

# **The Excel Center (for Adults)**

Financial and Compliance Reports

For the Fiscal Year Ended August 31, 2020

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## Certificate of Board

The Excel Center (for Adults)  
Name

Travis  
County

\_\_\_\_\_  
Co. – Dist. Number

We, the undersigned, certify that the attached Financial and Compliance Reports of The Excel Center (for Adults) were reviewed and (✓) approved ( ) disapproved for the year ended August 31, 2020 at the meeting of the Board of Trustees of the charter holder on the \_\_\_ day of January, 2021.

\_\_\_\_\_  
Signature of Board Secretary

\_\_\_\_\_  
Signature of Board President



## Independent Auditor's Report

To the Board of Directors of  
Goodwill Industries of Central Texas (the Charter Holder)

### Report on the Financial Statements

We have audited the accompanying financial statements of The Excel Center (for Adults) (the Organization), which comprise the statement of financial position as of August 31, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Excel Center (for Adults) as of August 31, 2020, 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.

The Board of Directors of  
Goodwill Industries of Central Texas (the Charter Holder)

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information, as listed in the table of contents, 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

**Report on Summarized Comparative Information**

We have previously audited the August 31, 2019 financial statements of The Excel Center (for Adults), and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 5, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2021, on our consideration of The Excel Center's (for Adults) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Excel Center's (for Adults) internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
January 13, 2021

**The Excel Center (for Adults)**  
 Statements of Financial Position  
 August 31, 2020 and 2019

**Exhibit A-1**

	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>	<hr/>	<hr/>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 928,016	\$ 967,535
Due from State	80,732	83,707
Related party receivable	17,470	46,496
Other accounts receivable	2,065	-
Prepaid expenses	50	50
	<hr/>	<hr/>
Total current assets	1,028,333	1,097,788
<b>PROPERTY AND EQUIPMENT, net</b>	9,629	14,952
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<u>\$ 1,037,962</u>	<u>\$ 1,112,740</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 64,588	\$ -
Accrued wages	167,674	63,990
Due to related party	397,477	731,799
Deferred revenue	180,882	200,000
	<hr/>	<hr/>
Total current liabilities	810,621	995,789
<b>TOTAL LIABILITIES</b>	810,621	995,789
<b>NET ASSETS</b>		
With donor restrictions	10,218	27,963
Without donor restrictions	217,123	88,988
	<hr/>	<hr/>
Total net assets	227,341	116,951
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,037,962</u>	<u>\$ 1,112,740</u>

The Notes to the Financial Statements are an integral part of these statements.

**The Excel Center (for Adults)**  
**Statements of Activities**  
**For the Fiscal Years Ended August 31, 2020 and 2019**

**Exhibit A-2**

		2020			
		Without Donor Restrictions	With Donor Restrictions	Total	2019
<b>Revenues</b>					
	Local support				
573X	Tuition and fees	\$ 4,525	\$ -	\$ 4,525	\$ -
574X	Revenues from local sources	1,025,900	-	1,025,900	602,162
575X	Student activity fundraising	-	546	546	-
	Total local support	1,030,425	546	1,030,971	602,162
	State program revenues				
581X	Foundation school program	-	4,648,472	4,648,472	2,055,972
582X	State program revenues distributed by Texas Education Agency	-	26,902	26,902	12,110
	Total state program revenues	-	4,675,374	4,675,374	2,068,082
	Federal program revenues				
593X	Federal program revenues distributed by Texas Education Agency	-	21,601	21,601	50,322
	Total federal program revenues	-	21,601	21,601	50,322
	Net assets released from restriction				
	Restrictions satisfied by payments	4,715,266	(4,715,266)	-	-
	Total revenues	5,745,691	(17,745)	5,727,946	2,720,566
<b>Expenses</b>					
11	Instruction	2,149,289		2,149,289	1,032,741
13	Curriculum & staff development	11,116		11,116	-
21	Instructional Leadership	12,736		12,736	3,803
23	Campus admin	1,127,457		1,127,457	569,588
31	Life coach	678,603		678,603	522,610
34	Transportation	8,507		8,507	1,454
36	Extracurricular activities	5,714		5,714	222
41	General administration	751,313		751,313	85,264
51	Maintenance and operations	599,076		599,076	416,023
52	Security & monitoring	1,392		1,392	-
53	Data processing services	23,161		23,161	12,197
61	Drop off/community service	249,192		249,192	138,047
	Total expenses	5,617,556	-	5,617,556	2,781,949
	Change in net assets	128,135	(17,745)	110,390	(61,383)
	<b>NET ASSETS, beginning of year</b>	88,988	27,963	116,951	178,334
	<b>NET ASSETS, end of year</b>	\$ 217,123	\$ 10,218	\$ 227,341	\$ 116,951

