

# Communities In Schools of San Antonio

Financial Statements  
and Compliance Reports

August 31, 2024 and 2023



# Communities In Schools of San Antonio

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## **Independent Auditor's Report**

To the Board of Directors of  
Communities In Schools of San Antonio

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Communities In Schools of San Antonio (CISSA) (a nonprofit organization), which comprise the statement of financial position as of August 31, 2024, 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 financial statements referred to above present fairly, in all material respects, the financial position of CISSA as of August 31, 2024 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 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 CISSA 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 CISSA's ability to continue as a going concern within one year after the date that the 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 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 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.

## **Independent Auditor's Report (Continued)**

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In performing an audit in accordance with generally accepted auditing standards 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 purposes of expressing an opinion on the effectiveness of CISSA'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 CISSA'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 accompanying schedule of expenditures of federal and state 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*, and the Texas Comptroller of Public Accounts, State of Texas Grant Management Standards, which includes the State of Texas Single Audit Circular, 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 and state 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 December 23, 2024, on our consideration of CISSA'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 CISSA'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 CISSA's internal control over financial reporting and compliance.

## Independent Auditor's Report (Continued)

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### ***Report on Summarized Comparative Information***

We have previously audited CISSA's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 11, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in dark ink, appearing to read "Schriver Carmona". The signature is fluid and cursive, with the first name "Schriver" and last name "Carmona" clearly distinguishable.

Schrive, Carmona & Company, PLLC

San Antonio, Texas

December 23, 2024

## **Financial Statements**

# Communities In Schools of San Antonio

## Statements of Financial Position August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
<b><i>Current Assets:</i></b>		
Cash and Cash Equivalents	\$ 3,101,423	\$ 7,169,331
Cash and Cash Equivalents - Board Designated	9,000,000	7,000,000
Certificates of Deposit	736,021	968,179
Grants and Other Receivables	1,763,032	1,986,659
Interest Income Receivable	640	2,123
Investments	9,677,029	4,009,205
Prepaid Expenses and Other Assets	<u>194,901</u>	<u>43,283</u>
<b><i>Total Current Assets</i></b>	<b>24,473,046</b>	<b>21,178,780</b>
<b><i>Noncurrent Assets:</i></b>		
Money Market Investment - Endowment Fund	27,815	25,109
Operating Lease Right-of-Use Asset	1,234,906	1,358,423
Property and Equipment, Net of Accumulated Depreciation	<u>38,525</u>	<u>45,722</u>
<b>Total Assets</b>	<b>\$ <u>25,774,292</u></b>	<b>\$ <u>22,608,034</u></b>
<b>Liabilities and Net Assets</b>		
<b><i>Current Liabilities:</i></b>		
Accounts Payable	\$ 210,527	\$ 213,568
Salaries and Benefits Payable	487,501	514,309
Deferred Revenue	438,290	231,870
Operating Lease Liability - Current Portion	<u>115,436</u>	<u>106,751</u>
<b><i>Total Current Liabilities</i></b>	<b>1,251,754</b>	<b>1,066,498</b>
<b><i>Noncurrent Liabilities:</i></b>		
Operating Lease Liability - Long-Term Portion	<u>1,150,230</u>	<u>1,260,055</u>
<b><i>Total Liabilities</i></b>	<b><u>2,401,984</u></b>	<b><u>2,326,553</u></b>
<b><i>Net Assets:</i></b>		
Without Donor Restrictions	11,684,923	10,936,472
Without Donor Restrictions - Board Designated	<u>9,000,000</u>	<u>7,000,000</u>
<b><i>Total Without Donor Restrictions</i></b>	<b>20,684,923</b>	<b>17,936,472</b>
With Donor Restrictions	<u>2,687,385</u>	<u>2,345,009</u>
<b><i>Total Net Assets</i></b>	<b><u>23,372,308</u></b>	<b><u>20,281,481</u></b>
<b>Total Liabilities and Net Assets</b>	<b>\$ <u>25,774,292</u></b>	<b>\$ <u>22,608,034</u></b>

The Accompanying Notes are an Integral Part of These Financial Statements.

# Communities In Schools of San Antonio

## Statement of Activities

Year Ended August 31, 2024 (with Comparative Totals for the Year Ended August 31, 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Totals	Totals
<b>Support and Revenues</b>				
<b>Support:</b>				
Grants - State Government	\$ 2,482,702	\$ -	\$ 2,482,702	\$ 2,515,293
Grants - Federal Government	2,191,878	-	2,191,878	968,198
Grants - Local Government	1,599,220	-	1,599,220	1,550,980
United Way of San Antonio and Bexar County	636,330	-	636,330	893,955
Grants, Donations and Contributions	966,286	2,551,443	3,517,729	3,518,095
Contributed Nonfinancial Assets	280,256	-	280,256	242,805
Special Events, net of expenses of \$101,685 and \$212,614 in 2024 and 2023, respectively	439,791	-	439,791	409,260
<b>Revenues:</b>				
Service Delivery Agreements	13,129,753	-	13,129,753	10,948,219
Investment Income, net of fees of \$45,163 and \$13,848 in 2024 and 2023, respectively	1,330,975	-	1,330,975	492,531
Interest and Other Income	58,683	-	58,683	53,511
Net Assets Released from Restrictions	2,209,067	(2,209,067)	-	-
<b>Total Support and Revenues</b>	<b>25,324,941</b>	<b>342,376</b>	<b>25,667,317</b>	<b>21,592,847</b>
<b>Expenses</b>				
Program Services	18,586,009	-	18,586,009	16,202,135
<b>Support Services:</b>				
Management and General	3,684,863	-	3,684,863	3,199,190
Fundraising	305,618	-	305,618	304,732
<b>Total Expenses</b>	<b>22,576,490</b>	<b>-</b>	<b>22,576,490</b>	<b>19,706,057</b>
<b>Change in Net Assets</b>	<b>2,748,451</b>	<b>342,376</b>	<b>3,090,827</b>	<b>1,886,790</b>
<b>Net Assets at Beginning of Year</b>	<b>17,936,472</b>	<b>2,345,009</b>	<b>20,281,481</b>	<b>18,394,691</b>
<b>Net Assets at End of Year</b>	<b>\$ 20,684,923</b>	<b>\$ 2,687,385</b>	<b>\$ 23,372,308</b>	<b>\$ 20,281,481</b>

