000 for cash) by the Securities Investor Protection Corporation. At December 31, 2017, the Organization had \$76,670 in cash and cash equivalents on deposit with the brokerage firm.

The estimated fair value of the Organization's financial instruments, none of which were held for trading purposes, are as follows:

	<u>Carrying Value</u>	<u>Fair Value</u>
Cash and Cash Equivalents	\$ 398,122	\$ 398,122
Investments	731,527	731,527
	\$ 1,129,649	\$ 1,129,649

**NOTE 5: ECONOMIC DEPENDENCY**

The Organization received approximately 58% of its total revenues and other support, excluding donated services and materials, from federal and state grants. If significant budget cuts are made at the federal and /or state level, it could have an adverse impact on the Organization's operations.

**NOTE 6: EMPLOYEE BENEFIT PLAN**

The Organization has a defined contribution salary deferral plan covering all employees. Under the plan, the Organization matches the employee's contribution up to three percent of each eligible employee's salary. Plan expenses incurred by the Organization during 2017 were \$11,289.

**NOTE 7: BOARD DESIGNATED RESERVE**

In January 2004, the Board approved the establishment of an operating reserve to segregate an amount equaling 50% of the adopted annual budgeted expenditures. For the year ended December 31, 2017, this amount is approximately \$406,000.

**Capital Area CASA Association**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2017**

**NOTE 8: RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets at December 31, 2017 in the amount of \$9,497 are to provide educational services for children in the CASA program.

**NOTE 9: FAIR VALUE MEASUREMENT**

Fair value of assets measured on a recurring basis at December 31, 2017, are as follows:

	Fair Value Measurements at Reporting Date Using:	
	Quoted Prices in Active Markets for Identical Assets	
Investments:	<u>Fair Value</u>	<u>(Level 1)</u>
Certificates of deposit	\$ 314,900	\$ 314,900
Mutual funds	416,627	416,627
	<u>\$ 731,527</u>	<u>\$ 731,527</u>

**NOTE 10: CONTINGENCIES**

The Organization participates in state and federal grant programs which are governed by various rules and regulations. Costs charged to the grant programs are subject to audit and adjustment by the grantor agencies. If the Organization has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable as of December 31, 2017 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Organization.

**NOTE 11: OPERATING LEASES**

The Organization leases office equipment under a non-cancelable operating lease agreement expiring in December 2018. Lease expenses incurred by the Organization during 2017 are \$2,465.

**Capital Area CASA Association**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2017**

**NOTE 11: OPERATING LEASES (continued)**

Minimum future lease payments under the non-cancelable operating lease as of December 31, 2017, are as follows:

<u>Year Ending December 31:</u>	<u>Amount</u>
2018	<u>2,465</u>
Total minimum payments	<u>\$ 2,465</u>

**NOTE 12: EVALUATION OF SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through June 22, 2018, the date which the financial statements were available to be issued, and determined that no events require disclosure.

## **SUPPLEMENTARY INFORMATION**

**Capital Area CASA Association**  
**SCHEDULE OF CASA ASSISTANCE PROGRAM**  
**GRANT REVENUE AND EXPENSES**

For the year ended December 31, 2017

**REVENUE**

TANF Federal	\$ 234,666
CASA AP State	<u>126,060</u>
<b>Total Revenue</b>	<b>360,726</b>

**EXPENSES**

Casual labor	8,801
Facility maintenance	390
Furniture and equipment	14,293
Insurance - health	15,672
Insurance - liability	10,000
Insurance - workmen's compensation	731
Office supplies	3,962
Payroll taxes	18,126
Postage	1,648
Printing	701
Professional dues	350
Retirement contribution	4,550
Salaries	240,916
Staff training	4,270
Telephone	8,438
Utilities	8,065
Volunteer recruitment	19,813
<b>Total expenses</b>	<u>360,726</u>
	<u><u>\$ 0</u></u>

**Capital Area CASA Association**  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS**  
**TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**  
**For the year ended December 31, 2017**

Chief Executive Officer: Elizabeth Betz

No public funds were used to compensate, reimburse, or pay benefits for the Chief Executive Officer.

H.E. Chesteen, III, CPA  
Rhonda Gourrier, CPA  
Thomas J. Beck, CPA

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

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of  
Capital Area CASA Association

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Capital Area CASA Association (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 22, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Capital Area CASA Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Capital Area CASA Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Capital Area CASA Association's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Chester E. Associates, LLC*

Baton Rouge, LA  
June 22, 2018

**Capital Area CASA Association**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the year ended December 31, 2017**

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Capital Area CASA Association.
2. No material weaknesses relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of Capital Area CASA Association were disclosed during the audit.
4. Capital Area CASA Association was not subject to a federal single audit.

