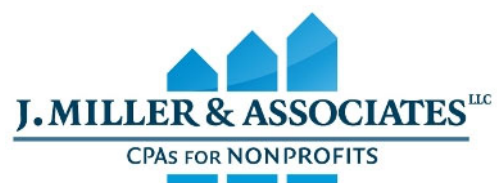


**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)**



**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.  
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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Court Appointed Special Advocates of Mercer County, Inc.  
Ewing, New Jersey

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Court Appointed Special Advocates of Mercer County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021 and the related statements of activities, cash flows and functional expenses 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

Board of Directors  
Court Appointed Special Advocates of Mercer County, Inc.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Court Appointed Special Advocates of Mercer County, Inc. as of June 30, 2021, 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.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2021, on our consideration of Court Appointed Special Advocates of Mercer County, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Court Appointed Special Advocates of Mercer County, Inc.'s internal control over financial reporting and compliance.

**Report on Summarized Comparative Information**

The prior year summarized comparative information has been derived from Court Appointed Special Advocates of Mercer County, Inc.'s 2020 financial statements and, in our report dated January 22, 2021, we expressed an unmodified opinion on the financial statements.

*J. Miller & Associates, LLC*

**J. MILLER & ASSOCIATES, LLC**

Philadelphia, Pennsylvania  
November 18, 2021

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2021**  
**(WITH COMPARATIVES TOTALS AT JUNE 30, 2020)**

	2021	2020
<b>ASSETS</b>		
Cash and cash equivalents	\$ 436,455	\$ 414,805
Grants and other receivable	226,963	168,067
Prepaid expenses	10,367	20,599
Investments	7,534	6,384
Property and equipment, net	286,805	297,408
<b>TOTAL ASSETS</b>	<b>\$ 968,124</b>	<b>\$ 907,263</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 7,234	\$ 4,533
Accrued payroll	32,726	31,373
Paycheck Protection Program loan payable	-	147,860
Loan payable	96,144	120,366
<b>TOTAL LIABILITIES</b>	<b>136,104</b>	<b>304,132</b>
<b>NET ASSETS</b>		
Without donor restrictions	821,495	590,631
With donor restrictions	10,525	12,500
<b>TOTAL NET ASSETS</b>	<b>832,020</b>	<b>603,131</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 968,124</b>	<b>\$ 907,263</b>

See accompanying Notes to Financial Statements.

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2021**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)**

	<b>2021</b>		<b>Total</b>	<b>2020 Total</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>		
<b>REVENUE AND SUPPORT</b>				
Government grants	\$ 806,419	\$ -	\$ 806,419	\$ 641,684
Foundation and corporate grants	135,900	-	135,900	129,500
Contributions	118,826	-	118,826	85,733
Special events	56,850	10,525	67,375	80,099
Contributed services	275,597	-	275,597	329,367
Investment income	880	-	880	2,877
Net assets released from donor restrictions	12,500	(12,500)	-	-
Total Revenue and Support	1,406,972	(1,975)	1,404,997	1,269,260
<b>EXPENSES</b>				
Program	1,006,574	-	1,006,574	1,113,743
Management and general	126,239	-	126,239	119,489
Fundraising	43,295	-	43,295	83,974
Total Expenses	1,176,108	-	1,176,108	1,317,206
Change in Net Assets	230,864	(1,975)	228,889	(47,946)
Net Assets, Beginning of Year	590,631	12,500	603,131	651,077
Net Assets, End of Year	\$ 821,495	\$ 10,525	\$ 832,020	\$ 603,131

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2021**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)**

