

CRISIS CONNECTIONS

Financial Statements and Reports and Schedules in
Accordance with *Government Auditing Standards* and Required by the
Uniform Guidance

December 31, 2024 and 2023

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Amanda O'Rourke, CPA
Matt Smith, CPA
Claire Chow, CPA
Jason Mallon, CPA
Andrew Van Ness, CPA



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Crisis Connections
Seattle, Washington

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Crisis Connections (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, 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 financial statements present fairly, in all material respects, the financial position of Crisis Connections as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Crisis Connections' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

Amanda O'Rourke, CPA
Matt Smith, CPA
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In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Crisis Connections' 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 Crisis Connections' ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2025, on our consideration of Crisis Connections' 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 Crisis Connections' 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 Crisis Connections' internal control over financial reporting and compliance.

Greenwood Ohlund

Seattle, Washington
July 17, 2025

CRISIS CONNECTIONS

STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

ASSETS	2024	2023
Current Assets		
Cash and cash equivalents	\$ 1,952,019	\$ 1,745,514
Certificates of deposit	910,005	877,893
Grants and contributions receivable	3,664,554	3,804,746
Prepaid expenses and other assets	635,767	365,813
Total current assets	7,162,345	6,793,966
Right-of-Use Asset - Operating Leases	2,761,512	3,256,367
Property and Equipment, net	287,377	460,531
Security Deposits	114,183	114,183
Total assets	<u>\$ 10,325,417</u>	<u>\$ 10,625,047</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 95,266	\$ 384,161
Accrued payroll and related expenses	839,038	741,596
Operating lease liability	513,158	488,716
Grants and contributions received in advance	234,867	159,591
Other accrued liabilities	47,320	65,683
Total current liabilities	1,729,649	1,839,747
Operating Lease Liability, less current portion	2,465,690	2,979,599
Total liabilities	4,195,339	4,819,346
Net Assets without Donor Restrictions	6,130,078	5,805,701
Total liabilities and net assets	<u>\$ 10,325,417</u>	<u>\$ 10,625,047</u>

See accompanying notes to financial statements.

CRISIS CONNECTIONS

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2024 and 2023

	2024	2023
Support and Revenue		
Government grants	\$ 20,801,519	\$ 15,817,607
Grants and contributions	4,546,845	3,948,078
Other revenue	213,218	128,647
Total support and revenue	25,561,582	19,894,332
Expenses		
Program services	22,364,962	16,183,478
Management and general	2,341,443	2,766,472
Fundraising	530,800	398,991
Total expenses	25,237,205	19,348,941
Change in net assets	324,377	545,391
Net Assets without Donor Restrictions, beginning of year	5,805,701	5,260,310
Net Assets without donor restrictions, end of year	<u>\$ 6,130,078</u>	<u>\$ 5,805,701</u>

See accompanying notes to financial statements.

CRISIS CONNECTIONS

STATEMENT OF FUNCTIONAL EXPENSES For the Year Ended December 31, 2024

	Crisis & Peer Services	Information & Referral Services	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ 13,829,998	\$ 2,057,013	\$ 15,887,011	\$ 1,338,576	\$ 260,631	\$ 17,486,218
Employee benefits	1,591,709	302,495	1,894,204	67,565	22,787	1,984,556
Payroll taxes	1,252,280	178,602	1,430,882	150,870	21,276	1,603,028
Total payroll expenses	16,673,987	2,538,110	19,212,097	1,557,011	304,694	21,073,802
Information technology	657,251	216,349	873,600	74,344	23,655	971,599
Professional fees and subcontracts	465,994	83,593	549,587	227,469	96,918	873,974
Occupancy	318,660	20,138	338,798	296,230	46,084	681,112
Telephone	445,526	4,088	449,614	9,255	2,428	461,297
Miscellaneous	118,377	125,852	244,229	42,471	4,712	291,412
Staff training and conferences	150,791	7,282	158,073	10,330	4,306	172,709
Bank fees	84,793	12,133	96,926	7,025	3,445	107,396
Equipment maintenance	85,893	3,968	89,861	11,936	364	102,161
Postage, printing and media	60,608	656	61,264	6,473	15,887	83,624
Dues and subscriptions	44,546	16,259	60,805	7,087	1,397	69,289
Recruitment	18,203	2,043	20,246	42,959	115	63,320
Advertising	38,779	1,642	40,421	4,238	13,791	58,450
Insurance	41,222	5,891	47,113	3,694	726	51,533
Recognition	15,314	3,827	19,141	7,893	8,852	35,886
Supplies	16,343	281	16,624	12,146	1,306	30,076
Total expenses before depreciation and amortization	19,236,287	3,042,112	22,278,399	2,320,561	528,680	25,127,640
Depreciation and amortization	73,837	12,726	86,563	20,882	2,120	109,565
	<u>\$ 19,310,124</u>	<u>\$ 3,054,838</u>	<u>\$ 22,364,962</u>	<u>\$ 2,341,443</u>	<u>\$ 530,800</u>	<u>\$ 25,237,205</u>

See accompanying notes to financial statements.

