

**Travelers Aid of Metropolitan Atlanta,  
Inc. d/b/a Hope Atlanta  
Audited Financial Statements  
June 30, 2022**

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# Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta

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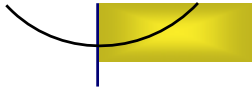
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**BAMBO SONAIKE CPA, LLC**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Atlanta, Georgia

### Opinion

We have audited the accompanying financial statements of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta, ("the Organization") which comprise the statements of financial positions as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Organization as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibility of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditors' 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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing our audit in accordance with GAAS and GAS we:

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

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

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the supplementary information, such as management's discussion and analysis, the schedules of proportionate share of net pension liability and schedules of contributions to retirement systems, and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with Government Auditing Standards, we have also issued our report dated October 16, 2023 on our consideration of Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Organization's internal control over financial reporting and compliance.

**Other 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 awards, as required by Title 2 U.S Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Bambo Sonaike CPA, LLC*

October 16, 2023

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
 Statements of Financial Position  
 For the year ended June 30, 2022

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**Assets**

**Current assets**

Cash	\$ 206,237
Accounts receivable <sup>(note 2)</sup>	4,105,970
Investments	1,830
Prepays and other assets <sup>(note 3)</sup>	35,488
Total current assets	<u>4,349,525</u>

**Long-term assets**

Property and equipment <sup>(net) (note 4)</sup>	785,638
Other assets <sup>(note 3)</sup>	2,829,982
Total long-term assets	<u>3,615,620</u>

<b>Total Assets</b>	<b><u><u>\$ 7,965,145</u></u></b>
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**Liabilities and Net Assets**

**Current liabilities**

Accounts payable & accrued expenses <sup>(note 5)</sup>	1,345,903
Deferred revenue <sup>(note 8)</sup>	334,266
Lease liabilities <sup>(note 6)</sup>	162,152
Notes payable <sup>(note 7)</sup>	804,571
Total current liabilities	<u>2,646,893</u>

**Long-term liabilities**

Lease liabilities <sup>(note 6)</sup>	442,900
Notes payable <sup>(note 7)</sup>	2,074,667
Total long-term liabilities	<u>2,517,566</u>

Total liabilities	<u>5,164,459</u>
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**Net assets**

Without donor restriction	2,800,686
With donor restriction	-
Total net assets	<u>2,800,686</u>

<b>Total Liabilities &amp; Net Assets</b>	<b><u><u>\$ 7,965,145</u></u></b>
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The accompanying notes are an integral part to these financial statements.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
 Statements of Activities  
 For the year ended June 30, 2022

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	Without donor restriction	With donor restriction	Total
<b>Revenues</b>			
Grants and awards	\$ 9,784,855	\$ -	\$ 9,784,855
Contributions	1,724,579	-	1,724,579
Donation in-kind	674,891	-	674,891
Special events	350,254	-	350,254
Program fees	326,271	-	326,271
Other income	245,972	-	245,972
Total revenues	<u>13,106,822</u>	-	<u>13,106,822</u>
<b>Net assets released from restrictions</b>	-	-	-
<b>Expenses</b>			
Program services	9,740,200	-	9,740,200
Management and general	3,152,126	-	3,152,126
Fundraising	899,758	-	899,758
Total expenses	<u>13,792,084</u>	-	<u>13,792,084</u>
Change in net assets from operations	<u>(685,262)</u>	-	<u>(685,262)</u>
<b>Other income and expenses</b>			
Interest income	5,050	-	5,050
Gain or (loss) on investment and sale of asset	74,069	-	74,069
Total other income and expenses	<u>79,119</u>	-	<u>79,119</u>
<b>Change in net assets</b>	<u>(606,143)</u>	-	<u>(606,143)</u>
<b>Net assets at beginning of year</b>	<u>3,406,829</u>	-	<u>3,406,829</u>
<b>Net assets at end of year</b>	<u><u>\$ 2,800,686</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,800,686</u></u>

