

**Capital Area
CASA Association**

Baton Rouge, Louisiana

Year Ended December 31, 2020

*Financial Statements
and Supplementary Information*

William D. Mercer, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

CONTENTS

	<u>Page</u>
Independent Auditor's Report	3 – 4
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 <i>Government Auditing Standards</i>	5 – 6
Statement of Financial Position	7 – 8
Statement of Activities	9
Statement of Functional Expenses	10
Statement of Cash Flows	11
Notes to the Financial Statements	12 – 22
Schedule of Findings	23
Schedule of Prior Year Findings	24
Supplementary Information:	
Schedule of CASA Assistance Program Grant Revenue and Expenses	26
Schedule of Compensation, Benefits, and Other Payments to Agency Head	27

William D. Mercer, APAC
CERTIFIED PUBLIC ACCOUNTANTS

WILLIAM D. MERCER, CPA (P.C.)

MEMBERS OF:
AMERICAN INSTITUTE
AND SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

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

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, 2020, 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 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 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, we express no 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, 2020, 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

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise Capital Area CASA Association's basic financial statements. The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedules listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated October 26, 2021, on my consideration of Capital Area CASA Association's internal control over financial reporting and on 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 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.

William D Mercer CPA (APAC)

Baton Rouge, Louisiana
October 26, 2021

William D. Mercer, APAC

CERTIFIED PUBLIC ACCOUNTANTS

WILLIAM D. MERCER, CPA (P.C.)

MEMBERS OF:
AMERICAN INSTITUTE
AND SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors
Capital Area CASA Association
Baton Rouge, 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 Capital Area CASA Association, which comprise the statement of financial position as of December 31, 2020, 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 my report thereon dated October 26, 2021.

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 effectiveness of Capital Area CASA Association's internal control. Accordingly, we do not express an opinion on the effectiveness of Capital Area CASA Association'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 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 my audit we did not identify any deficiencies in internal control that we consider to 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 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

William D Mercer CPA (APAC)

Baton Rouge, Louisiana
October 26, 2021

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

STATEMENT OF FINANCIAL POSITION

December 31, 2020

ASSETS

CURRENT:

Cash and cash equivalents	\$ 363,363
Investments	837,891
Grants receivable	<u>80,264</u>
Total Current Assets	<u>1,281,518</u>

PROPERTY AND EQUIPMENT:

Building and improvements	1,477,871
Equipment and furniture	113,289
Land	<u>80,000</u>
	1,671,160
Less accumulated depreciation	<u>506,699</u>
Net Property and Equipment	<u>1,164,461</u>

TOTAL ASSETS \$ 2,445,979

The accompanying notes are an integral part of these financial statements.

LIABILITIES

CURRENT:

Accounts payable	\$ 4,061
Payroll liabilities	<u>1,043</u>

TOTAL LIABILITIES (all current) 5,104

NET ASSETS

With donor restrictions:

Educational services	9,497
----------------------	-------

Without donor restrictions:

Board designated	438,000
Undesignated	<u>1,993,378</u>

TOTAL NET ASSETS 2,440,875

TOTAL LIABILITIES AND NET ASSETS \$ 2,445,979

The accompanying notes are an integral part of these financial statements.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

STATEMENTS OF ACTIVITIES

Year Ended December 31, 2020

	<u>With Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>Totals</u>
REVENUES AND OTHER SUPPORT:			
Court costs	\$ -	\$ 46,891	\$ 46,891
Donated services	-	194,000	194,000
Fundraising events	-	65,152	65,152
Grant income	-	549,955	549,955
Investment income, net	-	53,050	53,050
Other donations	-	107,032	107,032
Other revenues	-	44	44
Net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>1,016,124</u>	<u>1,016,124</u>
EXPENSES:			
Program services	-	844,013	844,013
Supporting services:			
Management services	-	79,489	79,489
Fundraising	<u>-</u>	<u>50,755</u>	<u>50,755</u>
Total Expenses	<u>-</u>	<u>974,257</u>	<u>974,257</u>
Change in net assets	-	41,867	41,867
NET ASSETS, beginning of year	<u>9,497</u>	<u>2,389,511</u>	<u>2,399,008</u>
NET ASSETS, end of year	\$ <u><u>9,497</u></u>	\$ <u><u>2,431,378</u></u>	\$ <u><u>2,440,875</u></u>

