



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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July 16, 2019

Board of Directors  
CASA Program of Madison Co. IN, Inc. d/b/a East Central Indiana CASA  
3538 Mounds Road  
Anderson, IN 46017

We have reviewed the report of CASA Program of Madison Co. IN, Inc. d/b/a East Central Indiana CASA which was opined upon by Estep-Doctor & Company, PC, Independent Public Accountants, for the period January 1, 2017 to December 31, 2017. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of East Central Indiana CASA as of December 31, 2017 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Estep-Doctor & Company, PC prepared the audit report in accordance with guidelines established by the State Board of Accounts.

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

  
Paul D. Joyce, CPA  
State Examiner

**EAST CENTRAL INDIANA CASA  
FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
East Central Indiana CASA  
Anderson, Indiana

We have audited the accompanying financial statements of East Central Indiana CASA (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets as of December 31, 2017, and the related statements of activities and changes in net assets, 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. 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 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 East Central Indiana CASA as of December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

*Estep \* Doctor & Company, P.C.*

Muncie, Indiana

January 17, 2019

## **FINANCIAL STATEMENTS**

**EAST CENTRAL INDIANA CASA**  
**STATEMENT OF ASSETS, LIABILITIES, & NET ASSETS**  
**DECEMBER 31, 2017**

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 143,832
Grants Receivable	49,840
Prepaid Expenses	<u>830</u>
 Total Current Assets	 <u>\$ 194,502</u>

**PROPERTY AND EQUIPMENT**

Furniture and equipment	\$ 41,843
 Less: Accumulated depreciation	 <u>(41,834)</u>
 Total Property and Equipment	 <u>\$ 9</u>

**TO TAL ASSETS**

\$ 194,511

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accrued payroll and payroll taxes	\$ 8,538
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**LONG-TERM LIABILITIES**

Total Liabilities	<u>\$ 10,368</u>
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**NET ASSETS**

Unrestricted net assets	<u>\$ 184,143</u>
 Total Net Assets	 <u>\$ 184,143</u>

**TO TAL LIABILITIES AND NET ASSETS**

\$ 194,511

See Accompanying Notes and Independent Accountants' Audit Report

**EAST CENTRAL INDIANA CASA**  
**STATEMENT OF ACTIVITIES & CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<b>REVENUES</b>				
Grants	\$ 489,680	\$ 0	\$ 0	\$ 489,680
Development & Fundraising	25,793	0	0	25,793
Miscellaneous Income	416	0	0	416
Interest Income	<u>870</u>	<u>0</u>	<u>0</u>	<u>870</u>
Total Revenues	<u>\$ 516,759</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 516,759</u>
<b>TOTAL REVENUES</b>	<u>\$ 516,759</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 516,759</u>
<b>EXPENSES</b>				
Program Expenses	\$ 443,858	\$ 0	\$ 0	\$ 443,858
Depreciation Amortization	<u>110</u>	<u>0</u>	<u>0</u>	<u>110</u>
Total Expenses	<u>\$ 443,968</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 443,968</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>\$ 72,791</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 72,791</u>
<b>Net Assets, Beginning of Year</b>	<u>111,352</u>	<u>0</u>	<u>0</u>	<u>111,352</u>
<b>NET ASSETS, END OF YEAR</b>	<u><u>\$ 184,143</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 184,143</u></u>

See Accompanying Notes and Independent Accountants' Audit Report

**EAST CENTRAL INDIANA CASA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash received from customers	\$ 471,647
Interest received	870
Cash received from program services	26,208
Cash paid to employees and suppliers	<u>(440,830)</u>
 Net Cash Provided by Operating Activities	 \$ 57,895
 Increase in cash and cash equivalents	 <u>\$ 57,895</u>
 Cash and cash equivalents at beginning of year	 <u>\$ 85,938</u>
 Cash and cash equivalents at end of year	 \$ 143,833

**RECONCILIATION OF INCREASE IN NET ASSETS TO NET  
CASH PROVIDED BY OPERATING ACTIVITIES**

Increase in net assets	\$ <u>72,791</u>
 Adjustments to reconcile increase in net assets to net cash used by operating activities:	
Depreciation	\$ 110
(Gain) Loss on sale of property and equipment	0
 Change in current assets and current liabilities:	
Increase (Decrease) in accrued payroll and payroll taxes	3,838
(Increase) Decrease in accounts receivable	(18,034)
(Increase) Decrease in prepaid expenses	81
Increase (Decrease) in accounts payable	<u>(891)</u>
 Total Adjustments	 <u>\$ (14,896)</u>
 Net Cash Provided by Operating Activities	 <u><u>\$ 57,895</u></u>

See Accompanying Notes and Independent Accountants' Audit Report

**EAST CENTRAL INDIANA CASA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Organization*

East Central Indiana CASA (the Organization), a not-for profit organization, is an affiliate of the Indiana State Office of GAL/CASA, part of the Indiana Supreme Court. The Organization recruits, trains and supports CASA volunteers as advocates for abused and neglected children through the Indiana court system. The main revenue source for the Organization is annual funding from the Indiana Criminal Justice Institute, the State of Indiana and the Madison County government.

