



CASA

Court Appointed Special Advocates
For Children

Financial Statements

June 30, 2015



Clothier & Company CPA's P.C.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Court Appointed Special Advocate for Children, Inc.
Muskogee, Oklahoma

We have audited the accompanying financial statements of Court Appointed Special Advocate for Children, Inc. (a nonprofit organization), which comprise of the statement of assets, liabilities, and net assets – modified cash basis of as of June 30, 2015, and the related statement of public support, revenue, expenses, and other changes in net assets, and the statement of functional expenses, and the statement of cash flows – modified cash basis 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 the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the 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 the 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 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 presents fairly, in all material respects, the assets, liabilities, and net assets of Court Appointed Special Advocate for Children, Inc. as of June 30, 2015, and its public support, revenues, expenses, and changes in net assets, functional expense, and cash flows for the year then ended in accordance with the modified cash basis of accounting described in note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on 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 opinion is not modified with respect to that matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 6 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In Accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2015, on our consideration of Court Appointed Special Advocate for Children, Inc.'s internal control over financial reporting and on our 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 our 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 Court Appointed Special Advocate for Children, Inc.'s internal control over financial reporting and compliance.



Clothier & Company CPA's PC
December 14, 2015

COURT APPOINTED SPECIAL ADVOCATE FOR CHILDREN, INC.
STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
 June 30, 2015

ASSETS	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
CURRENT ASSETS				
Cash on hand and in banks	\$71,089	\$0	\$0	\$71,089
Money-market cash	0	0	0	0
Certificates of deposit	<u>26,027</u>	<u>0</u>	<u>0</u>	<u>26,027</u>
Total current assets	97,115	0	0	97,115
FIXED ASSETS				
Fixed assets, net of depreciation	3,773	0	0	3,773
OTHER ASSETS				
Investments, at market	<u>61,888</u>	<u>0</u>	<u>85,849</u>	<u>147,737</u>
TOTAL ASSETS	<u><u>\$162,776</u></u>	<u><u>\$0</u></u>	<u><u>\$85,849</u></u>	<u><u>\$248,625</u></u>
 LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Payroll tax liabilities	\$2,919	\$0	\$0	\$2,919
Internal (receivable) payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total current liabilities	2,919	0	0	2,919
COMMITMENTS AND CONTINGENCIES				
	0	0	0	0
NET ASSETS	<u>159,857</u>	<u>0</u>	<u>85,849</u>	<u>245,706</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$162,776</u></u>	<u><u>\$0</u></u>	<u><u>\$85,849</u></u>	<u><u>\$248,625</u></u>

See accompanying notes and independent auditors' report.

COURT APPOINTED SPECIAL ADVOCATE FOR CHILDREN, INC.
STATEMENTS OF PUBLIC SUPPORT AND REVENUES, EXPENSES AND OTHER
CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE				
PUBLIC SUPPORT				
Grants	\$159,357	\$0	\$0	\$159,357
Proceeds of fund raising events (including in-kind contributions), net of direct expenses	36,976	0	0	36,976
Cash contributions				
Lake Area United Way, Inc.	15,000	0	0	15,000
Other direct cash contributions	1,955	0	0	1,955
In-kind contributions	7,545	0	0	7,545
Total public support	<u>220,833</u>	<u>0</u>	<u>0</u>	<u>220,833</u>
REVENUE				
Investment income (loss)	3,269	0	1,604	4,873
Unrealized investment gains (losses)	(565)	0	(5,543)	(6,108)
Realized investment gains (losses)	0	0	3,249	3,249
Other income	0	0	4,279	4,279
Total revenue	<u>2,704</u>	<u>0</u>	<u>3,589</u>	<u>6,293</u>
Net assets released from restriction	<u>4,279</u>	<u>0</u>	<u>(4,279)</u>	<u>0</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>\$227,816</u>	<u>\$0</u>	<u>(\$690)</u>	<u>\$227,126</u>
EXPENSES				
PROGRAM SERVICES				
Special advocate program	<u>\$147,912</u>	<u>\$0</u>	<u>\$0</u>	<u>\$147,912</u>
SUPPORTING SERVICES				
Management and general	53,709	0	794	54,503
Fund raising	23,792	0	0	23,792
Total supporting services	<u>77,501</u>	<u>0</u>	<u>794</u>	<u>78,295</u>
Total expenses	<u>225,413</u>	<u>0</u>	<u>794</u>	<u>226,207</u>
Excess of public support and revenues over expenses	2,403	0	(1,484)	919
Transfers	(4,279)	0	4,279	0
CHANGE IN NET ASSETS	<u>(1,876)</u>	<u>0</u>	<u>2,795</u>	<u>919</u>
NET ASSETS - BEGINNING OF YEAR	<u>161,733</u>	<u>0</u>	<u>83,054</u>	<u>244,787</u>
NET ASSETS - END OF YEAR	<u>\$159,857</u>	<u>\$0</u>	<u>\$85,849</u>	<u>\$245,706</u>

