

FIRST CIRCUIT COURT APPOINTED
SPECIAL ADVOCATE PROGRAM

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

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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, 2016 and 2015, 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 16, 2017

**First Circuit Court Appointed Special Advocate Program
Statement of Assets, Liabilities and Net Assets - Modified Cash Basis
December 31, 2016 and 2015**

	2016	2015
Assets		
Current Assets		
Cash in Bank - Checking	\$ 108,425	\$ 95,107
Cash in Bank - Savings	6,269	6,263
Certificates of Deposit	32,582	32,039
Prepaid Rent	2,400	2,400
Prepaid Software Subscription	1,800	1,800
Total Current Assets	151,476	137,609
Property and Equipment		
Office Equipment	22,699	21,561
Less Accumulated Depreciation	(17,128)	(13,943)
Net Property and Equipment	5,571	7,618
	\$ 157,047	\$ 145,227
Liabilities and Net Assets		
Current Liabilities		
Payroll Taxes Withheld	\$ -	\$ 1,744
Net Assets		
Net Assets - Unrestricted	157,047	140,483
Net Assets - Designated	-	3,000
Total Net Assets	157,047	143,483
	\$ 154,047	\$ 145,227

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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Grants		
South Dakota CASA Commission	\$ 30,000	\$ 23,000
Court Improvement	20,000	15,000
VOCA	16,082	6,027
National CASA	6,000	24,500
Other	4,250	3,247
Court Improvement - Extra	4,249	5,354
Fundraisers	70,824	50,499
Donations	28,993	24,622
United Way	17,000	17,000
Major Gifts	16,718	-
Memorials (Designated)	3,000	-
	<u> </u>	<u> </u>
Total Revenues	<u>\$ 217,116</u>	<u>\$ 169,249</u>

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, 2016 and 2015

	2016	2015
Expenses		
A. Salaries and Wages:		
Executive Director	\$ 63,000	\$ 46,000
Program Manager	47,000	30,596
Training and Recruitment	4,801	-
Other	695	4,055
B. Insurance:		
Health	17,636	13,762
General Liability and Property	2,793	2,704
Work Comp	747	1,136
Directors' and Officers' Liability	681	724
C. Fund Raising:		
Special Events	13,865	11,563
Direct Mail	2,803	3,055
D. Travel:		
Executive Director	4,268	4,669
Volunteers	2,716	4,463
Program Manager	2,398	3,735
E. General Expenses:		
Payroll Taxes	8,688	6,165
Rent	4,800	4,800
Depreciation	3,185	3,155
Retirement	3,150	-
Repairs and Maintenance	3,139	2,568
Volunteers/Appreciation	2,708	-
Leased Equipment	2,408	1,656
Supplies	2,283	1,206
Training and Conferences	2,177	2,071
Software Expense	1,937	746
Advertising and Public Relations	1,082	3,845
Professional Fees	925	3,307
Postage	902	755
Telephone	889	1,087
Furniture and Equipment	686	1,034
Background Checks	581	252
Dues	572	568
Internet	502	542
Miscellaneous	42	106
Total Expenses	204,059	160,325
 Excess of Revenues over Expenses	 13,057	 8,924
 Other Income		
Interest Income	507	232
 Change in Net Assets	 13,564	 9,156
 Net Assets, Beginning of Year	 143,483	 134,327
Net Assets, End of Year	\$ 157,047	\$ 143,483

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 represent the best interests of abused and neglected children that are in the juvenile or regular 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.

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 Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-For-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. The Organization has presented its net assets by degree of restriction.

Contributions: The Organization has also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made," whereby contributions received including unconditional promises to give, are recorded as unrestricted, temporarily restricted, or permanently restricted 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. SFAS No. 116 requires contributions to be received in the future to be 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.

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

See independent accountant's review report

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

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 of 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:**
The Organization rents its office space for \$400 per month. The lease runs on a month to month basis. Effective June 1, 2017 the rent increases to \$550 per month.
5. **Lease Equipment:**
The Organization leases a copier from A & B Business, Inc. for \$138 per month. This lease started September 30, 2011 and ran through September, 2016. Starting in October, 2016 a Toshiba copier was leased from A & B 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. **Restricted Net Assets:**
At December 31, 2016, the Organization had no temporary or permanently restricted net assets. In December, 2013, the Board designated \$3,000 for the expansion into Brule and Buffalo Counties, which was expended in the current year.
8. **Income Taxes:**
The federal tax returns (Form 990-EZ) of CASA for years ending December 31, 2015, 2014, 2013 and 2012 are subject to examination by the IRS, generally for three years after they are filed.
9. **Subsequent Events:**
Management has evaluated subsequent events through January 16, 2017, the date the financial statements were available to be issued.

See Independent accountant's review report

SUPPLEMENTARY INFORMATION

**First Circuit Court Appointed Special Advocate Program
 Schedule of Fundraisers Revenue
 For the Years Ended December 31, 2016 and 2015**

	2016	2015
Cool Nights, Warm Hearts	\$ 32,780	\$ 31,342
Baskets of Hope	11,138	7,770
Popcorn Balls	9,216	7,473
Fall Harvest	7,137	2,561
Holiday Dazzle	2,600	702
Rodeo	2,333	651
Corn Palace Challenge	1,920	-
Concert	1,866	-
Kash Kids	1,106	-
Charity Shoot Out	528	-
Pampered Chef	200	-
Total	<u>\$ 70,824</u>	<u>\$ 50,499</u>

See Independent Accountant's Review.

