



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

B49494

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

February 1, 2018

Board of Directors  
Vanderburgh County Casa, Inc.  
728 Court Street  
Evansville, IN 47708

We have reviewed the report prepared by Vanderburgh County Casa, Inc. and opined upon by Timothy J. Otte, CPA, PC, Independent Public Accountants, for the period January 1, 2016 to December 31, 2016. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Vanderburgh County Casa, Inc. as of December 31, 2016 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Timothy J. Otte, CPA, PC prepared all required independent auditor's reports in accordance with generally accepted auditing standards and guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA  
State Examiner

Timothy J.  Otte CPA, PC

***VANDERBURGH COUNTY CASA, INC.***

***FINANCIAL STATEMENTS***

***DECEMBER 31, 2016 AND 2015***

Phone: 812.490.8600 • Fax: 812.490.8601

P.O. Box 308 Newburgh IN, 47629

Member of American Institute of Certified Public Accountants and Indiana CPA Society

# TABLE OF CONTENTS

	<u>Page</u>
<i>Independent Auditor's Report</i>	1-2
<i>Statements of Financial Position</i>	3
<i>Statements of Activities</i>	4
<i>Statements of Functional Expenses</i>	5
<i>Statements of Cash Flows</i>	6
<i>Notes to Financial Statements</i>	7-9

***INDEPENDENT AUDITOR'S REPORT***

Board of Directors  
Vanderburgh County CASA, Inc.

We have audited the accompanying statement of financial position of the Vanderburgh County CASA, Inc. (a nonprofit organization) as of December 31, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 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 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 Vanderburgh County CASA, Inc. as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Timothy J. Scott CPA PC*

Evansville, IN  
June 29, 2017

**Vanderburgh County CASA, Inc.  
Statements of Financial Position  
December 31, 2016 and 2015**

	<b>2016</b>	<b>2015</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 317,445	\$ 275,677
Grants Receivable	8,000	8,000
Total Current Assets	<b>325,445</b>	<b>283,677</b>
<b>Property &amp; Equipment</b>		
Equipment	31,598	30,395
Leasehold Improvements	2,961	2,961
Less Accumulated Depreciation	<b>(26,668)</b>	<b>(23,318)</b>
Total Property & Equipment	<b>7,891</b>	<b>10,037</b>
<b>Other Assets</b>		
Agency Endowment Fund	<b>10,450</b>	-
 Total Assets	 <b>\$ 343,786</b>	 <b>\$ 293,714</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accrued Expenses	\$ 943	\$ 1,676
Total Current Liabilities	<b>943</b>	<b>1,676</b>
<b>Net Assets</b>		
Net Assets- Unrestricted	332,393	292,039
Net Assets- Permanently Restricted	<b>10,450</b>	-
Total Net Assets	<b>342,843</b>	<b>292,039</b>
 Total Liabilities and Net Assets	 <b>\$ 343,786</b>	 <b>\$ 293,714</b>

See notes to financial statements

**Vanderburgh County CASA, Inc.**  
**Statements of Activities**  
**For the Years Ended December 31, 2016 and 2015**

<b>CHANGES IN UNRESTRICTED NET ASSETS</b>	<b>2016</b>	<b>2015</b>
<b>Support and Revenue</b>		
Contributions/Grants	\$ 69,677	\$ 90,656
United Way	89,802	86,787
Special Events	102,963	112,274
State CASA	260,885	173,412
Vanderburgh County Court	96,000	123,500
Program Fees	-	300
Investment Income	277	262
Gain or (Loss) on Asset Disposition	-	(132)
Total Support and Revenue	<u>619,602</u>	<u>587,059</u>
<b>Expenses</b>		
Program Services	486,144	441,487
Management and General	60,782	57,905
Fundraising	22,321	22,281
Total Expenses	<u>569,248</u>	<u>521,673</u>
<b>Increase (Decrease) in Unrestricted Net Assets</b>	<u>50,355</u>	<u>65,386</u>
<b>CHANGES IN PERMANENTLY RESTRICTED NET ASSETS</b>		
Change in Value of Agency Fund	450	-
Increase (Decrease) in Permanently Restricted Net Assets	<u>450</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	<b>50,805</b>	<b>65,386</b>
<b>NET ASSETS- beginning of year</b>	<u>292,039</u>	<u>226,652</u>
<b>NET ASSETS- end of year</b>	<u>\$ 342,843</u>	<u>\$ 292,039</u>

