

CASA OF WEST CENLA, INC.
DERIDDER, LOUISIANA

ANNUAL FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2017

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John A. Windham, CPA
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
CASA of West CenLA, Inc.
DeRidder, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of CASA of West CenLA, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 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.

Auditor's 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 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 an 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 CASA of West CenLA, Inc. as of June 30, 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 Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of CASA Assistance Program TANF Revenue and Expenditure Activity and Schedule of Compensation, Benefits and Other Payments to Agency Head are presented for purposes of additional analysis and are 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 August 17, 2017, on our consideration of CASA of West CenLA, Inc.'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 CASA of West CenLA, Inc.'s internal control over financial reporting and compliance.



DeRidder, Louisiana
August 17, 2017

FINANCIAL STATEMENTS

Statement of Financial Position
June 30, 2017

ASSETS

Current assets		
Cash and cash equivalents	\$	84,635
Receivables:		
CASA AP state grant		24,816
Red River Delta grant		1,820
Prepaid insurance		5,363
Rental deposit		600
		<hr/>
Total current assets	\$	<u>117,234</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	\$	364
Payroll taxes payable		1,278
		<hr/>
Total current liabilities	\$	<u>1,642</u>
Net Assets:		
Unrestricted	\$	<u>115,592</u>
		<hr/>
Total liabilities and net assets	\$	<u>117,234</u>

The accompanying notes are an integral part of this statement.

Statement of Activities
For the Year Ended June 30, 2017

SUPPORT AND REVENUE

<u>SUPPORT</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
TANF federal grant	\$ -	\$ 216,987	\$ 216,987
CASA AP state grant	-	84,612	84,612
CASA LA grant	-	2,371	2,371
Red River Delta grant	-	22,463	22,463
Other contributions	26,562	-	26,562
In-kind donations	54,610	-	54,610
Net assets released from restrictions	326,433	(326,433)	-
Total support	<u>\$ 407,605</u>	<u>\$ -</u>	<u>\$ 407,605</u>
 <u>REVENUE</u>			
Interest and dividends	<u>\$ 2,315</u>	<u>\$ -</u>	<u>\$ 2,315</u>
Total support and revenue	<u>\$ 409,920</u>	<u>\$ -</u>	<u>\$ 409,920</u>
 Expenses:			
Program services			
Court appointed special advocates	\$ 311,730	\$ -	\$ 311,730
Supporting services			
General and administrative	81,045	-	81,045
Total expenses	<u>\$ 392,775</u>	<u>\$ -</u>	<u>\$ 392,775</u>
Increase (decrease) in net assets	\$ 17,145	\$ -	\$ 17,145
Net assets at beginning of year	<u>98,447</u>	<u>-</u>	<u>98,447</u>
Net assets at end of year	<u>\$ 115,592</u>	<u>\$ -</u>	<u>\$ 115,592</u>

The accompanying notes are an integral part of this statement.

Statement of Functional Expenses
For the Year Ended June 30, 2017

	Program Services	Supporting Services	
	Court Appointed Special Advocates	General and Administrative	Total
Salaries and related benefits	\$ 123,911	\$ 62,769	\$ 186,680
Payroll taxes	9,609	4,733	14,342
Health insurance	13,697	8,370	22,067
Retirement expense	1,975	3,760	5,735
Total salaries and related expenses	<u>\$ 149,192</u>	<u>\$ 79,632</u>	<u>\$ 228,824</u>
Program supplies	\$ 9,964	\$ -	\$ 9,964
Office supplies	4,731	-	4,731
Telephone	6,868	-	6,868
Dues/licenses/permits	1,311	-	1,311
Occupancy	17,580	-	17,580
Travel and mileage reimbursement	12,180	1,375	13,555
Postage	1,667	-	1,667
Equipment rental and maintenance	14,929	-	14,929
Background checks	2,187	-	2,187
Insurance	8,428	-	8,428
Advertising	1,175	-	1,175
Meals and entertainment	425	38	463
Conferences	4,827	-	4,827
Training	5,221	-	5,221
IT web services	3,734	-	3,734
Publications	650	-	650
In-kind expenditures	54,610	-	54,610
Professional fees	7,972	-	7,972
Utilities	4,079	-	4,079
Total expenses before depreciation	<u>\$ 162,538</u>	<u>\$ 1,413</u>	<u>\$ 163,951</u>
Depreciation			
Purchased assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total expenses	<u>\$ 311,730</u>	<u>\$ 81,045</u>	<u>\$ 392,775</u>

The accompanying notes are an integral part of this statement.