The Notes to the Financial Statements are an integral part of these statements.

**The Excel Center (for Adults)**  
 Statements of Cash Flows  
 For the Fiscal Years Ended August 31, 2020 and 2019

**Exhibit A-3**

	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Foundation school program payments	\$ 4,674,311	\$ 1,965,106
Grant payments	25,640	12,727
Local revenues	570,055	192,081
Deferred Revenue	180,882	200,000
Payments to vendors for goods and services rendered	(922,828)	(1,726,861)
Payments to school personnel for services rendered	(4,567,579)	-
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	(39,519)	643,053
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property and equipment	-	(14,529)
	<hr/>	<hr/>
Net cash used in investing activities	-	(14,529)
	<hr/>	<hr/>
Net change in cash	(39,519)	628,524
<b>CASH, beginning of year</b>	<hr/> <b>967,535</b>	<hr/> <b>339,011</b>
<b>CASH, end of year</b>	<hr/> <b>\$ 928,016</b>	<hr/> <b>\$ 967,535</b>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO</b>		
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Change in net assets	\$ 110,390	\$ (61,383)
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities		
Depreciation	5,323	1,017
Changes in assets and liabilities		
Due from related party	29,026	(2,495)
Accounts receivable	910	(78,225)
Due to State	-	(24,751)
Due to related party	(334,322)	567,322
Accounts payable	64,588	(336)
Deferred Revenue	(19,118)	200,000
Accrued Wages	103,684	41,904
	<hr/>	<hr/>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<hr/> <b>\$ (39,519)</b>	<hr/> <b>\$ 643,053</b>

The Notes to the Financial Statements are an integral part of these statements.

## **The Excel Center (for Adults)**

Notes to the Financial Statements

### **Note 1. Organization**

#### **Organization**

The Excel Center (for Adults) is a nonprofit charter school that began operations in August 2014. The School is a state authorized, open enrollment charter school. The contract for Charter granted by the State Board of Education of the state of Texas pursuant to Chapter 29.259 of the Texas Education Code is effective until July 2029. The Charter Holder is Goodwill Industries of Central Texas, Inc. The School is the first free, public charter high school in Austin, Texas to provide the opportunity to earn a high school diploma for individuals from 18 to 50 years of age.

### **Note 2. Summary of Significant Accounting Policies**

#### **Basis of Presentation**

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with generally accepted accounting principles.

The Excel Center (for Adults) reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The Excel Center (for Adults) currently has no permanently restricted net assets.

*Net Assets Without Donor Restrictions* – net assets that are not subject to donor-imposed stipulations.

*Net Assets With Donor Restrictions* – net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Charter Holder, the charter school, and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

#### **Use of Estimates**

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

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

Cash equivalents consist of short-term, highly liquid investment instruments that are readily convertible to cash.

#### **Concentration of Credit Risk**

In the normal course of operations, The Excel Center (for Adults) maintains cash balances on deposit at a financial institution, which, at times, may exceed federally insured limits. The Excel Center (for Adults)'s exposure to loss, should the financial institution fail, is the excess on deposit over the insured amount covered by the Federal Deposit Insurance Corporation. The Excel Center (for Adults) has not experienced any losses on such accounts and management believes The Excel Center (for Adults) is not exposed to any significant risk.

## The Excel Center (for Adults)

### Notes to the Financial Statements

#### Accounts Receivable

The Excel Center (for Adults) accounts receivable represent amounts primarily due from the state of Texas for state and federal funding and related party.

#### Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and / or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

#### Capital Assets

Capital assets, which include furniture and equipment, are reported in the general purpose financial statements. Capital assets are defined by the Charter holder as assets with an individual cost of more than \$5,000 and with a useful life of more than one year. Such assets are recorded at historical cost and are depreciated over the estimated useful life of the assets using the straight-line method of depreciation and the following asset classification:

Type	Useful Life
Furniture and equipment	3 years
Curriculum	10 years

#### Income Taxes

The Excel Center (for Adults) is exempt from income taxes under IRS Code Section 501(c)(3). Therefore, no provision has been made for federal income taxes in the accompanying financial statements.

#### Uncertain Tax Positions

The Excel Center (for Adults) recognizes in its financial statements the financial effects of a tax position taken or expected to be taken in a tax return, if that position is more likely than not to be sustained upon examination, including resolution of any appeals or litigation processes, based upon the technical merits of the position. Tax positions taken related to The Excel Center (for Adults)'s tax exempt status, unrelated business income, and deductibility of expenses have been reviewed, and management is of the opinion that material positions taken by The Excel Center (for Adults) would more likely than not be sustained upon examination. Accordingly, The Excel Center (for Adults) has not recorded an income tax liability for uncertain tax benefits.

## The Excel Center (for Adults)

Notes to the Financial Statements

### Subsequent Events

The Excel Center (for Adults) has evaluated subsequent events that occurred after August 31, 2020 through the date of this report on January 13, 2021.

### Note 3. Accounts Receivable

#### Due from Governmental Agencies and Related Party

Accounts receivable as of August 31, 2020 and 2019 are comprised mainly of amounts due from state agencies and related parties. The Excel Center (for Adults) considers these amounts highly collectible; accordingly, no allowance for doubtful accounts is recorded in these financial statements.

### Note 4. Property and Equipment, Net

Property and equipment, net, consisted of the following as of August 31, 2020 and 2019:

	2020	2019
Furniture, equipment and curriculum	\$ 108,521	\$ 108,521
Less accumulated depreciation	98,892	93,569
<b>Property and equipment, net</b>	<b>\$ 9,629</b>	<b>\$ 14,952</b>

Capital assets acquired with public funds received by the Excel Center (for Adults) for the operation of the charter school constitute public property pursuant to Chapter 12 of the Texas Education Code. These assets are specifically identified on the supplemental schedule of capital assets.

Depreciation expense was \$5,323 and \$1,017 for the years ended August 31, 2020 and 2019, respectively.

### Note 5. Pension Plan and Other Post-Employment Benefit Plan Obligations

#### Plan Description

The Charter Holder contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing, multiple-employer defined benefit plan with one exception: all risks and costs are not shared by the Charter Holder, but are the liability of the State of Texas. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Chapters 803 and 805, respectively. The Texas State legislature has the authority to establish and amend benefit provisions of the pension plan and may, under certain circumstances, grant special authority to the TRS Board of Trustees. As such, there is not a collective bargaining agreement. The risks of participating in this plan differs from single-employer plans in several ways: Charter Holders are legally separate entities from the state and each other, assets contributed by one charter or ISD may be used for the benefit of an employee of another ISD or charter, the unfunded obligations get passed along to the other charters and ISDs and there is a not a withdrawal penalty for leaving the TRS system.

## The Excel Center (for Adults)

### Notes to the Financial Statements

The Charter Holder participates in the Texas Public Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The plan is administered through a trust by the TRS Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

#### Plan Information – Teacher Retirement System of Texas (TRS)

	2020	2019
Total plan net assets	\$ 165,416,245,243	\$ 157,978,199,075
Accumulated benefit obligations	218,974,205,084	209,961,325,288
Percentage plan is funded	75.5%	75.2%

#### Contributions to the Plan

The Excel Center's (for Adults) contributions to the plan did not represent more than 5% of the total contributions to the plan.

#### Contribution Rates

	2020	2019
Member	7.70%	7.70%
Non-employer contributing entity (State)	6.80%	6.80%
Employers	6.80%	6.80%

#### Plan Information

TRS issues a publicly available financial report that includes financial statements and Required Supplementary Information for the defined benefit plan. That report may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701; by calling the TRS Communications Department at 1-800-223-8778; or by downloading the report from the TRS website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications Heading.

