



**CASA OF MISSOULA**

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.**

**FINANCIAL REPORT**

For the Years Ended  
June 30, 2021 and 2020

COURT APPOINTED SPECIAL ADVOCATES OF MISSOULA, INC.

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of  
Court Appointed Special Advocates of Missoula, Inc.

We have reviewed the accompanying financial statements of Court Appointed Special Advocates of Missoula, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years 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 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.

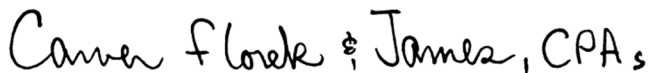
### Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. 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 accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Court Appointed Special Advocates of Missoula, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

### 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 accounting principles generally accepted in the United States of America.



Carver Florek & James, CPAs  
Missoula, Montana  
October 15, 2021

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
STATEMENTS OF FINANCIAL POSITION  
As of June 30, 2021 and 2020**

|   | <u>2021</u>              | <u>2020</u>              |
|---|--------------------------|--------------------------|
| <b>ASSETS</b>                           |                          |                          |
| Cash and cash equivalents               | \$ 232,766               | \$ 140,166               |
| Certificates of deposit                 | 50,435                   | 50,000                   |
| Accounts receivable                     | 31,370                   | 15,250                   |
| Prepaid Rent                            | 900                      | -                        |
| Property and equipment, net             | -                        | -                        |
| Intangibles, net                        | -                        | 760                      |
| <b>TOTAL ASSETS</b>                     | <b>\$ <u>315,471</u></b> | <b>\$ <u>206,176</u></b> |
| <b>LIABILITIES</b>                      |                          |                          |
| Accounts payable                        | \$ 710                   | \$ 1,950                 |
| Accrued payroll and payroll taxes       | 14,015                   | 5,446                    |
| Unearned revenue                        | 5,000                    | -                        |
| Compensated absences                    | 12,478                   | 6,776                    |
| <b>TOTAL LIABILITIES</b>                | <b><u>32,203</u></b>     | <b><u>14,172</u></b>     |
| <b>NET ASSETS</b>                       |                          |                          |
| Without donor restrictions              | 283,268                  | 192,004                  |
| With donor restrictions                 | -                        | -                        |
| <b>TOTAL NET ASSETS</b>                 | <b><u>283,268</u></b>    | <b><u>192,004</u></b>    |
| <b>TOTAL LIABILITIES AND NET ASSETS</b> | <b>\$ <u>315,471</u></b> | <b>\$ <u>206,176</u></b> |

See Accompanying Notes and Independent Accountant's Review Report.

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
STATEMENTS OF ACTIVITIES  
For the Years Ended June 30, 2021 and 2020**

|                                      | 2021              | 2020              |
|--------------------------------------|-------------------|-------------------|
| Net assets without donor restriction |                   |                   |
| <b>REVENUE AND SUPPORT</b>           |                   |                   |
| Grants                               | \$ 221,782        | \$ 56,903         |
| Court Reimbursement                  | 50,549            | 62,670            |
| Special Events                       | 79,697            | 89,560            |
| Contributions                        | 57,219            | 45,821            |
| Paycheck Protection Program Income   | -                 | 37,700            |
| Investment Income                    | 538               | 235               |
| <b>TOTAL REVENUE AND SUPPORT</b>     | <b>409,785</b>    | <b>292,889</b>    |
| <b>EXPENSES</b>                      |                   |                   |
| Program services                     | 237,500           | 197,242           |
| Fundraising expenses                 | 51,317            | 48,602            |
| Administrative expenses              | 29,704            | 34,790            |
| <b>TOTAL EXPENSES</b>                | <b>318,521</b>    | <b>280,634</b>    |
| <b>CHANGE IN NET ASSETS</b>          | <b>91,264</b>     | <b>12,255</b>     |
| <b>NET ASSETS</b>                    |                   |                   |
| Beginning of year                    | 192,004           | 179,749           |
| End of year                          | <b>\$ 283,268</b> | <b>\$ 192,004</b> |

See Accompanying Notes and Independent Accountant's Review Report.

