

Cheryl Rohlf & Associates, Ltd.

Certified Public Accountants

CASA LAKE COUNTY, INC.

**FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED
JUNE 30, 2022 AND 2021**

WITH

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

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Cheryl Rohlfs & Associates, Ltd.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

April 17, 2023

To the Board of Directors of
CASA Lake County, Inc.

Opinion

We have audited the accompanying financial statements of CASA Lake County, Inc. (an Illinois nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years 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 as of June 30, 2022 and 2021 and the changes in its net assets and its cash flows of CASA Lake County, Inc. for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibility 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, and for 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 CASA Lake County, Inc.'s ability to continue as a going concern within one year after the date that financial statements are available to be issued.

Auditor's 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 misstatement, 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 when it 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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 and opinion on the effectiveness of CASA Lake County, Inc.'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CASA Lake County, Inc.'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 of timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2023, on our consideration of CASA Lake 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 CASA Lake County, Inc.'s internal control over financial reporting and compliance.

Cheryl Rohlf & Associates, Ltd.

CHERYL ROHLFS & ASSOCIATES, LTD.

Northbrook, Illinois

CASA LAKE COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	2022	2021
ASSETS		
Cash and Cash Equivalents	\$ 1,343,337	\$ 932,157
Investments	1,026,424	919,154
Accounts Receivable	191,512	1,454
Unconditional Promises to Give	168,665	642,401
Prepaid Expenses	9,201	7,703
Property and Equipment:		
Land	532,600	532,600
Leasehold Improvements	135,581	-
Building	169,090	169,090
Office Equipment	65,203	34,393
Furniture and Fixtures	20,925	20,925
Software	3,500	3,500
Website	5,890	5,890
	932,789	766,398
Less: Accumulated Depreciation	(68,789)	(49,964)
Total Property and Equipment	864,000	716,434
Total Assets	\$ 3,603,139	\$ 3,219,303
LIABILITIES		
Paycheck Protection Program Loan Payable	\$ -	\$ 173,922
Accounts Payable	21,544	3,209
Accrued Expenses	49,478	227,732
Total Liabilities	\$ 71,022	\$ 404,863
Net Assets		
Undesignated	3,453,563	2,600,305
Board Designated	78,554	214,135
Total Net Assets	\$ 3,532,117	\$ 2,814,440
Total Liabilities and Net Assets	\$ 3,603,139	\$ 3,219,303

See accompanying notes and independent auditor's report.

CASA LAKE COUNTY, INC.
STATEMENTS OF ACTIVITIES
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Revenues and Gains:		
Government Grants (Schedule I)	\$ 1,311,453	\$ 1,308,389
Contributions and Grants (Schedule I)	923,196	798,224
In-kind Contributions	-	3,043
Special Events and Fundraising Revenues:		
Annual Dinner Benefit, less expenses of \$115,847 in 2022 and \$18,826 in 2021	187,730	198,760
Golf Outing, less expenses of \$26,725 in 2022 and \$19,109 in 2021	54,518	64,493
Training Fees	565	3,642
Investment Return, less investment fees of \$6,953 in 2022 and \$4,890 in 2021	(132,196)	133,592
Miscellaneous Revenue	<u>1,637</u>	<u>-</u>
Total Revenues, Gains, and Other Support Without Donor Restrictions	<u>2,346,903</u>	<u>2,510,143</u>
Expenses:		
Program Services	1,195,664	1,025,423
Supporting Services:		
Management and General	228,175	60,250
Development	<u>205,387</u>	<u>94,052</u>
Total Expenses	<u>1,629,226</u>	<u>1,179,725</u>
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>\$ 717,677</u>	<u>\$ 1,330,418</u>
NET ASSETS, BEGINNING OF YEAR	\$ 2,814,440	\$ 1,484,022
INCREASE IN NET ASSETS	<u>717,677</u>	<u>1,330,418</u>
NET ASSETS, END OF YEAR	<u>\$ 3,532,117</u>	<u>\$ 2,814,440</u>

See accompanying notes and independent auditor's report.

