
OREGON CASA NETWORK

FINANCIAL STATEMENTS
(Audited)

For the Year Ended
June 30, 2024

OREGON CASA NETWORK

CONTENTS

Independent Auditors' Report	1
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Financial Statements:

Statement of Financial Position.....	3
Statement of Activities and Changes in Net Assets	4
Statement of Functional Expenses	5
Statement of Cash Flows.....	6
Notes to Financial Statements	7



CAPSTONE

CERTIFIED PUBLIC ACCOUNTANTS, LLC

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The Board of Directors
Oregon CASA Network
Salem, Oregon

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the accompanying financial statements of Oregon CASA Network (a non-profit organization) which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

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, 2024 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Oregon CASA Network and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Capstone Certified Public Accountants, L.L.C.

Capstone Certified Public Accountants, L.L.C.
Redmond, Oregon
January 9, 2025

OREGON CASA NETWORK

STATEMENT OF FINANCIAL POSITION

(See Independent Auditors' Report)

June 30, 2024

ASSETS

Current assets:

Cash	\$ 4,000,244
Prepaid expenses	<u>1,011</u>
	<u><u>\$ 4,001,255</u></u>

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable and accrued expenses	\$ 37,549
Deferred revenue	<u>3,549,494</u>

Total liabilities 3,587,043

Net assets:

Net assets without donor restrictions	<u>414,212</u>
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Total net assets 414,212

\$ 4,001,255

OREGON CASA NETWORK

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

(See Independent Auditors' Report)

For the Year Ended June 30, 2024

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>Total</u>
Support and revenue			
Grants and contracts	\$ 4,765,305	\$ -	\$ 4,765,305
Contributions	43,274	-	43,274
Member fees	66,550	-	66,550
Other revenue	5,187	-	5,187
Interest income	7,791	-	7,791
Total support and revenue	<u>4,888,107</u>	<u>-</u>	<u>4,888,107</u>
Operating expenses:			
Program services	4,694,906	-	4,694,906
General and administrative	99,179	-	99,179
Fundraising	9,939	-	9,939
Total expenses	<u>4,804,024</u>	<u>-</u>	<u>4,804,024</u>
Increase in net assets	84,083	-	84,083
Net assets - Beginning of year	330,129	-	330,129
Net assets - End of year	<u>\$ 414,212</u>	<u>\$ -</u>	<u>\$ 414,212</u>

The accompanying notes are an integral part of the financial statements.

OREGON CASA NETWORK

STATEMENT OF FUNCTIONAL EXPENSES

(See Independent Auditors' Report)

For the Year Ended June 30, 2024

	Program Services	Supporting Services		2023 Total
		General and Administrative	Fundraising	
Salaries	\$ 133,814	\$ 25,090	\$ 8,363	\$ 167,267
Payroll taxes and workers' compensation	11,894	2,230	743	14,867
Employee benefits	13,316	2,497	832	16,645
Total salaries and related expenses	159,023	29,817	9,939	198,779
Local programs and support	4,319,951	-	-	4,319,951
Contract services	138,609	25,499	-	164,108
Meeting and training	51,314	-	-	51,314
Legal and professional	-	41,000	-	41,000
Travel and parking	5,898	-	-	5,898
Insurance	5,336	-	-	5,336
Occupancy	4,985	-	-	4,985
Dues and subscriptions	3,122	-	-	3,122
Telephone	2,300	-	-	2,300
Information technology	2,233	-	-	2,233
Banking Fees	-	1,261	-	1,261
Printing	1,078	-	-	1,078
Board and staff support	-	907	-	907
Office expense	-	695	-	695
Advertising	565	-	-	565
Taxes, licenses and fees	492	-	-	492
Total expenses	\$ 4,694,906	\$ 99,179	\$ 9,939	\$ 4,804,024

OREGON CASA NETWORK

STATEMENT OF CASH FLOWS

(See Independent Auditors' Report)

For the Year Ended June 30, 2024

Operating activities:

Change in net assets	\$ 84,083
Adjustments to reconcile change in net assets to cash used by operating activities:	
(Increase) decrease in operating assets:	
Prepaid expenses	428
Increase (decrease) in operating liabilities:	
Accounts payable	37,549
Deferred revenue	1,299,698
Net cash provided by operating activities	1,421,758
Net increase in cash	1,421,758
Cash, beginning of year	2,578,486
Cash, end of year	\$ 4,000,244

OREGON CASA NETWORK

NOTES TO FINANCIAL STATEMENTS

(See Independent Auditors' Report)

1 - Significant Accounting Policies

Organization's Activities

The Oregon CASA Network (hereafter, "the Organization"), is a nonprofit organization established to promote and support Court Appointed Special Advocate (CASA) programs in Oregon. The vision of the Organization is a world where all children have a safe place to call home and the opportunity to thrive. The mission of the Organization is to support and unite local CASA programs to promote volunteer advocacy on behalf of children and youth who have experienced abuse or neglect.

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. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Basis of Presentation

Under the guidance of accounting principles generally accepted in the United States of America of voluntary health and welfare organizations, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - net assets that are not subject to donor imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions - net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

OREGON CASA NETWORK

NOTES TO FINANCIAL STATEMENTS

(See Independent Auditors' Report)

1 - Significant Accounting Policies - continued

Functional Allocation of Expenses

The costs of program and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefitted.

The Organization utilizes a simplified cost allocation method, whereby specifically identifiable costs are charged directly to the grant or project, and indirect costs are allocated among programs and grants through an allocation base. The Organization uses salary and benefit expense as the allocation base.