The Accompanying Notes are an Integral Part of These Financial Statements.



## Communities In Schools of San Antonio

### Statement of Functional Expenses

Year Ended August 31, 2024 (with Comparative Totals for the Year Ended August 31, 2023)

	Program Services	Support Services			2024 Totals	2023 Totals
		Management and General	Fundraising	Total Support Services		
Salaries and Wages	\$ 12,750,832	\$ 2,079,941	\$ 244,215	\$ 2,324,156	\$ 15,074,988	\$ 13,615,493
Payroll Taxes and Employee Benefits	2,558,055	357,030	34,519	391,549	2,949,604	2,569,613
Total Employee Compensation	15,308,887	2,436,971	278,734	2,715,705	18,024,592	16,185,106
Communications	6,590	7,568	229	7,797	14,387	16,627
Contractual	1,170,141	670,950	-	670,950	1,841,091	1,350,632
Contributed School Supplies	280,256	-	-	-	280,256	242,805
Enrichment and Need	1,090,457	6,987	14,028	21,015	1,111,472	946,374
Equipment	26,394	47,743	-	47,743	74,137	40,600
Insurance	86,649	80	-	80	86,729	80,574
Maintenance and Repair	-	-	-	-	-	85
Marketing and Advertising	3,420	20,180	-	20,180	23,600	8,683
Other	88,929	-	11,010	11,010	99,939	76,589
Premise Expense	12,422	192,397	-	192,397	204,819	123,781
Printing and Copying	621	28,752	155	28,907	29,528	39,579
Supplies	209,102	188,309	86	188,395	397,497	256,310
Travel and Training	302,141	77,729	1,376	79,105	381,246	334,717
Total Expenses before Depreciation	18,586,009	3,677,666	305,618	3,983,284	22,569,293	19,702,462
Depreciation	-	7,197	-	7,197	7,197	3,595
<b>Total Expenses</b>	<b>\$ 18,586,009</b>	<b>\$ 3,684,863</b>	<b>\$ 305,618</b>	<b>\$ 3,990,481</b>	<b>\$ 22,576,490</b>	<b>\$ 19,706,057</b>

The Accompanying Notes are an Integral Part of These Financial Statements.

# Communities In Schools of San Antonio

## Statements of Cash Flows Years Ended August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Cash Flows From Operating Activities:</b>		
Change in Net Assets	\$ 3,090,827	\$ 1,886,790
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	7,197	3,595
Unrealized (Gain) on Money Market Investment - Endowment Fund and Investments	(744,786)	(174,963)
(Increase) Decrease in:		
Grants and Other Receivables	223,627	(33,286)
Interest Income Receivable	1,483	(1,604)
Prepaid Expenses and Other Assets	(151,618)	12,113
Operating Lease Right-of-Use Asset	123,517	(1,358,423)
Increase (Decrease) in:		
Accounts Payable	(3,041)	83,156
Salaries and Benefits Payable	(26,808)	70,912
Deferred Revenue	206,420	231,870
Operating Lease Liability	(101,140)	1,366,806
<b>Net Cash Provided by Operating Activities</b>	<u>2,625,678</u>	<u>2,086,966</u>
<b>Cash Flows From Investing Activities:</b>		
Proceeds from Redemption of Certificates of Deposit	264,751	104,952
Purchase of Certificates of Deposit	-	(500,000)
Reinvestment of Certificates of Deposit Dividend and Interest	(32,593)	(12,057)
Proceeds from Maturity/Sale of Investments	277,036	9,931,280
Purchase of Investments	(4,616,591)	(3,999,974)
Reinvestment of Income from Investment Dividends and Interest, net of Fees	(586,189)	(316,814)
Purchase of Property and Equipment	-	(44,886)
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>(4,693,586)</u>	<u>5,162,501</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(2,067,908)</u>	7,249,467
Cash and Cash Equivalents, Beginning of Year	<u>14,169,331</u>	<u>6,919,864</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 12,101,423</u>	<u>\$ 14,169,331</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

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### Note A: Nature of Organization

Communities In Schools of San Antonio (CISSA) was organized as a nonprofit corporation on June 3, 1985 for the purpose of providing a positive environment for at-risk students by ensuring their access to all educational opportunities, social services and support services available. The mission of CISSA is to surround students with a community of support, empowering them to stay in school and achieve in life. By developing positive self-esteem, confidence and respect, CISSA facilitates the ultimate mission of the student graduating from high school and continuing to reach his/her highest potential as a successful citizen, contributor to the community, and participant in building a world-class society.

