

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT**

YEAR ENDED DECEMBER 31, 2022

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Williamson County Crisis Center
dba Hope Alliance
Round Rock, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Williamson County Crisis Center (the Organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Williamson County Crisis Center as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS and *Government 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2023 on our consideration of the Organization'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 solely 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 the effectiveness of the Organization's 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 the Organization's internal control over financial reporting and compliance.

Emphasis of Matter

As discussed in Note 1 to the financial statements, during the year ended December 31, 2022, the Organization adopted Accounting Standards Updates No. 2016-02, *Leases* (Topic 842) and No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. Our opinion is not modified with respect to these matters.

Brown, Graham & Company, P.C.

Austin, Texas
October 16, 2023

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022**

ASSETS

Current assets:	
Cash and cash equivalents	\$ 385,805
Contributions receivable (Note 2)	624,518
Current portion of Hope is Building pledges receivable, net of discounts (Note 2)	175,865
Prepaid expenses	<u>26,993</u>
Total current assets	1,213,181
Right of use asset - office lease (Note 3)	82,274
Hope is Building pledges receivable, net of current portion and discounts (Note 2)	526,578
Property and equipment, net (Notes 4 and 6)	<u>3,024,302</u>
Total assets	<u>\$ 4,846,335</u>

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

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022**

LIABILITIES AND NET ASSETS

Current liabilities:	
Accrued payroll	\$ 90,576
Accounts payable	82,651
Accrued compensated absences	28,568
Refundable grant advance	3,611
Current portion of long-term debt (Note 6)	1,507,593
Unamortized loan costs	(13,043)
Current portion of operating lease liability (Note 3)	<u>70,476</u>
Total current liabilities	1,770,432
Operating lease liability, net of current portion	<u>5,898</u>
Total liabilities	1,776,330
Net assets:	
Without donor restrictions:	
Board designated operating reserve (Note 11)	495,000
Undesignated	<u>1,242,848</u>
Total net assets without donor restrictions	1,737,848
With donor restrictions (Note 7)	<u>1,332,157</u>
Total net assets	<u>3,070,005</u>
Total liabilities and net assets	<u>\$ 4,846,335</u>

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

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenue:			
Support:			
Government grants	\$ 201,135	\$ 1,693,804	\$ 1,894,939
Contributions and other grants	373,614	622,232	995,846
In-kind support (Note 8)	42,023	-	42,023
Revenue:			
Fundraising	134,900	-	134,900
Interest income	556	-	556
Miscellaneous income	1,627	-	1,627
Net assets released from restrictions - satisfaction of purpose (Note 7)	<u>1,847,865</u>	<u>(1,847,865)</u>	<u>-</u>
Total support and revenue	<u>2,601,720</u>	<u>468,171</u>	<u>3,069,891</u>
Expenses:			
Program services:			
Family violence	1,937,797	-	1,937,797
Sexual assault education and crisis program	625,000	-	625,000
Support services:			
General and administrative	325,423	-	325,423
Fundraising	<u>338,152</u>	<u>-</u>	<u>338,152</u>
Total expenses	<u>3,226,372</u>	<u>-</u>	<u>3,226,372</u>
Changes in net assets	(624,652)	468,171	(156,481)
Net assets:			
Beginning of year	<u>2,362,500</u>	<u>863,986</u>	<u>3,226,486</u>
End of year	\$ <u><u>1,737,848</u></u>	\$ <u><u>1,332,157</u></u>	\$ <u><u>3,070,005</u></u>

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

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022**

Cash flows from operating activities:	
Change in net assets	\$ (156,481)
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Depreciation	67,318
Amortization of right of use asset	64,652
Discounts on pledges receivable	74,646
(Increase) decrease in:	
Contributions receivable	(13,013)
Hope is Building pledges receivable	(317,327)
Prepaid expenses	(16,890)
Increase (decrease) in:	
Accrued payroll	17,612
Accounts payable	28,868
Refundable grant advance	3,611
Accrued compensated absences	(847)
Operating lease liability	<u>(70,552)</u>
Net cash flows used in operating activities	(318,403)
Net cash flows used in investing activities:	
Purchase of property and equipment	(212,123)
Net cash flows used in financing activities:	
Principal payments on long-term debt	<u>(6,861)</u>
Net decrease in cash and cash equivalents	(537,387)
Cash and cash equivalents:	
Beginning of year	<u>923,192</u>
End of year	<u>\$ 385,805</u>
Supplemental disclosures of cash flow information:	
Interest paid	<u>\$ 71,779</u>
Supplemental disclosure of noncash operating activity:	
Right-of-use asset obtained in exchange for operating lease liability	<u>\$ 146,926</u>