Cash and Cash Equivalents

Cash equivalents are stated at cost which approximates market value. For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentrations of Credit and Market Risk

Financial instruments that potentially subject The Organization to credit risk consist of cash and cash equivalents. The Organization's policy is to place its cash and cash equivalents with high credit quality financial institutions. The balances are fully insured by the Federal Deposit Insurance Corporation (hereafter "FDIC") up to \$250,000 per depositor at each financial institution for interest-bearing and non-interest-bearing transaction accounts. The Organization's cash bank balances at times fluctuated above FDIC limitation amounts during the year.

As of June 30, 2024, the Organization had uninsured cash balances of \$2,003,563. The Organization has not experienced any losses in such accounts. Management believes that the Organization is not exposed to any significant concentration risk associated with these accounts.

Use of Estimates

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

OREGON CASA NETWORK

NOTES TO FINANCIAL STATEMENTS - Continued

(See Independent Auditors' Report)

1 - Significant Accounting Policies - continued

Leases

The determination of whether an arrangement is a lease is made at inception. A contract contains a lease if the contract conveys the right to control the use of identified property or equipment (an identified asset) for a period of time in exchange for consideration.

The Organization has elected not to recognize a right-of-use asset and lease liability for leases with an initial term of twelve months or less as well as any lease covering immaterial assets. We recognize lease expense for these leases on a straight-line basis over the lease term.

Contributions

Contributions, including unconditional promises to give, are recorded as made. All contributions are available for use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value, Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received.

Revenue Recognition

Primary revenues of the Organization are either recognized at a point in time when the services are provided and the performance obligations are satisfied or over the applicable service period and are categorized as follows:

Point in Time -

Other revenues from recognized in the period in which the activities occur.

Applicable Service Period -

Member fees are recognized on a monthly basis over the fiscal year for the applicable service period of membership. Contract revenues are recognized on an annual basis in accordance with contract agreements. Deferred revenue results from the Organization receiving contract payments in advance of the period in which the related contract period is applicable. Accordingly, contract fees received for future periods are deferred until recognized as earned.

OREGON CASA NETWORK

NOTES TO FINANCIAL STATEMENTS - Continued

(See Independent Auditors' Report)

1 - Significant Accounting Policies - continued

Income Taxes

Oregon CASA Network is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes and classified by the Internal Revenue Service as other than a private foundation. Tax positions for open tax years were reviewed and it was determined that no provision for uncertain tax positions is required.

Date of Management's Review

Subsequent events have been evaluated through January 9, 2025, which is the date the financial statements were available to be issued. Management was unaware of any reportable material subsequent events that required disclosure.

2 - Cash and Cash Equivalents

The Organization had the following cash and cash equivalents as of June 30, 2024:

Deposits with financial institutions	\$ 3,341,216
Money market	<u>659,028</u>
	<u><u>\$ 4,000,244</u></u>

OREGON CASA NETWORK

NOTES TO FINANCIAL STATEMENTS - Continued

(See Independent Auditors' Report)

3 - Availability and Liquidity

The following represents the Organization's financial assets available within one year as of June 30, 2024:

Financial assets at year end:

Cash and cash equivalents	\$ 4,000,244
Financial assets available to meet general expenditures over the next twelve months	<u>4,000,244</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash may be invested in short-term investments, including money market accounts and certificates of deposit.

4 - Net Assets with Donor Restriction

The Organization did not have any net assets with donor restriction as of June 30, 2024.

5 - Commitments and Contingencies

Donor restricted donations require the fulfillment of certain conditions as set forth in the terms of the acceptance of the donation. Failure to fulfill the conditions could result in the return of the funds to the donors. Although that is a possibility, the Board and Management deem the contingency remote.

OREGON CASA NETWORK

NOTES TO FINANCIAL STATEMENTS - Continued

(See Independent Auditors' Report)

6 – Related Party Transactions

The Organization's Board of Directors consists of a mix of "at-large" Board members, and Executive Directors of local CASA programs.

Twenty local CASA organizations throughout Oregon pay membership dues to Oregon CASA Network at the rate of 2.33% of each program's state funding allocation.

Oregon CASA Network passed through \$4,319,951 of grant and contract funds to local CASA organizations during the year ended June 30, 2024.

7 - Revenue from Contracts

Revenue from contracts, the timing of revenue recognition, billings, and cash collections may result in accounts receivable (contract asset), deposits and deferred revenue (contract liabilities) on the statement of financial position.

The following is the organization's revenue disaggregated according to the timing of the transfer of goods and services:

Revenue recognized over applicable service period:

Contracts	\$ 4,765,305
Member fees	<u>66,550</u>
	<u><u>\$ 4,831,855</u></u>

The following are the contract liabilities for year ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Deferred revenue (contract liabilities):		
Deferred revenue	\$ 3,549,494	\$ 2,249,796
	<u><u>\$ 3,549,494</u></u>	<u><u>\$ 2,249,796</u></u>

There were no contract assets at June 30, 2024 and 2023.

OREGON CASA NETWORK

NOTES TO FINANCIAL STATEMENTS - Continued

(See Independent Auditors' Report)

8 – Retirement Plan

The Organization sponsors a 401(k) plan that is available to eligible employees according to the plan terms and have completed 90 days of employment. The Organization matches amounts contributed by the employees up to 5% of employee gross pay. The total amount contributed by the Organization for the fiscal year ended June 30, 2024, was \$7,445.