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

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
 Statements of Functional Expense  
 For the year ended June 30, 2022

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	<u>Supporting Services</u>			Total
	Program Services	Management & General	Fundraising	
Salaries, wages and benefits	\$ 3,281,198	\$ 1,988,909	\$ 495,957	\$ 5,766,065
Direct assistance	4,956,933	41,211	45,025	5,043,169
Donation in-kind	664,906	-	9,985	674,891
Professional fees and services	82,491	384,192	194,258	660,941
Travel	401,013	27,659	658	429,331
Other expenses	66,830	152,310	60,760	279,900
Occupancy	163,932	108,674	-	272,605
Communication	115,697	32,966	484	149,147
Insurance	20	116,069	-	116,089
Depreciation and amortization	-	106,224	-	106,224
Equipment rental	6,643	99,408	(76)	105,975
Interest	-	94,351	-	94,351
Fundraising	539	152	92,707	93,398
<b>Total expenses</b>	<u>\$ 9,740,200</u>	<u>\$ 3,152,126</u>	<u>\$ 899,758</u>	<u>\$ 13,792,084</u>

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



Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
 Statements of Cash Flows  
 For the years ended June 30, 2022

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<b>Cash flow from operating activities:</b>	
Change in net assets	\$ (606,143)
Reconciliation of change in net assets to net cash provided (required) by operating activities:	
Depreciation and amortization	102,329
Change in operating assets and liabilities	
(Increase) decrease in assets:	
Accounts receivable	(1,353,192)
Prepays and other assets	(640,584)
Increase (decrease) in liabilities:	
Accounts payable	(247,175)
Deferred revenue	(146,544)
Net cash provided (required) by operating activities	<u>(2,891,310)</u>
<b>Cash flow from investing activities:</b>	
Acquisition of right to use lease asset	(645,135)
Sale of securities	1,516,009
Sale of property	12,960
Net cash provided (required) by investing activities	<u>883,834</u>
<b>Cash flow from financing activities:</b>	
Paydown on notes payables	(4,520,655)
Drawdown on notes payables	5,840,699
Financing of right to use lease asset	645,135
Paydown of lease liability	(40,083)
Net cash provided (required) by financing activities	<u>1,925,096</u>
Net increase (decrease) in cash	<u>(82,379)</u>
Beginning balance of cash	<u>288,616</u>
<b>Ending balance of cash</b>	<u><u>\$ 206,237</u></u>

Supplemental Disclosure of Cash Flow Information:

Cash paid during the year for interest	\$ -
Cash paid during the year for income taxes	\$ -

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

# Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta

## Notes to the Financial Statements

### June 30, 2022

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#### 1. Organization and summary of significant accounting policies

##### **Organization**

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta (the Organization) is a voluntary health and welfare agency. HOPE Atlanta has been in operation for over 100 years as a social service agency offering H.O.P.E. to individuals and families in crisis by providing Housing, Outreach, Prevention and Emergency Services.

##### **Significant accounting policies**

##### **Basis of accounting and financial statement presentation**

The financial statements are reported using the accrual basis of accounting. All of the Organization's assets, liabilities, net assets, revenue and expenses have been reflected in accordance with the accrual method.

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) No. 958, Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

##### Without donor restrictions

These are assets that are not subject to donor imposed or grantor-imposed restrictions.

##### With donor restrictions

These are assets that are subject to donor imposed stipulations that may or will be met, either by actions of the Organization and/or passage of time. When a restriction expires, these net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets are released from restriction.

##### **Cash and cash equivalents**

Cash consists of cash on hand at the Organization's locations and the accounts held at financial institutions. Cash equivalent are considered to be short term investments with original maturities less than three months.

##### **Accounts receivable**

Accounts receivable are generated from the day-to-day operations of the Organization. Accounts receivable are stated as unpaid balances to the Organization for performed services. Receivables are unsecured and non-interest bearing. Management believes that all receivables are fully collectible; therefore, no allowance for uncollectible amounts has been recorded.