CRISIS CONNECTIONS

STATEMENT OF FUNCTIONAL EXPENSES For the Year Ended December 31, 2023

	Crisis & Peer Services	Information & Referral Services	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ 8,986,140	\$ 1,890,780	\$ 10,876,920	\$ 1,308,240	\$ 204,744	\$ 12,389,904
Employee benefits	966,155	258,053	1,224,208	121,112	12,483	1,357,803
Payroll taxes	763,726	165,338	929,064	139,234	17,449	1,085,747
Total payroll expenses	10,716,021	2,314,171	13,030,192	1,568,586	234,676	14,833,454
Professional fees and subcontracts	706,804	124,821	831,625	691,349	80,672	1,603,646
Information technology	551,755	103,566	655,321	158,736	24,509	838,566
Occupancy	365,631	111,484	477,115	169,480	27,627	674,222
Telephone	277,055	15,781	292,836	24,999	3,694	321,529
Staff training and conferences	202,139	2,012	204,151	14,360	643	219,154
Miscellaneous	38,091	126,404	164,495	4,438	1,334	170,267
Equipment maintenance	96,395	45,533	141,928	23,105	154	165,187
Bank fees	51,463	10,222	61,685	10,628	4,442	76,755
Recruitment	20,750	2,463	23,213	47,576	-	70,789
Postage, printing and media	46,754	1,738	48,492	7,767	5,186	61,445
Dues and subscriptions	30,548	4,931	35,479	12,837	1,908	50,224
Insurance	32,859	8,771	41,630	3,931	611	46,172
Advertising	32,908	333	33,241	-	11,694	44,935
Recognition	23,235	3,480	26,715	10,624	211	37,550
Supplies	9,572	720	10,292	8,230	201	18,723
Total expenses before depreciation and amortization	13,201,980	2,876,430	16,078,410	2,756,646	397,562	19,232,618
Depreciation and amortization	81,467	23,601	105,068	9,826	1,429	116,323
	<u>\$ 13,283,447</u>	<u>\$ 2,900,031</u>	<u>\$ 16,183,478</u>	<u>\$ 2,766,472</u>	<u>\$ 398,991</u>	<u>\$ 19,348,941</u>

See accompanying notes to financial statements.

CRISIS CONNECTIONS

STATEMENTS OF CASH FLOWS For the Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Cash received from donors	\$ 25,563,832	\$ 17,746,892
Cash received from interest and other	181,106	108,094
Cash paid to employees	(20,976,360)	(14,535,298)
Cash paid to vendors	(4,625,662)	(4,443,209)
Cash flows from operating activities	142,916	(1,123,521)
Cash Flows from Investing Activity		
Sale of property and equipment	95,448	-
Purchase of property and equipment	(31,859)	(77,571)
Net change in cash and cash equivalents	206,505	(1,201,092)
Cash and Cash Equivalents, beginning of the year	1,745,514	2,946,606
Cash and Cash Equivalents, end of the year	<u>\$ 1,952,019</u>	<u>\$ 1,745,514</u>

See accompanying notes to financial statements.

CRISIS CONNECTIONS

NOTES TO FINANCIAL STATEMENTS

Note 1 – Organization and Summary of Significant Accounting Policies

Organization

Since 1964, Crisis Connections has been a trusted nonprofit serving Seattle, King County, and Washington State residents. Their mission is to foster resilience and well-being for all by connecting people to accessible and compassionate support. Crisis Connections understands that providing preventative intervention resources is the best way to prevent societal disparities, associated public costs, and negative community health impacts. They accomplish this by providing whole-person care across their programs. When an individual reaches out via text, chat, email, or phone, a real caring person will answer – providing free, confidential support. Their core helplines include 988 and 24-hour Crisis Lines for emotional support, 211 for essential needs assistance, Teen Link and Warm Line for peer support, the Recovery Help Line for addiction and problem gambling, plus support after suicide services.

Crisis Connections' trained staff and volunteers provide non-judgmental assistance to the people in their community who most need it. They pair people in physical, emotional, and financial distress with compassionate listeners and vital resources that relieve their stress, foster resilience, and make navigating complex health and social service resources attainable. Their specialists assist anyone in Washington who reaches out – though most of their clients self-identify as BIPOC and low-income individuals.