See accompanying notes and independent auditors' report.

COURT APPOINTED SPECIAL ADVOCATE FOR CHILDREN, INC.

STATEMENTS OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2015

	Program Services	Supporting services			Total Expenses
	Special Advocate Program	Management and General	Fund Raising	Total Supporting Services	
Personnel					
Salaries and employee benefits	\$87,742	\$25,069	\$12,535	\$37,604	\$125,346
Payroll taxes and insurance	10,825	3,093	1,546	4,639	15,464
Total personnel expenses	<u>98,567</u>	<u>28,162</u>	<u>14,081</u>	<u>42,243</u>	<u>140,810</u>
Occupancy					
Facility rent	2,560	732	366	1,098	3,658
Insurance	2,997	799	200	999	3,996
Total occupancy	<u>5,557</u>	<u>1,531</u>	<u>566</u>	<u>2,097</u>	<u>7,654</u>
Other operating expenses					
Professional fees	0	5,391	0	5,391	5,391
Education/abuse prevention	0	0	0	0	0
Depreciation and amortization	501	365	46	411	912
Office supplies	3,591	673	224	897	4,488
Telephone	3,738	701	234	935	4,673
Printing	397	49	49	98	495
Dues, fees and subscriptions	0	7,463	0	7,463	7,463
Postage	1,052	300	150	450	1,502
Equipment	1,238	155	155	310	1,548
Training	8,486	447	0	447	8,933
Travel expenses	7,046	783	0	783	7,829
Volunteer recruitment and recognition	10,195	6,228	0	6,228	16,424
In-kind expenses	7,545	0	0	0	7,545
Miscellaneous and other	0	2,255	8,287	10,542	10,542
Total other operating expenses	<u>43,788</u>	<u>24,810</u>	<u>9,145</u>	<u>33,955</u>	<u>77,743</u>
Total Expenses	<u>\$147,912</u>	<u>\$54,503</u>	<u>\$23,792</u>	<u>\$78,295</u>	<u>\$226,207</u>

See accompanying notes and independent auditors' report.

COURT APPOINTED SPECIAL ADVOCATE FOR CHILDREN, INC.

STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Increase (decrease) in net assets	(\$1,876)	\$0	\$2,795	\$919
Adjustments necessary to reconcile increase in net assets to cash provided by operating activity				
Depreciation and Amortization	912	0	0	912
Increase (decrease) in:				
Payroll tax liabilities	693	0	0	693
Internal (receivable) payable	1	0	0	1
Cash provided (used) by operating activities	<u>(270)</u>	<u>0</u>	<u>2,795</u>	<u>2,525</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Net (additions to) withdrawals from certificates of deposit and investments	(1,783)	0	(2,795)	(4,578)
Acquisition of property and equipment	(4,592)	0	0	(4,592)
Cash provided (used) by investing activities	<u>(6,375)</u>	<u>0</u>	<u>(2,795)</u>	<u>(9,170)</u>
INCREASE (DECREASE) IN CASH BALANCE	(6,645)	0	(0)	(6,645)
CASH BALANCES - BEGINNING OF YEAR	103,760	0	0	103,760
CASH BALANCES - END OF YEAR	<u>\$97,115</u>	<u>\$0</u>	<u>(\$0)</u>	<u>\$97,115</u>
COMPOSITION OF CASH BALANCES				
Cash on hand and in banks	\$97,115	\$0	\$0	\$97,115
Money - market cash	0	0	0	0
	<u>\$97,115</u>	<u>\$0</u>	<u>\$0</u>	<u>\$97,115</u>
SUPPLEMENTAL INFORMATION				
Cash paid during the year for interest	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Cash paid during the year for income taxes	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

