

FIRST CIRCUIT COURT APPOINTED  
SPECIAL ADVOCATE PROGRAM

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

**CM** *Carlton  
& Millar, Prof. L.L.C.*

certified public accountants

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of  
First Circuit CASA Program

We have reviewed the accompanying financial statements of First Circuit CASA Program (a South Dakota nonprofit organization) which comprise the statement of assets, liabilities, and net assets – modified cash basis as of December 31, 2018 and 2017, and the related statement of revenues, expenses and changes in net assets-modified cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting

### **Basis of Accounting**

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

### **Report on Supplementary Information**

The supplementary information is 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.

*Carlson + Miller, Prof LLC*

Mitchell, South Dakota  
January 25, 2019

**First Circuit Court Appointed Special Advocate Program**  
**Statement of Assets, Liabilities and Net Assets - Modified Cash Basis**  
**December 31, 2018 and 2017**

	2018	2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash in Bank - Checking	\$ 149,191	\$ 129,633
Cash in Bank - Savings	-	6,275
Certificates of Deposit	40,173	33,175
Prepaid Rent	6,825	2,900
Prepaid Software Subscription	1,800	1,800
Rent Deposit	975	-
<b>Total Current Assets</b>	<b>198,964</b>	<b>173,783</b>
<b>Property and Equipment</b>		
Office Equipment	24,363	26,040
Less Accumulated Depreciation	(18,555)	(18,107)
<b>Net Property and Equipment</b>	<b>5,808</b>	<b>7,933</b>
	<b>\$ 204,772</b>	<b>\$ 181,716</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Retirement Payable	\$ 632	\$ -
Aflac Payable	13	-
<b>Total Current Liabilities</b>	<b>645</b>	<b>-</b>
<b>Net Assets</b>		
<b>Net Assets without Donor Restrictions</b>	<b>204,127</b>	<b>181,716</b>
	<b>\$ 204,772</b>	<b>\$ 181,716</b>

See accompanying notes to these statements.

**First Circuit Court Appointed Special Advocate Program**  
**Statement of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis**  
**For the Years Ended December 31, 2018 and 2017**

	<b>2018</b>	<b>2017</b>
<b>Revenues</b>		
<b>Grants</b>		
VOCA	\$ 70,080	\$ 33,091
South Dakota CASA Commission	28,000	31,296
Court Improvement	22,000	26,715
Court Improvement - Extra	7,113	5,600
Other	6,786	21,826
National CASA	4,000	14,200
Fundraisers	66,076	55,766
Donations	32,366	26,932
Major Gifts	32,050	18,240
United Way	16,510	16,490
Non-Cash Donation	750	-
	<b>\$ 285,731</b>	<b>\$ 250,156</b>
<b>Total Revenues</b>		

See accompanying notes to these statements.

**First Circuit Court Appointed Special Advocate Program**  
**Statement of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis**  
**For the Years Ended December 31, 2018 and 2017**

	2018	2017
<b>Expenses</b>		
<b>A. Salaries and Wages:</b>		
Executive Director	\$ 65,300	\$ 64,800
Program Manager	49,651	48,350
Training and Recruitment	30,224	14,870
Other	5,278	-
<b>B. Insurance:</b>		
Health	16,739	13,719
General Liability and Property	2,000	2,512
Work Comp	853	951
Directors' and Officers' Liability	575	795
<b>C. Fund Raising:</b>		
Special Events	9,522	9,697
Direct Mail	1,916	1,953
<b>D. Travel:</b>		
Volunteers	7,509	9,489
Executive Director	4,052	2,854
Program Manager	3,201	2,690
<b>E. General Expenses:</b>		
Payroll Taxes	11,125	9,613
Rent	8,525	5,500
Software Expense	6,864	2,580
Move	6,097	-
Advertising and Public Relations	5,642	3,080
Retirement	4,901	3,245
Leased Equipment and Service Contract	4,267	4,791
Training and Conferences	3,540	2,702
Volunteers Appreciation	3,345	2,856
Supplies	2,922	2,980
Depreciation	2,874	3,006
Utilities	1,626	-
Postage	1,209	1,408
Professional Fees	1,050	1,084
Telephone	949	952
Background Checks	886	827
Dues	694	700
Internet	610	586
Repairs and Maintenance	40	1,014
Miscellaneous	30	-
Consulting Fees	-	6,348
Furniture and Equipment	-	177
<b>Total Expenses</b>	<b>264,016</b>	<b>226,129</b>
<b>Excess of Revenues over Expenses</b>	<b>21,715</b>	<b>24,027</b>
<b>Other Income</b>		
Interest Income	696	642
<b>Change in Net Assets</b>	<b>22,411</b>	<b>24,669</b>
<b>Net Assets, Beginning of Year</b>	<b>181,716</b>	<b>157,047</b>
<b>Net Assets, End of Year</b>	<b>\$ 204,127</b>	<b>\$ 181,716</b>

See accompanying notes to these statements.