The accompanying notes are an integral part of these financial statements.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2020

	<u>Program Services</u>	<u>Management Services</u>	<u>Fundraising</u>
Audit	\$ -	\$ 9,750	-
Casual labor	-	3,665	-
Depreciation	31,428	3,237	2,291
Dues	375	-	-
Equipment expense	38,791	3,996	2,828
Fundraising expense	-	-	5,434
Insurance – health	26,310	2,710	1,918
Insurance – liability	15,923	1,640	1,161
Insurance – workers compensation	1,913	197	140
Miscellaneous	-	2,039	-
Mileage	1,020	105	74
Office expense	(166)	(17)	(12)
Payroll taxes	18,481	1,904	1,347
Postage	1,415	146	103
Printing	1,700	175	124
Repairs and maintenance	16,233	1,672	1,184
Retirement contributions	13,529	1,394	986
Salaries	433,749	44,681	31,623
Staff training	(375)	-	-
Supplies	2,275	234	166
Telephone	10,535	1,085	768
Utilities	8,501	876	620
Volunteer recruitment	19,326	-	-
Volunteer recognition	713	-	-
Volunteer services	194,000	-	-
Volunteer training	<u>8,337</u>	<u>-</u>	<u>-</u>
Totals	\$ <u>844,013</u>	\$ <u>79,489</u>	\$ <u>50,755</u>

The accompanying notes are an integral part of these financial statements.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

STATEMENTS OF CASH FLOWS

Year Ended December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 41,867
Adjustments to reconcile change in net assets to net	
Cash provided by operating activities:	
Depreciation	36,956
Realized (gain) loss on investments	10,843
Unrealized (gain) loss on investments	(41,472)
(Increase) decrease in:	
Grants receivable	38,753
Increase (decrease) in:	
Accounts payable	784
Payroll liabilities	<u>522</u>
Net cash used by operating activities	<u>88,253</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Cash payments for purchase of investments	(47,985)
Cash proceeds from sales of assets	<u>35,778</u>
Net cash used by investing activities	(<u>12,207</u>)

NET INCREASE IN CASH 76,046

CASH AND CASH EQUIVALENTS, beginning of year 287,317

CASH AND CASH EQUIVALENTS, end of year \$ 363,363

The accompanying notes are an integral part of these financial statements.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Capital Area CASA Association (the Organization) is a nonprofit organization organized in May 1992 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 funded primarily through grants from various organizations and state agencies, as well as contributions.

Method of accounting

The accompanying financial statements have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Organization regularly assesses these estimates and, while actual results could differ, management believes that the estimates are reasonable.

Significant estimates included in or affecting the presentation of the accompanying financial statements include estimated useful lives of property and equipment.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation

Net assets of the Organization and changes therein are classified and reported as follows:

Without donor restrictions – Net assets that are not subject to donor-imposed stipulations. This also includes previously restricted gifts and grants for buildings and equipment that have been placed into service.

With donor restrictions – Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt, including gifts and pledges for buildings and equipment not yet placed in service. Also included in this net asset category are net assets subject to donor-imposed restrictions to be maintained permanently by the Organization, including gifts and pledges wherein donors stipulate that the corpus of the gift be held in perpetuity and that only income be made available for program operations.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed stipulations. Expenses are recorded as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated passage of time has elapsed) are reported as net assets released from restrictions.

Cash and cash equivalents

For the purpose of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with an original maturity of three months or less to be cash equivalents.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments consist of mutual funds and certificates of deposit which do not meet the Organization'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 changes in net assets in the accompanying statement of activities.

Property and equipment

All property and equipment is stated at cost. Expenditures for maintenance, repairs, and minor renewals are expensed as incurred. Major expenditures for renewals and betterments are capitalized.

As a general rule, when items are retired or otherwise disposed, accumulated depreciation is reduced by the accumulated amount of depreciation applicable thereto. Any gain or loss from such retirement or disposal is credited or charged to income in the year of the disposal.