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 2021**

| <u>DESCRIPTION</u>            | <u>Program<br/>Services</u> | <u>Fundraising</u> | <u>Management<br/>&amp; General</u> | <u>Total</u>      |
|-------------------------------|-----------------------------|--------------------|-------------------------------------|-------------------|
| Salaries and related expense  | \$ 187,808                  | \$ 37,562          | \$ 25,040                           | \$ 250,410        |
| Office expense                | 25,747                      | 5,915              | 3,131                               | 34,793            |
| Special fundraising events    | -                           | 4,940              | -                                   | 4,940             |
| Miscellaneous                 | 6,528                       | 1,500              | 793                                 | 8,821             |
| Training                      | 6,044                       | -                  | -                                   | 6,044             |
| Professional fees             | 3,363                       | 773                | 409                                 | 4,545             |
| Printing/reproduction         | 2,562                       | 589                | 311                                 | 3,462             |
| Website/internet              | 2,950                       | -                  | -                                   | 2,950             |
| Merchant fees                 | 1,574                       | -                  | -                                   | 1,574             |
| Depreciation and amortization | 760                         | -                  | -                                   | 760               |
| Supplies                      | 164                         | 38                 | 20                                  | 222               |
| <b>TOTAL EXPENSES</b>         | <b>\$ 237,500</b>           | <b>\$ 51,317</b>   | <b>\$ 29,704</b>                    | <b>\$ 318,521</b> |

See Accompanying Notes and Independent Accountant's Review Report.

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 2020**

| <u>DESCRIPTION</u>            | <u>Program<br/>Services</u> | <u>Fundraising</u> | <u>Management<br/>&amp; General</u> | <u>Total</u>      |
|-------------------------------|-----------------------------|--------------------|-------------------------------------|-------------------|
| Salaries and related expense  | \$ 157,720                  | \$ 28,087          | \$ 30,248                           | \$ 216,055        |
| Office expense                | 15,908                      | 3,010              | 2,579                               | 21,497            |
| Special fundraising events    | -                           | 15,216             | -                                   | 15,216            |
| Miscellaneous                 | 5,828                       | 1,103              | 945                                 | 7,876             |
| Training                      | 6,471                       | -                  | -                                   | 6,471             |
| Travel and meals              | 585                         | 111                | 95                                  | 791               |
| Professional fees             | 3,341                       | 632                | 542                                 | 4,515             |
| Printing/reproduction         | 2,152                       | 407                | 349                                 | 2,908             |
| Website/internet              | 2,662                       | -                  | -                                   | 2,662             |
| Merchant fees                 | 296                         | -                  | -                                   | 296               |
| Depreciation and amortization | 2,090                       | -                  | -                                   | 2,090             |
| Supplies                      | 189                         | 36                 | 32                                  | 257               |
| <b>TOTAL EXPENSES</b>         | <b>\$ 197,242</b>           | <b>\$ 48,602</b>   | <b>\$ 34,790</b>                    | <b>\$ 280,634</b> |

See Accompanying Notes and Independent Accountant's Review Report.

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
STATEMENTS OF CASH FLOWS  
For the Years Ended June 30, 2021 and 2020**

|   | <u>2021</u>       | <u>2020</u>       |
|---|-------------------|-------------------|
| <b>RECONCILIATION OF CHANGE IN NET ASSETS<br/>TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b> |                   |                   |
| Change in net assets  | \$ 91,264         | \$ 12,255         |
| Adjustments to reconcile change in net assets to<br>Net Cash Flows from Operating Activities  |                   |                   |
| Items not affecting cash:   |                   |                   |
| Depreciation  | -                 | 265               |
| Amortization  | 760               | 1,825             |
| Interest invested in certificate of deposit   | (435)             | -                 |
| Changes in operating assets and liabilities   |                   |                   |
| Change in:  |                   |                   |
| Accounts receivable   | (16,120)          | 29,955            |
| Prepaid Rent  | (900)             | -                 |
| Accounts payable  | (1,240)           | 1,950             |
| Accrued payroll and payroll taxes   | 8,569             | (3,648)           |
| Unearned revenue  | 5,000             | -                 |
| Compensated absences  | 5,702             | 6,776             |
| Net Cash Flows from Operating Activities  | <u>92,600</u>     | <u>49,378</u>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                   |                   |
| Certificates of deposit, purchase   | -                 | (50,000)          |
| Net Cash Flows from Investing Activities  | <u>-</u>          | <u>(50,000)</u>   |
| Net change in cash and cash equivalents   | 92,600            | (622)             |
| <b>CASH AND CASH EQUIVALENTS</b>  |                   |                   |
| Beginning of year   | <u>140,166</u>    | <u>140,788</u>    |
| End of year   | <u>\$ 232,766</u> | <u>\$ 140,166</u> |

See Accompanying Notes and Independent Accountant's Review Report.



