

OREGON CASA NETWORK

FINANCIAL STATEMENTS

**For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)**



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(With Comparative Totals for the Year Ended June 30, 2015)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Oregon CASA Network
Springfield, Oregon

We have audited the accompanying financial statements of Oregon CASA Network (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities 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 Oregon CASA Network as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Oregon CASA Network's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 16, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Jones & Roth, P.C.
Eugene, Oregon
May 8, 2017

FINANCIAL STATEMENTS

OREGON CASA NETWORK
STATEMENT OF FINANCIAL POSITION
June 30, 2016
(With Comparative Totals for June 30, 2015)

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 215,703	\$ 78,397
Grants receivable	25,000	8,381
Accounts receivable	<u>1,845</u>	<u>875</u>
Total assets	<u>\$ 242,548</u>	<u>\$ 87,653</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 10,209	\$ 945
Grants payable, local CASA programs	210,206	-
Payroll liabilities	<u>3,173</u>	<u>5,034</u>
Total liabilities	<u>223,588</u>	<u>5,979</u>
Net assets		
Temporarily restricted	41,960	73,770
Unrestricted	<u>(23,000)</u>	<u>7,904</u>
Total net assets	<u>18,960</u>	<u>81,674</u>
Total liabilities and net assets	<u>\$ 242,548</u>	<u>\$ 87,653</u>

The accompanying notes are an integral part of these statements.

OREGON CASA NETWORK
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	2016			2015 Total
	Unrestricted	Temporarily Restricted	Total	
Public support and revenue				
Public support:				
Grants	\$ -	\$ 378,000	\$ 378,000	\$ 417,223
Direct public support	8,571	-	8,571	8,615
Net assets released from restrictions	<u>409,810</u>	<u>(409,810)</u>	<u>-</u>	<u>-</u>
Total public support	<u>418,381</u>	<u>(31,810)</u>	<u>386,571</u>	<u>425,838</u>
Revenue:				
Member fees	24,167	-	24,167	38,316
Other revenue	<u>88</u>	<u>-</u>	<u>88</u>	<u>10</u>
Total revenue	<u>24,255</u>	<u>-</u>	<u>24,255</u>	<u>38,326</u>
Total public support and revenue	<u>442,636</u>	<u>(31,810)</u>	<u>410,826</u>	<u>464,164</u>
Expenses				
Program services	430,666	-	430,666	383,678
Supporting services:				
Management and general	<u>42,874</u>	<u>-</u>	<u>42,874</u>	<u>59,028</u>
Total expenses	<u>473,540</u>	<u>-</u>	<u>473,540</u>	<u>442,706</u>
Change in net assets	(30,904)	(31,810)	(62,714)	21,458
Net assets, beginning of year	<u>7,904</u>	<u>73,770</u>	<u>81,674</u>	<u>60,216</u>
Net assets, end of year	<u>\$ (23,000)</u>	<u>\$ 41,960</u>	<u>\$ 18,960</u>	<u>\$ 81,674</u>

The accompanying notes are an integral part of these statements.

OREGON CASA NETWORK
 STATEMENT OF CASH FLOWS
 For the Year Ended June 30, 2016
 (With Comparative Totals for the Year Ended June 30, 2015)

	2016	2015
Cash flows from operating activities		
Change in net assets	\$ (62,714)	\$ 21,458
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Increase) decrease in:		
Receivables	(17,589)	(8,611)
Increase (decrease) in:		
Accounts payable and grants payable	219,470	945
Payroll liabilities	(1,861)	1,274
	137,306	15,066
Net cash provided by operating activities		
Cash and cash equivalents, beginning of year	78,397	63,331
Cash and cash equivalents, end of year	\$ 215,703	\$ 78,397

The accompanying notes are an integral part of these statements.