	2021				2020 Total
	Program Services	Management and General	Fundraising	Total	
Salaries	\$ 586,547	\$ 14,211	\$ 31,145	\$ 631,903	\$ 647,506
Payroll taxes	50,894	1,233	2,702	54,829	73,052
Fringe benefits	41,884	1,015	2,224	45,123	52,580
Retirement expense	9,133	221	485	9,839	8,207
<b>Total salaries and related expenses</b>	<b>688,458</b>	<b>16,680</b>	<b>36,556</b>	<b>741,694</b>	<b>781,345</b>
Advertising	485	-	-	485	12,576
Depreciation	-	10,604	-	10,604	10,604
Dues and subscriptions	-	10,633	-	10,633	9,172
Fundraising expenses	-	-	1,580	1,580	21,869
Insurance	8,638	3,515	83	12,236	10,579
Interest expense	4,054	520	624	5,198	7,000
Occupancy	39,542	1,924	2,307	43,773	45,509
Office supplies and equipment	5,055	1,735	-	6,790	3,612
Payroll and benefits administration fees	2,353	57	125	2,535	12,491
Printing	-	-	747	747	1,629
Professional fees	-	78,350	-	78,350	65,905
Telephone	8,274	1,061	1,273	10,608	9,036
Travel expense	-	-	-	-	3,598
Training	3,420	-	-	3,420	5,621
Volunteer advocate services	246,021	-	-	246,021	309,856
Other expenses	274	1,160	-	1,434	2,304
Bad debt expense	-	-	-	-	4,500
<b>Total</b>	<b>\$ 1,006,574</b>	<b>\$ 126,239</b>	<b>\$ 43,295</b>	<b>\$ 1,176,108</b>	<b>\$ 1,317,206</b>

See accompanying Notes to Financial Statements.

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2021**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020)**

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 228,889	\$ (47,946)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	10,604	10,604
Unrealized (gain)/loss	(1,150)	(1,473)
Forgiveness of Paycheck Protection Program loan payable	(147,860)	-
Decrease (Increase) in Assets:		
Grants and contributions receivable	(58,896)	(34,114)
Prepaid expenses	10,232	(6,405)
Increase (Decrease) in liabilities:		
Accounts payable	2,700	(3,917)
Accrued payroll	1,353	2,573
Deferred revenue	-	(800)
<b>Net cash used by operating activities</b>	<b>45,872</b>	<b>(81,478)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from loan payable	-	147,860
Payments on loan payable	(24,222)	(24,870)
<b>Net cash provided by investing activities</b>	<b>(24,222)</b>	<b>122,990</b>
<b>NET INCREASE IN CASH</b>	21,650	41,512
Cash and cash equivalents - beginning of year	414,805	373,293
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 436,455</b>	<b>\$ 414,805</b>
<b>SUPPLEMENTAL DISCLOSURE:</b>		
Interest paid	\$ 5,198	\$ 7,000

See accompanying Notes to Financial Statements.



**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 1 ORGANIZATION**

Court Appointed Special Advocates of Mercer County, Inc. (“CASA”) is a nonprofit corporation which trains community volunteers to advocate in court for children who have been removed from their homes due to abuse and/or neglect. The volunteers ensure that needed services and assistance are provided, while moving the child toward a safe and permanent home. The program recruits, screens, trains, and supervises the volunteers.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

CASA prepares its financial statements in accordance with accounting principles generally accepted in the United States of America which involve the application of the accrual basis of accounting; consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

**Summarized Comparative Information**

The summarized comparative information presents amounts in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with WRC’s financial statements for the year ended June 30, 2020 from which the summarized information was derived.

**Cash and Cash Equivalents**

CASA considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

**Grants and Contributions Receivable**

Grant and contributions receivable are stated at the amount management expects to collect from outstanding balances. It is CASA’s policy to charge off uncollectible grants and contributions receivable when management determines that the grants and contributions receivable will not be collectible. As of June 30, 2021, management has determined that no allowance for doubtful accounts is necessary.