CISSA is supported primarily by the Texas Education Agency, service delivery agreements with the schools they serve, Bexar County, City of San Antonio, donations from foundations, corporations and individuals, United Way of San Antonio, and to a lesser extent, special events.

### Note B: Summary of Accounting Principles

#### ***Basis of Accounting***

The financial statements are prepared on the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) applicable to not-for-profit organizations. Net assets, support and revenue, and expenses are classified according to two classes of net assets:

- *Without Donor Restrictions* – net assets available for use in general operations and not subject to donor restrictions. Grant and contributions gifted for recurring programs of CISSA generally are not considered “restricted” under GAAP, though for internal reporting CISSA tracks such grants and contributions to verify the disbursement matches the intent. Assets restricted solely through the actions of the Board of Directors are reported as Net Assets Without Donor Restrictions, Board Designated.
- *With Donor Restrictions* – net assets subject to donor-imposed stipulations that are more restrictive than CISSA’s mission and purpose. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time. Donor imposed restrictions are released when a restriction expires, such as when the stipulated time has elapsed or the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

#### ***Estimates***

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

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

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### **Note B: Summary of Accounting Principles (Continued)**

#### ***Methods Used for Allocation of Expenses among Program and Support Services***

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Expenses which can be directly identified with specific programs are allocated to those programs. Any expenses not directly chargeable are allocated to programs and supporting service classifications on an indirect basis according to management estimates. For example, salaries and wages for the majority of CISSA staff are directly charged to specific grants, contracts, and other activities if readily identifiable based on time and effort. Salaries and wages not charged to specific grants or contracts are charged to management and general and/or fundraising. Occupancy expenses such as utilities, maintenance, janitorial, and security services are allocated directly and indirectly based on square footage. Office supplies expenses are directly charged to specific grants or contracts, however office supplies used by CISSA staff engaged in indirect activities will be charged on an indirect basis.

#### ***Fair Value of Financial Instruments***

CISSA's financial instruments include cash and cash equivalents, receivables, certificates of deposit, money market investment, investments, and payables. The carrying amount of these financial instruments as reflected in the Statements of Financial Position, except for certificates of deposits, money market investment, and investments (see **Note D**) approximates fair value.

#### ***Fair Value Measurements***

The Fair Value Measurements and Disclosures Topic of the FASB ASC, 820-10, defines fair value, establishes a three level valuation hierarchy for disclosure of fair value measurements, and expands disclosures about fair value measurements. An instrument's categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

- *Level 1* - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets that CISSA has the ability to access.
- *Level 2* - Inputs that include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.
- *Level 3* - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions as there is little, if any, related market activity.

#### ***Cash and Cash Equivalents***

Cash and cash equivalents include interest-bearing checking accounts, savings accounts, and money market funds. All other highly liquid debt instruments with an original maturity of three months or less are also included as cash equivalents in the Statements of Financial Position and Statements of Cash Flows. The cash and cash equivalents do not include the money market investment, certificates of deposit, and short-term investments.

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

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### **Note B: Summary of Accounting Principles (Continued)**

#### ***Investments***

Investments are carried at fair value based on quoted market prices for financial statement purposes. A provision for unrealized gains or losses is made each year to adjust to the appropriate value. Realized and unrealized gains and losses are determined by comparison of cost to proceeds or fair value, respectively. Cost is determined by historical purchase price or, in the case of any donated investments, the fair market value of those investments at the date of the gift. Investment income and gains restricted by a donor are reported as increases in Net Assets Without Donor Restrictions if the restrictions are met (either by passage of time or by use in the reporting period in which the income or gains are reported. Refer to **Note D**.

#### ***Government Grants and Other Receivables***

CISSA provides services that are paid for by federal, state, and local grants. Other receivables consist of service delivery agreements with the schools that CISSA provides services. CISSA has deemed these receivables to be fully collectible.

#### ***Promises to Give***

Unconditional promises to give are recognized as contributions in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefit received. Promises to give are recorded at net realizable value if they are expected to be collected within one year and at net present value if they are expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

#### ***Property and Equipment***

CISSA capitalizes all expenditures for property and equipment in excess of \$5,000. Property and equipment are stated at cost or at their estimated market value at the date of receipt from donors. Donated property and equipment are reported as Without Donor Restrictions 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 With Donor Restrictions. Repairs and maintenance costs are expensed as incurred. Land is not depreciated. Depreciation is computed for financial statement purposes on a straight-line basis over the estimated useful lives as follows:

Furniture and Equipment	5 to 7 years
Leasehold Improvements	10 years

#### ***Leases***

CISSA assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of 12 months or less are not recorded in the Statement of Financial Position. Lease expense is recognized for these leases on a straight-line basis over the lease term. CISSA has elected to apply the short-term lease exception to all leases with a term of 12 months or less. Refer to **Note L**.

#### ***Compensated Absences***

Employees of CISSA are given up to twenty-four days paid time off (PTO) annually, depending upon employee classification. Unused PTO is not paid upon termination, whether voluntary or involuntary. Therefore, no accruals were made for compensated absences as of the fiscal years ending August 31, 2024 and 2023.

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

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### **Note B: Summary of Accounting Principles (Continued)**

#### ***Revenue Recognition***

##### Contributions and Grants

CISSA recognizes contributions and grants when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest 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 met. CISSA reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, With Donor Restrictions are reclassified to Without Donor Restrictions and reported in the Statement of Activities as Net Assets Released from Restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as Without Donor Restrictions.