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

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022**

	Program Services		Support Services		Total Expenses
	Family Violence	Sexual Assault Education and Crisis	General and Administrative	Development	
Personnel expenses:					
Salaries	\$ 976,016	\$ 380,703	\$ 237,688	\$ 142,383	\$ 1,736,790
Payroll taxes	91,368	34,529	19,242	12,517	157,656
Other employee benefits	86,793	36,896	24,050	17,705	165,444
In-kind advocates (Note 8)	14,780	7,060	65	-	21,905
 Total personnel expenses	 1,168,957	 459,188	 281,045	 172,605	 2,081,795
Other expenses:					
Advertising	-	-	-	25,432	25,432
Client services (Note 8)	480,437	25,931	1,267	183	507,818
Service charges	2,385	1,144	6,592	14,300	24,421
IT services	10,780	6,532	2,167	384	19,863
Dues and subscriptions	14,827	4,719	2,559	4,253	26,358
Employee and volunteer relations	1,324	473	142	-	1,939
Insurance	12,729	7,424	2,546	463	23,162
Interest	44,851	24,082	2,847	-	71,780
Property taxes	-	-	-	34,026	34,026
Supplies (Note 8)	6,969	4,299	2,476	2,073	15,817
Telephone and internet	12,897	4,519	790	775	18,981
Postage and delivery	1,695	104	55	608	2,462
Printing and reproduction	2,223	1,037	273	61	3,594
Professional fees	32,324	17,998	4,573	653	55,548
Rent (Note 3)	43,253	22,513	6,232	1,328	73,326
Utilities	20,479	4,406	748	167	25,800
Repairs and maintenance	32,138	8,574	778	344	41,834
Security	981	232	38	8	1,259
Training and education	10,091	5,940	2,661	851	19,543
Travel	1,432	4,343	65	178	6,018
Fundraising	-	-	164	78,114	78,278
 Total expenses before depreciation	 1,900,772	 603,458	 318,018	 336,806	 3,159,054
Depreciation:	37,025	21,542	7,405	1,346	67,318
 Total expenses	 \$ 1,937,797	 \$ 625,000	 \$ 325,423	 \$ 338,152	 \$ 3,226,372

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

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

Williamson County Crisis Center (dba Hope Alliance) (the Organization), a Texas nonprofit corporation, was incorporated on June 20, 1983. The Organization provides services at no charge to victims of family violence and sexual assault. These services include a 24-hour hotline, emergency shelter, counseling and support groups, educational programs, legal advocacy, and hospital accompaniment. The Organization is supported by government grants through local city, county and state grants, as well as grants and contributions from other nonprofit organizations and individuals.

Basis of accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP). Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

Net assets of the Organization and changes therein are classified and reported as follows:

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

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor-imposed restrictions are temporary in nature; these restrictions will be met by the actions of the Organization or by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, whereby the donor stipulates that resources be maintained in perpetuity (see Note 7).

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

Debt issuance costs:

The Organization is subject to the provisions of the *Interest - Imputation of Interest* topic of FASB ASC 835-30 which requires unamortized debt issuance costs to be presented as a reduction of the outstanding debt and the amortization of the debt issuance costs to be presented as a component of interest expense (see Note 4). GAAP requires that the effective yield method be used to amortize debt issuance costs; however, the effect of using straight-line method is not material to the financial statements for the year ended December 31, 2022.

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Donated services:

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 year received.

Cash and cash equivalents:

The Organization considers all highly liquid investments purchased with initial maturities of three months or less to be cash equivalents.