##### **Inventory**

Inventory consists of household items required for refugee living quarters and transportation and other gift cards available for distribution to the refugees. Inventory is stated at the lower of cost, determined using the first-in first-out (FIFO) method, or market. Donated goods are recorded at estimated fair value.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Notes to the Financial Statements  
June 30, 2022

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**Property and equipment**

The Organization capitalizes property and equipment purchases that are greater than \$1,000. Lesser amounts are expensed. Property and equipment are stated at cost, or if donated, at their estimated fair value at the date of the gift. Such donations are reported as unrestricted support unless the donor restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed into service as instructed by the donor.

Expenditures for property and equipment additions are reviewed for estimated useful life and major improvements or renewals are capitalized while the cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized. Depreciation is computed by the straight-line method over the estimated useful lives as stated below. At the time assets are retired or disposed, costs and accumulated depreciation are eliminated from the related accounts and gains or losses, if any, are credited or charged to income. The estimated useful lives of property and equipment were as follows:

<u>Description</u>	<u>Useful Life</u>
Building and improvements	5 years
Leasehold improvements	5 years
Vehicles	5 years
Furniture and equipment	3 to 5 years
Right to use lease asset	3 years

**Donated material and services**

All donated materials are recorded at their estimated fair value at the date of receipt. Contributed services are recognized if the services received (a) create or enhance non-financial assets or (b) required specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed services are reflected in the financial statements at the fair value of the services received. Contributed services that do not require specialized skills or enhance nonfinancial assets are not recorded in the accompanying financial statements because no objective basis is available to measure the value of such services.

**Revenue recognition**

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received or promised. Conditional contributions are recorded when the conditions have been substantially met. Contributions are considered to be without donor restrictions unless specifically restricted by the donor.

The Organization reports contributions in the with donor restrictions net asset class if they are received with donor stipulations as to their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are released and reclassified to without donor restriction net assets in the consolidated statement of activities.

# Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta

## Notes to the Financial Statements

### June 30, 2022

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#### **Income tax**

The Organization is exempt from federal income taxes under Section 501(C) (3) of the Internal Revenue Code. The Organization is also exempt from Georgia income taxes and, therefore, has made no provision for federal or Georgia income taxes. In addition, the Internal Revenue Services has determined that the Organization is not a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code.

#### **Use of estimates**

The process of preparing financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

#### **Leases**

The determination of whether an arrangement is a lease is made at the lease’s inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Right to use lease assets and the related lease liabilities are recorded on the statement of financial position.

The Organization recognizes right to use lessee asset and related lease liability at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The right to use lease asset is measured at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

The Organization reduces the lease liability as payments are made and recognize interest on the lease liability. The Organization amortizes the right to use lease asset over the shorter of the lease term or the useful life of the underlying asset.

#### **New accounting pronouncements**

During fiscal year 2022, the Organization adopted Accounting Standards Update (“ASU”) 2016-02 “Leases” (Topic 842) The Organization has adopted ASU 2016-02 (Topic 842) and all subsequent related ASUs, which provided new guidance for lease arrangements. The objective of this ASU is to increase transparency and comparability in financial reporting by requiring statement of financial position recognition of leases and note disclosure of certain information about lease arrangements. The effect of the adoption of ASU 2016-02 and all related ASU’s have been recorded in the Organization’s financial statements for the year ended June 30, 2022.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Notes to the Financial Statements  
June 30, 2022

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**2. Accounts receivable**

Accounts receivable as of June 30, 2022 consisted of the following:

City of Atlanta (HOPWA, Resettlement)	\$ 1,889,728
Department of Community Affairs	696,018
Department of Veterans Affairs	574,292
Housing Urban Development	421,650
Other receivable	524,282
Total accounts receivable	<u>\$ 4,105,970</u>

**3. Prepaids and other assets**

As of June 30, 2022, prepaid and other assets consisted of the following:

Employee retention tax credit	\$ 2,829,982
Security deposits	33,561
Other prepaids	1,927
Total prepaids and other assets	<u>\$ 2,865,470</u>