CASA LAKE COUNTY, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	Program	Management and General	Development	2022 Total
Compensation and Related Expenses:				
Salaries	\$ 866,120	\$ 142,414	168,526	\$ 1,177,060
Payroll Taxes	69,287	8,870	11,679	89,836
Employee Benefits	87,007	11,422	13,379	111,808
	<u>\$ 1,022,414</u>	<u>\$ 162,706</u>	<u>\$ 193,584</u>	<u>\$ 1,378,704</u>
Meetings and Conferences	6,967	683	583	8,233
Advocate Training and Development	9,561	200	-	9,761
Recognition Gifts	411	546	-	957
Maintenance and Security	25,555	8,611	-	34,166
Utilities	8,849	132	-	8,981
Telephone and Internet	4,203	809	-	5,012
Postage	1,268	100	1,132	2,500
Promotional Materials	12,020	-	-	12,020
Supplies and Printing	18,825	1,867	4,560	25,252
Office Expenses	34,762	1,030	355	36,147
Insurance	5,869	3,848	-	9,717
Dues and Subscriptions	2,100	-	40	2,140
Travel and Lodging	1,027	706	366	2,099
Professional Fees	23,199	41,890	-	65,089
Credit Card Fees & Paypal Discounts	308	-	4,338	4,646
Property Tax Expense	-	2,697	-	2,697
Miscellaneous Expenses	1,046	115	-	1,161
Fundraising Expenses	690	-	429	1,119
Total Expenses Before Depreciation	<u>\$ 1,179,074</u>	<u>\$ 225,940</u>	<u>\$ 205,387</u>	<u>\$ 1,610,401</u>
Depreciation	16,590	2,235	-	18,825
TOTAL EXPENSES	<u><u>\$ 1,195,664</u></u>	<u><u>\$ 228,175</u></u>	<u><u>\$ 205,387</u></u>	<u><u>\$ 1,629,226</u></u>

See accompanying notes and independent auditor's report.

CASA LAKE COUNTY, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021 (CONTINUED)

	Program	Management and General	Development	2021 Total
Compensation and Related Expenses:				
Salaries	\$ 768,470	\$ 26,917	\$ 58,727	\$ 854,114
Payroll Taxes	57,636	2,059	4,493	64,188
Employee Benefits	73,935	2,179	4,753	80,867
	<u>\$ 900,041</u>	<u>\$ 31,155</u>	<u>\$ 67,973</u>	<u>\$ 999,169</u>
Meetings and Conferences	4,624	-	-	4,624
Advocate Training and Development	5,774	-	-	5,774
Recognition Gifts	3,004	221	494	3,719
Occupancy	46,342	1,649	3,557	51,548
Maintenance and Security	14,848	528	1,140	16,516
Utilities	6,659	237	511	7,407
Telephone and Internet	5,964	212	458	6,634
Postage	2,322	258	1,171	3,751
Supplies and Printing	9,336	1,037	10,259	20,632
Office Expenses	10,345	1,149	1,205	12,699
Insurance	2,058	4,235	-	6,293
Dues and Subscriptions	1,804	200	-	2,004
Professional Fees	6,516	18,117	500	25,133
Credit Card Fees & Paypal Discounts	-	609	4,830	5,439
Miscellaneous Expenses	393	451	-	844
Fundraising Expenses	-	-	1,540	1,540
Total Expenses Before Depreciation	<u>\$ 1,020,030</u>	<u>\$ 60,058</u>	<u>\$ 93,638</u>	<u>\$ 1,173,726</u>
Depreciation	5,393	192	414	5,999
TOTAL EXPENSES	<u><u>\$ 1,025,423</u></u>	<u><u>\$ 60,250</u></u>	<u><u>\$ 94,052</u></u>	<u><u>\$ 1,179,725</u></u>

See accompanying notes and independent auditor's report.

CASA LAKE COUNTY, INC.
STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in Net Assets	\$ 717,677	\$ 1,330,418
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Forgiveness of Paycheck Protection Program Loan	(173,922)	(150,000)
Depreciation	18,825	5,999
Realized (Gains) on Investments	(18,460)	(57,511)
Unrealized (Gains) Losses on Investments	197,807	(54,467)
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(190,058)	(1,454)
Unconditional Promises to Give	473,736	(570,872)
Prepaid Expenses	(1,498)	(4,161)
Security Deposit	-	4,000
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	18,335	(2,146)
Accrued Expenses	<u>(178,254)</u>	<u>66,564</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 <u>\$ 864,188</u>	 <u>\$ 566,370</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Increase) Decrease in Investments	\$ (286,617)	\$ 151,987
Purchases of Property and Equipment	<u>(166,391)</u>	<u>(711,526)</u>
 NET CASH USED IN INVESTING ACTIVITIES	 <u>\$ (453,008)</u>	 <u>\$ (559,539)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Paycheck Protection Program Loan	<u>\$ -</u>	<u>\$ 173,922</u>
 NET CASH PROVIDED BY FINANCING ACTIVITIES	 <u>\$ -</u>	 <u>\$ 173,922</u>
 NET INCREASE IN CASH	 \$ 411,180	 \$ 180,753
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	 <u>932,157</u>	 <u>751,404</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	 <u>\$ 1,343,337</u>	 <u>\$ 932,157</u>

See accompanying notes and independent auditor's report.

