

September 25, 2016

Board of Directors
Court Care for the Pikes Peak Region, Inc.
Colorado Springs, Colorado

We have reviewed the financial statements of Court Care for the Pikes Peak Region, Inc. (the Corporation) for the year ended June 30, 2016, and have issued our report thereon dated September 25, 2016. As a part of our review, we made the following observations for your consideration:

Investment Reporting Basis

During our review procedures, we noted that the Corporation carries the investments held with the Pikes Peak Community Foundation at cost. Although carrying investments at cost is an option for some investments, guidance from the AICPA suggests that interests in pooled investments (e.g. community foundations) should be carried at fair value.

We did not consider the difference in reporting disclosure and value to be a necessary material modification to the financial statements. Therefore, we did not adjust the reviewed financial statements. However, we recommend that the Corporation adopts fair value reporting of these investments while the difference in reporting remains immaterial.

Policies and Procedures

We noted that the Corporation is in the process of developing formal policies and procedures. We commend the organization for pursuing documentation of those policies and procedures. Some examples of those policies and procedures should include the following:

1. Financial policies and procedures
2. Capitalization of fixed assets policy
3. Whistleblower policy
4. Document retention policy
5. Conflict of interest policy with annual disclosure requirements

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Court Care for the Pikes Peak Region, Inc.
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The preceding comments are based on observations made incident to our normal review procedures. Because our comments are not based on a special study of the matters covered, further evaluation of our suggestions may be necessary on your part as a basis for implementation.

If you have any questions regarding any of the above comments, please contact us. We will be pleased to assist you in any way with respect to these or other matters.

Sincerely,

Waugh & Goodwin, LLP

**COURT CARE FOR THE PIKES PEAK
REGION, INC.**

Financial Statements

For the Year Ended June 30, 2016

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Court Care for the Pikes Peak Region, Inc.
Colorado Springs, Colorado

We have reviewed the accompanying financial statements of Court Care for the Pikes Peak Region, Inc. (a non-profit corporation), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Waugh & Goodwin, LLP
Colorado Springs, Colorado
September 25, 2016

COURT CARE FOR THE PIKES PEAK REGION, INC.
Statement of Financial Position
June 30, 2016
(See Independent Accountants' Review Report)

ASSETS

CURRENT ASSETS:	
Cash and cash equivalents	\$ 67,621
Grants receivable	2,500
Prepaid Expenses	<u>1,000</u>
Total current assets	71,121
INVESTMENTS	170,992
PROPERTY AND EQUIPMENT:	
Equipment and toys	15,073
Less accumulated depreciation	<u>(15,073)</u>
Property and equipment, net	<u>0</u>
TOTAL ASSETS	<u>\$ 242,113</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:	
Accounts payable	\$ <u>6,784</u>
Total current liabilities	6,784
NET ASSETS:	
Unrestricted net assets	232,829
Temporarily restricted net assets	<u>2,500</u>
Total net assets	<u>235,329</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 242,113</u>

See Notes to Financial Statements

COURT CARE FOR THE PIKES PEAK REGION, INC.
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2016
(See Independent Accountants' Review Report)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
SUPPORT AND REVENUE:			
Contributions, including value-in-kind	\$ 142,145	\$	\$ 142,145
Grants:			
State of Colorado	75,000		75,000
El Paso County	25,000		25,000
Other Grants	5,000	2,500	7,500
Fundraising contributions and events, net expenses of \$8,059	17,635		17,635
Investment income	2,679		2,679
Total support and revenue	267,459	2,500	269,959
EXPENSES:			
Program services	163,031		163,031
Supporting services:			
General and administrative	34,424		34,424
Total expenses	197,455		197,455
CHANGE IN NET ASSETS	70,004	2,500	72,504
NET ASSETS, beginning of year	162,825		162,825
NET ASSETS, end of year	<u>\$ 232,829</u>	<u>\$ 2,500</u>	<u>\$ 235,329</u>

See Notes to Financial Statements

COURT CARE FOR THE PIKES PEAK REGION, INC.
Statement of Cash Flows
For the Year Ended June 30, 2016
(See Independent Accountants' Review Report)

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ 72,504
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
(Increase) decrease in operating assets:	
Grant receivable	(2,500)
Prepaid expenses	(1,000)
Increase (decrease) in operating liabilities:	
Accounts payable	<u>(5,961)</u>
Total adjustments	<u>(9,461)</u>
Net cash provided by operating activities	63,043
CASH FLOWS FROM INVESTING ACTIVITIES:	
Change in investments, net	<u>(106,350)</u>
Net cash used by investing activities	<u>(106,350)</u>
NET DECREASE IN CASH	(43,307)
CASH AND CASH EQUIVALENTS, beginning of year	<u>110,928</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 67,621</u>

See Notes to Financial Statements

COURT CARE FOR THE PIKES PEAK REGION, INC.
Notes to Financial Statements
For the Year Ended June 30, 2016
(See Independent Accountants' Review Report)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Court Care for the Pikes Peak Region, Inc. (the Corporation) is a nonprofit corporation that was incorporated on October 4, 2002. The Corporation provides free, licensed childcare for children of individuals who persons with court related business in the Pikes Peak region.

Basis of Accounting

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The financial statements are presented in accordance with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, Not-for-Profit Entities. Under ASC 958, the Organization is required to report information regarding its financial position and activities in three classes of net assets:

Unrestricted net assets are net assets not subject to donor-imposed restrictions or law.

Temporarily restricted net assets are net assets subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time. Temporarily restricted resources whose restrictions are met in the same reporting periods are recorded as unrestricted.