OREGON CASA NETWORK
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Organization and Nature of Operations

Oregon CASA Network (the Organization) is a nonprofit organization established to strengthen Court Appointed Special Advocates for Children (CASA) programs in Oregon. The vision of the Organization is that CASA programs will have sustainable resources to advocate for all children who are victims of neglect and abuse in Oregon. All expenses are for this program.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The financial statement presentation follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-210, whereby the Organization is required to report information regarding its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Net assets of the Organization consist of the following:

Unrestricted – These assets are available for general obligations of the Organization.

Temporarily restricted – These net assets are restricted by donors to be used for specific purposes.

Permanently restricted – These net assets are permanently restricted by donors and cannot be used by the Organization.

Cash and Cash Equivalents

For purposes of these financial statements, the Organization considers all highly-liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Concentrations of Credit and Market Risk

Financial instruments that potentially expose the Organization to concentrations of credit and market risk consist primarily of cash, cash equivalents, and investments. Cash and cash equivalents are maintained at financial institutions and are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Bank balances at June 30, 2016 and 2015, did not exceed FDIC limits. The Organization has not experienced any losses on its cash or cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year end are immaterial.

OREGON CASA NETWORK
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies, continued

Grants Payable, Local CASA Programs

The Organization supports local CASA programs primarily through distributions of cash. Payables to local CASA programs at June 30, 2016 are monies decided and approved by the Board for payment to the CASA programs, but not yet paid.

Tax Status

The Organization is a nonprofit organization that is exempt from taxes on income derived from operations related to the purposes for which it was organized under Section 501(c)(3) of the Internal Revenue Code and has not been classified as a private foundation. The Organization's information returns are generally subject to examination by taxing authorities for a period of three years after filing.

Management has evaluated tax positions taken and has determined that any uncertainty in those positions would not have a material effect on the financial statements.

Revenue Recognition

Grants are reported as unrestricted or temporarily restricted support depending on the existence and/or nature of donor restrictions. 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.

Membership dues income is recognized as revenue during the period of membership and is recorded when the dues are billed.

Functional Expenses

Expenses for the Organization are summarized according to functional classifications of program services and supporting services.

Program Services – Costs that are identifiable with a specific program.

Supporting Services – Management and general expenses.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2015, from which the summarized information was derived.

OREGON CASA NETWORK
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies, continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Temporarily Restricted Net Assets

Temporarily restricted net assets at June 30, 2016 and 2015, in the amounts of \$41,960 and \$73,770, respectively, consisted of restricted grant funds.

2. Related Party Transactions

The Organization's Board of Directors includes eight board members who are Executive Directors of local CASA organizations.

Five local CASA organizations, whose Executive Directors are members of Oregon CASA Network's Board of Directors, paid membership dues to Oregon CASA Network totaling \$4,720 for the year ended June 30, 2016.

Four local CASA organizations, whose Executive Directors are members of Oregon CASA Network's Board of Directors, paid membership dues to Oregon CASA Network totaling \$6,889 for the year ended June 30, 2015.

Oregon CASA Network passed through \$86,500 and \$200,000 of grant funds to local CASA organizations during the years ended June 30, 2016 and 2015, respectively. For the years ended June 30, 2016 and 2015, \$66,500 and \$35,342, respectively, of these grant funds were passed through to three local CASA organizations whose Executive Directors are members of Oregon CASA Network's Board of Directors. Oregon CASA Network establishes a separate committee to determine the recipients of pass-through grants. In addition, at June 30, 2016 and 2015, the Organization committed \$210,206 and \$-0- to local CASA organizations, respectively, which is included in grants payable, local CASAs.

3. Concentrations

For the years ended June 30, 2016 and 2015, 86 percent and 69 percent, respectively, of revenue was derived from two grantors, and 100 percent of grants receivable was derived from one grantor for both years.

4. Subsequent Events

Management evaluates events and transactions that occur after the statement of financial position date as potential subsequent events. Management has performed this evaluation through the date of the independent auditor's report.