Statement of Cash Flows
For the Year Ended June 30, 2017

Cash flows from operating activities:	
Cash received from grants	\$ 332,011
Cash received from contributions	26,562
Cash received from interest income	2,315
Cash payments for program activities	(108,984)
Cash payments to employees for services	(227,546)
Net cash provided by operating activities	<u>\$ 24,358</u>
Net increase (decrease) in cash and cash investments	
	\$ 24,358
Cash and cash investments, July 1, 2016	60,277
Cash and cash investments, June 30, 2017	<u>\$ 84,635</u>
Reconciliation of net income from operations to net cash provided by operating activities:	
Net income (loss) from operations	\$ 17,145
Adjustments to reconcile net income (loss) from operations to net cash provided by operating activities:	
Depreciation	\$ -
Change in assets and liabilities:	
Decrease in grants receivable	5,578
Increase in accounts payable	357
Increase in payroll taxes payable	1,278
Net cash provided by operating activities	<u>\$ 24,358</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

CASA of West CenLA, Inc.

Notes to the Financial Statements
For the Year Ended June 30, 2017

Introduction

CASA of West CenLA, Inc. (Court Appointed Special Advocate of West CenLA, Inc.) is a Louisiana non-profit corporation and a member of the National Court Appointed Special Advocate Association. This corporation is organized and it shall be operated exclusively for charitable, religious, and educational purposes, within the meaning of Section 501 (c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, including for purposes, to purchase, acquire, hold, use, manage, alienate or encumber property of any kind, necessary and proper to advocate for and protect the best interest of abused, neglected, and dependent children, and the making of distributions to Organizations that qualify as exempt Organizations under section 501 (c) (3) of the Internal Revenue Code or the corresponding section of any future federal tax code. The Board of Directors consists of seven appointed board members that are not compensated for their services.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described to enhance the usefulness of the financial statements to readers. The financial statements of CASA of West CenLA, Inc. have been prepared on the accrual basis; therefore, certain revenues and the related assets are recognized when earned rather than when received and certain expenses are recognized when the obligation is incurred rather than when paid. These policies have been consistently applied in the preparation of the financial statements. The Organization has no capital stock.

A. Basis of Accounting

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations, which requires the Organization 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. The Organization has no permanently restricted or temporarily restricted net assets as of June 30, 2017. In addition, the Organization is required to present a statement of cash flows.

B. Cash and Cash Equivalents

The Organization's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition and are reported in the statement of cash flows.

C. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. CASA of West CenLA, Inc. maintains a threshold level of \$ 1,000 or more for capitalizing capital assets.

CASA of West CenLA, Inc.

Notes to the Financial Statements (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. There was no interest expense included during the current fiscal year.

Capital assets are depreciated using the straight-line method with the following estimated lives.

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 10 years
Equipment	5 - 10 years

D. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of CASA of West CenLA, Inc., which are either unusual in nature or infrequent in occurrence.

E. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, and expenses during the reporting period. Actual results could differ from those estimates.

F. Income Taxes

The Organization is qualified as an exempt Organization under Section 501 (c) (3) of the Internal Revenue Code and is not subject to federal income tax. In addition, the Organization qualifies for the charitable contribution deduction under section 170(b)(1)(A) of the Internal Revenue code and has been determined by the Internal Revenue Service not to be a private foundation within Section 509 (a) of the Code.

G. Donated Facilities, Materials and Services

Donated materials, equipment, and use of facilities (if any) are reflected as contributions in the accompanying statements at their estimated values at the date of receipt. Donated services (if any) are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the organization. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the criteria for SFAS No. 116 are not met.

H. Concentration of Risk

CASA of West CenLA, Inc.'s primary sources of support are from grants awarded by the state. Management is always seeking funding for the upcoming years through renewals of current grants as well as applying for new grants; however, in the event the Organization is unable to secure additional funding, the financial position of the Organization could be significantly impacted.

Notes to the Financial Statements (Continued)

I. Subsequent Events

The accounting records of the Organization were reviewed subsequent to year end and through the date the auditor's report was issued for subsequent events that could materially affect the financial statements. No subsequent events were found during this period that would materially affect the financial statements.

2. ECONOMIC DEPENDENCY

The Organization receives a substantial portion of its total support from TANF (Temporary Assistance for Needy Families) and CASA AP (Assistance Program). During the period ended June 30, 2017, CASA of West CenLA, Inc. received \$216,987 and \$84,612 respectively in grant support, which represents 74% of total support.

3. CASH AND CASH EQUIVALENTS

At June 30, 2017, the Organization had cash and cash equivalents (book balances) totaling \$84,635 as follows:

Demand deposits	\$ 53,960
Time deposit	30,475
Petty cash	200
Total	<u>\$ 84,635</u>

These deposits are stated at cost, which approximates market. At June 30, 2017, the Organization has \$88,319 in deposits (collected bank balances). These deposits are secured from risk by \$88,319 of federal deposit insurance.