Property and equipment and depreciation

The Organization capitalizes fixed assets with a cost of \$ 1,000 or more. The Organizations 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. Depreciation is computed on the straight-line method over the following estimated useful lives of the various classes of depreciable assets:

Buildings and improvements	10 – 40 years
Equipment and furniture	3 – 10 years
Transportation equipment	3 – 5 years

The useful lives are estimated based on historical experience with similar assets, taking into account anticipated technological or other changes. The Organization periodically reviews these lives relative to physical factors, economic factors, and industry trends. If there are changes in the planned use of property and equipment or if technological changes occur more rapidly than anticipated, the useful lives assigned to those assets may be shortened, resulting in the recognition of increased depreciation and amortization expense in future periods.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated assets and services

The Organization records noncash donations as contributions at their 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 the Organization. These services are valued at an hourly rate published by the Independent Sector. The value of these donations is reflected in the financial statements as a component of revenues and expenses.

Revenue recognition

The Organization reports contributions as support with donor restrictions if they are received with donor or grantor restrictions that limit the use of the contributions. When a restriction expires (i.e., when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions are considered to be available for unrestricted use and recorded as such, unless specifically restricted by the donor.

Revenues from government agency contracts and fees are recognized in the period in which the Organization provides the service.

Receivables

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

Income taxes

The Organization is a not-for-profit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision or liability for federal income taxes has been included in the accompanying financial statements.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional allocation of expenses

The Organization's operating costs have been allocated between program expenses, general and administrative expenses, and fundraising expenses based on direct identification when possible, and allocation if a single expenditure benefits more than one program or function. Expenditures that require allocation are allocated based on how personnel cost is allocated.

Management of liquid resources

The Organization is primarily funded by contributions and contract fees that may contain restrictions. Those restrictions require that resources be used in a certain manner or in a future period. Therefore, the Organization must maintain adequate resources to meet those responsibilities to its donors and certain financial assets may not be available for general expenditure within one year. As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due. The Organizations also invests its cash in investments held by Baton Rouge Area Foundation. The Board of Directors may occasionally designate amounts to its liquidity reserve that could be utilized in the event of an unanticipated liquidity need.

Subsequent events

In preparing the accompanying financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 26, 2021, the date the financial statements were available to be issued.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2020, were as follows:

Cash on hand	\$ -
Cash in bank – checking	322,075
Cash in brokerage account – savings	28,019
Cash in brokerage account – money market	<u>13,269</u>
	\$ <u>363,363</u>

NOTE C – INVESTMENTS

Investments as of December 31, 2020, were as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Exchange traded and closed-end funds	\$ 20,787	\$ 34,001	\$ 34,001
Mutual funds	<u>755,895</u>	<u>803,890</u>	<u>803,890</u>
	\$ <u>776,682</u>	\$ <u>837,891</u>	\$ <u>837,891</u>

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE C – INVESTMENTS (continued)

The following summarizes investment income as reported in the statement of activities for the year ended December 31, 2020:

Interest income	\$ 1,600
Dividend income	26,463
Realized gains (losses)	(10,843)
Unrealized gains (losses)	41,472
Investment expense	(5,642)
	\$ <u>53,050</u>

NOTE D – DONATED GOOD AND SERVICES

The value of donated goods and services included in the accompanying financial statements and the corresponding expenses for the year ended December 31, 2020, are:

Donated services	\$ <u>194,000</u>
Fundraising expenses – in-kind donations	\$ -
Volunteer services	<u>194,000</u>
	\$ <u>194,000</u>

NOTE E – FINANCIAL INSTRUMENTS

Financial instruments that potentially subject the Organization to concentrations of credit risk and market risk consist of cash and equity investments.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE E – FINANCIAL INSTRUMENTS (continued)

The Organization maintains cash balances at several banks which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$ 250,000. At times such balances may exceed FDIC insured limits. As of December 31, 2020, the Organization had no cash balances in excess of the insured limits.

Additionally, the Organization maintains an account with a stock brokerage firm. The account contains cash, money market accounts, certificates of deposit, and mutual funds. Balances in this account are insured up to \$ 500,000 (with a limit of \$ 250,000 for cash) by the Securities Investor Protection Corporation (SIPC). At December 31, 2020, the Organization had \$ 28,019 in cash and cash equivalents on deposit with the brokerage firm. At times, such balances may exceed SIPC insured limits.