##### Service Delivery Agreements

Revenue from service delivery agreements in the Statement of Activities includes revenue received from school districts on an annual contractual basis. The services provided by CISSA staff include, but are not limited to, counseling and supportive guidance, education and academic enhancement activities, and educational and cultural enrichment opportunities. CISSA recognizes service delivery agreement revenue when CISSA performs the services.

##### Special Events

CISSA records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

#### ***Contributed Nonfinancial Assets***

Donated professional services, goods, and facilities are valued based on their estimated fair market value on the date of contribution. Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance non-financial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

#### ***Advertising Expenses***

CISSA occasionally uses advertising to promote its program among the community it serves. Advertising costs are expensed as incurred.

#### ***Federal and State Income Taxes***

CISSA is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying statements. Management of CISSA believes it has no material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits. In addition, CISSA has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) for the Internal Revenue Code. There was no unrelated business income for the years ended August 31, 2024 and 2023. CISSA is not subject to the Texas state income tax. Management is not aware of any tax position that would have a significant impact on its financial position.

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

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### Note B: Summary of Accounting Principles (Continued)

#### *Recently Issued Accounting Pronouncements*

##### Adopted During 2024

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, effective for fiscal years beginning after December 15, 2022 and interim periods within fiscal years beginning after December 15, 2022. Under this new pronouncement, CISSA will measure credit losses for most financial assets and certain other instruments through the expected loss model. Under this standard, disclosures are required to provide users of the financial statements with useful information in analyzing CISSA's exposure to credit risk and the measurement of credit losses. Management of CISSA has evaluated the standard and determined no impact to the financial statements occurred during the year ended August 31, 2024. Accordingly, no adjustments to the financial statements were considered necessary.

#### *Summarized Financial Information*

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with CISSA's financial statements for the year ended August 31, 2023 from which the summarized information was derived.

### Note C: Liquidity and Availability of Financial Assets

The following represents CISSA's financial assets at August 31, 2024 and 2023 available to meet general expenditures over the next twelve months:

	<u>2024</u>	<u>2023</u>
Financial assets at year end:		
Cash and Cash Equivalents	\$ 3,101,423	\$ 7,169,331
Certificates of Deposit	736,021	968,179
Grants and Other Receivables	1,763,032	1,986,659
Interest Income Receivable	640	2,123
Money Market Investment - Endowment Fund	27,815	25,109
Investments	<u>9,677,029</u>	<u>4,009,205</u>
Total Financial Assets	<u>15,305,960</u>	<u>14,160,606</u>
Less those unavailable for general expenditures over the next twelve months due to:		
Net Assets With Donor Restrictions	2,687,385	2,345,009
Investments - Board Designated	<u>9,000,000</u>	<u>7,000,000</u>
	<u>11,687,385</u>	<u>9,345,009</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 3,618,575</u>	<u>\$ 4,815,597</u>

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

### Note C: Liquidity and Availability of Financial Assets (Continued)

CISSA regularly monitors liquidity to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. In accordance with CISSA's Operating Reserves and Working Capital Policy, CISSA's goal is to maintain working capital (defined by CISSA as cash) to cover one month of operating expenses. In addition, CISSA maintains a Board Designated Operating Reserve Fund to achieve the following objectives:

- To enable CISSA to sustain operations through delays in payments of committed funding and to accept reimbursable contracts and grants without jeopardizing ongoing operations;
- To promote public and funder confidence in the long-term sustainability of CISSA by preventing chronic cash flow crisis that can diminish CISSA's reputation and force CISSA's leaders to make expensive, short-term, crisis based decisions;
- To create an internal line of credit to manage cash flow and maintain financial flexibility

The target amount to be maintained of the Board Designated Operating Reserve Fund is 25% of CISSA's annual operating budget. Board Designated Operating Reserves shall be accounted for separate and apart from Undesignated Operating Funds. Any amounts above the minimum levels established for Working Capital and Board-Designated Operating Reserves may at any time be further designated by the Board of Directors as not available for operations. The amount of such designation will be determined and approved by the Board of Directors and reported separately on CISSA's balance sheet.

### Note D: Investments and Fair Value Measurements

CISSA uses fair value measurements to record fair value adjustments to certain assets and liabilities to determine fair value disclosures. For additional information on how CISSA measures fair value, refer to **Note B**. The following describes the valuation methods and assumptions used by CISSA in estimating the fair value disclosures for investments. There have been no changes in methodologies used at August 31, 2024.

- *Money Market Investment* and *Equities* is valued at the fair value of shares at quoted market prices.
- *Fixed Income* is valued at fair value at quoted market prices for assets not traded regularly.
- *Certificates of Deposit* are valued based upon current yields available on comparable instruments of issuers with similar ratings, the instrument's term and conditions and interest rate and credit risk.