**4. Property and equipment**

As of June 30, 2022, property and equipment consisted of the following:

	2021	Additions	Disposals	2022
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
Building and improvements	117,835	-	-	117,835
Leasehold improvements	80,221	-	-	80,221
Furniture and equipment	198,097	-	-	198,097
Vehicles	134,532	-	(12,960)	121,571
Right to use lease asset	-	645,135	-	645,135
Total cost	<u>540,684</u>	<u>645,135</u>	<u>(12,960)</u>	<u>1,172,859</u>
Less: accumulated depreciation	(284,892)	(56,779)	-	(341,671)
Less: accumulated amortization	-	(45,550)	-	(45,550)
Total amortization and depreciation	<u>(284,892)</u>	<u>(102,329)</u>	<u>-</u>	<u>(387,221)</u>
Total property and equipment, net	<u>\$ 255,793</u>	<u>\$ 542,806</u>	<u>\$ (12,960)</u>	<u>\$ 785,638</u>

For the years ended June 30, 2022, depreciation and amortization expense in the amount of \$102,329 was recorded in the statements of activities.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Notes to the Financial Statements  
June 30, 2022

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**5. Accounts payable and accrued expenses**

Accounts payable and accrued expenses consist of expenses incurred in the day-to-day activities of the Organization. Accounts payable and accrued expenses as of June 30, 2022 consisted of the following:

Payables and accrued expenses	\$ 1,033,611
Accrued paid time off	150,019
Accrued payroll	68,104
Accrued other expense	94,169
Total	<u><u>\$ 1,345,903</u></u>

**6. Leases**

The Organization has a lease agreement for office space. As of June 30, 2022 the right to use lease asset liability consisted of the following:

	Balance at 6/30/2021	Additions	Dispositions	Balance at 6/30/2022
Right to Use Lease Asset - liability	\$ -	\$ 645,135	\$ (40,083)	\$ 605,052
Total lease asset	<u>\$ -</u>	<u>\$ 645,135</u>	<u>\$ (40,083)</u>	<u>\$ 605,052</u>

The future lease liabilities are as follows:

Year End	Principal	Interest	Payment
2023	\$ 162,152	\$ 17,848	\$ 180,000
2024	167,685	12,315	180,000
2025	173,407	6,593	180,000
2026	101,807	1,126	102,934
Thereafter	-	-	-
Total	<u>\$ 605,052</u>	<u>\$ 37,882</u>	<u>\$ 642,934</u>

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Notes to the Financial Statements  
June 30, 2022

**7. Notes payable**

Notes payable as of June 30, 2022 consisted of the following:

Lender / Collateral	Maximum loan amount	Outstanding balance	Interest rate	Maturity Date	Principal amortization	Prepayment penalty
Bank of OZK / Eligible accounts receivable	\$1,800,000	\$ 799,080	Prime + 1.75%	9/3/2023	No	No
United States Small Business Administration / all assets	\$2,000,000	1,999,900	2.75%	2/12/2052	Yes	No
Synovous Bank	N/A	80,258	3.97%	9/10/2023	Yes	No
Total		<u>\$2,879,238</u>				

	Beginning Balance	Drawdown	Paydown	Ending Balance
Bank of OZK	\$1,423,855	\$ 3,840,799	\$ (4,465,133)	\$ 799,521
U.S. Small Business Administration	-	1,999,900	-	1,999,900
Synovous Bank	135,339	-	(55,522)	79,817
Total	<u>\$1,559,194</u>	<u>\$ 5,840,699</u>	<u>\$ (4,520,655)</u>	<u>\$2,879,238</u>

The future minimum payments are as follows:

Date	Interest	Principal	Balance
6/30/2023	\$ 265	\$ 804,571	\$ 804,836
6/29/2024	24,668	83,981	108,648
6/29/2025	53,789	66,833	120,622
6/29/2026	52,210	55,490	107,700
6/29/2027	50,665	57,035	107,700
Thereafter	622,859	1,811,328	2,434,187
Total	<u>\$ 804,455</u>	<u>\$ 2,879,238</u>	<u>\$3,683,693</u>

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Notes to the Financial Statements  
June 30, 2022

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**8. Deferred revenue**

The Organization records certain federal grant awards as deferred revenue until related services are performed, at which time they are recognized as revenue. As of June 30, 2022 deferred revenue totaled \$334,266 .