During 2024, Crisis Connections served 405,570 people across Washington State who reached out for support. Additionally, they assisted 92,157 behavioral health professionals with clients, had 238,854 people find help via their public e-resource database, provided Suicide and Substance Use Prevention Training and peer support to 11,294 youth, distributed 199 Support After Suicide Grief Packages, provided 275,521 copies of free educational materials to 978 agencies, and placed 391,091 referrals to vetted health, recovery, and human service programs. For the individual who reaches out and their family, a call to one of their hotlines represents more than just asking for help – it's often the first step toward healing and their ongoing lifeline to crisis aversion. Their core programs include:

- Regional Crisis Lines – 24/7/365 helpline for anyone in crisis, including suicidal thoughts focused on residents of King and eight other counties.
- King County 988 – 24/7/365 Suicide and Crisis Lifeline and dispatch of Mobile Crisis Teams.
- King County 211 – Addresses the social determinants of health. Staff provide information and referrals to social services such as food and shelter.
- King County One Call – 24/7/365 assistance line for first responders (police, fire departments, and EMS providers). Behavioral Health specialists provide information and resources for first responders to best support people in crisis.
- WA Teen Link – Peer helpline, suicide prevention training, and resource guides for Washington State teenagers.
- WA Recovery Help Line – 24/7/365 information and referrals for substance use and mental health.
- WA Warm Line – Peer-answered support line for people with mental health challenges.
- WA Community Care Hub Access – A statewide network of community-based coordinated care accesses for complex, overlapping health, and essential needs.
- WA Support After Suicide – Group, mail, or phone support for individuals and families who have lost a loved one to suicide.88 – 24/7/365 Suicide and Crisis Lifeline (King County)

CRISIS CONNECTIONS

NOTES TO FINANCIAL STATEMENTS

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Financial Statement Presentation

Crisis Connections reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets without donor restrictions are not subject to donor-imposed stipulations and are available for general operations. Net assets with donor restrictions consist of unexpended contributions restricted for particular purposes or time periods. Net assets with donor restrictions are transferred to net assets without donor restrictions as expenditures are incurred for the restricted purpose or as time restrictions are met. Crisis Connections has no net assets with donor restrictions and therefore this classification of net assets is not presented.

Cash and Cash Equivalents

Crisis Connections considers all cash accounts and money market funds with an original maturity of three months or less to be cash and cash equivalents. At times, amounts may exceed federally insured limits. Crisis Connections has not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

Certificates of Deposit

Certificates of deposit are recorded at cost plus accrued interest.

Grants and Contributions Receivable

Grants and contributions receivable that are expected to be collected in one year are recorded at net realizable value. Management reviews the collectability of these receivables on a periodic basis and determines the appropriate amount of any allowances. When a receivable is determined to be uncollectible, it is written off against the allowance. Management does not believe an allowance for uncollectible amounts is necessary at December 31, 2024 or 2023.

At December 31, 2024 and 2023, respectively, 80% and 78% grants and contributions receivable were due from three government agencies.

Leases

Crisis Connections determines if an arrangement is a lease at inception. Operating leases are included in ROU assets and lease liabilities in the statements of financial position.

CRISIS CONNECTIONS

NOTES TO FINANCIAL STATEMENTS

ROU assets represent Crisis Connections' right to use an underlying asset for the lease term, and lease liabilities represent Crisis Connections' obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that Crisis Connections will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

Crisis Connections has elected to recognize payments for short-term leases with terms of 12 months or less as expense as incurred, and these leases are not included as ROU assets or lease liabilities on the statements of financial position. The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, Crisis Connections has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

Crisis Connections has elected not to separate non-lease components from lease components and instead accounts for each separate lease component and the non-lease component as a single lease component.

Property and Equipment

Crisis Connections capitalizes assets with a cost or donated value of greater than \$1,000 and a useful life greater than one year. Purchased property and equipment is carried at cost. Donated property and equipment are recorded at fair value when received. Depreciation of property and equipment is computed using the straight-line method based on estimated useful lives of the assets, ranging from five to ten years. Leasehold improvements are amortized over the lesser of the useful life of the improvements or the term of the lease.

Property and equipment consist of the following at December 31:

	2024	2023
Equipment	\$ 300,785	\$ 408,971
Furnishings	157,533	262,508
Leasehold improvements	191,594	191,594
	649,912	863,073
Less: accumulated depreciation and amortization	(362,535)	(402,542)
	<u>\$ 287,377</u>	<u>\$ 460,531</u>

Revenue Recognition

Revenues from government grants and other grants and contributions are recognized when the conditions are met (for government grants, generally when the qualified expenditure is incurred). Revenue from government agencies is subject to audit, which could result in adjustments to revenue. The adjustments are recorded at the time that such amounts can first be reasonably determined, normally upon notification by the government agency. During the years ended December 31, 2024 and 2023, no such adjustments were made.