See notes to financial statements

**Vanderburgh County CASA, Inc.**  
**Statements of Functional Expenses**  
**For the Years Ended December 31, 2016 and 2015**

	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>2016 Total</b>
Computer Expenses	\$ 4,516	\$ 860	\$ -	\$ 5,376
Depreciation	2,813	536	-	3,349
Dues	1,545	-	-	1,545
Fundraising	-	-	22,321	22,321
Insurance	15,277	2,910	-	18,187
Janitorial	-	4,160	-	4,160
Miscellaneous	2,151	410	-	2,561
Office Supplies	4,009	764	-	4,773
Postage	561	107	-	668
Printing	346	66	-	412
Professional Fees	-	8,668	-	8,668
Rent	24,192	4,608	-	28,800
Telephone	2,562	488	-	3,050
Travel	7,597	-	-	7,597
Volunteer Training	41,122	-	-	41,122
Wages & Taxes	379,451	37,207	-	416,658
	<u>\$ 486,144</u>	<u>\$ 60,782</u>	<u>\$ 22,321</u>	<u>\$ 569,248</u>

	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>2015 Total</b>
Computer Expenses	\$ 7,807	\$ 1,487	\$ -	\$ 9,294
Depreciation	2,585	492	-	3,077
Dues	1,110	-	-	1,110
Fundraising	-	-	22,281	22,281
Insurance	15,185	2,892	-	18,077
Janitorial	-	4,000	-	4,000
Miscellaneous	1,065	203	-	1,267
Office Supplies	4,745	904	-	5,649
Postage	680	129	-	809
Printing	254	48	-	303
Professional Fees	-	5,646	-	5,646
Rent	22,680	4,320	-	27,000
Telephone	2,196	418	-	2,614
Travel	4,878	-	-	4,878
Volunteer Training	32,022	-	-	32,022
Wages & Taxes	346,282	37,366	-	383,647
	<u>\$ 441,488</u>	<u>\$ 57,905</u>	<u>\$ 22,281</u>	<u>\$ 521,673</u>

See notes to financial statements

**Vanderburgh County CASA, Inc.**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Cash Flows from Operating Activities</b>		
Changes in Net Assets	\$ 50,805	\$ 65,386
<b>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:</b>		
Depreciation	3,349	3,077
(Increase) Decrease in Receivables	-	-
Increase (Decrease) in Accrued Expenses	(733)	624
(Gain) or Loss on Assets	-	132
Total Adjustments	<u>2,617</u>	<u>3,832</u>
Net Cash Provided (Used) by Operating Activities	<u>53,421</u>	<u>69,218</u>
<b>Cash Flows From Investing Activities:</b>		
Agency Endowment Fund	(10,450)	
Capital Expenditures	<u>(1,204)</u>	<u>(4,800)</u>
Net Cash Provided (Used) by Investing Activities	<u>(11,654)</u>	<u>(4,800)</u>
<b>Cash Flows From Financing Activities:</b>		
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>-</u>
<b>Net Increase (Decrease) in Cash and Equivalents</b>	<b>41,768</b>	<b>64,418</b>
<b>Cash and Equivalents, beginning of year</b>	<u>275,677</u>	<u>211,259</u>
<b>Cash and Equivalents, end of year</b>	<u><u>\$ 317,445</u></u>	<u><u>\$ 275,677</u></u>

See notes to financial statements

**Vanderburgh County CASA, Inc.  
Notes to Financial Statements  
December 31, 2016 and 2015**

***NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES***

**Mission**

Vanderburgh County CASA, Inc. operates as a voluntary, not-for-profit organization in the local community to represent the best interests of children referred by the Superior Court, Juvenile Division, Vanderburgh County, Indiana.

**Basis of Accounting**

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

**Basis of Presentation**

In accordance with Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) Topic 958, *Not-for-Profit Entities*, the Organization reports information regarding its financial position and activities within three classes of net assets: unrestricted, temporarily restricted and permanently restricted based on donor specifications.