CASA LAKE COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

CASA Lake County, Inc. (Organization) was incorporated under the laws of Illinois in October 1993, as a non-for-profit corporation. CASA Lake County advocates for the best interests of abused and neglected children within the juvenile court system. Based on the belief that every child is entitled to a safe and permanent home, thoroughly trained CASA volunteers work in collaboration with key agencies, legal counsel and community resources to serve as the child's advocate and represent the child's best interest in juvenile court.

Basis of Accounting

The financial statements of CASA Lake County have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use of that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets with donor restrictions are subject to donor-imposed restrictions. 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. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions.

Estimates

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

Investments

Investments in equity securities, mutual funds and certificates of deposit are stated at fair market value. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Property and Equipment

It is the Organization's policy to capitalize property and equipment more than \$1,000. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Donations for property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support 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 support.

Property and equipment are depreciated using the straight-line method over the useful lives of the assets as follows:

Building	20 years
Office Equipment	5-10 years
Furniture and Fixtures	5-10 years
Software	3 years
Website	3 years

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Revenue and Revenue Recognition

The Organization recognizes revenue as it satisfies a performance obligation by transferring control over a product or a service to a customer. Revenue is measured at the transaction price, which is based on the amount of consideration that the Organization expects to receive in exchange for transferring the promised good or service to the customer. Program fees and fundraising revenues received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively.

Contributions are recognized at a point in time when cash or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509 (a)(1).

The Organization files U.S. federal and Illinois state information tax returns. The federal and state informational tax returns for tax fiscal years 2020, 2021 and 2022 can be subject to examinations by tax authorities, generally for three years from the date of filing.

Expense Allocations

The costs of providing program and supporting services have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, costs have been allocated between the Organization's program and the supporting services in a direct functional method, when applicable, and on the basis of proportional use of the service provided.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals possessing those skills, and would typically need to be purchased by the Organization. Donated services are recorded at their fair values in the year received.

The Organization's program services rely upon the extensive use of volunteer time. These volunteers receive specialized initial training and must fulfill ongoing continuing education requirements. This contributed time is used to provide essential court-appointed advocacy services to the Organization's client population.

2. CHANGES IN ACCOUNTING PRINCIPLES

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The Update increases transparency around contributed nonfinancial assets (also known as "gifts-in-kind") received by not-for-profit organizations, including transparency on how those assets are used and how they are valued. The Update is effective for nonprofit organizations for annual reporting periods beginning after June 15, 2021.

In February 2016, the Financial Accounting Standards Board (FASB) issued its much anticipated lease accounting standard in ASU 2016-02, *Leases*, (ASC Topic 842) for both lessees and lessors. Under this standard, a lessee will recognize right-of-use asset and related liabilities on the statement of financial position for all arrangements with terms longer than 12 months. The goal of the new standard is to streamline the accounting for leases under U.S. generally accepted accounting principles, reduce off-balance-sheet activities, and enhance transparency into liabilities resulting from leasing arrangements. This standard is effective for nonprofit organizations with annual reporting periods beginning after December 15, 2021.

3. CONCENTRATIONS OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS

The Organization maintains its cash balances in four financial institutions. The cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The cash balances exceeded the insured limits by \$943,919 and \$382,736 as of June 30, 2022 and 2021, respectively.

4. INVESTMENTS

The Organization has short-term investments in certificates of deposits and equity securities, which are carried at the quoted market values.

These investments include the following at June 30:

	<u>2022</u>	<u>2021</u>
Certificates of Deposit		
Due through 4/22/24, 2.05% to 3.35%	\$ 217,985	\$ 56,758
Mutual Funds	<u>808,439</u>	<u>862,396</u>
Total Investments	<u>\$ 1,026,424</u>	<u>\$ 919,154</u>

The investment income and changes in market value have been included in the Statements of Activities of \$(132,196) and \$133,592 for the fiscal years ended June 30, 2022 and 2021, respectively.