CRISIS CONNECTIONS

NOTES TO FINANCIAL STATEMENTS

During the years ended December 31, 2024 and 2023, government grant revenue from three government agencies represented 80% and 70% of total support and revenue, respectively.

Conditional promises to give – that is, those with a measurable performance or barrier and a right of return – are not recognized until the conditions on which they depend have been met. Crisis Connections had approximately \$1,680,000 in conditional government grant revenue, of which it was notified during the year ended December 31, 2024. The promises were conditional upon Crisis Connections achieving certain goals related to specific programs run by Crisis Connections. Due to the uncertainty regarding meeting the conditions, revenue was not recognized for these government grants as of December 31, 2024. Revenue received in advance of being earned is recorded as unearned grant revenue in the statements of financial position.

Donated Services

Donated services are reflected as contributions in the accompanying statements at their estimated values at date of receipt. Donations of services are recognized if the services received create or enhance a nonfinancial asset or the services require specialized skills that are provided by individuals possessing those skills.

The delivery of services provided by Crisis Connection is accomplished with the help of volunteers. These volunteers provide uncompensated hours of service to the community. The volunteer hours provided to Crisis Connections totaled approximately 38,000 for the year ended December 31, 2024. These financial statements do not include any adjustments for these hours as they do not meet the criteria for recognition.

Allocation of Functional Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of Crisis Connections. Those expenses include payroll, professional fees and subcontracts, information technology, equipment maintenance, telephone, advertising and other, which are allocated based on time and effort. Occupancy and depreciation and amortization are allocated based on estimates of use of space or resources.

Income Taxes

Crisis Connections is exempt from income taxes under Internal Revenue Code Section 501(c)(3), and, as such, is subject to income taxes only to the extent of taxable unrelated business income. Crisis Connections did not generate any taxable income for the years ended December 31, 2024 and 2023 and therefore no provisions for federal income taxes are necessary.

Union Employees

The labor union may limit Crisis Connections' flexibility in dealing with its workforce. Any work stoppage or instability within the workforce could delay the Crisis Connections' ability to satisfy commitments under existing grant agreements.

Reclassifications

Certain prior year balances have been reclassified in order to conform to the current year presentation.

CRISIS CONNECTIONS

NOTES TO FINANCIAL STATEMENTS

Subsequent Events

Management of Crisis Connections has evaluated subsequent events through the date these financial statements were available to be issued, which was July 17, 2025.

Note 2 – Liquidity and Availability of Resources

Crisis Connections has a policy to maintain four to six months of cash needs as reserves between cash and cash equivalents and receivable balances. Crisis Connections' financial assets available to meet general expenditures within one year of the statement of financial position date consist of the following at December 31:

	2024	2023
Cash and cash equivalents	\$ 1,952,019	\$ 1,745,514
Certificates of deposit	910,005	877,893
Grants and contributions receivable	3,664,554	3,804,746
	<u>\$ 6,526,578</u>	<u>\$ 6,428,153</u>

Note 3 – Lease Commitment

Crisis Connections has two non-cancellable operating leases for office space in Seattle, Washington and Renton, Washington, with maturities of March 2030 and July 2030 and ten-year and five-year renewal options, respectively. The renewal options are not included in Crisis Connections' ROU assets or lease liabilities as there is no reasonable certainty these options will be exercised.

Crisis Connections has recognized operating lease ROU assets and corresponding operating lease liabilities representing the discounted payments required under the lease through maturity. Operating lease costs under these leases totaled \$544,950 and \$487,657 for the years ended December 31, 2024 and 2023, respectively, and are included within occupancy in the statement of functional expenses. Operating cash flows under these leases were \$539,563 and \$523,715 during the years ended December 31, 2024 and 2023, respectively. A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2024, is as follows for the years ending December 31:

2025	\$ 555,410
2026	571,258
2027	587,105
2028	602,953
2029	618,800
Thereafter	<u>170,989</u>
	3,106,515
Less: Imputed interest (at 1.55%)	<u>(127,667)</u>
	<u>\$ 2,978,848</u>

CRISIS CONNECTIONS

NOTES TO FINANCIAL STATEMENTS

The operating lease liabilities are presented in the statement of financial position as of December 31, 2024, as follows:

	2024	2023
Operating lease liabilities (current liabilities)	\$ 513,158	\$ 488,716
Operating lease liabilities, less current portion	<u>2,465,690</u>	<u>2,979,599</u>
	<u><u>\$ 2,978,848</u></u>	<u><u>\$ 3,468,315</u></u>

The organization subleased a portion of its leased office space through August 2030. The lease includes payments of base rent and additional variable rent based on shared operating expense reimbursement, which is considered variable consideration. The organization recognized \$76,828 of rental and other revenues related to operating leases for the year ended December 31, 2024 included in other revenue on the statements of activities.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease payments expected to be received under the sublease:

2025	\$ 225,774
2026	233,439
2027	241,801
2028	250,163
2029	258,525
Thereafter	<u>158,878</u>
	<u><u>\$ 1,368,580</u></u>

**SUPPLEMENTAL REPORTS AND SCHEDULES IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS AND REQUIRED BY
THE UNIFORM GUIDANCE**

Amanda O'Rourke, CPA
Matt Smith, CPA
Claire Chow, CPA
Jason Mallon, CPA
Andrew Van Ness, CPA



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
Crisis Connections
Seattle, Washington

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 Crisis Connections (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 17, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Crisis Connections' 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Crisis Connections' internal control. Accordingly, we do not express an opinion on the effectiveness of Crisis Connections' 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 or significant deficiencies. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Crisis Connections' 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*.

Amanda O'Rourke, CPA
Matt Smith, CPA
Claire Chow, CPA
Jason Mallon, CPA
Andrew Van Ness, CPA



Purpose of this Report

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

Greenwood Ohlund

Seattle, Washington
July 17, 2025

Amanda O'Rourke, CPA
Matt Smith, CPA
Claire Chow, CPA
Jason Mallon, CPA
Andrew Van Ness, CPA



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Crisis Connections
Seattle, Washington

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Crisis Connections' 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 Crisis Connections' major federal program for the year ended December 31, 2024. Crisis Connections' major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Crisis Connections complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2024.

Basis for Opinion on the 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; 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 Crisis Connections 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 the major federal program. Our audit does not provide a legal determination of Crisis Connections' 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 Crisis Connections' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Crisis Connections' 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 Crisis Connections' compliance with the requirements of the major federal program as a whole.

Amanda O'Rourke, CPA
Matt Smith, CPA
Claire Chow, CPA
Jason Mallon, CPA
Andrew Van Ness, CPA



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 Crisis Connections' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Crisis Connections' 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 Crisis Connections' 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 or significant deficiencies, 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.

Greenwood Ohlund

Seattle, Washington
July 17, 2025

CRISIS CONNECTIONS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended December 31, 2024

Federal Grantor/Program Titles	Federal Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
<i>Passed through WithinReach</i>				
SNAP Cluster				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	2212-44425-07	\$ 206,958	\$ -
Total U.S. Department of Agriculture and SNAP Cluster			206,958	-
U.S Department of Health and Human Services				
<i>Passed through City of Seattle</i>				
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	DA23-1867	127,157	
Special Programs for the Aging, Title III, Part C, Nutrition Services – COVID-19	93.045	DA23-1867	127,157	-
Total Aging Cluster			254,314	-
National Family Caregiver Support, Title III, Part E	93.052	DA23-1867	11,082	-
Grants to States for Medicaid	93.778	DA23-1867	55,828	-
<i>Passed through Washington State Department of Health</i>				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	CBO27587-1	2,420,277	-
<i>Passed through Choice Regional</i>				
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	4GA1RH39546-01-07	2,333	-
Total U.S. Department of Health and Human Services			2,743,834	-
Total Federal Expenditures			\$ 2,950,792	\$ -

The accompanying notes are an integral part of this schedule.

CRISIS CONNECTIONS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Crisis Connections (the Organization) under programs of the federal government for the year ended December 31, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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, changes in net assets, or cash flows of the Organization.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3 – Indirect Cost Rate

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

CRISIS CONNECTIONS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

A. Summary of Audit Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal Control over Financial Reporting

Material weaknesses identified: None reported

Significant deficiencies identified not considered to be material weaknesses: None reported

Noncompliance material to financial statements noted: None reported

Federal Awards

Material weaknesses identified: None reported

Significant deficiencies identified not considered to be material weaknesses: None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported: None reported

Identification of Major Programs:

Program Title

Assistance Listing

Substance Abuse and Mental Health Services Projects of Regional and
National Significance

93.243

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

Auditee qualified as low-risk auditee: No

B. Findings – Financial Statement Audit

None

C. Findings and Questioned Costs – Major Federal Award Programs Audit

None