The fair value of the Organization's financial instruments as of December 31, 2020, were as follows:

	<u>Carrying value</u>	<u>Fair value</u>
Cash and cash equivalents	\$ 363,363	\$ 363,363
Investments	<u>837,891</u>	<u>837,891</u>
	\$ <u>1,201,254</u>	\$ <u>1,201,254</u>

NOTE F – LEASE COMMITMENTS

The Organization leases office equipment under a non-cancelable operating lease agreement expiring in October 2023. Lease expense incurred by the Organization during the year ended December 31, 2020, totaled \$ 2,424.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE F – LEASE COMMITMENTS (continued)

Future minimum lease payments under the non-cancelable leaser as of December 31, 2020, are as follows:

Year ended <u>December 31,</u>	
2021	\$ 2,209
2022	2,209
2023	1,841
2024	-
2025	-

NOTE G – SUPPLEMENTARY CASH FLOW INFORMATION

Cash payments for interest and income taxes for the year ended December 31, 2020, were as follows:

Interest	\$ -
Income taxes	\$ -

Noncash investing and financing activities for the year ended December 31, 2020, were as follows:

Donated materials and services having an estimated value of \$ 194,000

NOTE H – ECONOMIC DEPENDENCY

The Organization receives a significant portion of its revenues and other support from federal and state grants. A reduction in revenues generated from those grants, should this occur, could have a significant impact on the Organization's operations.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE I – 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 for the year 2020 totaled \$ 15,909.

NOTE J – BOARD DESIGNATED RESERVE

In January 2004, the Board approved the establishment of an operating reserve to segregate an amount from net assets without donor restrictions equaling 50% of the adopted annual budgeted expenditures. For the year ended December 31, 2020, this reserve totaled \$ 438,000.

NOTE K – AVAILABILITY OF FINANCIAL RESOURCES

The following represents the Organization's financial assets as of December 31, 2020, reduced by amounts that are not available for general use due to contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts that are not available also include board designated amounts that could be utilized if the Board of Directors approved the use.

Financial assets, December 31, 2020:

Cash and equivalents	\$ 363,363
Investments	837,891
Grants receivable	<u>80,264</u>

1,281,518

Less those unavailable for general expenditures within one year, due to:

Restricted by donor with time or purpose restrictions	9,497
Board designations	<u>438,000</u>

Financial assets available to meet cash needs for general expenditures
within one year

\$ 834,021

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE L – CONTINGENCIES

The Organization participates in state and federal grant programs which 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, 2020, 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 M – SIGNIFICANT EVENT

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely affecting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and could trigger a period of economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. The extent to which the pandemic may impact financial markets and the Organization's financial condition or results of operations cannot be reasonably estimated at this time.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS

Year Ended December 31, 2020

There were no findings for the year ended December 31, 2020.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS

Year Ended December 31, 2020

There were no findings disclosed in the prior audit report dated September 28, 2020, for the year ended December 31, 2019.

SUPPLEMENTARY INFORMATION

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

SCHEDULE OF CASA ASSISTANCE PROGRAM
GRANT REVENUES AND EXPENSES
Year Ended December 31, 2020

REVENUES:

CASA Assistance Program Federal	\$ 197,016
CASA Assistance Program State	130,929
CARES Act	<u>6,076</u>
	<u>334,021</u>

EXPENSES:

Dues	100
Facility maintenance	330
Equipment expense	15,836
Insurance – health	17,887
Insurance – liability	10,000
Insurance – workers compensation	509
Miscellaneous	297
Office expense	1,834
Payroll taxes	16,890
Postage	1,045
Printing	1,241
Retirement contributions	6,243
Salaries	225,952
Staff training	292
Telephone	6,541
Utilities	7,770
Volunteer recruitment	19,012
Volunteer training	<u>2,242</u>
	<u>334,021</u>

Net revenues and expenses \$ -

See auditor's report on supplementary information.

CAPITAL AREA CASA ASSOCIATION
Baton Rouge, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD
Year Ended December 31, 2020

Agency Head: Elizabeth Betz, Executive Director

No public funds were used to compensate, reimburse, or pay benefits for the agency head for the year ended December 31, 2020.

See auditor's report on supplementary information.