The following table sets forth by level, within the fair value hierarchy, CISSA's investments at fair value as of August 31, 2024:

	Level 1	Level 2	Level 3	Total
Money Market Investment	\$ 27,815	\$ -	\$ -	\$ 27,815
Equities	3,881,110	-	-	3,881,110
Fixed Income	-	5,795,919	-	5,795,919
Total Investments at Fair Value	\$ 3,908,925	\$ 5,795,919	\$ -	\$ 9,704,844
Certificates of Deposit	\$ -	\$ 736,021	\$ -	\$ 736,021



## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

### Note D: Investments and Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, CISSA's investments at fair value as of August 31, 2023:

	Level 1	Level 2	Level 3	Total
Money Market Investment	\$ 25,109	\$ -	\$ -	\$ 25,109
Equities	1,780,347	-	-	1,780,347
Fixed Income	-	2,228,858	-	2,228,858
Total Investments at Fair Value	<u>\$ 1,805,456</u>	<u>\$ 2,228,858</u>	<u>\$ -</u>	<u>\$ 4,034,314</u>
Certificates of Deposit	\$ -	\$ 968,179	\$ -	\$ 968,179

Investment returns for the years ended August 31, 2024 and 2023 is summarized and reported on the Statement of Activities as follows:

	2024	2023
Interest and Dividends	\$ 665,762	\$ 332,373
Unrealized Gain	744,786	174,963
Realized Loss	(34,410)	(957)
Less: Fees	<u>(45,163)</u>	<u>(13,848)</u>
Total Investment Income, net	<u>\$ 1,330,975</u>	<u>\$ 492,531</u>

### Note E: Concentrations

#### *Credit Risk of Financial Instruments and Investments*

Financial instruments which potentially subject CISSA to a concentration of credit risk consist of its cash balances held at its financial institution. The accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At various times throughout the year, certain cash balances at the financial institution exceeded these limits. CISSA has not experienced any losses in such account and management believes it is not exposed to a significant risk on its cash balance.

CISSA maintains four investments with three institutions. The accounts at these institutions are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000 for securities and cash, which includes a limit of \$250,000 for cash only. At various times throughout the year, certain cash balances at the financial institution exceeded these limits. CISSA has not experienced any losses in such account and management believes it is not exposed to a significant risk on its investment balance.

#### *Support and Revenues*

CISSA received approximately **24%** and **51%** of total support and revenues from government grants and service delivery agreements, respectively, for the year ended August 31, 2024. Government grants primarily consisted of funding from one agency and service delivery agreements primarily consisted of two school districts. CISSA received approximately 23% and 50% of total support and revenues from government grants and service delivery agreements, respectively, for the year ended August 31, 2023. Government grants primarily consisted of funding from one agency and service delivery agreements primarily consisted of two school districts. For additional information on government grants, refer to **Note N**.

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

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### Note F: Tax Deferred Annuity Plan

CISSA participates in a tax-deferred annuity plan qualified under Section 403(B) of the Internal Revenue Code. The plan covers full-time and part-time employees of CISSA. All employees are eligible to make voluntary contributions. CISSA will match a qualified employee contribution up to 3% of their gross pay. CISSA contributed matching contributions of **\$162,446** and \$116,567 for the years ended August 31, 2024 and 2023, respectively. The plan requires two years of service, without an intervening break, to be vested in the matching portion of the plan. Additionally, employees must complete 1,000 hours of service to receive credit for one year of service.

### Note G: Grants and Other Receivables

Government Grants and Other Receivables at August 31, 2024 and 2023 is summarized as follows:

	<u>2024</u>	<u>2023</u>
Federal Agencies	\$ 148,096	\$ 42,130
State Agencies	84,519	244,633
Local Agencies and Organizations	525,115	342,670
Service Delivery Agreements	<u>1,005,302</u>	<u>1,357,226</u>
Total Grants and Other Receivables	<u>\$ 1,763,032</u>	<u>\$ 1,986,659</u>

### Note H: Property and Equipment

Property and Equipment, Net of Accumulated Depreciation at August 31, 2024 and 2023 is summarized as follows:

	<u>2024</u>	<u>2023</u>
Furniture and Equipment	\$ 71,965	\$ 71,965
Leasehold Improvements	5,549	5,549
Total Property and Equipment	77,514	77,514
Less: Accumulated Depreciation	<u>(38,989)</u>	<u>(31,792)</u>
Property and Equipment, Net of Accumulated Depreciation	<u>\$ 38,525</u>	<u>\$ 45,722</u>

Depreciation expense for the years ended August 31, 2024 and 2023 was **\$7,197** and \$3,595, respectively.

## Communities In Schools of San Antonio

### Notes to Financial Statements Years Ended August 31, 2024 and 2023

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#### Note I: Endowment Fund

CISSA has an Endowment Fund (the Endowment Fund), consisting of a money market investment fund, at the San Antonio Area Foundation (SAAF). The Endowment Fund was created as a permanent endowment fund in 2005 to support CISSA. The investment objective for the capital fund is the preservation of capital, with the secondary purpose being to provide an income stream. The risk tolerance objective is investments should be made that ensure the preservation of capital in the overall capital and offsets during a twelve-month period. CISSA has permanent ownership of the principal portion of the Endowment Fund and in the event of dissolution of CISSA it will control the distribution of the funds. The net appreciation from the Endowment Fund is to be used to support CISSA's operating activities or for specific purpose designated by the donor. The Investment Committee of the SAAF manages the funds held in CISSA's name. CISSA decides how the funds will be distributed and used. The Endowment Fund is recorded at fair market value and is collateralized by insurance contracts. As of August 31, 2024, and 2023, the fair value of the Endowment Fund is **\$27,815** and \$25,109, respectively, and is held by the Investment Committee of the SAAF. The principal portion of the Endowment Fund in the amount of \$13,109 is not currently available for use by CISSA. The net appreciation of \$14,706 during the year ended August 31, 2024 is recorded as With Donor Restrictions and is available for use by CISSA. The entire endowment fund contribution of \$13,109 is donor restricted.