	<u>2022</u>	<u>2021</u>
Interest and Dividends	\$ 54,104	\$ 26,504
Unrealized Gains (Losses)	(197,807)	54,467
Realized Gains (Losses) on Sales of Investments	18,460	57,511
Investment Fees	<u>(6,953)</u>	<u>(4,890)</u>
Total Investment Income	<u>\$ (132,196)</u>	<u>\$ 133,592</u>

5. FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis as of June 30, 2022 were as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Certificates of Deposit	\$ 217,985	\$ -	\$ 217,985
Mutual Funds	<u>808,439</u>	<u>701,781</u>	<u>106,658</u>
	<u>\$ 1,026,424</u>	<u>\$ 701,781</u>	<u>\$ 324,643</u>

Fair values of assets measured on a recurring basis as of June 30, 2021 were as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Certificates of Deposit	\$ 56,758	\$ -	\$ 56,758
Mutual Funds	<u>862,396</u>	<u>789,419</u>	<u>72,977</u>
	<u>\$ 919,154</u>	<u>\$ 789,419</u>	<u>\$ 129,735</u>

Fair values for these investments are determined by reference to quoted market prices and other relevant information generated by market transactions. Equity mutual funds that trade in active markets are valued using quoted market prices and are classified as Level 1. The bond mutual funds and certificates of deposit are valued at closing price on national exchanges if available, or by using pricing models maximizing the use of observable inputs for similar securities and are classified as Level 2.

6. PAYCHECK PROTECTION PROGRAM LOAN PAYABLE

The initial PPP loan was forgiven in full in December 2020. The Organization also received the second Paycheck Protection Program Loan in 2021 for \$173,922 under the same terms. The second PPP loan was forgiven in full in August 2021.

7. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following are the Organization's financial assets as of the date of the statement of financial position reduced by amounts not available for general use within one year:

Financial Assets at June 30:	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 1,343,337	\$ 932,157
Investments	1,026,424	919,154
Accounts Receivable	191,512	1,454
Unconditional Promise to Give	<u>168,665</u>	<u>642,401</u>
Total Financial Assets	<u>\$ 2,729,938</u>	<u>\$ 2,495,166</u>
Less: amount not available to be used within one year:		
Net Assets with Donor Restrictions	-	-
Board Designated Building Fund	<u>(78,554)</u>	<u>(214,135)</u>
Financial Assets available to meet general expenditures over the next twelve months	<u>\$ 2,651,384</u>	<u>\$ 2,281,031</u>

The Organization regularly monitors the availability of resources required to meet its operating needs and commitments, while also striving to maximize the investment of its available funds. In addition to the financial assets available to meet general expenditures over the next twelve months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover the general expenditures of the programs and related administration costs. The Organization maintains sufficient reserves to provide reasonable assurance that all commitments will continue to be met, ensuring the sustainability of the Organization.

8. LEASE COMMITMENT

CASA Lake County had an operating lease agreement for office space to April 2021. The Organization was responsible for utilities expense, landscaping, snow removal and security under this agreement. Under the lease, monthly rent was \$5,000 to April 2021. Rent expense for the fiscal year ended June 30, 2021 was \$51,548.

In May 2021, the Organization purchased the land and building for \$700,000, plus closing costs of \$1,690. The funds to purchase the building and certain building improvements were provided primarily from a grant from the State of Illinois.

9. BUSINESS DISRUPTION

The COVID-19 global pandemic has caused economic disruption through mandated and voluntary closings of businesses, schools, and organizations. Since March 2020, the Board of Directors have been actively monitoring the events and circumstances surrounding the spread of COVID-19 with their primary concern being the health and wellness of the staff, children and volunteers. The extent to which COVID-19 may impact the Organization's financial condition or results of operations in the fiscal year June 30, 2023 is uncertain.

10. EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through April 17, 2023, the date which the financial statements were available to be issued.

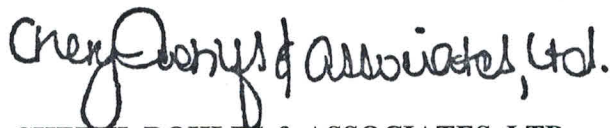
OTHER FINANCIAL INFORMATION

**INDEPENDENT AUDITOR'S REPORT
ON FINANCIAL INFORMATION**

April 17, 2023

To the Board of Directors of
CASA Lake County, Inc.