**9. Concentrations and risks**

**Significant revenue sources**

The Organization depends heavily on contributions and grants for its revenue sources. The ability of the Organization's contributors and grantors to continue giving amounts may be dependent upon current and future overall economic conditions. While management believes the Organization has the resources to continue its programs, its ability to do so and the extent to which it continues, may be dependent on the above factors and other factors beyond its control.

**Custodial credit risk**

Custodial credit risk is the risk that in the event of bank failure, the Organization's deposits may not be returned to it. Cash accounts are insured by the Federal Deposit Insurance Corporation for up to \$250,000. Cash balances held with financial institutions exceed federally insurable limits at times. Management believes the credit risk associated with cash and cash equivalents to be low due to the quality of the financial institutions in which these assets are held.

**10. Financial assets and liquidity management**

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and equivalents	\$	206,237
Accounts receivable		4,105,970
Total	\$	<u>4,312,207</u>

The Organization has the policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

**11. Methods used for allocation of expenses from management and general activities**

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Those expenses include salaries, benefits, occupancy, program expenses and depreciation. All costs are allocated based on time and effort and depreciation is allocated directly to a specific programs.

**12. Commitments and contingencies**

The Organization participates in federal and state 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 the Organization has not complied with the rules and regulations governing grants, refunds



Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Notes to the Financial Statements  
June 30, 2022

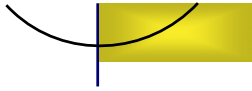
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of any money received may be required and the collectability of any related receivable at June 30, 2022 may be impaired. In the opinion of the Organization, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore no provision has been recorded in the accompanying financial statements for such contingencies.

**13. Subsequent events**

The Organization evaluated subsequent events through the date the financial statements were available to be issued and noted the following:

- A. The Organization has received \$2,725,970 from the Internal Revenue Service relating to the employee retention credit amount recorded as other assets in the statement of financial position.



**REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH THE GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Atlanta, Georgia

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 the governmental activities, each major fund, and the aggregate remaining fund information of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta ("the Organization"), as of and for the year ended June 30, 2022, and related notes to the financial statements, which collectively comprise the Organization's basic financial statements, and have issued our report thereon dated October 16, 2023.

**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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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 deficiencies, significant deficiencies, or material weaknesses. Given these limitations, during our audit we did identify deficiencies in internal control that we consider to be material weaknesses as described in the accompanying schedule of findings and response as item 2022-001.

**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,

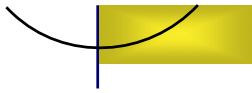
regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal controls 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.

*Bambo Sonaike CPA, LLC*

October 16, 2023



**Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

To the Board of Directors  
Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Atlanta, Georgia

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

**Opinion on Each Major Federal Program**

We have audited Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's major federal programs for the year ended June 30, 2022. Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

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

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

We are required to be independent of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta'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 Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's federal programs.

### **Auditors' 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 Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta'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 Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta'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 program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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.

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

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta as of and for the year ended June 30, 2022, and have issued our report thereon dated October 16, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Bambo Sonaike CPA, LLC*