**Property and Equipment**

Property and equipment acquired in excess of \$1,000 are recorded at cost, or if received as a gift, at fair value on the date of donation. Depreciation is computed on the straight-line basis over the estimated useful lives as follows:

<u>Description</u>	<u>Estimated Life</u>
Buildings and improvements	39 years
Furniture and equipment	5-7 years

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 2**            **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments**

Investments in equity securities with readily determinable fair values, and all investments in debt securities are reported at fair value, as determined by quoted market prices, with gains and losses included in the statement of activities. Investment income is recorded as earned.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions and may be used for any purpose in performing the primary objectives of CASA. These net assets may be used at the discretion of CASA's management and the board of directors and are considered net assets without donor restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) imposed restrictions or law. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. These donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

**Revenue and Revenue Recognition**

CASA's programs are funded primarily under government grants on a cost reimbursement basis, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. CASA also receives other grants and contracts from nongovernmental agencies. Revenue is recognized when expenditures are incurred and/or service is provided in compliance with specific contract or grant provisions.

Contributions are recognized when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. There were no conditional promises to give at June 30, 2021.

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 2**                    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Donated Services and In-Kind Contributions**

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. When applicable, these services are recognized both as support and expenses, and therefore do not affect the balance in net assets without donor restrictions. Contributed goods are recorded at fair value at the date of donation.

**Functional Allocation of Expenses**

The statement of functional expenses reports certain categories of expenses that are attributable to CASA's program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Payroll, payroll taxes and fringe benefits are allocated on the basis of time and effort. Other allocable expenses are charged to program and supporting functions based on the benefit to those areas. Directly identifiable are charged to program and supporting services based on their function.

**Advertising Costs**

Advertising costs are expensed as incurred. These costs totaled \$485 for the year ended June 30, 2021.

**Use of Estimates**

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

**Income Taxes**

CASA is a nonprofit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Accordingly, there is no provision for income taxes in the accompanying financial statements. CASA follows the accounting guidance for uncertain tax positions. CASA believes that it has appropriate support for any tax position taken and as such, does not have any uncertain tax positions that are material to the financial statements.

**Recent Accounting Pronouncements Not Yet Adopted**

**Contributed Nonfinancial Assets**

ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for contributed Nonfinancial Assets* (Topic 958), is effective for WRC's financial statements for the year ending June 30, 2022. The amendments in this update address presentation and disclosure of contributed nonfinancial assets.

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 2           SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Recent Accounting Pronouncements Not Yet Adopted (continued)**

**Leases**

In February 2016, the FASB issued ASU 2016-02 "Leases (Topic 842)." The primary objective of the standard is to increase transparency and comparability among organizations by requiring lessees to recognize lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements. The new standard clarifies the definition of a lease and causes lessees to recognize leases on the balance sheet as a lease liability with a corresponding right-of-use asset. The standard is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. CASA is currently evaluating the standard and its impact on the financial statements.

**NOTE 3           CONCENTRATIONS OF RISK**

A significant portion, approximately 57% of CASA's annual funding is from New Jersey government sources. At June 30, 2021, \$226,963 is receivable from New Jersey government sources.

CASA maintains its cash balances in multiple financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per depositor. At various times during the year the bank balances may exceed the FDIC limit. As of June 30, 2021, CASA had uninsured cash balances \$165,509.

**NOTE 4           FAIR VALUE MEASUREMENTS**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs that are not observable in the market and reflect management's judgment about the assumptions that market participants would use in pricing the asset or liability.

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

	Total	Level 1	Level 2	Level 3
Assets:				
Equity security	\$ 7,534	\$ 7,534	\$ -	\$ -
Total assets measured at fair value	\$ 7,534	\$ 7,534	\$ -	\$ -

**NOTE 5 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at June 30, 2021:

Land	\$ 34,511
Building and improvements	351,188
Furniture and equipment	12,799
	398,498
Less: Accumulated Depreciation	(111,693)
Total Property and Equipment, net	\$ 286,805

Depreciation expense for the year ended June 30, 2021 was \$10,604.