Permanently restricted net assets are net assets subject to donor-imposed restrictions that the gift cannot be wholly expended on a current basis. Investment returns generated from these funds are available for general support of the Organization's programs and operations unless otherwise stipulated by the donor.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Cash and Cash Equivalents

Cash and cash equivalents consist of the Corporation's checking account.

Supplemental Cash Flow Information

During the year ended June 30, 2016, the corporation paid no interest or income taxes.

Investments

The Corporation carries its investments at the lower of cost or fair value, which approximates fair value.

Grants Receivable

Grants receivable are stated at the amount the Corporation expects to collect from balances outstanding at year-end. Based on the Corporation's experience with outstanding balances, it has concluded that no allowance for doubtful accounts is necessary.

Property and Equipment

Property and equipment are recorded at cost or estimated fair market value at date of receipt in that case of donated assets. Depreciation is computed using the straight-line method over estimated useful lives.

Contributions

The Corporation reports gifts of cash and other assets as unrestricted support if they are received without donor stipulations that limit the use of the donated assets. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support.

When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as satisfied program restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Donated Goods and Services

The Corporation recognizes donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation.

The Corporation records in-kind contributions for donated operational space at the El Paso County District court house.

Income Taxes

The Corporation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income tax. Accordingly, no income tax provision has been recorded.

The Corporation's Form 990, Return of Organization Exempt from Income Tax, is subject to examination by various taxing authorities, generally for three years after the date it was filed. Management of the Corporation believes that it does not have any uncertain tax positions that are material to the financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates making it reasonably possible that a change in these estimates could occur in the near term.

Date of Management's Review

In preparing the financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through September 25, 2016, the date that the financial statements were available to be issued.

Notes to Financial Statements

B. INVESTMENTS

The following table presents assets that are measured at the lower of cost or fair value, which approximates fair value, at June 30, 2016:

	<u>2016</u>
Pikes Peak Community Foundation	<u>\$ 170,992</u>

Investment income in the accompanying statements of activities consists of the following for the year ended June 30, 2016:

	<u>2016</u>
Interest & dividends	<u>\$ 2,679</u>

C. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets for the Corporation at June 30, 2016, consist of the following:

	<u>2016</u>
Children Services for Crime Victims	<u>\$ 2,500</u>

D. CONCENTRATIONS

The Corporation receives \$100,000 of its program funding from recurring state and county grants. If the Corporation did not receive these grants in a given year, which is considered reasonably possible in accordance with ASC 275-10-50-18(a), the Corporation could be vulnerable to severe near-term impact on the financial statements. Management does not expect an interruption in these grants in the future.

Court Care For The Pikes Peak Region:
270 South Tejon Room S140

	District Court	Municipal Court	Public Defender	TESSA	Mediation	DA	Juror	DHS	Fast Track	Probation	Lawyer Referral	CASA	CLS Legal Svc	Child Support	Other	Total	Total July to 2016 / 2017
Jul-16	212			2	7	1	24	1		17					3	267	274
Aug-16	227				6		30	1		16					4	284	288
Sep-16	198	1			3	1	8			13					2	226	225
Oct-16	216				5	2	12			14						249	230
Nov. 16																0	186
Dec-16																0	233
Jan-17																0	214
Feb.17																0	186
Mar.17																0	227
Apr. 17																0	275
May. 17																0	276
June.17																0	0
YTD	853	1	0	2	21	4	74	2	0	60	0	0	0	0	9	1026	2614
																1026	2614

CHILDREN SERVED:

	District Court	Municipal Court	Public Defender	TESSA	Mediation	DA	Juror	DHS	Fast Track	Probation	Lawyer Referral	CASA	CLS Legal Svc	Child Support	Other	Total	Total July to June 2016 / 2017
Jul-16	344			5	14	1	57	2		26					5	454	445
Aug-16	357				12		46	1		23					3	442	427
Sep-16	269	1			7	2	9			20					2	310	312
Oct-16	314				8	3	20			22						367	323
Nov. 16																0	269
Dec-16																0	365
Jan-17																0	302
Feb.17																0	270
Mar.17																0	337
Apr. 17																0	409
May.17																0	406
June.17																0	0
YTD	1284	1	0	5	41	6	132	3	0	91	0	0	0	0	10	1573	3865

**Court Care
Family Survey
2016**

Questions	Responses	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Total Number of surveys collected		74	37	40	43	48	54	34	51	43	45		
How long was your child at Court Care today?													
	Less than one hour	31	30	20	22	23	19	13	20	24	15		
	Between 1-2 hours	32	5	15	14	19	27	13	22	12	23		
	Between 2-4 hours	11	2	2	6	6	6	8	9	6	7		
	More than 4 hours			3	1		2			1			
	No response												
Do you feel your child was safe and well cared for during his/her time at Court Care?	Yes	74	37	40	43	48	54	34	50	43	45		
	No								1				

Did having your child at Court Care allow you to conduct your business with fewer distractions?	Yes	74	37	40	43	48	54	34	49	43	45	
	No								2			
Are you satisfied with your experience at Court Care, and would you use Court Care Again?	Yes	74	37	40	43	48	54	34	51	43	45	
	No											
Was Court Care the best or most convenient childcare option available to your today?	Yes	74	37	40	43	48	54	34	51	42	45	
	No									1		

How can Court Care better meet your needs? Do you have any suggestions to improve Court Care?	Nothing, my needs were met	74	37	40	43	48	54	34	51	43	45	
	No response											

I was impressed they were perfect. Just keep up the good work. Thank you for everything. Convenient, friendly, and nice.

Keep the program going very helpful. Great to have this. No Court Care was great !!!!! None I think Court Care was amazing.

Nice people.