October 16, 2023

**Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended June 30, 2022**

Federal Grantor/ Pass-through Grantor/ Program	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Pass-through to Sub recipients
<b>U.S. Department of Health and Human Services:</b>				
Pass-through from State of Georgia - DHR - DBHDD				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	44100-026-0000153782, 44100-026-0000153809	195,740	-
Total U.S. Department of Health and Human Services			195,740	-
<b>Department of Homeland Security</b>				
Pass-through from FEMA - Douglas				
Emergency Food and Shelter National Board Program	97.024	187400-010	2,564	-
Pass-through from FEMA - Atlanta Housing Support				
Emergency Food and Shelter National Board Program	97.024	174000-031	41,166	-
Pass-through from FEMA - Cobb				
Emergency Food and Shelter National Board Program	97.024	184000-002	5,000	-
Total Department of Homeland Security			48,730	-
<b>U.S. Department of Housing and Urban Development</b>				
Pass-through from Cobb County				
Community Development Block Grants/Entitlement Grants	14.218	CD-2019-438C	5,000	-
Pass-through from Cobb County				
Home Investment Partnerships Program	14.239	N/A	6,193	-
Pass-through from City of Atlanta				
Housing Opportunities for Persons with AIDS	14.241	HP-2020-300308	2,153,836	-
Pass-through from Gwinnett County				
Continuum of Care Program	14.267	GA0265L4B012007	790,610	-
Pass-through from DeKalb County				
Continuum of Care Program	14.267	GA0007L4B082013, GA0291L4B082006	418,621	-
Pass-through from Fulton County				
Continuum of Care Program	14.267	GA0299L4B022005	239,878	-
Pass-through from City of Atlanta				
Continuum of Care Program	14.267	GA0329L4B002004, GA0268L4B002007	327,511	-
Pass-through from DCA				
Continuum of Care Program	14.267	GA0137L4B012012, GA0208L4B012004	573,135	-
Total Assistance Listing Number 14.267			2,349,754	-

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
 Schedule of Expenditures of Federal Awards Continued  
 For the year ended June 30, 2022

Federal Grantor/ Pass-through Grantor/ Program	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Pass-through to Sub recipients
<b>U.S. Department of Housing and Urban Development (continued)</b>				
Pass-through from City of Atlanta				
Emergency Solutions Grants Program	14.231	ES-2019-438	25,231	-
Covid-19 - Emergency Solutions Grants Program	14.231	ESG-COVID19-2020-500048	258,586	-
Pass-through from Georgia Department of Community Affairs				
Emergency Solutions Grants Program	14.231	2020 20E EH 20C336	5,129	-
Pass-through from Fulton County				
Emergency Solutions Grants Program	14.231	PO 121 21SC127964A-CJC	78,016	-
Pass-through from DeKalb County				
Emergency Solutions Grants Program	14.231	19A18, 20A10	101,863	-
Total Assistance Listing Number 14.231			468,824	-
Total Department of Housing and Urban Development			4,983,607	-
<b>U.S. Department of Veteran Affairs</b>				
Supportive Services for Veteran Families (SSVF)	64.033	N/A	1,888,424	-
VA Grants for Adaptive Sports Programs for Disabled Veterans and Disabled Members of the Armed Forces	64.034	N/A	398,367	-
Total Department of Veteran Affairs			2,286,791	-
<b>U.S. Department of Treasury:</b>				
Pass-through from Gwinnett County				
Coronavirus Relief Fund	21.019	N/A	5,291	-
Total Department of Treasury			5,291	-
Total Federal Awards			\$ 7,520,160	\$ -



Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Notes to the Schedule of Expenditures of Federal Awards  
For the year ended June 30, 2022

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**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta (the "Organization") under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, change in net assets, or cash flows of the Organization.

**2. Summary of Significant Accounting Policies**

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

**3. Indirect Cost Rate**

The Organization has not elected to use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
 Schedule of Expenditures of State Awards  
 For the year ended June 30, 2022

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State Grantor/ Pass-through Grantor/ Program Title	Revenues	Expenditures	Amount (due to) / from Agency
<b>Georgia Department of Behavioral Health and Developmental Disabilities</b>			
Pass-through from State of Georgia - DHR - DBHDD			
Projects for Assistance in Transition from Homelessness (PATH)	\$ 195,740	\$ 195,740	\$ -
Total Georgia Department of Behavioral Health and Developmental Disabilities	195,740	195,740	-
<b>Georgia Department of Community Affairs</b>			
Pass-through from Georgia Department of Community Affairs			
Emergency Solutions Grants Program	5,129	5,129	-
Total Georgia Department of Community Affairs	5,129	5,129	-
Total State Awards	<u>\$ 200,869</u>	<u>\$ 200,869</u>	<u>\$ -</u>