See accompanying notes and independent auditors' report.

COURT APPOINTED SPECIAL ADVOCATE FOR CHILDREN, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the organization

Court Appointed Special Advocate for Children, Inc. (CASA) is a not-for-profit organization originally incorporated under the laws of the State of Oklahoma in 1996. Prior to amending its Oklahoma Articles of Incorporation in June 2002, the organization's legal name was Court Appointed Special Advocate of Muskogee County, Inc. The name change was made in order to more accurately reflect the purpose and goals of the organization.

CASA was originally formed by a group of local civic-minded individuals who were concerned by the significant numbers of abused and neglected children in Northeastern Oklahoma in need of safe, permanent, nurturing homes. CASA's primary goals are to train community volunteers to serve as advocates for these children and, through multidisciplinary collaborative efforts with other community agencies, ensure the child's right to safety and permanence in a family.

In order to better serve the needs of abused and neglected children, in late 2006 CASA opened a satellite office in Wagoner, Oklahoma. The office is staffed by a part-time case manager. During FY 2014 CASA opened a satellite office in Sequoyah County.

Basis of accounting

CASA prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Consequently, revenues are generally recognized when received and expenses when paid. Under generally accepted accounting principles, revenues are generally recognized when earned and expenses when incurred.

Significant accounting policies

The following summarizes the more significant accounting policies employed by CASA:

Financial statement presentation

CASA prepares its financial statements in accordance with FASB ASC 958 *Not-for-profit Entities - Presentation of Financial Statements*. Under FASB ASC 958, CASA is required to report information regarding its modified cash basis assets, liabilities, and net assets and its modified cash basis revenues, expenses and other changes in net assets according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, based on the existence of donor-imposed restrictions. Accordingly, net assets of CASA and changes therein are required to be classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, by actions of CASA and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by CASA. Generally, the donors of these assets permit the non-profit entity to use all or part of the income earned on any related investments for general or specific purposes.

In addition, under the provisions of FASB ASC 230, CASA is required to present a statement of cash flows.

Contribution revenues

CASA reports contribution revenues as received. All contributions are available for unrestricted use unless specifically restricted by the donor. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Prior to 2006, CASA had received no contributions that resulted in permanently restricted net assets. As described in Note 3, below, matching funds from a local charitable foundation together with funds raised by CASA were used to establish the Patricia

A. Acebo Permanent Endowment Fund. Since its inception, the Patricia A. Acebo Permanent Endowment Fund has continued to receive donations from external donors.

In-kind contributions

Non cash contributions of goods and services are recognized at fair value if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The value of community volunteer advocate time contributions, while computed and accounted for by CASA management for grant matching purposes is, accordingly, not reflected in the accompanying financial statements. While integral to the accomplishment of CASA's primary goals, significant contributions of time by local civic-minded individuals, especially by the membership of CASA's Board of Directors, are likewise not recognized in the accompanying financial statements.