B. Findings - Financial Statement Audit

None

C. Findings and Questioned Costs - Major Federal Award Programs

Not applicable

**Capital Area CASA Association**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**For the year ended December 31, 2017**

No matters were reported in the prior year.

**CAPITAL AREA CASA ASSOCIATION**  
**BATON ROUGE, LOUISIANA**

**STATEWIDE AGREED-UPON PROCEDURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

H.E. Chesteen, III, CPA  
Rhonda Gourrier, CPA  
Thomas J. Beck, CPA

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

**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors of  
Capital Area Casa Association

We have performed the procedures enumerated below, which were agreed to by the management of Capital Area CASA Association (CASA) (the "Entity") and the Louisiana Legislative Auditor (LLA) (the specified parties) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2017 through December 31, 2017. CASA's management is responsible for those C/C areas identified in the SAUPs.

The agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated finding are as follows:

***Written Policies and Procedures***

---

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget

**We performed the procedures above and noted no exceptions.**

b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

**We performed the procedures above and noted the following exception:**

- **No written policies regarding documentation required to be maintained for all bids and price quotes.**

c) ***Disbursements***, including processing, reviewing, and approving

**We performed the procedures above and noted no exceptions.**

*Written Policies and Procedures (continued)*

---

- a) *Receipts*, including receiving, recording, and preparing deposits

**We performed the procedures above and noted no exceptions.**

- b) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

**We performed the procedures above and noted no exceptions.**

- c) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

**We performed the procedures above and noted the following exceptions:**

- **No written policies regarding (1) types of services requiring written contracts.**
- **No written policies regarding (2) standard terms and conditions.**
- **No written policies regarding (3) legal reviews.**
- **No written policies regarding (5) monitoring process.**

- d) *Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)*, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

**We performed the procedures above and noted no exceptions.**

*Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

**We performed the procedures above and noted no exceptions.**

*Board (or Finance Committee, if applicable)*

---

2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

**We performed the procedures above and noted no exceptions.**

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a

***Board (or Finance Committee, if applicable) (continued)***

---

formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

**We performed the procedures above and noted no exceptions.**

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

**We performed the procedures above and noted no exceptions.**

***Bank Reconciliations***

---

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

**We performed the procedures above and noted no exceptions.**

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

**We performed the procedures above and noted no exceptions.**

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

**We performed the procedures above and noted the following exception:**

- **The bank reconciliations were not reviewed by a member of management or a board member with no involvement in the transactions associated with the bank account.**
- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

**Not applicable**

## Collections

---

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

**We performed the procedures above and noted no exceptions.**

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

**We performed the procedures above and noted no exceptions.**

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

**We performed the procedures above and noted the following exception:**

- **No written documentation stating a formal process to reconcile cash collections to the general ledger by revenue source and/or agency fund additions, by a person who is not responsible for cash collections.**
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
    - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

**We performed the procedures above and noted the following exception:**

- **One of the deposits selected was not made within one day of collections. This deposit was made six days after collection.**

*Collections (continued)*

---

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

- **We performed the procedures above and noted no exceptions.**

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

**We performed the procedures and noted the following exception.**

- **No written policy regarding completeness of all collections.**

*Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)*

---

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

**We performed the procedures above and noted no exceptions.**

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

**We performed the procedures above and noted the following exception:**

- **None of the items tested were initiated using a requisition/purchase order system. CASA does not utilize a requisition/purchase order system, and written policies and procedures do not require such documentation.**

*Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments) (continued)*

---

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

**We performed the procedures above and noted the following exception:**

- **None of the items tested had a purchase order or electronic equivalent. CASA does not utilize a requisition/purchase order system or receiving reports, and written policies and procedures do not require such documentation.**
- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

**We performed the procedures above and noted the following exception:**

- **None of the items tested had a receiving report. CASA does not utilize a requisition/purchase order system or receiving reports, and written policies and procedures do not require such documentation.**
10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

**There is no written policy prohibiting the person responsible for processing payments from adding vendors to purchasing/disbursement system.**

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

**We performed the procedures above and noted the following exception:**

- **There is no written policy concerning whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.**

***Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments) (continued)***

---

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

**We performed the procedures above and noted the following exception:**

- **The supply of unused checks are maintained in a locked location but access is not restricted to persons that do not have signatory authority.**

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

**We performed the procedures above and noted no signature stamp or signature machine is used and no exceptions.**

***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

---

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

**We performed the procedures above and noted no exceptions.**

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

**We performed the procedures above and noted the following exception:**

*Credit Cards/Debit Cards/Fuel Cards/P-Cards (continued)*

---

- **The credit card statement of the Executive Director was not reviewed or approved in writing by someone other than the authorized card holder.**
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