*Basis of Accounting*

The financial statements of East Central Indiana CASA have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

*Financial Statement Presentation*

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. Under FASB ASC 958, Not-for-Profit Entities, the Organizations are required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

- ***Unrestricted Net Assets*** include general and board-designated assets and liabilities which may be used at the discretion of management to support the Organization's purposes and operations.
- ***Temporarily Restricted Net Assets*** include assets related to gifts with explicit donor-imposed restrictions that have not been met as to specified purpose, or to later periods of time or after specified dates. Unconditional promises to give that are due in future periods and are not permanently restricted are classified as temporarily restricted net assets.
- ***Permanently Restricted Net Assets*** include assets related to gifts with donor-imposed restrictions that stipulate the principal be held in perpetuity with the earnings therefore being unrestricted.

As of December 31, 2017, all net assets held by the Organization are classified as Unrestricted Net Assets.

*Equipment and Depreciation*

Equipment is recorded at fair market value at the date of donation or at cost if purchased. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, which range from 5 to 10 years. East Central Indiana CASA does not currently have a written capitalization policy.

See Independent Accountants' Audit Report

**EAST CENTRAL INDIANA CASA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

The useful lives of property and equipment are classified as follows:

<u>Asset Classification</u>	<u>Useful Life</u>
Equipment	7 years
Donated Assets	10 years
Office Equipment	5-7 years

Depreciation expense for the year ended December 31, 2017 is \$110.

*Cash Equivalents*

Cash and cash equivalents include demand deposit accounts, accounts held by the Madison County government and cash on hand.

*Contributions and Revenue*

Contributions and revenue received are recorded as unrestricted funds. The Organization may receive services, equipment or material without payment or compensation. No amounts have been reflected in the statements for donated services since no objective basis is available to measure the value of such services. However, a substantial number of volunteers donate significant amounts of time in the Organization's program and supporting services. The value of the services donated is immaterial, and as such no amount is reflected in the financial statements.

*Advertising and Promotional Costs*

Advertising and promotion costs are generally charged to operations in the year incurred and totaled \$6,600 for the year ended December 31, 2017.

*Functional Classification*

East Central Indiana CASA allocates all program and administrative related costs to Program expenses.

*Income Taxes*

East Central Indiana CASA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to East Central Indiana CASA's tax-exempt purpose may be subject to taxation as unrelated business income.

See Independent Accountants' Audit Report

**EAST CENTRAL INDIANA CASA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

East Central Indiana CASA evaluates all significant tax positions as required by accounting principles generally accepted in the United States of America. As of December 31, 2017 the Bureau does not believe that it has taken any positions that would require the recording of any additional tax liability.

The Organization's federal and state tax returns for 2014, 2015, 2016 and 2017 are subject to examination by the taxing authorities, generally for three years after they were filed.

**2. INVESTMENTS**

No investments were held at December 31, 2017.

**3. SUBSEQUENT EVENTS**

For the financial statements, the Organization was evaluated for subsequent events through January 17, 2019, the date which the financial statements were available to be issued.

**4. CONCENTRATION OF CREDIT RISK**

East Central Indiana CASA's cash is deposited in various financial institutions, as well as held by the Madison County government. Cash accounts at banks are insured by the FDIC for up to \$250,000. At times, the Organization account balances may have exceeded the limit during the year, however, it has not experienced any losses from these accounts and did not hold any balances in excess of insured limits for the year ended December 31, 2017.

**5. FUNDING AGREEMENTS AND SIGNIFICANT SUPPORT**

East Central Indiana CASA receives the majority of its funding from the State of Indiana via the Madison County government and the Indiana Supreme Court, as well as the Indiana Criminal Justice Institute (ICJI). The revenues received from these donors are as follows:

<u>Donor</u>	<u>Funds Received:</u>
Madison County	\$ 173,433
ICJI	\$ 234,711
Indiana Supreme Court	\$ 53,427
Total	\$ 461,571

See Independent Accountants' Audit Report