We have audited the financial statements of CASA Lake County, Inc. as of and for the fiscal years ended June 30, 2022 and 2021, and have issued our report thereon dated April 17, 2023, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The schedules of public support are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CHERYL ROHLFS & ASSOCIATES, LTD.
Northbrook, Illinois

CASA LAKE COUNTY, INC.
SCHEDULES OF PUBLIC SUPPORT
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CONTRIBUTIONS AND OTHER GRANTS:		
National CASA	\$ -	\$ 26,855
Gorter Family Foundation	35,000	35,000
Circle of Service	-	25,000
Trustmark Foundation	25,000	25,000
Heartland Children's Foundation	15,000	-
John R. Houlsby Foundation	10,000	20,000
Community Foundation for the Fox Valley Region, Inc.	-	42,074
The John and Kathleen Schreiber Foundation	165,000	100,000
The Society of First Presbyterian Church of Lake Forest	-	15,500
Grace A. Bersted Foundation	-	10,000
The Medline Foundation	28,000	25,000
AbbVie Inc.	25,000	5,000
Caring Women's Connection	5,500	5,500
St. Joseph Catholic Church	-	10,000
Healthcare Foundation of Highland Park	40,000	40,000
First Presbyterian Church of Deerfield	24,000	6,000
Edward and Wanda Jordan Family Foundation	-	20,000
North Shore Exchange NFP	40,000	-
Peggy and Steve Fossett Foundation	55,000	40,000
Chicago Bears Football Club Inc	10,000	-
The Lake County Community Foundation	50,000	20,000
Lundbeck LLC	-	7,000
McMaster Carr	6,500	-
Chicago Mercantile Exchange	12,500	-
The Lazzara Family Foundation	7,500	-
Winnetka Congregational Church	5,000	-
Various Organizations, Foundations, Churches, and Individuals Contributions and Grants	<u>364,196</u>	<u>320,295</u>
Total	<u>\$ 923,196</u>	<u>\$ 798,224</u>

See accompanying notes and independent auditor's report.

CASA LAKE COUNTY, INC.
SCHEDULES OF PUBLIC SUPPORT (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
GRANTS FROM GOVERNMENTAL AGENCIES:		
Employee Retention Tax Credits	\$ 327,823	\$ -
Illinois Department of Commerce and Economic Development	34,000	650,000
SBA Paycheck Protection Program	173,922	150,000
Illinois Criminal Justice Information Authority	479,930	301,746
Illinois Association of CASA - from Illinois Department of Children and Family Services	154,015	116,870
City of Waukegan CDBG Grant	10,000	10,000
Lake County Community Development Block Grant	4,948	37,773
State of Illinois Attorney General - Violent Crime Victims Assistance Act Grant	20,000	20,000
Village of Vernon Hills	7,500	15,000
Ela Township	-	1,000
Town of Vernon	5,000	6,000
Lake County Video Gaming Revenue Contract	27,010	-
North Chicago Community Development Block Grant	3,682	-
Other	<u>63,623</u>	<u>-</u>
Total	<u>\$ 1,311,453</u>	<u>\$ 1,308,389</u>

See accompanying notes and independent auditor's report.

CASA LAKE COUNTY, INC.
SCHEDULES OF PUBLIC SUPPORT (CONTINUED)
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
SPECIAL EVENTS REVENUES:		
Special Event Sponsors and Major Contributors:		
Camping World - Freedom Roads LLC	\$ 30,000	\$ -
Alight Solutions	5,700	-
CDW	10,000	10,000
Wells Fargo Clearing Svcs	15,000	-
Illinois Tool Works, Inc.	15,000	15,000
Jack M. and Donna L. Greenberg Philanthropic Fund	25,000	10,000
First Bank of Highland Park	-	5,000
Libertyville Bank & Trust	2,500	-
Other Event Contributions and Revenues	<u>281,620</u>	<u>261,188</u>
 Total Special Events and Fundraising Revenues	 <u>\$ 384,820</u>	 <u>\$ 301,188</u>

See accompanying notes and independent auditor's report.

**INDEPENDENT AUDITOR'S 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**

April 17, 2023

To the Board of Directors of
CASA Lake County, Inc.

We have audited, in accordance with the 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 financial statements of CASA Lake County, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the fiscal years then ended, and the related notes to the financial statements, and have issued our report thereon dated April 17, 2023.

Internal Control Over Financial Reporting

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

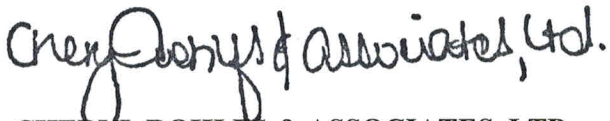
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CASA Lake County, Inc.'s financial statements are free from 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CHERYL ROHLFS & ASSOCIATES, LTD.
Northbrook, Illinois