Cash and equivalents

For the purpose of the statement of cash flows, CASA considers all unrestricted cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Endowments

As more fully discussed in Note 3, in November 2007, CASA transferred substantially all of the assets of the Patricia A. Acebo Permanent Endowment Fund to external, publically supported, tax-exempt foundation, naming itself, CASA, as beneficiary. In accordance with the provisions of Statement of Financial Accounting Standards No. 136, *Transfers of Assets to a Not-for-profit Organization or Charitable Trust That Raises or Holds Contributions for Others (SFAS 136)*, and because CASA transferred the assets and named itself as the sole beneficiary, the Endowments have been recognized as assets on CASA's statement of assets, liabilities, and net assets – modified cash basis.

CASA's beneficial interest in endowment funds received directly by the external foundations from third parties are recorded as assets of CASA only when the external foundations have not retained variance power with respect to such funds.

Investments

Investments in debt and equity securities are initially recorded at cost, if purchased, or fair market value at the date of donation, if donated. Thereafter, the carrying values of the securities are adjusted to fair value through recognition of unrealized gains and losses in the statement of public support and revenues, expenses and other changes in net assets.

Furniture, fixtures and equipment

Furniture, fixtures and equipment are recorded at cost (if purchased) or fair value at the date of contribution (if contributed). Expenditures and contributions for improvements and betterments are capitalized whereas maintenance and repairs are charged to expense as incurred. Depreciation of furniture, fixtures and equipment is provided on an accelerated basis over estimated useful lives of three to seven years.

Functional allocation of expenses

The cost of providing CASA's programs and supporting services have been summarized on a functional basis in the statement of revenues, expenses and other changes in net assets and reported by function in the accompanying statement of functional expenses. Costs directly attributable to a program or activity are charged accordingly whereas expenses that benefit more than one program or activity are allocated on an appropriate basis.

Income tax status

CASA is generally exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes has been made in the accompanying financial statements.

The Organization's Form 990, *Return of Organization Exempt from Income Tax*, for years ending 2012, 2013, and 2014 are subject to examination by the IRS, generally for three years after they were filed.

As an organization classified by the Internal Revenue Service as one that is not a private foundation, CASA qualifies as an organization to which donors may make income tax deductible contributions and to which bequests, legacies, devises, transfers, or gifts are generally deductible for federal gift and estate tax purposes.

Estimates

The preparation of financial statements on a modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – CASH AND EQUIVALENTS AND CERTIFICATE OF DEPOSIT

Cash balances at June 30, 2015 are held in a non-interest bearing checking account at a local financial institution. This balance, together with all certificates of deposit, are protected from loss by the Federal Depository Insurance Corporation (FDIC).

NOTE 3 – ENDOWMENT FUND INVESTMENTS AND INVESTMENT INCOME

In September 2005, the Kirschner Foundation of Muskogee, Oklahoma awarded CASA a \$10,000 matching grant for the purpose of establishing the Patricia A. Acebo Permanent Endowment Fund (the “Endowment Fund”). As provided in the original grant award, CASA was required to obtain through its own fundraising efforts amounts that at least equaled the initial conditional \$10,000 grant award. CASA satisfied the donor’s matching funds requirement in August 2007 and was awarded the Kirschner Foundation grant on August 28, 2007.

In November 2007, CASA’s Board of Directors elected to create externally managed endowments through transfer of substantially all of the assets of the Endowment Fund to two external, publically supported, tax-exempt organizations: Communities Foundation of Oklahoma (CFO) and Tulsa Community Foundation (TCF). Agency Endowment Fund Agreements (the Agreements) were executed in late November 2007 and were funded by initial asset transfers of \$10,852 to each of the organizations.

The Agreements provide that the monies contributed by CASA are to be considered as component parts of the individual Foundations and are to be invested as part of the Foundations’ pooled investment funds. Return to CASA of amounts contributed by CASA for its own benefit (Agency Accounts) may be made only after an affirmative vote of 2/3 of CASA’s Board of Directors and then, only after obtaining the approval of the Foundations’ Board of Directors.