4. RECEIVABLES

The following is a summary of receivables for June 30, 2017:

Grants:	
CASA AP state Grant	\$ 24,816
Red River Delta Grant	1,820
Total grants receivable	<u>\$ 26,636</u>

CASA of West CenLA, Inc.

Notes to the Financial Statements (Continued)

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2017, for the Organization is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Equipment	\$ 38,415	\$ -	\$ -	\$ 38,415
Furniture and fixtures	1,561	-	-	1,561
Total capital assets being depreciated	<u>\$ 39,976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,976</u>
Less accumulated depreciation for:				
Equipment	\$ 38,415	\$ -	\$ -	\$ 38,415
Furniture and fixtures	1,561	-	-	1,561
Total accumulated depreciation	<u>\$ 39,976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,976</u>
Total capital assets being depreciated, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

6. ACCOUNTS AND OTHER PAYABLES

The following is a summary of payables at June 30, 2017:

<u>Class of Payable</u>	
Accounts payable	\$ 364
Payroll taxes payable	1,278
Total payables	<u>\$ 1,642</u>

7. NET ASSETS

As required by SFAS No. 117, net assets have been reclassified into three categories: Unrestricted, temporarily restricted, and permanently restricted. The reclassification is as follows:

Unrestricted	\$ 115,592
Temporarily restricted	-
Permanently restricted	-
Total net assets	<u>\$ 115,592</u>

8. LITIGATION AND CLAIMS

At June 30, 2017, CASA of West CenLA, Inc. had no litigation or claims pending.

9. PENSION PLAN

Substantially all employees of CASA of West CenLA, Inc. are members of the CASA of West Central Louisiana 403 (B) Plan, a defined contribution tax sheltered annuity pension plan administered by Mass Mutual Financial Group.

All employees are eligible to participate in the plan on the first day of the month that coincides with or immediately follows the date that they complete twelve months of eligibility service, and reach the age of twenty-one. Employees may contribute up to a maximum amount permitted by law, \$18,000 and \$18,000 for the calendar years 2016 and 2017 respectively, and if the employee has attained age fifty by the end of the year, an additional contribution can be made in the amount of \$6,000 and \$6,000 for calendar years 2016 and 2017 respectively.

Each payroll period the employer will make regular matching contributions to the employee's account equal to 100% of the employee's contributions, up to a maximum contribution of 8% of the employee's compensation. The employee is fully vested on their employee elected contributions and upon three years of vesting service the employee is fully vested on the employer's contributions. Investment elections are made by the employee upon eligibility and may be invested in any of the available investment funds offered by the administrator. The employer's contribution to the plan for the years ending June 30, 2015, 2016, and 2017 was \$9,750, \$8,620, and \$5,735 respectively.

OTHER SUPPLEMENTAL INFORMATION

Schedule of CASA Assistance Program TANF
Revenue and Expenditure Activity
For the Year Ended June 30, 2017

Revenues and support:	
TANF federal grant	\$ 216,612
CASA AP state grant	84,612
Total revenues and support	<u>\$ 301,224</u>
Expenses:	
Salaries	\$ 168,414
Fringe benefits	48,148
Operating expenses	50,225
Travel	16,738
Supplies	5,179
Equipment	-
Printing	-
Professional fees	9,392
Training	3,128
Total expenses	<u>\$ 301,224</u>
Increase (decrease) in net assets	<u>\$ -</u>

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2017

Agency Head Name - Tommy Edwards

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 47,000
Benefits - insurance	4,770
Benefits - retirement	3,760
Deferred compensation	-
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	-
Travel - mileage reimbursement (@.51 per mile)	1,375
Travel - meal reimbursement	38
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-

OTHER INFORMATION

Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2017

There were no prior year audit findings as of June 30, 2016.

Schedule of Current Year Audit Findings and Management's Response
For the Year Ended June 30, 2017

There were no current year audit findings as of June 30, 2017.

Windham & Reed, L.L.C.

Certified Public Accountants

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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
CASA of West CenLA, Inc.
DeRidder, Louisiana

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 CASA of West CenLA, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 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 August 17, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered CASA of West CenLA, Inc.'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 CASA of West CenLA, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of CASA of West CenLA, Inc.'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 charge 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 CASA of West CenLA, Inc.'s financial statements are free of 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.

A handwritten signature in black ink that reads "John A. Windham, CPA". The signature is written in a cursive style with a large initial 'J'.

DeRidder, Louisiana
August 17, 2017