Activity of the Endowment Fund for the years ended August 31, 2024 and 2023 is summarized as follows:

	<u>2024</u>	<u>2023</u>
Beginning Balance	\$ 25,109	\$ 23,586
Investment Income	359	287
Investment Fees	(1,117)	(1,041)
Unrealized Gain (Loss)	(1,256)	2,349
Realized Gain (Loss)	<u>4,720</u>	<u>(72)</u>
Ending Balance	<u>\$ 27,815</u>	<u>\$ 25,109</u>

Net Asset Breakdown of the Endowment is summarized as follows:

	<u>2024</u>	<u>2023</u>
Restricted by Purpose	\$ 14,706	\$ 12,000
Restricted by Perpetuity	<u>13,109</u>	<u>13,109</u>
Total Endowment Fund	<u>\$ 27,815</u>	<u>\$ 25,109</u>

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

### Note J: Special Events

Special events are held by CISSA to help fund current operations and consisted of the following for the years ended August 31:

	2024		
	Revenue	Expenses	Special Events, net
GALA Luncheon	\$ 187,153	\$ (62,831)	\$ 124,322
Stuff The Bus	182,878	(7,745)	175,133
Other	171,445	(31,109)	140,336
Total	<u>\$ 541,476</u>	<u>\$ (101,685)</u>	<u>\$ 439,791</u>

  

	2023		
	Revenue	Expenses	Special Events, net
GALA Luncheon	\$ 158,768	\$ (67,474)	\$ 91,294
Stuff The Bus	201,432	(18,578)	182,854
Other	261,674	(126,562)	135,112
Total	<u>\$ 621,874</u>	<u>\$ (212,614)</u>	<u>\$ 409,260</u>

Refer to **Note M** for Stuff The Bus contributed nonfinancial assets.

### Note K: Net Assets

#### Net Assets With Donor Restrictions

Net Assets With Donor Restrictions at August 31, 2024 and 2023 is summarized as follows:

	2024	2023
Restricted by Purpose		
Participant Emergency Needs	\$ 223,808	\$ 28,499
Stuff The Bus	164,469	101,685
Property and Equipment	-	6,906
Achieve in Life	15,296	-
Base Wellness Project	-	118,429
Workforce Development	277,791	557,588
Program Support for Specifically Identified Schools	439,081	570,538
STEM Program	22,301	1,500
Pre-College Program	30,000	59,036
Endowment Fund	\$ 14,706	\$ 12,000

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

### Note K: Net Assets (Continued)

#### Net Assets With Donor Restrictions (Continued)

	2024	2023
Restricted by Purpose		
Inspire U Program	\$ 87,372	\$ 31,342
Student Scholarships	2,000	3,000
Youth Development	162,743	53,529
Uvalde Response	371,088	590,151
Mental Health	15,000	110,000
Training and Development	196,445	83,947
Future Ready	630,000	-
Pen Pals Program	500	500
Music Enrichment Activities	2,926	3,250
Family Care Coordinator	18,750	-
Restricted by Perpetuity		
Endowment Fund	13,109	13,109
Total Net Assets With Donor Restrictions	<u>\$ 2,687,385</u>	<u>\$ 2,345,009</u>

#### Net Assets Released from Restrictions

During the years ended August 31, 2024 and 2023, the following net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	2024	2023
Participant Emergency Needs	\$ 226,839	\$ 134,893
Stuff The Bus	129,893	337,278
Program Support for Specifically Identified Schools	536,571	383,957
STEM Program	62,199	95,776
Base Wellness Project	-	130,519
Property and Equipment	6,905	28,094
Inspire U Program	17,473	17,479
Project Access	-	4,180
Workforce Development	477,092	888,930
Pre-College Program	59,036	67,315
Student Scholarships	1,000	-
Uvalde Response	419,063	149,604
Training and Development	37,295	21,042
Youth Development	80,787	188,014
Mental Health	147,386	12,362
Achieve in Life	7,204	-
Music Enrichment Activities	324	-
Total Net Assets Released from Restrictions	<u>\$ 2,209,067</u>	<u>\$ 2,459,443</u>

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

### Note L: Leases

CISSA has a lease agreement for office space that expires on February 28, 2033 and a copier lease that expires on February 28, 2028. The office lease agreement includes option for CISSA to renew lease for an additional five years upon expiration date. The copier lease agreement will automatically renew for an additional twelve months unless CISSA notifies in writing no less than 90 days prior to expiration date CISSA's intent to return copier. The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The following summarizes the line items in the Statements of Financial Position which include amounts for operating and finance lease right-to-use assets and liabilities as of August 31:

	<u>2024</u>	<u>2023</u>
Operating Lease Right-of-Use Asset	\$ <u>1,234,906</u>	\$ <u>1,358,423</u>
Current Portion of Operating Lease Liability	\$ <u>115,436</u>	\$ 106,751
Long-Term Portion of Operating Lease Liability	<u>1,150,230</u>	<u>1,260,055</u>
Total Operating Lease Liability	\$ <u>1,265,666</u>	\$ <u>1,366,806</u>

The following summarizes the line items in the Statement of Functional Expenses which include the components of lease expenses for the years ended August 31:

	<u>2024</u>	<u>2023</u>
Operating lease expense included in:		
Premise Expense	\$ <u>167,660</u>	\$ 83,830
Printing and Copying	<u>8,611</u>	<u>6,458</u>
Total Operating Lease Expense	\$ <u>176,271</u>	\$ <u>90,288</u>

The following summarizes the Statements of Cash Flows supplemental cash flow information for the years ended August 31:

	<u>2024</u>	<u>2023</u>
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ <u>151,612</u>	\$ 81,905
Right-of-use assets obtained in exchange for lease liabilities		
Operating leases	\$ -	\$ 1,425,125