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Notes to the Schedule of Expenditures of State Awards  
For the year ended June 30, 2022

---

**1. Basis of Presentation**

The accompanying schedule of expenditures of state awards includes the state grant activity of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta (the "Organization") under programs of the state government for the year ended June 30, 2022. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, change in net assets, or cash flows of the Organization.

**2. Summary of Significant Accounting Policies**

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

**3. Indirect Cost Rate**

The Organization has not elected to use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
 Schedule of Findings and Questioned Costs  
 For the year ended June 30, 2022

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**Section I - Summary of Auditor's Result**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Un-modified opinion

Internal control over financial reporting:

Material weakness(es) identified?	Yes	<u>Reference</u> 2022-001
Significant deficiency(ies) identified?	None reported	

Compliance and other matters

Non-compliance material to financial statements noted? No

**Federal Awards**

Internal control over major federal programs:

Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported

Type of auditor's report issued on compliance for major federal programs: Un-modified opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200? No

Identification of major federal programs:

	<u>Assistance</u> <u>listing</u> <u>Numbers</u>
Continuum of Care Program	14.267
VA Supportive Services for Veteran Families Program	64.033

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as a low risk auditee? No

**Section II - Financial Statement Findings**

See the applicable reference.

**Section III - Federal Awards Findings & Questioned Costs**

No matters were reported.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Schedule of Findings and Questioned Costs  
For the year ended June 30, 2022

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**Current year findings**

**2022-001: Documentation of segregation of duties surrounding payroll processing transaction, Material Weakness**

**Repeat Finding:** No

**Questioned Costs:** None

**Criteria:** HOPE Atlanta did not document the segregation of duties specifically, approval of payroll transactions.

**Condition:** During our audit we noted that Hope Atlanta did not document the approval process for the processing of its payroll transactions.

**Cause:** HOPE Atlanta did not fully implement its accounting policy and procedure surrounding processing of payroll transactions.

**Effect:** Failure to properly document segregation of duties within the payroll processing cycle can lead to material misstatements in the financial statement and abuse.

**Recommendation:** We recommend that Hope Atlanta completes the implementation of its accounting policy and procedure specifically the documentation of approval of all payroll transactions.

**Views of Responsible Officials and Corrective Actions:** HOPE Atlanta agrees with this finding. Please refer to the Corrective Action Plan.

**Prior year findings and status**

**2021-001: Financial Reporting, Material Weakness**

**Repeat Finding:** Yes

**Questioned Costs:** None

**Criteria:** HOPE Atlanta is required to have internal controls and procedures in place in order to timely and accurately report the results of its operations, close its books, and timely file its reports with the applicable federal agencies. These procedures include maintaining complete permanent files and payroll files, accurate allocations, and documentation of levels of review and reconciliation at month-end and year-end close.

**Condition:** The lack of appropriate policies, procedures, and internal processes led to untimely year end close and recording procedures, material adjusting entries during audit, insufficient updating of payroll allocations, and late filing of required reporting.

# Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta

## Schedule of Findings and Questioned Costs

### For the year ended June 30, 2022

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**Cause:** HOPE Atlanta has experienced significant employee turnover in its financial department, and despite their ongoing efforts, are still recovering from errors made by prior personnel.

**Effect:** Insufficient controls, outdated expense allocations, and late closing and reconciliation of accounting records could result in accounting errors and theft. A lack of controls over financial reporting can result in untimely filing of required reports or incomplete filings with the regulatory and oversight entities.

**Recommendation:** We recommend the organization obtain assistance in improving their accounting system from individuals who are familiar with GAAP, and governmental grant accounting. We also recommend that management reevaluate its policies and procedures to ensure an appropriate member of management is in place to review the year-end and month-end close processes, as well as journal entries, reconciliations, and other accounting records.