In fiscal years 2010 and 2009, Communities Foundation of Oklahoma received third-party matching fund grants of \$3,000 and \$5,000, respectively, for the benefit of CASA. These third-party donations were placed in a CFO Beneficial Interest Account. CASA is entitled to the earnings from Beneficial Interest Account as long as it continues its Agency Account participation with CFO. Since CFO has retained variance power with respect to such funds, the Beneficial Interest Account, together with its investment activity, are not reported in CASA’s financial statements. Amounts directly contributed by third-parties to CFO are not refundable to CASA under any circumstances. During the year ended June 30, 2015, net \$1,376 was transferred from the Beneficial Interest Account to CASA’s Agency Account and is reflected in the accompanying financial statements as a contribution to the Endowment Fund.

In October 2012 the CASA Board of Directors approved the transfer of \$40,000 from a matured Certificate of Deposit to an Edwards Jones Mutual Fund account.

The following summarizes activity in the investment accounts during the year ended June 30, 2015:

	Communities Foundation of Oklahoma	Tulsa Community Foundation	Edward Jones Account	Total
	Agency Account	Agency Account		
Balance - June 30, 2014 (FMV)	\$68,453	\$14,601	\$60,105	\$143,159
<i>Activity during the year ended June 30, 2015</i>				
Endowment Fund contributions:				
Net Agency account contributions received from third parties and transferred from CASA	0	0	0	0
Net Agency account contributions transferred from beneficial interest account	1,376	0	0	1,376
Investment income (loss), net of \$1,301 in fees	5,992	970	2,348	9,310
Unrealized gains (losses)	(4,885)	(658)	(565)	(6,108)
Balances - June 30, 2015 (FMV)	\$70,936	\$14,913	\$61,888	\$147,737

Investment accounts at CFO and TCF are comprised of ownership interests in investment pools owned by the Foundations. The investment pools are principally comprised of debt and equity securities. Investments income is comprised of dividends, interest and CASA's proportionate share of dividends and interest and realized gains and losses of the pooled investment funds.

As provided in the original grant agreement and as approved by CASA's Board of Directors, the grant award, together with the matching funds provided by CASA and subsequently received contributions required by the donors to be added to the Endowment Fund, have been or will be placed in the Endowment Fund, subject to the following terms and conditions:

- Fund corpus is to remain in perpetuity and be invested by CASA's Board of Directors and/or its appointees in a prudent business manner.
- Capital gain and loss transactions are to be considered "corpus" transactions and are to revert thereto.
- During the initial five years of the Endowment Fund, all income transactions are to be retained and are to revert to corpus.
- At the end of the sixth year of the Endowment Fund, and each successive year thereafter, at the sole discretion of the Board of Directors, up to 50% of the Endowment Fund's annual income may be distributed to CASA for the purpose of paying current operating expenses. Annual income not so distributed is to revert to corpus.
- Subsequent contributions received by CASA and designated for the Endowment Fund by the donor will be subject to the same terms and conditions placed on the Endowment Fund by the original grant award.

NOTE 4 – PUBLIC SUPPORT GRANTS

The following summarizes the components of grants received as public support during the year ended June 30, 2015:

Funding Source	Grant Contract Period	Total Grant Contract	Support received During year ending June 30, 2015
City of Muskogee Foundation	2014 – 2015	\$ 30,000	\$ 30,000
Federal Victims of Crime Act (VOCA) through the State of Oklahoma	2014 – 2015	30,183	30,183
VOCA			
Oklahoma CASA Association	2013 – 2014	21,167	21,167
Oklahoma CASA Association	2014 - 2015	93,721	74,007
Kirschner Foundation	2014 – 2015	4,000	4,000
Total Grants		<u>\$179,071</u>	<u>\$ 159,357</u>

The Federal Victims of Crime Act (VOCA) grant allowed for an additional \$7,545 for In-Kind Hours, which was reported as revenue.

NOTE 5 – FUNDRAISING EVENTS

CASA's Board of Directors, management and community volunteers conduct fundraising events and activities designed not only to raise necessary operating funds, but also to increase community awareness of CASA and its efforts to combat the problems confronting Northeastern Oklahoma's abused and neglected children.

