
CASA OF SAN MATEO COUNTY

Financial Statements

June 30, 2021 and 2020

and

Independent Auditors' Report

CASA OF SAN MATEO COUNTY
June 30, 2021 and 2020
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To the Board of Directors
CASA of San Mateo County
San Mateo, CA

We have audited the accompanying statements of financial position of CASA of San Mateo County (CASA) a tax-exempt, organization, which comprise the statements of financial position as of June 30, 2021 and June 30, 2020, and the related statements of activities, functional expenses and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider 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.

DELAGNES, MITCHELL & LINDER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Opinion

In our opinion, the financial statements referred to above present fairly in all material respects, the financial position of CASA of San Mateo County as of June 30, 2021 and June 30, 2020, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Delagnes, Mitchell & Linder, LLP

Delagnes, Mitchell & Linder, LLP

San Francisco, CA
February 10, 2022

CASA of San Mateo County
Statements of Financial Position
June 30, 2021 and 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and cash equivalents	\$ 2,473,049	1,571,422
Accounts receivable	50,000	192,000
Prepays and other assets	<u>8,410</u>	<u>8,410</u>
Total Current Assets	2,531,459	1,771,832
Fixed assets:		
Property and equipment, net of accumulated depreciation	<u>13,171</u>	<u>25,553</u>
Total Assets	<u>\$ 2,544,630</u>	<u>1,797,385</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable and other accrued expenses	\$ 10,466	11,522
Accrued vacation	<u>53,802</u>	<u>28,066</u>
Total Current Liabilities	64,268	39,588
PPP Loan	<u>-</u>	<u>192,700</u>
Total Liabilities	64,268	232,288
Net assets:		
Without donor restrictions	2,430,362	1,373,097
With donor restrictions	<u>50,000</u>	<u>192,000</u>
Total Net Assets	<u>2,480,362</u>	<u>1,565,097</u>
Total Liabilities and Net Assets	<u>\$ 2,544,630</u>	<u>1,797,385</u>

CASA of San Mateo County
Statements of Activities and Changes in Net Assets
For the Years Ended June 30, 2021 and 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2021 Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2020 Total</u>
Revenue and support:						
Contributions	\$ 510,193	-	510,193	442,964	192,000	634,964
Grants	488,911	-	488,911	778,229	-	778,229
Government contracts and grants	536,115	-	536,115	291,370	-	291,370
Donated goods & services	158,118	-	158,118	-	-	-
Investment income	1,170	-	1,170	2,627	-	2,627
Special events	630,009	-	630,009	-	-	-
Net assets released from restrictions	<u>142,000</u>	<u>(142,000)</u>	<u>-</u>	<u>65,000</u>	<u>(65,000)</u>	<u>-</u>
Total revenues and support	<u>2,466,516</u>	<u>(142,000)</u>	<u>2,324,516</u>	<u>1,580,190</u>	<u>127,000</u>	<u>1,707,190</u>
Expenses:						
Program services	975,538	-	975,538	794,347	-	794,347
General and administration	161,719	-	161,719	139,492	-	139,492
Fundraising	<u>271,994</u>	<u>-</u>	<u>271,994</u>	<u>235,542</u>	<u>-</u>	<u>235,542</u>
Total expenses	<u>1,409,251</u>	<u>-</u>	<u>1,409,251</u>	<u>1,169,381</u>	<u>-</u>	<u>1,169,381</u>
Change in net assets	1,057,265	(142,000)	915,265	410,809	127,000	537,809
Net assets at beginning of year	<u>1,373,097</u>	<u>192,000</u>	<u>1,565,097</u>	<u>962,288</u>	<u>65,000</u>	<u>1,027,288</u>
Net assets at end of year	\$ <u>2,430,362</u>	<u>50,000</u>	<u>2,480,362</u>	<u>1,373,097</u>	<u>192,000</u>	<u>1,565,097</u>

see accompanying notes to financial statements and auditors' report

CASA of San Mateo County
Statements of Cash Flows
For the Years Ended June 30, 2021 and 2020

CASH FLOWS FROM OPERATING ACTIVITIES:	2021	2020
Change in net assets from Statement of Activities	\$ 915,265	\$ 537,809
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	13,693	13,992
Changes in:		
Accounts receivable	142,000	(127,000)
Prepaid expenses	-	12,838
Accounts payable and accrued liabilities	24,680	24,069
Cash provided (used) by operating activities	<u>1,095,638</u>	<u>461,708</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	<u>(1,311)</u>	<u>-</u>
Net cash used by investing activities	<u>(1,311)</u>	<u>-</u>
 CASH FLOWS FROM FINANCING ACTIVITIES:		
PPP Loan	<u>(192,700)</u>	<u>192,700</u>
 Increase(decrease) in cash	901,627	654,408
Cash and equivalents, beginning of period	<u>1,571,422</u>	<u>917,014</u>
Cash and equivalents, end of period	\$ <u><u>2,473,049</u></u>	\$ <u><u>1,571,422</u></u>