**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
For the Years Ended June 30, 2021 and 2020**

**1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Operations

Court Appointed Special Advocates of Missoula, Inc. (CASA) is non-profit organization which provides independent, trained advocates for the best interests of children within the judicial system who are at substantial risk or have experienced abuse or neglect. CASA provides consistent, long-term advocacy until every child resides in a safe, permanent home.

Basis of Accounting

CASA's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as codified by the Financial Accounting Standards Board.

Cash and Cash Equivalents

For purposes of the statement of cash flows, CASA considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Certain bank accounts subject to coverage by the Federal Deposit Insurance Corporation (FDIC) may exceed their insured limits during the year. At June 30, 2021 and 2020, no amounts exceed their insured limits.

Certificates of Deposit

CASA had two certificates of deposit at June 30, 2021, both of which are six-month certificates, maturing in October 2021, with an average interest rate of 1.10%. The certificates of deposit are reported at stated principal balances.

Accounts Receivable

Accounts receivable represent amounts owing to CASA from the Montana Department of Justice service contract and the Montana Board of Crime Control.

CASA considers accounts receivable from contracts and grants to be fully collectible.

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
For the Years Ended June 30, 2021 and 2020**

**1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

Property and Equipment

CASA capitalizes all asset purchases over \$2,500. Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of each asset. Lives are five years. Depreciation expense was \$265 for the year ended June 30, 2020 and for the year ended June 30, 2021 there was no depreciation expense. Property and equipment is stated net of accumulated depreciation of \$2,655 at June 30, 2020. During 2021 the remaining property and equipment was disposed of.

Intangibles

Intangibles are initially recorded at cost and consists of computer software. Intangibles are amortized on a straight-line basis over a period of three years and is stated net of accumulated amortization of \$5,475 and \$4,715 at June 30, 2021 and 2020, respectively.

Compensated Absences

CASA provides annual leave to eligible employees. Earned vacation leave ranges from 156 hours to 200 hours per year depending on the years of service. Employees may accrue no more than 300 hours of annual leave. Annual leave is paid at the current employee's pay rate upon termination. CASA records a liability for annual leave as it is earned. The accrued liability for annual leave was \$12,478 as of June 30, 2021 and \$6,776 as of June 30, 2020.

Net Asset Classification

Net assets are classified as *without donor restrictions* in the absence of donor-imposed restrictions. This category includes net amounts that have been earned and expended according to donor and contract conditions and generally unrestricted activities.

Net assets classified as *with donor restrictions* have donor-imposed restrictions that have not been met. Such restrictions may be met by the passage of time or use for a specific purpose, or the assets may be expected to be maintained in perpetuity. At June 30, 2021 and 2020 there were no net assets with donor restrictions.

Donor-restricted contributions whose restrictions are met in the same reporting period are reported as without donor restrictions. Donor restrictions that expire by either the passage of time or purpose restriction(s) being accomplished are accounted for as net assets released from restriction and reclassified as net assets without donor restrictions.

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
For the Years Ended June 30, 2021 and 2020**

**1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

Contributed Services

CASA receives services of volunteers without compensation. These contributions are not reflected in the accompanying financial statements.

Cost Allocation and Program Activities

CASA allocates costs to fundraising, management and general, and to program services on the basis of estimated time identifiable with such services. The primary activity groups and their related purposes are summarized as follows:

*Program Services* – Consists of funds utilized to provide training and support to trained advocates and costs associated with advocating for the best interest of the children within the judicial system that CASA advocates on behalf of.

*Management and General* – Consists of funds that are used to administer CASA.

*Fundraising* – Consists of funds that are used for activities and events that are designed to create public awareness and support for CASA’s programs.

Marketing/Outreach

CASA expenses marketing and outreach costs as incurred. Total marketing and outreach costs for the years ended June 30, 2021 and 2020 were \$53 and \$13, respectively.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosures of contingent assets and liabilities, and revenues and expenses. Actual results could differ from those estimates.

Income Tax Status

CASA is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded in these financial statements as CASA believes it had no income unrelated to its exempt purposes in 2021 or 2020. With few exceptions, CASA’s informational return (I.R.S. Form 990) is not subject to examination by tax authorities for years prior to 2018.