The following summarizes the weighted average remaining lease term and discount rate as of August 31, 2024:

Weighted Average Remaining Lease Term (years)	
Operating leases	6.00
Weighted Average Discount Rate	
Operating leases	3.85%

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

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### Note L: Leases (Continued)

The payment maturities of lease liabilities as of August 31, 2024 were as follows:

2025	\$	163,697
2026		167,888
2027		172,080
2028		171,966
2029		171,852
Thereafter		632,916
Total Lease Payments		<u>1,480,399</u>
Less: Interest		<u>(214,733)</u>
Present Value of Lease Liabilities	\$	<u><u>1,265,666</u></u>

### Note M: Contributed Nonfinancial Assets

For the years ended August 31, 2024 and 2023, contributed nonfinancial assets recognized within the Statement of Activities included:

	<u>2024</u>	<u>2023</u>
School Supplies	\$ <u>280,256</u>	\$ <u>242,805</u>
Total Contributed Nonfinancial Assets	\$ <u><u>280,256</u></u>	\$ <u><u>242,805</u></u>

CISSA coordinates an annual event, Stuff The Bus, to solicit donations of school supplies. The supplies are collected and divided amongst CISSA for use in program and management and general activities. CISSA estimated the fair value of school supplies on the basis of estimates of prices of identical or similar products if purchased. The school supplies did not have donor-imposed restrictions.

### Note N: Commitments and Contingencies

CISSA participates in several state and federal grant programs which 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 CISSA has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. 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 O: Risk and Uncertainty

#### ***Current Economic Events***

Certain current economic events have arisen which could impact CISSA's ongoing operations. The effects of economic stimulus programs and U.S. Federal Reserve actions remain uncertain. These matters could impact numerous facets of the business environment including interest rates, inflation, and the availability of goods, capital and labor. Any related financial impact cannot be reasonably estimated at this time.

## Communities In Schools of San Antonio

Notes to Financial Statements  
Years Ended August 31, 2024 and 2023

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### **Note O: Risk and Uncertainty (Continued)**

#### ***Investment Risks***

Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in values in the near term could materially affect the amounts reported in the accompanying financial statements.

### **Note P: Reclassifications**

Certain amounts in the 2023 presentation have been reclassified to conform to the 2024 presentation. Net assets and change in net assets are unchanged due to the reclassifications.

### **Note Q: Subsequent Events**

Subsequent events have been evaluated through December 23, 2024, which is the date the financial statements were available to be issued.



## **Compliance Reports**

**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***

To the Board of Directors of  
Communities In Schools of San Antonio

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 Communities In Schools of San Antonio (CISSA) (a nonprofit organization), which comprise the statement of financial position as of August 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 23, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered CISSA's internal control over financial reporting (internal control) as a basis for designing to determine 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 CISSA's internal control. Accordingly, we do not express an opinion on the effectiveness of CISSA'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 may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CISSA'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*.

**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* (Continued)**

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**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 CISSA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CISSA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink, appearing to read "Schriver Carmona". The signature is fluid and cursive, with the first name "Schriver" and last name "Carmona" clearly distinguishable.

Schrivier, Carmona & Company, PLLC

San Antonio, Texas

December 23, 2024

**Independent Auditor's Report on Compliance for  
Each Major Program and on Internal Control  
Over Compliance Required by the Uniform Guidance  
and State of Texas Grant Management Standards**

To the Board of Directors of  
Communities In Schools of San Antonio

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited CISSA's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and Texas Comptroller of Public Accounts, State of Texas Grant Management Standards, which includes the State of Texas Single Audit Circular (TXGMS) that could have a direct and material effect on each of CISSA's major federal and state programs for the year ended August 31, 2024. CISSA's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedules of findings and questioned costs.

In our opinion, CISSA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2024.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, 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), and the TXGMS. Our responsibilities under those standards, the Uniform Guidance, and the TXGMS are further described in the Auditor's Responsibilities for the Audit of Compliance Section of our report.

We are required to be independent of CISSA and to meet our 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 and state program. Our audit does not provide a legal determination of CISSA'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 CISSA's federal and state programs.

# **Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and State of Texas Grant Management Standards (Continued)**

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## ***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 CISSA'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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the TXGMS 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 CISSA's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the TXGMS, 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 CISSA'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 CISSA'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 and TXGMS, but not for the purpose of expressing an opinion on the effectiveness of CISSA'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.

## **Report on Internal Control Over Compliance**

*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 or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 or state 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 or state 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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

**Independent Auditor's Report on Compliance for  
Each Major Program and on Internal Control  
Over Compliance Required by the Uniform Guidance  
and State of Texas Grant Management Standards (Continued)**

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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.

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 and the TXGMS. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Schriver Carmona".