**Property and Equipment**

Property and equipment, if purchased, are recorded at cost, and if donated, are recorded at fair market value at the date of donation. Acquisitions of property and equipment in excess of \$500 are capitalized. Depreciation of property and equipment is provided on the straight-line method over the estimated useful lives of the assets. The cost of repairs, maintenance and replacements, which do not significantly improve or extend the life of the respective assets, are charged to expense as incurred.

**Income Tax Status**

The Vanderburgh County CASA, Inc. qualifies as a tax-exempt, non-profit organization under Section 501(c)(3) of the Internal Revenue Code. The Organization has been determined to not be a private foundation. The Organization is required to file Form 990, "Return of Organization Exempt from Income Tax" and the respective state form. The Organization's Federal Exempt From Income Tax Returns (Form 990) are subject to examination by the IRS, generally for three years after they were filed.

**Vanderburgh County CASA, Inc.**  
**Notes to Financial Statements**  
**December 31, 2016 and 2015**

**Concentration of Credit Risk**

The Organization receives a substantial portion of its support from the State of Indiana and the Vanderburgh County Superior Court. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Organization's programs and activities.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

**Functional Allocation of Expenses**

The cost of providing various services, programs, and other activities has been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among services benefited.

**Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, the Organization considers all investments with a maturity of three months or less at the date of purchase to be cash equivalents.

**Advertising**

Advertising costs are expensed as incurred. Advertising costs for the years ended December 31, 2016 and 2015 were \$33,196 and \$28,458, respectively.

**NOTE 2- STATE AND LOCAL FUNDS**

The Organization receives funds from the State Office of GAL/CASA, a program of the Indiana Supreme Court, Division of State Court Administration through grants paid out to Vanderburgh County. A process is utilized where vouchers are submitted to the Vanderburgh County Auditor and Treasurer for payment. For the years ended December 31, 2016 and 2015, \$260,885 and \$173,412 were received and expended, respectively.

The Organization also receives funds from the Vanderburgh County Superior Court, Juvenile Division. During the years ended December 31, 2016 and 2015, \$96,000 and \$123,500 were received and expended, respectively.

**Vanderburgh County CASA, Inc.**  
**Notes to Financial Statements**  
**December 31, 2016 and 2015**

***NOTE 3 - LEASE COMMITMENTS***

The Organization leases its facilities under an operating lease agreement. The lease agreement calls for a monthly payments of \$2,000 and expires January 31, 2015. The lease was extended for a five year term commencing in February of 2015 with an increase of \$200 per month. In addition, commencing July 1, 2015, the lease was amended to include the basement which increased rent by \$100 per month on August 1, 2015, \$200 per month on February 1, 2016, \$300 per month on February 1, 2018 and \$400 per month on February 1, 2018 through January 31, 2020. Total rent expense for the years ended December 31, 2016 and 2015 was \$28,800 and \$27,000, respectively.

Future minimum rental payments required under the operating lease for the year ended December 31, are as follows:

2017	\$29,900
2018	\$31,100
2019	\$31,200
2020	\$31,200

***NOTE 4- AGENCY ENDOWMENT FUND- PERMANENTLY RESTRICTED***

The Organization established an Endowment Fund with the Community Foundation Alliance, Inc. \$10,000 was initially contributed with an additional \$5,000 matched by the Vanderburgh Community Foundation. The Organization has granted the Foundation variance power which gives the Foundation’s Board of Directors the power to use the Fund for other purposes in certain circumstances. The Fund is subject to the Foundation’s investment and spending policies. The Organization reports the fair value of the Fund as Beneficial Interest in Assets Held at the Community Foundation Alliance, Inc. in the statement of financial position and reports distributions received as investment income. Changes in the value of the Fund are reported as gains or losses in the statement of activities.

Balance at January 1, 2016	\$ 0
Contributions	10,000
Share of appreciation of fund	<u>450</u>
Balance at December 31, 2016	<u>\$10,450</u>

***NOTE 5- SUBSEQUENT EVENTS***

The Organization has evaluated subsequent events and transactions through June 29, 2017, the date the financial statements were available to be issued. There were no subsequent events that require recognition in the financial statements.