**First Circuit Court Appointed Special Advocate Program  
Notes to Financial Statements**

1. Organization and Nature of Activities:

The First Circuit Court Appointed Special Advocate Program (CASA) is a non-profit organization and is affiliated with national and state CASA organizations.

CASA provides trained community volunteers appointed by a judge to promote and protect the best interests of abused and neglected children that are involved in the court system through no fault of their own. CASA volunteers provide the court with a carefully researched background of the child to assist the court in making sound decisions about the child's future. The CASA volunteer may make recommendations about foster care, reuniting with parents, legal freedom or adoption based on their visitations with the child, the parents and those who are knowledgeable about the child's history. The CASA program was originally developed by the Davison County Child Protection Team in 2000.

2. Summary of Significant Accounting Policies:

Basis of Accounting: The Organization's policy is to prepare its financial statements on the modified cash basis of accounting; consequently, contributions and other revenues are recognized when received rather than when promised or earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Financial Statement Presentation: The Organization has adopted FASB Accounting Standards Update (ASU) No.2016-14. "Presentation of Financial Statements of Not-For-Profit Entities." Under ASU 2016-14, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Contributions: Contributions received including unconditional promises to give, are recorded as support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions. Unless specifically restricted by the donor, all contributions are considered to be available for unrestricted use. Contributions to be received in the future are recorded at their present value.

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.



**First Circuit Court Appointed Special Advocate Program  
Notes to Financial Statements....Continued**

Concentrations: The fund-raising and service activities of the Organization are confined to the First Circuit geographical area of South Dakota.

Property and Equipment: Property and equipment are recorded at cost, when purchased, or if donated, at their estimated fair market value at date of donation. All acquisitions or property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Depreciation is provided on the straight-line method over estimated useful lives ranging from three to ten years.

Cash and Cash Equivalents: The Organization considers all short-term debt securities purchased with a maturity of three months or less to be current assets.

Advertising and Public Relations Costs: Advertising and public relations costs are expensed as incurred.

3. **Tax Status:**  
The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Donations are deductible for income tax purposes.
4. **Rent:**  
In 2017 the Organization rented its office space for \$400 per month. The lease ran on a month to month basis. Effective June 1, 2017 the rent increased to \$500 per month. On August 1, 2018 the Organization moved into a different building. The new rent is \$975 per month plus utilities. The new lease runs through July 31, 2023
5. **Leased Equipment:**  
Starting in October, 2016 a Toshiba copier was leased from A & B Business, Inc. for \$261 per month, including maintenance. The new lease runs for 63 months through December, 2021.
6. **Contributed Services:**  
Numerous individuals volunteer their time and perform valuable tasks that assist the Organization with its program and supporting services. These services typically do not meet the criteria for recognition of income under SFAS No. 116.
7. **Net Assets with Donor Restrictions:**  
At December 31, 2018 and 2017, the Organization had no net assets with donor restrictions.
8. **Income Taxes:**  
The federal tax returns (Form 990) of CASA for years ending December 31, 2018, 2017, 2016 and 2015 are subject to examination by the IRS, generally for three years after they are filed.

**First Circuit Court Appointed Special Advocate Program  
Notes to Financial Statements....Continued**

9. Statement of Functional Expenses:

	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 61,459	\$ 82,464	\$ 6,530	\$ 150,453
Health Insurance	6,838	9,174	727	16,739
Liability and Property Ins.		2,575		2,575
Work Comp Insurance	348	468	37	853
Special Events			9,522	9,522
Direct Mail			1,916	1,916
Travel	11,115	3,647		14,762
Payroll Taxes	4,544	6,098	483	11,125
Rent	2,131	6,394		8,525
Software Expense	1,373	5,491		6,864
Move		6,097		6,097
Advertising & Public Relation	2,257	2,257	1,128	5,642
Retirement	2,117	2,784		4,901
Leased Equip/Service Contract		4,267		4,267
Training and Conferences	3,186	354		3,540
Volunteers Appreciation	3,345			3,345
Supplies	584	2,338		2,922
Depreciation		2,874		2,874
Utilities	406	1,220		1,626
Postage		605	604	1,209
Professional Fees		1,050		1,050
Telephone	474	475		949
Background Checks	886			886
Dues		694		694
Internet		610		610
Repairs and Maintenance		40		40
Miscellaneous		30		30
Total Expense	<u>\$ 101,063</u>	<u>\$ 142,006</u>	<u>\$ 20,947</u>	<u>\$264,016</u>

10. Subsequent Events:

Management has evaluated subsequent events through January 25, 2019, the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**First Circuit Court Appointed Special Advocate Program  
Schedule of Fundraisers Revenue  
For the Years Ended December 31, 2018 and 2017**

	2018	2017
Cool Nights, Warm Hearts	\$ 45,579	\$ 35,626
Baskets of Hope	11,746	11,900
Kash Kids	2,614	953
Corn Palace Challenge	2,260	2,380
Concert	1,469	2,874
Jimmy Weber Concert	1,277	-
Santa Pictures	736	969
Charity Shoot Out	395	325
Rodeo	-	739
Total	<u>\$ 66,076</u>	<u>\$ 55,766</u>