**NOTE 6 LOAN PAYABLE**

CASA has a ten year note payable that is due in monthly installments of \$2,452. Interest is calculated at the rate of 4.75%. The note matures March 1, 2025 and is secured by the land, building and improvements. The balance of the note June 30, 2021 was \$96,144.

Minimum principal payments due for the next five years are as follows:

Year Ending June 30,	Amount
2022	\$ 25,116
2023	26,353
2024	27,314
2025	17,361
	\$ 96,144

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 7            PAYCHECK PROTECTION PROGRAM LOAN**

On May 4, 2021, CASA obtained a Paycheck Protection Program (“PPP”) loan in the amount of \$147,860 from the U.S. Small Business Administration. Interest on the loan may be charged at 1%. PPP loans were authorized by Congress in an effort to aid entities during the pandemic. The loan was forgiven due to eligible expenses.

**NOTE 8            NET ASSETS WITH DONOR RESTRICTIONS**

Net assets released from donor restrictions totaled \$12,500 for the year ended June 30, 2021 which were subject to time restrictions.

**NOTE 9            CONTRIBUTED SERVICES**

The use of trained volunteers is important to the mission of CASA. The volunteers serve as advocates for the children. The volunteers undergo rigorous training of 32 hours before they can serve as an advocate. Volunteers work an estimated 10-12 hours each month. During the year ended June 30, 2021, volunteer hours totaled 9,777. This time had an estimated value of \$243,711 based on an average state wage for volunteers as determined by the Independent Sector.

CASA also received contributed services from CASA of New Jersey for accounting and other professional services in the amount of \$31,886 for the year ended June 30, 2021.

Therefore, contributed services totaled \$275,597 for the year ended June 30, 2021.

**NOTE 10          LEASE COMMITMENTS**

CASA has a lease for office space for its Mt. Holly, NJ location that extends through September 30, 2021. CASA has a monthly rental rate of \$1,880. For the year ended June 30, 2021, rent expense totaled \$22,560. Minimum lease payments for the next year are as follows:

Year Ending June 30,	Amount
2022	\$    5,640
	\$    5,640

**COURT APPOINTED SPECIAL ADVOCATES OF MERCER COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 11      RETIREMENT PLAN**

CASA maintains a 401(k) Profit Sharing Plan which essentially covers all full-time employees. An employee becomes eligible to make elective salary deferrals under the Plan after the completion of one month of service and attainment of the age of 21. Employees can defer up to the maximum amount of compensation under IRS guidelines. An employee becomes eligible for matching contributions after completing six months of service and 1,000 hours of work in the Plan year. Contributions to the Plan are at the rate of 3% of an employee’s compensation. Total employer retirement contributions for the year ended June 30, 2021 were \$9,839.

**NOTE 12      LIQUIDITY AND AVAILABILITY**

The following represents CASA’s financial assets at June 30, 2021:

Financial assets, at year-end		
Cash and cash equivalents	\$	436,455
Grants and contributions receivable		<u>226,963</u>
Total financial assets		663,418
Less amounts not available to be used in one year		<u>-</u>
Financial assets available to meet cash needs for general expenditure within one year	\$	<u><u>663,418</u></u>

CASA regularly monitors liquidity required to meet its operating needs and other contractual commitments, while striving to maximize the investment of its available funds. CASA typically maintains its financial assets in cash with a goal of having funds available when needed.

**NOTE 13      SUBSEQUENT EVENTS**

CASA has evaluated subsequent events through November 18, 2021 the date which the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**





**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

Board of Directors  
Court Appointed Special Advocates of Mercer County, Inc.  
Ewing, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated statement of financial position of Court Appointed Special Advocates of Mercer County, Inc. ("CASA") as of June 30, 2021 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated November 18, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered CASA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CASA's internal control. Accordingly, we do not express an opinion on the effectiveness of CASA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CASA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*J. Miller & Associates, LLC*

**J. MILLER & ASSOCIATES, LLC**

Philadelphia, Pennsylvania  
November 18, 2021