CASA of San Mateo County

Statement of Functional Expenses For The Year Ended June 30, 2021

	General and			Total
	<u>Programs</u>	<u>Administration</u>	<u>Fundraising</u>	
Salaries	\$ 560,594	104,327	173,877	838,798
Employee benefits	108,700	12,872	21,455	143,027
Payroll taxes	51,164	6,059	10,098	67,321
Total personnel costs	720,458	123,258	205,430	1,049,146
Audit and accounting fees	-	8,000	-	8,000
Bank fees and interest	-	4,495	-	4,495
Human resource services	19,359	2,293	3,821	25,473
Consultants	-	-	2,800	2,800
Computer consulting	34,357	4,068	3,981	42,406
Recruitment and training	17,344	-	-	17,344
Printing and copying	5,255	622	1,037	6,914
Supplies	3,946	467	779	5,192
Program expenses	9,038	-	-	9,038
Telephone	6,528	773	1,288	8,589
Postage and mailings	892	106	176	1,174
Rent	118,790	12,952	26,645	158,387
Other expenses	4,336	513	856	5,705
Dues and subscriptions	7,307	865	1,442	9,614
Advertising and marketing	9,710	1,150	1,916	12,776
Events	-	-	18,227	18,227
Depreciation	10,407	1,232	2,054	13,693
General liability insurance	7,811	925	1,542	10,278
Total	\$ 975,538	161,719	271,994	1,409,251

CASA of San Mateo County

Statement of Functional Expenses

For The Year Ended June 30, 2020

		General and		
	<u>Programs</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 502,694	95,796	159,660	758,150
Employee benefits	102,386	12,125	20,208	134,719
Payroll taxes	<u>43,600</u>	<u>5,163</u>	<u>8,606</u>	<u>57,369</u>
Total personnel costs	648,680	113,084	188,474	950,238
Audit and accounting fees	-	8,000	-	8,000
Bank fees and interest	-	5,387	-	5,387
Human resource services	17,690	1,228	2,570	21,488
Consultants	-	1,743	-	1,743
Computer consulting	25,892	1,703	6,474	34,069
Recruitment and training	17,308	-	-	17,308
Printing and copying	10,665	1,263	2,105	14,033
Supplies	14,819	1,755	2,925	19,499
Program expenses	3,287	-	-	3,287
Telephone	7,651	531	2,444	10,626
Postage and mailings	1,560	185	307	2,052
Rent	14,439	1,711	2,849	18,999
Other expenses	5,806	382	1,452	7,640
Advertising and marketing	12,719	883	2,731	16,333
Events	-	-	20,481	20,481
Depreciation	10,634	1,259	2,099	13,992
General liability insurance	<u>3,197</u>	<u>378</u>	<u>631</u>	<u>4,206</u>
Total	\$ <u><u>794,347</u></u>	<u><u>139,492</u></u>	<u><u>235,542</u></u>	<u><u>1,169,381</u></u>

CASA OF SAN MATEO COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

1. Nature of activities and summary of significant accounting policies

(a) Nature of activities

CASA of San Mateo County (CASA) is a Court Appointed Special Advocates program in San Mateo County. CASA has had a strong presence in San Mateo County for over twenty years, first as part of a two-county CASA program and as a stand-alone program since 2006.

CASA recruits, trains and supports adult community volunteers who are assigned to advocate for youth, ages 0 through 21, who are in the child welfare or juvenile justice system. These volunteers are often the only consistent adults spending time with and advocating for youth who find themselves in the foster care and juvenile justice systems. CASA volunteers focus on the needs and best interest of children, providing stability as children and their families navigate traumatic circumstances. Specifically, CASA's mission is to ensure that all children under the protection of the court because of abuse or neglect have a consistent and caring adult who speaks on their behalf and helps them reach their full potential.