Estimates:

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

Property and equipment:

Property and equipment are recorded at cost or at estimated fair value at the date of the gift. Donated property and equipment are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Repairs and maintenance are charged to expenses. Renewals and betterments which add significantly to the utility or useful life of the asset are capitalized. Depreciation is provided using the straight-line method over either the estimated useful lives of the assets (for purchased or donated assets) or remaining lease term (for leasehold improvements) as follows:

Buildings and improvements	7 - 39 years
Furniture and fixtures	3 - 7 years
Leasehold improvements	3 - 5 years
Vehicles	5 years

Revenue Recognition and Promises to Give:

The Organization record special events revenue equal to the fair value of direct benefits to donors, and contribution revenue for the difference. The Organization recognizes contributions 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. As of December 31, 2022, the Organization had received conditional promises to give totaling \$963,228 for the family violence and sexual assault education and crisis programs.

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenue Recognition and Promises to Give - Continued:

Unconditional promises to give are reflected as contributions and pledges receivable in the attached statement of net position. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities.

The Organization determines the allowance for doubtful accounts based on prior years' experience and management's analysis of possible bad debts. The Organization considers all contributions and pledges receivable to be fully collectible at December 31, 2022.

Functional expenses:

The cost of providing family violence and sexual assault education and crisis program services as well as supporting activities is summarized on a functional expense basis in the statement of functional expenses. Expenses directly attributable to a specific program or supporting activity of the Organization are reported expenses of those functional activities. There are no functional expenses that require allocation between activities.

Federal income taxes:

The Organization has received an exemption from federal income taxes from the Internal Revenue Service under Internal Revenue Code Section 501(c)(3). In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the year ended December 31, 2022.

FASB ASC Section 740 requires extensive disclosures about uncertain tax positions. The requirements of this standard are applicable to nonprofit organizations. The Organization evaluates any uncertain tax positions using the provisions of FASB ASC 450. Accordingly, a loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and management's judgment with respect to the likely outcome of each uncertain tax position.

The Organization does not believe that it has engaged in any situation that would result in an uncertain tax position. As a result, management does not believe that any uncertain tax positions currently exist and therefore, no loss contingency has been recognized in the accompanying financial statements. The Organization's policy is to record any income tax related penalties and interest incurred as general and administrative expense. The Organization did not incur any income tax related penalties or interest during the year ended December 31, 2022.

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Advertising

The Organization expenses advertising costs as incurred. Advertising expense totaled \$25,432 for the year ended December 31, 2022, which is included in development expenses on the statement of functional expenses.

Recently Adopted Accounting Standards:

On January 1, 2022, the Organization adopted ASU 2016-02, *Leases* (ASC 842) using the modified retrospective approach. ASU 2016-02 requires lessees to recognize a lease liability and a right-of-use asset (ROU asset) for each lease with a term longer than twelve months and adds new presentation and disclosure requirements for both lessees and lessors. The recognized liability is measured at the present value of lease payments not yet paid, and the corresponding asset represents the lessee’s right to use the underlying asset over the lease term and is based on the liability, subject to certain adjustments. For the statement of activities and statement of cash flow purposes, the standard retains the dual model with leases classified as either operating or finance leases. Operating leases will result in straight-line expense while finance leases will result in a front-loaded expense pattern. The Organization elected to use a risk-free rate as the discount rate for all asset classes (see Note 8).

On January 1, 2022, the Organization also adopted ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires the presentation of contributed nonfinancial assets (in-kind donations) separately from other cash contributions on the statement of activities and additional disclosures. The accounting standards requirements in ASU 2020-07 were applied on a prospective basis on the accompanying statement of activities for the year ended December 31, 2022.

NOTE 2 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give appear as contributions receivable and Hope is Building pledges receivable in the statement of financial position and are estimated to be collected as follows as of December 31, 2022:

Within one year	\$ 800,383
In two to five years	434,224
More than five years	<u>177,000</u>
Total unconditional promises to give	1,411,607
Less discounts to net present value at 3.891%	<u>(84,646)</u>
Total unconditional promises to give, net	<u>\$ 1,326,961</u>

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 3 - OPERATING LEASE

During the year ended December 31, 2019, the Organization entered into a sixty-month operating lease agreement for its main office space that expires in January 2024. Office lease expense in the amount of \$73,726 is included in rent on the accompanying statement of functional expenses. The Company used a discount rate of 0.39% on this operating lease for purposes of calculating the initial amount of the right of use asset – office lease and operating lease liability at January 1, 2022.

