SIMONA PADILLA-SCHOLTENS, CPA
SOLANO COUNTY AUDITOR-CONTROLLER'S OFFICE

INTERNAL AUDIT SERVICES

AN AUDIT OF
THE COURT APPOINTED SPECIAL
ADVOCATES FOR CHILDREN PROGRAM
(CASA) OF SOLANO COUNTY

Independent Auditor's Report and Financial Statements
For the year ended December 31, 2010

Auditor-Controller: Simona Padilla-Scholtens, CPA
Audit Manager: Ian Goldberg, CGAP
Auditor: Don Gall

CASA of Solano County

For the year ended December 31, 2010

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CASA of Solano County

For the year ended December 31, 2010

Board of Directors
(As of audit report date)

Ann Hamilton-Short, Chairperson

Steve Wilkins, Vice Chair

Lois Cross

Cynthia Wojan, Secretary/Treasurer

Kelly Dagul

Valerie Dodini

Ron Escalante

Rick Fuller

George Paz

Carmen Ward

Fred Wold

OFFICE OF THE AUDITOR-CONTROLLER

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Auditor-Controller

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Phyllis Taynton, CPA
Assistant Auditor-Controller

Independent Auditor's Report

Board of Directors
CASA of Solano County

We have audited the accompanying statement of financial position of CASA of Solano County (CASA), as of December 31, 2010, and the related statement of activities and cash flows for the period then ended. These financial statements are the responsibility of CASA's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CASA of Solano County, as of December 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

CASA has not presented management's discussion and analysis, which accounting principles generally accepted in the United States of America have determined is necessary to supplement, although not required to be a part of, the basic financial statements.

Simona Padilla-Scholtens, CPA
Auditor-Controller

March 14, 2011

CASA of Solano County
Statement of Financial Position
December 31, 2010

ASSETS		
Current assets:		
Cash	$	60,762
Grants receivable		14,800
Total current assets		75,562
Total assets	$	75,562
LIABILITIES		
Noncurrent liabilities:		
Compensated absences payable	$	3,766
Total noncurrent liabilities		3,766
Total liabilities		3,766
NET ASSETS		
Unrestricted		71,796
Total net assets		71,796
Total liabilities and net assets	$	75,562

The notes to the financial statement are an integral part of this statement.

CASA of Solano County
Statement of Activities
For the year ended December 31, 2010

Unrestricted Revenues and Support		
Grants	$	130,571
Contracts		74,000
Donations		21,130
Fundraising activities		19,662
Donated office space		16,650
Total Unrestricted Revenues and Support		262,013
Unrestricted Expenses		
Employee services		194,358
Office lease		16,650
Office expense		8,567
Professional/contracted services		6,901
Fundraising		6,590
Insurance		6,451
Communication		5,721
Education/training		5,453
Transportation and travel		4,509
Special departmental expense		4,262
Data processing		1,787
Equipment rental		923
Printing		880
Postage		634
Grant & contract expense		500
Membership		200
Advertising		100
Miscellaneous		2,173
Total Unrestricted Expenses		266,659
Change in Unrestricted Net Assets		(4,646)
Net Assets at Beginning of Year (Period)		76,442
Net Assets at End of Year (Period)	$	71,796

The notes to the financial statement are an integral part of this statement.

CASA of Solano County
Statement of Cash Flows
For the year ended December 31, 2010

Cash flows from operating activities		
Cash received from contributors	$	265,363
Cash paid to suppliers		(55,651)
Cash paid to employees		(192,893)
Net increase (decrease) in cash		16,819
Cash at beginning of year (period)		43,943
Cash at end of year (period)	$	60,762

Reconciliation of changes in net assets to net cash provided (used) by operating activities		
Change in Net Assets	$	(4,646)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
(Increase) decrease in contracts receivable		20,000
Increase in compensated absences		1,465
Total adjustments		21,465
Net cash provided (used) by operating activities	$	16,819

The notes to the financial statement are an integral part of this statement.

CASA of Solano County
Notes to the Financial Statements
For the year ended December 31, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Entity

CASA (Court Appointed Special Advocates for Children) of Solano County was formed for the purpose of advocating for abused, neglected, and other unidentified children within the court system with the belief that every child is entitled to a safe and stable home. In 2005 CASA was incorporated as a California non-profit corporation. Prior to that, CASA served under the auspice of Solano County.

The Board of Directors consists of eleven members from various professions. Any person may be nominated by a sitting director, CASA staff member, a member of the public, or any other interested person. Directors are elected by a majority vote of the Board of Directors.

Support for the organization comes from contracts and grants with government agencies as well as fund raising events, and contributions from the general public.

B. Basis of Accounting and Basis of Presentation

CASA prepares its financial statements using the full accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). Revenues are recognized in the period in which they are earned. Expenses are recognized in the period in which the liability is incurred.

GAAP requires CASA to present information about its financial position and activities in three classes of net assets: permanently restricted, temporarily restricted, and unrestricted. Contributions received are recorded as permanently restricted, temporarily restricted, and unrestricted depending on the existence and nature of any donor restrictions. Any restricted revenues whose restrictions are met in the same reporting period are shown as unrestricted.

C. Assets, Liabilities and Net Assets

1. Cash

CASA's cash is considered to be demand deposits with other financial institutions. The carrying amounts of CASA's deposits in the bank, as of December 31, 2010 were $60,762.

2. Compensated Absences

It is CASA's policy to permit employees who work 25 or more hours per week to earn and accrue vacation benefits. Vested vacation benefits accrue when earned and are reported as a liability. The accrued amount cannot exceed the amount of vacation earned in a twelve month period. No liability is reported for sick leave benefits, which are not paid upon separation from service.

3. Net Assets

Net assets are categorized as follows:

- *Unrestricted* – This category represents net assets of CASA not restricted for any project or other purpose.

4. 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. These estimates and assumptions 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.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Grant Information

CASA is the recipient of two Court Appointed Special Advocate Grant Program grants from the Judicial Council of California: Grant No. 1019358 for the period September 1, 2009 through August 31, 2010 and Grant No. 1021836 for the period of September 1, 2010 through August 31, 2011. The Judicial Council grants require quarterly submission of qualifying expenses for release of grant funds.

CASA is the recipient of a National CASA Association Program Extension Grant No. 10035-09-0709-E2 for the period July 1, 2009 through June 30, 2010. CASA is also a recipient of the National CASA Association Program Sustainability Grant No. 10035-10-0710-Q for the period July 1, 2010 through June 30, 2011. The National CASA grants require monthly submission of qualifying expenses for release of grant funds.

CASA received a grant of $40,000 for program support from the Board of Directors of the Syar Foundation on December 8, 2010.

III. DETAILED NOTES

Non-current Liabilities

Compensated Absences

Long-term liability activity for the year ended December 31, 2010, was as follows:

	Beginning Balance 12/31/09	Additions	Retirements	Ending Balance 12/31/10	Due Within One Year
Compensated absences	$ 2,301	$ 1,465	$ -	$ 3,766	$ -
Total compensated absences	$ 2,301	$ 1,465	$ -	$ 3,766	$ -

IV. OTHER INFORMATION

Risk Management

CASA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. CASA carries commercial insurance policies for Directors & Officers Liability, Professional Liability, General Liability, and Worker's Compensation.