In the last year, CASA served approximately 240 children and youth with approximately 224 volunteers. Volunteers contributed over 12,000 hours on behalf of the children they supported during this same period. CASA volunteers support their youth in numerous ways, including but not limited to the following:

- At a minimum, weekly contact
- Identification of social, emotional, physical, developmental and educational needs
- Advocating to have needs met in a timely and appropriate manner
- Monitoring a child's well-being and safety in their placement(s)
- Overseeing and supporting academic progress
- Engaging children in enrichment activities
- Facilitating information sharing among professionals
- Writing reports to the Court to help guide judicial decision-making
- Serving as child's mentor and advocate
- Providing consistent support during traumatic events and transitions, such as change in home placements, schools and caregivers

CASA OF SAN MATEO COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

1. Nature of activities and summary of significant accounting policies, continued

(a) Nature of activities (continued)

Additionally, CASA enhances its core services through additional initiatives. For instance, as part of its Academic Success Program, the organization provides educational advocacy designed to improve academic outcomes. The Embracing Our Community Program is designed to ensure culturally sensitive services and policies and acknowledges the disproportionate representation of Black and Latinx children in the child welfare and juvenile justice systems. The goal of the program is to ensure a diverse pool of volunteers and increase the inclusion of underrepresented communities among the organization's volunteers. In furtherance of this goal, CASA has also designed a Spanish-language volunteer training program.

In addition to children in foster care, CASA, in coordination with the Probation Department, serves juvenile justice youth who reside at home, at Juvenile Hall and young women at Camp Kemp.

(b) Basis of presentation

The financial statements are presented on the basis of net assets categorized by those with or without donor restrictions.

(c) Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2020.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

CASA OF SAN MATEO COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

1. Nature of activities and summary of significant accounting policies, continued

(c) Basis of Accounting (continued)

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. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

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

(d) Cash

Cash includes depository account balances other than those held temporarily as part of the long-term investment portfolio. The accounts are insured by the FDIC up to \$250,000 for each bank. At June 30, 2021 and 2020, the Organization had \$2,223,049 and \$1,321,422 respectively of uninsured cash balances.

(e) Donated goods and services

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor.

During the years ended June 30, 2021 and 2020, the Organization received donated services from volunteers. In each year, over 12,000 hours were donated on behalf of the children served by the Organization. These in-kind are not reflected in the financial statements since these services do not meet the criteria for recognition.

CASA of San Mateo leases office space from The Sobrato Foundation under a one year renewable lease at just the CAM costs. The financial statements include an in-kind contribution of \$158,387 included in rent expense for the year ending June 30, 2021.

CASA OF SAN MATEO COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

1. Nature of activities and summary of significant accounting policies, continued

(f) Functional allocation of expenses

Expenses are charged to programs and supporting services on the basis of periodic time and expense studies as well as estimates made by the Organization's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

(g) Income taxes

The Organization is exempt from paying Federal and state income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes in the accompanying financial statements.

(h) Property and Equipment and Depreciation

Property and equipment is recorded at cost. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

2. NET ASSETS - DONOR RESTRICTIONS

Support that is restricted by a grantor agency or a donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, donor restricted net assets are reclassified to net assets without donor restrictions.

Net assets with donor restriction amounted to \$50,000 and \$192,000 respectively as of June 30, 2021 and June 30, 2020:

CASA OF SAN MATEO COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

3. Fixed assets

Fixed assets include office equipment and leasehold improvements which are depreciated over lives ranging from 3 to 9 years using the straight-line method of depreciation. Office equipment at June 30, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</u>
Furniture and fixtures	\$ 34,554	\$ 33,244
Leasehold improvements	91,935	91,935
Less accumulated depreciation	(113,318)	(99,626)
Property and equipment – net of accumulated depreciation	\$ <u>13,171</u>	\$ <u>25,553</u>

4. COVID-19 pandemic and CARES Act funding

On March 11, 2020, the World Health Organization designated the COVID-19 outbreak as a global pandemic. In response to COVID-19, on March 27, 2020 the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed into law. The CARES Act added the Paycheck Protection Program ("PPP") to the U.S. Small Business Administration's ("SBA") loan program. A PPP loan can be used only for certain specified expenses and if approved the borrower can apply to have the loan forgiven. The program is administered by the SBA, but the borrower goes through their normal bank for loan approval and distribution/forgiveness of the loan. CASA of San Mateo applied for a PPP loan and on April 24, 2020 received a PPP loan in the amount of \$192,700. This appears on the statement of financial position at June 30, 2020. The loan has been fully forgiven and appears on the statement of activity in Government contracts and grants as of June 30, 2021.

5. Subsequent events

Subsequent events have been evaluated through February 10, 2022, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine any impact on the financial statements.