**No finance charges or late fees were assessed on the selected statement.**

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:
  - An original itemized receipt (i.e., identifies precisely what was purchased)  
**We performed the procedures above and noted no exceptions.**
  - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.  
**We performed the procedures above and noted no exceptions.**
  - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)  
**We performed the procedures above and noted no exceptions.**
- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

**We performed the procedures above and noted no exceptions.**

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

**We performed the procedures above and noted no exceptions.**

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

**We performed the procedures above and noted no exceptions.**

## *Travel and Expense Reimbursement*

---

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

**We performed the procedures above and noted no exceptions.**

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

**We performed the procedures above and noted no exceptions.**

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

**We performed the procedures above and noted no exceptions.**

- b) Report whether each expense is supported by:
- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

**We performed the procedures above and noted no exceptions.**

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

**We performed the procedures above and noted no exceptions.**

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

**We performed the procedures above and noted no exceptions.**

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the

*Travel and Expense Reimbursement (continued)*

---

requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

**We performed the procedures above and noted no exceptions.**

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**We performed the procedures above and noted no exceptions.**

*Contracts*

---

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

**We performed the procedures above and noted no exceptions.**

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

**We performed the procedures above and noted no exceptions.**

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

**The five contracts selected are not subject to the Louisiana Bid Law or Procurement Code.**

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

**No contracts were subject to Louisiana Public Bid Law or Procurement Code.**

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

**We performed the procedures above for the five contracts selected which are not subject to the Louisiana Public Bid Law or Procurement Code and noted the following exception:**

- **Documentation showing the entity solicited quotes was not available in four of the five contracts selected.**

*Contracts (continued)*

---

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment

**We performed the procedures above and noted no exceptions.**

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

**We performed the procedures above and noted the following exception:**

- **One of the contracts stated a price which was lower than the invoice amount.**
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

**We performed the procedures above and noted no exceptions.**

*Payroll and Personnel*

---

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

**We performed the procedures above and noted no exceptions.**

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

**We performed the procedures above and noted no exceptions.**

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

**We performed the procedures above and noted no exceptions.**

***Payroll and Personnel (continued)***

---

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

**We performed the procedures above and noted no exceptions.**

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

**We performed the procedures above and noted no exceptions.**

- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

**We performed the procedures above and noted no exceptions.**

- 25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

**We performed the procedures above and noted no exceptions.**

***Ethics***

---

Items 26-27 were not included as they are not applicable to nonprofits.

***Debt Service (excluding nonprofits)***

---

Items 28-30 were not included as they are not applicable to nonprofits.

***Other***

---

- 31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

**No misappropriation of public funds or assets.**

*Other (continued)*

---

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.la.gov/hotline](http://www.la.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

**We performed the procedures above and noted no exceptions.**

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

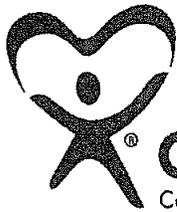
**We performed the procedures above and noted no exceptions.**

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*Chesteen & Associates, LLC*

Chesteen & Associates, LLC  
Baton Rouge, LA  
June 22, 2018



**CASA**

Court Appointed Special Advocates  
**FOR CHILDREN**

848 Louisiana Ave.  
Baton Rouge, LA 70802  
Phone: 225-379-8598  
Fax: 225-379-3362

---

**CAPITAL AREA CASA ASSOCIATION**

[www.casabr.org](http://www.casabr.org)

June 25, 2018

Chesteen & Associates, LLC  
Certified Public Accountants  
2181 Quail Run Drive  
Baton Rouge, Louisiana 70808-4127

RE: Response to Independent Accountants'  
Report on Applying Agreed-upon Procedures  
For the Fiscal Year Ended December 31, 2017

To Whom It May Concern:

In response to the exceptions noted in the referenced report, Capital Area CASA Association submits the following:

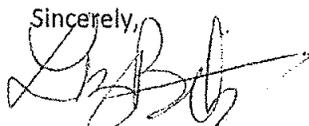
For item #1(b) on page 1, item #(c) on page 2, item 4(b) on page 3, item #15(a) on page 7, and item #21(b) on page 10, procedures were either adopted or modified subsequent to December 31, 2017, to address these issues.

Regarding item #6(B) on page 4, cash received by the Organization is collected almost exclusively in connection with its annual fundraiser and, collectively, represent less than 1% of the Organizations' total revenue. Management believes that the controls and procedures currently in place adequately address this issue.

Management believes that other reasonable compensating controls are in place to offset risks associated with items #10 and #11 on page 6 and #12 on page 7.

The comment in item #15(b) regarding contracts is believed to be a minor risk to the Organization as the only contracts currently entered into relate to equipment rental and maintenance and building maintenance.

Sincerely,



Elizabeth A. Betz  
Executive Director