The following table reconciles the undiscounted cash flows expected to be paid in each of the next two years to the lease liability recorded on the statement of financial position as of December 31, 2022:

Year ended December 31,		
2023	\$	70,800
2024		<u>5,900</u>
Total lease payments due		76,700
Less interest		<u>(326)</u>
Present value of operating lease liability	\$	<u><u>76,374</u></u>

NOTE 4 - PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at December 31, 2022:

Buildings	\$	128,000
Building and land improvements		763,539
Land		2,040,465
Furniture and fixtures		318,761
Leasehold improvements		92,190
Vehicles		16,626
Construction in progress		<u>413,106</u>
Total property and equipment		3,772,687
Less: Accumulated depreciation		<u>(748,385)</u>
Property and equipment, net	\$	<u><u>3,024,302</u></u>

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 5 - NOTE PAYABLE - BANK

During July 2019, the Organization entered into a promissory note agreement based on a revolving line of credit with a \$100,000 limit and an initial maturity date in July 2020 that has been renewed annually for an additional year with no other changes in the note terms through July 2023. The loan is collateralized by a commercial security agreement consisting of first lien security interest in the Organization's accounts and contributions receivable. The interest rate is the greater of Wall Street Prime rate plus one percent (1%) or six and one-half percent (6.5%) per annum. At December 31, 2022, the note balance was \$-0- and the interest rate was eight and one-half percent 8.5%.

Subsequent to the year ended December 31, 2022, the Organization increased the limit of the revolving line of credit to \$200,000 with a maturity date of May 12, 2024. The interest rate is nine and one-half percent (9.5%) per annum.

NOTE 6 - LONG-TERM DEBT

Long-term debt consists of the following:

4.5% note agreement with a bank with monthly payments of accrued interest only beginning in November 2021 until maturity in October 2023, when all principal and any interest is due. The note is secured by a deed of trust covering certain land as well as an assignment of rents and leases.	\$ 1,507,000
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4.0% note agreement with a bank due in monthly principal and interest payments of \$586, maturing in January 2023. The note is secured by a deed of trust on certain property and equipment.	<u>593</u>
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Total long-term debt	1,507,593
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Less: current portion of long-term debt	<u>(1,507,593)</u>
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Long-term debt, net of current portion	\$ <u><u> -</u></u>
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**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 6 - LONG-TERM DEBT

Subsequent to the year ended December 31, 2022, the Organization received an informal extension of the 4.5% note agreement with no other changes to the terms by the bank with an executed agreement to follow in mid-late October 2022. The Organization is currently working with the bank to convert the 4.5% note agreement to a permanent construction loan.

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2022, net assets of \$1,332,157 are restricted for the purposes noted below. The Hope is Building Campaign will fund the construction of a multi-agency center that will combine an emergency shelter and counseling services under one roof (see Note 12).

Hope is Building Campaign	\$ 1,294,984
Shelter	25,000
Technology	12,045
Non-residential	<u>128</u>
Net assets with donor restrictions	<u>\$ 1,332,157</u>

Net assets were released from restriction by incurring expenses satisfying the purposes as follows for the year ended December 31, 2022:

COVID Support	\$ 51,888
Hope is Building Campaign expenses	126,689
Shelter support	2,500
Specific client services and personnel costs	471,347
Nonresidential support services	751,219
Transitional housing support	<u>444,222</u>
Total net assets released from restrictions	<u>\$ 1,847,865</u>

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 8 - IN-KIND SUPPORT AND EXPENSES

In-kind support without donor restrictions and the corresponding expenses included in the statement of activities and statement of functional expenses, respectively, for the year ended December 31, 2022, is comprised of the following:

Support:		
In-kind support	\$	<u>42,023</u>
Expenses:		
Advocates	\$	21,905
Client service supplies		19,187
Administrative and fundraising supplies		<u>931</u>
Total expenses	\$	<u>42,023</u>

Volunteer advocates receive the same in-depth initial training and continuing education as advocate employees, and both are expected to meet the Organization’s standards of performance and are similarly monitored by supervisory personnel. These contributed advocacy services are recorded at the rates of compensation for advocate employees.

The contributed supplies received during the year ended December 31, 2022, consists of client service supplies used in the family violence and sexual assault programs as well as administrative and fundraising supplies which are used within the administrative offices of the Organization and for special events. All supplies are reported at estimated fair value based on sales prices of similar items in the local area.