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
For the Years Ended June 30, 2021 and 2020**

**1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

Concentration of Risks

CASA is appointed to Court cases and given a flat fee by the Montana Supreme Court based on the number of children served. Case appointments are made at the discretion of the Court. Revenue from the Department of Justice was \$50,549 and \$62,670 for the year ended June 30, 2021 and 2020, respectively. This represents approximately 12% and 21% of revenue and support for the years ended June 30, 2021 and 2020, respectively. Revenue from the Montana Board of Crime Control was \$78,793 and \$19,950 for the years ended June 30, 2021 and 2020, respectively. This represents approximately 19% and 7% of revenue and support for the years ended June 30, 2021 and 2020, respectively. The revenue from the Montana Board of Crime Control is from grants totaling approximately \$120,000 and \$137,000 to be paid over the two years ending June 30, 2020 and 2022, respectively, as qualified expenses are incurred. In addition, CASA received funding from special events and contributions of \$136,916 and \$135,381 for the years ended June 30, 2021 and 2020, respectively. This represents approximately 33% and 46% of revenue and support for the years ended June 30, 2021 and 2020, respectively.

Accounting Standards Update

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842). This ASU provides guidance on the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous accounting standards and new disclosures on key information about leasing arrangements. The new standard supersedes current lease accounting requirements in FASB Accounting Standards Codification (ASC) Topic 840, Leases. When adopted, the new amendments in the ASU must be applied using a modified retrospective approach. ASU No. 2016-02 is effective for nonpublic companies for annual periods beginning after December 15, 2022. CASA is currently evaluating the impact of the provisions of ASC 842.

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
For the Years Ended June 30, 2021 and 2020**

**2. LEASES**

In October 2019 CASA entered into a lease agreement for office space in Missoula, Montana. The lease calls for monthly rental payments of \$875 and expires on September 30, 2021. The lease was renewed in September 2021. The lease extension calls for monthly rental payments of \$900 until August 31, 2022, \$945 until August 31, 2023, \$995 until August 31, 2024, and expires on August 31, 2024. For the years ended June 30, 2021 and 2020 CASA had rent expense of \$10,600 and \$11,600, respectively. Future minimum lease payments are \$10,750, \$11,250, \$11,840, and \$1,990 for the years ending June 30, 2022, 2023, 2024, and 2025, respectively.

**3. LIQUIDITY AND AVAILABILITY OF RESOURCES**

CASA occasionally receives contributions with donor restrictions. Because a donor's or grantor's restriction requires resources to be used in a particular manner or in a future period, CASA must maintain sufficient resources to meet these responsibilities. Thus, certain financial assets may not be available for general expenditures within one year.

CASA considers contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include management and general expenses, and fundraising expense to be paid in the subsequent year. Annual operations are defined as activities occurring during CASA's fiscal year.

The table below presents financial assets available for general expenditures within one year at June 30, 2021 and 2020:

|  | 2021       | 2020       |
|--|------------|------------|
| Financial assets at year end:  |            |            |
| Cash and cash equivalents  | \$ 232,766 | \$ 140,166 |
| Certificates of deposit  | 50,435     | 50,000     |
| Accounts receivable  | 31,370     | 15,250     |
| Total financial assets   | 314,571    | 205,416    |
| Less amounts not available to be used within one year<br>for general expenditures: | -          | -          |
| Financial assets available to meet general expenditures<br>within one year         | \$ 314,571 | \$ 205,416 |

**COURT APPOINTED SPECIAL ADVOCATES  
OF MISSOULA, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
For the Years Ended June 30, 2021 and 2020**

**4. PAYCHECK PROTECTION PROGRAM**

CASA received a Paycheck Protection Program loan from the United States Department of the Treasury during the year ended June 30, 2020 in the amount of \$37,700 which bears a 1% interest rate and is forgivable if certain conditions are met. CASA met these conditions before June 30, 2020 and as a result expects the loan to be forgiven. CASA has elected to account for the Paycheck Protection Program under Accounting Standard Codification 958-606 as a conditional contribution which allows for the \$37,700 loan to be recognized as revenue when the conditions for forgiveness are met. The entire Paycheck Protection Program loan amount of \$37,700 has been recognized as revenue during the year ended June 30, 2020. The loan was forgiven in March 2021.

**5. EMPLOYEE BENEFITS**

Employees of CASA may participate in a voluntary contribution 401(k) retirement plan to provide retirement benefits, effective January 1, 2021. Employee plan contributions are invested, at the direction of the participant, in one or more of the funding vehicles available under the plan. CASA contributed \$2,016 for the year ended June 30, 2021.

**6. SUBSEQUENT EVENTS**

On September 1, 2021, CASA obtained a \$50,000 pledge to be paid annually in \$10,000 increments over the next 5 years.

Management has evaluated subsequent events through October 15, 2021, the date on which the financial statements were available for issue.