The following summarizes 2015 fundraising events and activities:

Event	Cash	In-kind	Total	Fundraising costs and expenses	Net proceeds from fundraising event
Day of Giving	\$ 16,772	\$ 0	\$ 16,772	\$ 603	\$ 16,169
Exchange Club	10,250	0	10,250	134	10,116
Muskogee Fundraiser	8,811	0	8,811	7,550	1,261
Community	1,143	0	1,143	0	1,143
Total	<u>\$ 36,976</u>	<u>\$ 0</u>	<u>\$ 36,976</u>	<u>\$8,287</u>	<u>\$ 28,689</u>

NOTE 6 – UNITED WAY PARTICIPATION

CASA has been accepted as a participating member agency in the Lake Area United Way, Inc. (United Way). As a participating member agency, CASA shares in the joint funds raised by United Way in its annual fall community fund raising effort.

As a United Way participating agency, CASA is subject to certain United Way participation conditions:

- CASA may not conduct benefits, campaigns or solicitations for financial assistance for ordinary routine purposes, or any similar campaigns for special financial purposes, within the city limits of Muskogee, Oklahoma without first obtaining the consent of the Board of Directors of United Way.
- CASA must continue to maintain responsible management, with a qualified, unpaid Board of Directors that is required to hold a meeting at least four times annually.
- CASA must cooperate with other social agencies in preventing overlapping and/or duplication of efforts and in promoting effective service and efficiencies and economies of administration.
- CASA may not undertake new programs and/or substantially increase the scope of its existing social services without first obtaining the consent of the United Way Board of Directors.
- CASA must file its annual financial statements with United Way. Such financial statements must be audited by independent Certified Public Accountants or an accountant acceptable to the Board of Directors of United Way.
- CASA must provide to United Way such other information as may be reasonably requested by United Way's Board of Directors and/or its Admissions Committee.
- CASA must abide by the rules and regulation set forth by United Way.

In recognition of the rightful privileges and autonomous nature of CASA, United Way is to function in the capacity of a fundraising agency. Its duties and responsibilities to CASA include:

- The right to make recommendations which it feels will promote improvements in the service and/or pattern of services provided to the community by CASA.
- To promote CASA as a participating agency in its relationship with the giving public.
- To distribute funds to CASA on a monthly basis, in amounts mutually agreed upon by United Way and CASA.
- To allow CASA to accept unsolicited contributions.

Member agency participation will continue from year to year and shall be binding upon both CASA and United Way. Termination may be made by either CASA or United Way by means of a timely given written notice by either party. Such notice must be presented to the other party at least three (3) months prior to the opening date of United Way's annual fall campaign. Additionally, subject to certain constraints, United Way has the retained right to expel any participating member agency at any time by vote of two-thirds of its Board of Directors.

NOTE 7 – FAIR VALUES

Financial Instruments – The following methods and assumptions were used by the Company in estimating fair value disclosures for financial instruments:

- Cash, cash equivalents, short-term unconditional promises to give, and note payable: The carrying amounts reported in the statement of assets, liabilities, and net assets – modified cash basis approximate fair values because of the short maturities of those instruments.
- Short-term and endowment investments: The fair values of any investments are based on quoted market prices for those or similar investments.

The estimated fair values of the Association's financial instruments are as follow:

	2015 CARRYING AMOUNT	2015 FAIR VALUE
Financial assets:		
Cash and cash equivalents	\$ 97,115	\$ 97,115
Investments	61,888	61,888
Endowment investments:		
Cash and cash equivalents	0	0
Investments	85,849	85,849
Financial liabilities:		
Note payable	\$ 0	\$ 0

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Grant funding sources and makers of temporarily restricted donations may, at their discretion, request reimbursement for expenses or return of funds, or both, as a result of perceived non-compliance by CASA with the terms of grants and/or restricted donations.

NOTE 9 – EVALUATION OF SUBSEQUENT EVENTS

CASA has evaluated subsequent events through December 14, 2015, the date which the financial statements were available to be issued.