NOTE 9 – CONCENTRATIONS

The Organization receives the majority of its grants from government agencies. During the year ended December 31, 2022, the Organization received \$1,894,939 or sixty percent (60%) of its support and revenue from these grantors. Loss of this support due to reduced budget appropriations at city, county, state, or federal levels or due to contract non-renewal could have a material impact on the Organization’s operations.

At December 31, 2022, the Organization maintained cash balances at certain financial institutions. These cash accounts at the financial institutions are secured by FDIC in the amount of \$250,000. At certain times, the Organization’s cash and cash equivalents exceed \$250,000. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash accounts.

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 10 - CONTINGENCIES

The Organization participates in numerous grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Organization has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

NOTE 11 – LIQUIDITY AND AVAILABILITY

The Organization operates with a balanced budget and regularly monitors liquidity required to meet its operating needs and other financial commitments. The Organization considers all expenditures related to its ongoing activities of providing family violence and sexual assault education and crisis program services in Williamson County as well as the conduct of activities that support these program services to be general expenditures. The Organization receives significant contributions and promises to give restricted by donors and considers all contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures in 2023.

Financial assets available for general expenditures within one year of December 31, 2022, consists of the following financial assets less management’s estimates of amounts not available to be used within one year:

Financial assets at year end:	
Cash and cash equivalents	\$ 385,805
Contributions receivable	624,518
Pledges receivable	702,443
Prepaid expenses	<u>26,993</u>
Total financial assets	1,739,759
Less those unavailable for general expenditures within one year, due to:	
Pledges receivable	(702,443)
Board designated operating reserve	<u>(495,000)</u>
Financial assets available to meet general expenditures over the next year	<u>\$ 542,316</u>

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

NOTE 11 – LIQUIDITY AND AVAILABILITY - CONTINUED

The Organization has a goal to maintain cash on hand equal to a minimum of three months of operating expenses. As of December 31, 2022, the Board of Directors has designated \$495,000 for this operating reserve.

The Organization also has a line of credit available to meet short-term needs (see Note 6).

NOTE 12 – COMMITMENTS

During the year ended December 31, 2021, the Organization purchased 11.53 acres of unimproved land in Leander, Texas for \$2,008,464. The Organization plans to construct a 40,000 square foot building for program and support services to include the emergency shelter funded by its Hope Is Building capital campaign.

As of December 31, 2022, the Organization has entered into contracts for architect, civil engineering and project management services totaling approximately \$960,000 related to the new facility construction project. Total costs of approximately \$359,000 related to these contracts are included in construction in progress as of December 31, 2022 (see Note 4).

NOTE 13 – DATE OF MANAGEMENT’S EVALUATION OF SUBSEQUENT EVENTS

Subsequent to the year ended December 31, 2022, the Organization entered into a contract to sell 1.7 acres of land to an unrelated party for approximately \$989,000. Per a September 14, 2023, commercial contract amendment, the closing date will be within three working days following the date of approval of the plat by the City of Leander, Texas, and receipt of the documents by the buyer's lender.

Management has evaluated subsequent events through October 16, 2023, the date on which the financial statements were available to be issued.

GOVERNMENTAL AUDIT 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

Board of Directors
Williamson County Crisis Center
(dba Hope Alliance)
Round Rock, Texas

We have audited the basic financial statements of Williamson County Crisis Center (dba Hope Alliance) (a nonprofit corporation) (the Organization) as of and for the year ended December 31, 2022, and have issued our report thereon dated October 16, 2023. 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.

Internal Control over Financial Reporting

Management of Williamson County Crisis Center is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Williamson County Crisis Center's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Williamson County Crisis Center's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Williamson County Crisis Center's internal control over financial reporting.

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 over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Williamson County Crisis Center’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 determination of financial statement amounts. 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 over financial reporting 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 over financial reporting and compliance. Accordingly, this report is not suitable for any other purpose.

Brown, Graham & Company, P.C.

Austin, Texas
October 16, 2023

SINGLE AUDIT INFORMATION

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Board of Directors
Williamson County Crisis Center

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Williamson County Crisis Center's (dba Hope Alliance) (a nonprofit corporation) (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended December 31, 2022. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Williamson County Crisis Center complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-01. Our opinion on each major federal program is not modified with respect to these matters. *Government Auditing Standards* requires the auditor to perform limited procedures on the Organization's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-01.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on the Organization's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Brown, Graham & Company, P.C.