Schrivers, Carmona & Company, PLLC

San Antonio, Texas

December 23, 2024

# Communities In Schools of San Antonio

## Schedule of Expenditures of Federal and State Awards Year Ended August 31, 2024

Federal or State Grantor/Pass through Grantor/Program Title	Assistance Listing Number	Grant ID Number	Federal Grant Expended During the Year	State Grant Expended During the Year
<b>U.S. Department of the Treasury</b>				
Pass through City of San Antonio, Texas				
Coronavirus State and Local Fiscal Recovery Funds	21.027			
Project SPEAK		N/A	\$ 212,150	\$ -
NXT Level Youth Opportunity Program Expansion and				
Project POYNITS		N/A	122,808	-
Pass through Bexar County, Texas and Harlandale ISD				
Coronavirus State and Local Fiscal Recovery Funds	21.027			
Harlandale ISD Mental Health Initiative		HISD - 1.19M	82,191	-
Pass through Bexar County, Texas and San Antonio ISD				
Coronavirus State and Local Fiscal Recovery Funds	21.027			
SAISD Youth Mental Health Support		N/A	563,330	-
Pass through Bexar County, Texas and Northside ISD				
Coronavirus State and Local Fiscal Recovery Funds	21.027			
Social Emotional Education and Development with				
Students		NISD - 4.5M	517,160	-
<b>Total U.S. Department of the Treasury</b>			<u>1,497,639</u>	<u>-</u>
<b>U.S. Department of Health and Human Services</b>				
Pass through San Antonio Metropolitan Health District				
Activities to Support State, Tribal, Local and Territorial				
(STLT) Health Department Response to Public Health				
or Healthcare Crises	93.391			
Domestic Violence Prevention Program Mental				
Health Support Services		NH75OT000083	378,880	-
Substance Abuse and Mental Health Services				
Administration				
Substance Abuse and Mental Health Services Projects				
of Regional and National Significance	93.243			
Project East Central AWARE		1H79SM088017-01	499,194	-
<b>Total U.S. Department of Health and Human Services</b>			<u>878,074</u>	<u>-</u>
<b>U.S. Department of Education</b>				
Congressionally Funded Community Projects	84.215	S215K220165	361,466	-
<b>Total U.S. Department of Education</b>			<u>361,466</u>	<u>-</u>
<b>Texas Health and Human Services Commission</b>				
Pass through Texas Education Agency				
Temporary Assistance for Needy Families (TANF)	93.558	243630027110023	343,794	-
<b>Total Texas Health and Human Services Commission</b>			<u>343,794</u>	<u>-</u>
<b>U.S. Department of Housing and Urban Development</b>				
Pass through Bexar County, Texas				
Community Development Block Grants/Entitlement Grants	14.218			
Preparing Students 4 Life Program		B-22-UC-48-0500	3,752	-
<b>Total U.S. Department of Housing and Urban Development</b>			<u>3,752</u>	<u>-</u>
<b>Texas Office of the Governor Criminal Justice Division</b>				
Safe and Supportive School Program	N/A	3967504	-	36,701
<b>Total Texas Office of the Governor Criminal Justice Division</b>			<u>-</u>	<u>36,701</u>
<b>Texas Education Agency</b>				
Communities In Schools	N/A	240958027110023	-	2,444,361
<b>Total Texas Education Agency</b>			<u>-</u>	<u>2,444,361</u>
<b>Corporation for National and Community Service</b>				
Pass through OneStar National Service Commission				
AmeriCorps State and National	94.006			
Communities In Schools of San Antonio		21FXGTX0010004	355,255	-
<b>Total Corporation for National and Community Service</b>			<u>355,255</u>	<u>-</u>
<b>TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS</b>			<u>\$ 3,439,980</u>	<u>\$ 2,481,062</u>

See Accompanying Notes to Schedule of Expenditures of Federal and State Awards

## Communities In Schools of San Antonio

### Notes to Schedule of Expenditures of Federal and State Awards August 31, 2024

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#### Note A: Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (the Schedule) includes the federal and state grant activity of Communities In Schools of San Antonio (CISSA) under programs of the federal government and State of Texas for the year ended August 31, 2024. The information in this Schedule is presented in accordance with the 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) and the State of Texas Single Audit Circular (TXGMS).

Because the Schedule presents only a selected portion of the operations of CISSA it is not intended, and does not, present the financial position, changes in net assets or cash flows of CISSA. Therefore, some amounts presented in the Schedule may differ from amounts presented in the financial statements.

All of CISSA's federal and state awards were in the form of cash assistance for the year ended August 31, 2024.

#### Note B: Summary of Significant Accounting Policies

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in 2 CFR part 230, *Costs Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) CISSA has elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

#### Note C: Reconciliation to Statement of Activities in Financial Statements

Total Expenditures of Federal Awards	\$ 3,439,980
Total Expenditures of State Awards	2,481,062
Other Local Grants	<u>352,758</u>
Total Grants – State, Federal and Local	\$ <u>6,273,800</u>



## Communities In Schools of San Antonio

### Federal Awards – Schedule of Findings and Questioned Costs Year Ended August 31, 2024

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#### SECTION I - SUMMARY OF AUDITOR'S RESULTS

##### Financial Statements

Type of auditor's report issued	Unmodified
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to the financial statements?	No

##### Federal Awards

Internal Control Over Major Programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516?	No
Identification of Major Programs:	

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

**SECTION II - FINANCIAL STATEMENT FINDINGS** None

**SECTION III - STATE AWARD FINDINGS** None

## Communities In Schools of San Antonio

State Awards – Schedule of Findings and Questioned Costs  
Year Ended August 31, 2024

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### SECTION I - SUMMARY OF AUDITOR'S RESULTS

#### Financial Statements

Type of auditor's report issued	Unmodified
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to the financial statements?	No

#### State Awards

Internal Control Over Major Programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the State of Texas Single Audit Circular?	No

#### Identification of Major Programs:

<u>Grant ID Number</u>	<u>Name of State Program or Cluster</u>
240958027110023	Communities In Schools

Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

**SECTION II - FINANCIAL STATEMENT FINDINGS** None

**SECTION III - STATE AWARD FINDINGS** None