**Views of Responsible Officials and Corrective Actions:** HOPE Atlanta agrees with this finding. Please refer to the Corrective Action Plan.

**Status:** Corrected.

#### 2021-002: Compliance Eligibility, Material Weakness

**Federal Agency:** Department of Veterans Affairs

**Assistance Listing Number and Title:** 64.033 - VA Supportive Services for Veterans Families Program

**Repeat Finding:** No

**Questioned Costs:** None

**Criteria:** Grantees must develop policies and procedures that ensure appropriate documentation is obtained, documented, and maintained in participant case files.

**Condition:** HOPE Atlanta failed to follow their internal control policies and procedures related to documenting participant intake.

**Context:** Fourteen out of twenty participant files selected for control testing either lacked the proper staff signature to certify that all items on the required checklist are part of the case file or lacked a completed participant prescreening form.

**Effect:** HOPE Atlanta's intake policies and procedures were not adhered to. Lack of effective internal controls over participant case files could lead to eligibility noncompliance.

**Recommendation:** We recommend that the organization review case files regularly to ensure Hope Atlanta's intake policies are followed to ensure compliance with program requirements.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta  
Schedule of Findings and Questioned Costs  
For the year ended June 30, 2022

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**Views of Responsible Officials and corrective actions:** HOPE Atlanta agrees with this finding. Please refer to the Corrective Action Plan.

**Status:** Corrected

**2021-003: Compliance Matching, Material Weakness**

**Federal Agency:** Department of Housing and Urban Development

**Assistance Listing Number and Title:** 14.267 - Continuum of Care Program

**Repeat Finding:** No

**Criteria:** Per 2 CFR Section 200.303(a), Internal Controls, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with the Federal statutes, regulations, and the terms and conditions of the Federal award. Per the 2021 OMB Compliance Supplement, the recipient or subrecipient must match all grant funds, except for leasing funds, with no less than 25 percent of cash or in-kind contributions from other sources.

**Condition:** HOPE Atlanta failed to document the costs which were required to be used for matching the grant funds.

**Context:** HOPE Atlanta did not have policies and procedures in place to ensure compliance with the requirement that the recipient or subrecipient must match all grant funds with no less than 25 percent of cash or in-kind contributions from other sources, except for leasing funds.

**Effect:** As the appropriate underlying documentation of program expenditures were not obtained or available, the program expenditures could not be verified, and thus may result in noncompliance with program requirements.

**Recommendation:** We recommend that the organization implement policies and procedures to ensure compliance with the program's matching and earmarking requirements.

**Views of Responsible Officials and corrective actions:** HOPE Atlanta agrees with this finding. Please refer to the Corrective Action Plan.

**Status:** Corrected

–End of Report–



**Travelers Aid of Metropolitan Atlanta, Inc  
DBA HOPE Atlanta**

**458 Ponce DeLeon Avenue  
Atlanta, GA 30308**

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404 223 0986 fax  
[www.hopeatlanta.org](http://www.hopeatlanta.org)

programs of [traveler's aid of metro atlanta](#)

October 25, 2023

Bambo Sonaiké, MBA, CPA  
Managing Director  
Bambo Sonaiké CPA, LLC  
707 Whitlock Avenue  
Building B Suite 21  
Marietta GA 30064

Re: FY22 Audit Finding 2022-001

Bambo,

This letter is to inform you that the above listed audit finding was corrected in July 2023. Upon my arrival at Traveler's Aid (Hope Atlanta) in June 2023, I recognized that payroll was not being approved by the previous administration. Once that was noted a new policy was immediately put in place that all payroll must be approved by the CFO before it is transmitted.

I have asked a staff member to submit a copy to you of two previously approved payroll. Please let me know if you should have any questions.

Sincerely,

Paula Scotman  
Chief Financial Officer  
Traveler's Aid of Metropolitan Atlanta, Dba HOPE Atlanta