Austin, Texas
October 16, 2023

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022**

Program	Federal CFDA Number	Agency Pass-Through Number	Total Federal Expenditures
U.S. Department of Treasury			
Coronavirus State Fiscal Recovery Fund (Victims of Crime - SB 8)			
Passed through Texas Office of the Governor- Criminal Justice Division	21.027	2884905	\$ <u>106,822</u>
U.S. Department of Justice			
Crime Victim Assistance			
Passed through Texas Office of the Governor- Criminal Justice Division	16.575	2884904	<u>320,483</u>
Department of Homeland Security			
Passed through Austin/Travis & Williamson Counties EFSP Board:			
Emergency Food and Shelter National Board Program	97.024	782400-013 Phase 39	45,000
Emergency Food and Shelter National Board Program	97.024	782400-013 Phase ARPA-R	<u>93,372</u>
Total Department of Homeland Security passed through Austin/Travis & Williamson Counties EFSP Board			<u>138,372</u>
U.S. Department of Health and Human Services			
Passed through Texas Health and Human Services Commission:			
Social Services Block Grant	93.667	HHS000380000056	15,039
Social Services Block Grant	93.667	HHS001102100036	176,871
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	HHS000380000056	12,185
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	HHS000380000056-1	20,949
Temporary Assistance for Needy Families	93.558	HHS000380000056	124,753
Temporary Assistance for Needy Families	93.558	HHS000380000056-1	30,763
Temporary Assistance for Needy Families	93.558	HHS000380000056-2	<u>247,526</u>
Total passed through the Texas Health and Human Services Commission			<u>628,086</u>
Passed through the Office of the Attorney General:			
Injury Prevention and Control Research and State and Community Based Programs	93.136	2221414	90,238
Injury Prevention and Control Research and State and Community Based Programs	93.136	2112886	<u>8,971</u>
Total passed through the Office of the Attorney General			<u>99,209</u>
Total U.S. Department of Health and Human Services			<u>727,295</u>
Total Expenditures of Federal Awards			\$ <u>1,292,972</u>

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED
YEAR ENDED DECEMBER 31, 2022**

Notes to the Schedule of Expenditures of Federal Awards

Basis of presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Williamson County Crisis Center (the Organization) for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, is is not intended to and does not present the financial position, change in net position, or cash flows of the Organization.

Summary of significant accounting policies and basis of presentation

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Organization did not make an election to use the ten percent de minimis cost rate as allowed for in the Uniform Guidance.

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2022**

	<u>Yes</u>	<u>No</u>
SECTION I - SUMMARY OF AUDITOR'S RESULTS		
<u>Financial Statements</u>		
Type of auditor's report issued: <u>Unmodified</u>		
Internal control over financial reporting:		
Material weakness identified?		X
Significant deficiencies identified that are not considered to be a material weakness?		X
Noncompliance material to financial statements noted?		X
<u>Federal Awards</u>		
Internal control over major programs:		
Material weakness identified?		X
Significant deficiencies identified that are not considered to be a material weakness?	X	
Type of auditor's report issued on compliance with major programs: <u>Unmodified</u>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)		X
Identification of major programs:		
<u>CFDA Number</u>		
93.558 Temporary Assistance for Needy Families		
93.667 Social Services Block Grant		
Dollar threshold used to distinguish between type A and B programs <u>\$750,000</u>		
Auditee qualified as low-risk auditee?		X

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
YEAR ENDED DECEMBER 31, 2022**

	Yes	No
SECTION II - FINANCIAL STATEMENT FINDINGS		
Prior year		X
Current year		X
SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS		
Prior year		X
Current year	X	

Federal award finding

2022-01

Criteria: Williamson County Crisis Center (the Organization) receives Temporary Assistance for Needy Families (TANF) to Title XX/Social Services Block Grant (SSBG) funds from the Texas Department of Health and Human Services Commission (HHSC). The Organization is required to complete the most current HHSC Family Violence Program (FVP) TANF/SSBG form produced by HHSC FVP for each family served during the State’s fiscal year (September through August). The Organization should complete the form one-time each fiscal year for every adult resident/nonresident/participant (including an emancipated/qualified minor) that they serve under this program.