#### Note 6. Donor Restricted Net Assets

Donor restricted net assets consist of the following:

	2020	2019
Applied Materials grant	\$ 7,815	\$ 7,815
Webber Foundation grant	-	3,855
State Textbook Fund	-	13,890
Foster Youth grant	2,403	2,403
<b>Total</b>	<b>\$ 10,218</b>	<b>\$ 27,963</b>

## The Excel Center (for Adults)

### Notes to the Financial Statements

#### Note 7. Net Assets Released From Donor Restrictions

During the fiscal years ended August 31, 2020 and 2019, net assets with donor restrictions totaling \$4,715,266 and \$2,106,790 were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors.

#### Note 8. Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

In addition to financial assets available to meet general expenses over the next 12 months, the Organization operates a balanced budget and anticipates collecting sufficient revenue to cover general expenses not covered by donor-restricted resources. Refer to the statement of cash flows which identifies the sources and uses of the Organization's cash and shows positive cash generated by operations for 2019 and 2020.

As of August 31, 2020, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenses:

Cash and cash equivalents	\$	928,016
Due from State		80,732
Related party receivable		17,470
Other accounts receivable		2,065
		<hr/>
	\$	1,028,283
		<hr/> <hr/>

#### Note 9. Commitments and Contingencies

##### Grants

The Excel Center (for Adults) receives funding through state and federal programs that are governed by various statutes and regulations. State program funding is based primarily on student attendance data submitted to the TEA and is subject to audit and adjustment. Expenses charged to federal programs are subject to audit and adjustment by the grantor agency. The programs administered by The Excel Center (for Adults) have complex compliance requirements, and should state or federal auditors discover areas of noncompliance, The Excel Center (for Adults)'s funds may be subject to refund if so determined by the TEA or the grantor agency.

#### Note 10. Related Party Transactions

##### Description

Goodwill Industries of Central Texas (GICT) is the charter holder and controlling entity of The Excel Center (for Adults). GICT's support for the Excel Center (for Adults) includes supplemental funding for the operation of the school and rent-free space to house the school.

GICT donates rent of the facilities to the Excel Center (for Adults). To accurately reflect the transaction, revenue and expenses in the amount of \$589,733 and \$410,081 were recorded for the years ended August 31, 2020 and 2019, respectively.

## **The Excel Center (for Adults)**

### Notes to the Financial Statements

Until September 2019, The Excel Center (for Adults) shared space, equipment and staff with another open enrollment charter school, The Excel Center – CDN 227828. Costs that solely benefited students enrolled in The Excel Center (for Adults) were reported and paid for by The Excel Center (for Adults). Costs that benefit students of both schools were allocated on a percentage of enrollment basis. The ratio for FY 18-19, the final year of operation for The Excel Center – CDN 227828, was determined by dividing the enrollment of each school by its combined sum. This created a split of 76% and 24% for the Excel Center (for Adults) and the Excel Center, respectively, for their costs in fiscal year 2019. Comparatively, for fiscal year 2020, all these costs were absorbed by the Excel Center (for Adults) as the Excel Center was closed effective September 1, 2019.

As of August 31, 2019, The Excel Center (for Adults) owed the Excel Center a total of \$731,923, which is included in due to related parties in the accompanying Statements of Financial Position. As of August 31, 2020, The Excel Center (for Adults) owed the charter holder, Goodwill Industries of Central Texas, a total of \$397,477.

## Supplemental Information

**The Excel Center (for Adults)**

Schedules of Expenses

For the Fiscal Years Ended August 31, 2020 and 2019

**Exhibit C-1**

General school operation for the year ended August 31:

<u>Expenses</u>	<u>2020</u>	<u>2019</u>
6100 Payroll costs	\$ 4,572,747	\$ 63,990
6200 Professional and contracted services	814,391	2,655,695
6300 Supplies and materials	163,400	38,940
6400 Other operating costs	67,018	23,324
<b>Total expenses</b>	<b>\$ 5,617,556</b>	<b>\$ 2,781,949</b>

**The Excel Center (for Adults)**  
Schedules of Capital Assets  
August 31, 2020 and 2019

**Exhibit D-1**

The schedule of capital assets as of August 31, 2020 is as follows:

	Ownership Interest			Total
	Local	State	Federal	
1549 Furniture and equipment	\$ 91,140	\$ 17,381	\$ -	\$ 108,521
Total property and equipment	91,140	17,381	-	108,521
1573 Less accumulated depreciation	(81,511)	(17,381)	-	(98,892)
<b>Property and equipment, net</b>	<b>\$ 9,629</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,629</b>

The schedule of capital assets as of August 31, 2019 is as follows:

	Ownership Interest			Total
	Local	State	Federal	
1549 Furniture and equipment	\$ 91,140	\$ 17,381	\$ -	\$ 108,521
Total property and equipment	91,140	17,381	-	108,521
1573 Less accumulated depreciation	(76,188)	(17,381)	-	(93,569)
<b>Property and equipment, net</b>	<b>\$ 14,952</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,952</b>

**The Excel Center (for Adults)**  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended August 31, 2020

**Exhibit E-1**

Revenues		Budgeted Amounts			Variance from Final Budget
		Original	Final	Actual	
574X	Local support Revenues from Charter Holder and other local sources	\$ -	\$ -	\$ -	\$ -
	Total local support	-	-	-	-
581X	State program revenues Foundation school program	5,186,400	4,823,116	4,648,472	(174,644)
582X	State program revenues distributed by Texas Education Agency	-	-	-	-
	Total state program revenue	5,186,400	4,823,116	4,648,472	(174,644)
592X	Federal program revenues Federal program revenues distributed by Texas Education Agency	18,924	19,139	21,601	2,462
	Total federal program revenue	18,924	19,139	21,601	2,462
<b>TOTAL REVENUES</b>		<b>\$ 5,205,324</b>	<b>\$ 4,842,255</b>	<b>\$ 4,670,073</b>	<b>\$ (172,182)</b>
<b>Expenses</b>					
11	Instruction	\$ 2,818,966	\$ 2,118,063	\$ 2,086,452	\$ 31,611
13	Curriculum & Staff Development	-	-	11,116	(11,116)
21	Campus Leadership	58,223	12,129	12,736	(607)
23	Campus admin	784,178	1,096,400	1,121,912	(25,512)
31	Life coach	877,158	652,937	662,130	(9,193)
34	Transportation	15,600	12,000	8,507	3,493
41	General administration	457,538	728,018	748,153	(20,135)
51	Maintenance and operations	15,790	12,048	9,343	2,705
53	Data processing services	32,000	21,585	23,162	(1,577)
61	Drop off / community service	145,871	234,176	246,764	(12,588)
<b>TOTAL EXPENSES</b>		<b>\$ 5,205,324</b>	<b>\$ 4,887,356</b>	<b>\$ 4,930,275</b>	<b>\$ (42,919)</b>

The Notes to the Budgetary Comparison Schedule are an integral part of this schedule.

## **The Excel Center (for Adults)**

### Notes to the Budgetary Comparison Schedule

Personnel in the business office closely monitor expenditures within the budget. Budget amendments are made as considered necessary.

A significant budget amendment was made during the year in order to accommodate changes in needs caused by the transition to remote learning, and to approximate actual revenue that was to be received for FSP payments.

The Budgetary Comparison Schedule discloses actual amounts that exceed 10 percent of the final budgeted amounts in Function 13 – Curriculum & Staff Development. This variance was due to an increased need for curriculum in order to serve students in a virtual learning environment for the 20-21 school year.

The amounts listed in the Budgetary Comparison Schedule and the Notes to the Budgetary Comparison Schedule report only revenues and expenses assigned to board approved funds. As such, the Statement of Activities, which include all revenues and expenses for the organization, will not agree to the Budgetary Comparison Schedule.

# Internal Control and Compliance



**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  
Goodwill Industries of Central Texas (the Charter Holder)

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of The Excel Center (for Adults) (the Organization), which comprise the statement of financial position as of August 31, 2020, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated January 13, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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 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*.

The Board of Directors of  
Goodwill Industries of Central Texas (the Charter Holder)

**Purpose of this Report**

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

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
January 13, 2021

**The Excel Center (for Adults)**  
Schedule of Findings and Responses

None reported