Condition: During our audit procedures, we noted that the Organization had misplaced one client’s TANF/SSBG form and did not have a current year TANF/SSBG form for two other clients.

Context: We tested a total of 25 expenditures for activities related to client direct services only and noted 3 instances of misplaced or outdated TANF/SSBG forms for three different clients.

Cause: Management had not yet conducted sufficient staff education or put control processes in place to ensure that the TANF/SSBC forms are on hand and updated annually for each of their clients under this program.

**WILLIAMSON COUNTY CRISIS CENTER
(dba HOPE ALLIANCE)
(A NONPROFIT CORPORATION)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
YEAR ENDED DECEMBER 31, 2022**

Effect or Potential Effect: The \$9,319 of expenditures incurred on behalf of these three clients could be considered invalid and result in the Organization having a reduction in funding or a penalty could be imposed.

Recommendation: We recommend that Management of the Organization ensure the development of standard processes and training to be placed in service to ensure that the Organization has a completed TANF/SSBG form prepared annually for all its clients receiving TANF/SSBC funds.

Views of the responsible officials and planned corrective actions: The housing subsidy application has a checklist in which TANF is to be verified. To ensure that this is being done accurately, a copy of the current TANF form will be kept separate from the client's file and verified during the housing application approval process. This will be cross-checked by the manager approving the application and a final check when processed by the finance department.

Direct service team members are responsible for completing TANF forms and entering the eligibility determination and date the form was completed into our database. The completed forms are submitted to the Program Data Director who ensures that the form is completed correctly, and that the data entered in the database matches the information on the form. Our database will be customized to have the ability to pull reports to check TANF eligibility status. The Program Data Director will pull this report monthly, verify that the TANF eligibility is current and that it matches the paper copy on file. There will be a box in our database for the Program Data Director to verify that the physical copy of the TANF form is in her possession. A notification will be installed to alert users when the TANF form will expire within the next 45 days. The Program Data Director will provide this information to the VP of Client Services in a monthly report and the VP will do a monthly random pull of physical copies of the TANF form.

October 16, 2023

To: U.S. Department of Health & Human Services
RE: Corrective Action Plan

Williamson County Crisis Center respectfully submits the following corrective action plan for the year ended December 31, 2022.

Name and address of independent accounting firm:
Brown, Graham & Company, P.C.
9009 Mountain Ridge Drive, Ste. 230
Austin, TX 78759

Audit period: December 31, 2022

The finding from the December 31, 2022 schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

Current year finding – federal awards:

Item 2022-01

Recommendation: We recommend that Management of the Organization ensure the development of standard processes and training to be placed in service to ensure that the Organization has a completed TANF/SSBG form prepared annually for all its clients receiving TANF/SSBG funds.

Views of the responsible officials and planned corrective actions: The housing subsidy application has a checklist in which TANF is to be verified. To ensure that this is being done accurately, a copy of the current TANF form will be kept separate from the client's file and verified during the housing application approval process. This will be cross-checked by the manager approving the application and a final check when processed by the finance department.

Direct service team members are responsible for completing TANF forms and entering the eligibility determination and date the form was completed into our database. The completed forms are submitted to the Program Data Director who ensures that the form is completed correctly, and that the data entered in the database matches the information on the form. Our database will be customized to have the ability to pull reports to check TANF eligibility status. The Program Data Director will pull this report monthly, verify that the TANF eligibility is current and that it matches the paper copy on file. There will be a box in our database for the Program Data Director to verify that the physical copy of the TANF form is in her possession. A notification will be installed to alert users when the TANF form will expire within the next 45 days. The Program Data Director will provide this information to the VP of Client Services in a monthly report and the VP will do a monthly random pull of physical copies of the TANF form.

If U.S. Department of Health & Human Services has questions regarding this plan, please call Zenda Hyden at 800-460-7233.

Sincerely yours,



CEO, Williamson County Crisis Center

Williamson County Crisis Center
d/b/a



1-800-460-SAFE (7233)

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CEO - Richard M. Brown, Ed. D.

VP, Finance - Zenda Hyden, MBA

VP, Resource Development

Lesla Cantrell, MSL

VP, Administrative Services

Ben Fisher

VP, Client Services

Jimmie Gabel, LMSW

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