

**CITY OF SAN MARCOS HUMAN SERVICES GRANT
FY 2026-2027 APPLICATION**

I. SUMMARY INFORMATION

Please spell out organization name and program name completely, without acronyms.

Applicant Organization: Redwood Community Center Inc., RCCI, doing business as – Centro Esperanza

Contact Name, Title: Irma Devora Palacios, RCCI Executive Board Member & Pro Bono Center Director

Telephone [REDACTED]

Contact E-Mail Address [REDACTED] Website: www.centroesperanzasmtx.com

Mailing Address: 2045 Spruce Street, San Marcos, Texas 78666

Do you have a location in San Marcos where people can walk in and ask questions about the program? If so, what is the address? 2045 Spruce Street, San Marcos, Texas 78666

Who is authorized to execute program documents? (Name, Title) Sulema Arrecis, Center Administrator

Program Name: **Overhead & Operational Costs Fulfillment Program**

Amount of Funds Requested: **\$16,327.66**

What percentage of the cost of this program is requested as funding through this application?

Percentage of Program Cost Requested:
50% of total eligible expenses

Calculation Summary

- Projected CY2027 Total Eligible Expenses: \$32,655.32
- 50% Request (per HSAB funding cap): \$16,327.66
- Eligible Expense Categories Included: Line Items 1–14 and 17–28

II. SHORT ESSAY QUESTIONS

All questions must be answered. Please type your answers. Application evaluations will be based on, but not necessarily limited to the criteria stated in each section.

OVERVIEW

1. Summarize the program for which funding is being requested, the services it provides, and the clients it serves.

Centro Esperanza, operated by Redwood Community Center Inc., is requesting HSAB funding to support its Overhead and Operational Costs Fulfillment Program—the essential infrastructure that keeps our bilingual, grassroots community hub open and functioning for the families who rely on it. As a *by-the-people, for-the-people* organization, Centro Esperanza was built by local residents and continues to be led by community voices who understand the lived realities of both inner-city San Marcos neighborhoods and the surrounding rural communities where our center is located.

This funding supports the core operational backbone—utilities, insurance, facility maintenance, technology, and partial staffing—that allows us to deliver consistent, high-impact services every week. These foundational costs enable Centro Esperanza to host and coordinate a wide range of essential programs, including:

- SAFB Mobile Food Distributions, including the monthly Pop Up Market and additional distributions
- Hays County Health Department Pet Food Pantry
- Mobile Mini Vet Express, providing low-cost veterinary care
- Seguin Texas Department of State Health Services initiatives
- Clothing Distribution every 3rd Saturday
- Resource navigation and referrals
- Hygiene distribution in partnership with Superior HealthPlan
- Full program listings at www.centroesperanzasmtx.com

Centro Esperanza serves low-income families, seniors, immigrants, transportation-limited residents, and rural households who often face heightened barriers to accessing traditional services. Many of our clients live in inner-city San Marcos, while others reside in rural and unincorporated areas where transportation, language access, and resource availability are limited. As a grassroots organization deeply embedded in these communities, we provide culturally responsive, dignified, and trusted support.

These barriers disproportionately affect Latino families, seniors, and residents with limited English proficiency, making a stable, bilingual access point essential for equitable service delivery across San Marcos.

By investing in our operational foundation, HSAB funding ensures that Centro Esperanza remains a stable, community-driven access point where families can safely receive food, clothing, health resources, and essential support—strengthening the well-being of both inner-city and rural residents across the San Marcos region.

COMMUNITY NEED AND JUSTIFICATION –20 POINTS

Evaluation: documentation and justification of the need for the program in the City of San Marcos.

1. Describe in detail the need for this program in San Marcos.

San Marcos continues to experience some of the highest poverty and food insecurity rates in Central Texas, with more than one in four residents living below the poverty line and many struggling to afford rising rent, utilities, and healthcare costs. Families in inner-city neighborhoods and the rural communities surrounding our center face additional barriers such as limited transportation, language isolation, and difficulty navigating federal and state assistance systems. **Source:** According to the most recent U.S. Census Bureau American Community Survey (ACS) 1-Year Estimates, **26.7%** of San Marcos residents live below the poverty line—roughly one in four people.

Residents consistently express the need for a trusted, bilingual, community-led space where they can receive support without fear or confusion. Centro Esperanza fills this gap, but our ability to do so depends entirely on the Overhead and Operational Costs Fulfillment Program.

This program covers the essential operational categories that keep our center open and safe, including:

- Security Systems (ADT)
- Electric, Water, Mobile, and Internet Services
- Waste & Recycling
- Bookkeeping Services
- Digital Marketing, Software, and Technology
- Fire Safety & Pest Control
- General Facility Operations (insurance, FEMA fees, supplies, signage, repairs, fuel reimbursement, volunteer appreciation, and miscellaneous needs)

Without these operational supports, the programs and events listed on our website would have no center from which to operate.

2. Has the need for this program been increasing in recent years?

Yes. The need has increased significantly as both community demand and partnership activity continue to grow. Our participant base “changes like the seasons,” with long-time clients cycling out as new families, seniors, and individuals facing sudden hardship cycle in. This constant turnover reflects the ongoing instability many San Marcos residents experience and reinforces the need for a reliable, always-open community hub.

New collaborative partnerships have increased foot traffic and broadened the scope of services delivered at our center. Rising costs for electricity, insurance, waste services, digital systems, and facility upkeep further intensify the strain.

RCCI maintains redundant communication systems and emergency protocols to ensure continuity of operations during weather-related or infrastructure disruptions, protecting service delivery even during unexpected events.

Strengthening our operational foundation is essential to meeting the growing and ever-changing needs of San Marcos residents.

IMPLEMENTATION –15 POINTS

Evaluation:

- *The application demonstrates that resources needed to manage the proposed program are available and ready.*
- *Applicant has clearly defined objectives focusing on results and measurable outcomes vs. only program activities descriptions and numbers served.*
- *Past performance of programs funded by Human Services Grants has met expectations.*

1. Are all resources in place to be able to implement this program? If not, what is missing?

Yes. All core resources required to implement the Overhead and Operational Costs Fulfillment Program are already in place. Centro Esperanza has established systems, vendors, staffing, and administrative processes that ensure the center operates safely, consistently, and in compliance with all requirements. Our security systems, utilities, waste services, bookkeeping, digital infrastructure, fire safety, pest control, insurance policies, and facility operations are fully active and functioning.

The only missing component is funding support to sustain these essential operational categories. Without HSAB assistance, the center's ability to remain open and provide a stable environment for partner-delivered programs becomes vulnerable. The infrastructure exists, the systems are active, and the team is ready—what we need is the operational funding that keeps these resources functioning for the community.

2. What specific, measurable outcomes or results do you hope to achieve with this program?

The **Overhead and Operational Costs Fulfillment Program** ensures that Centro Esperanza remains a fully functional, safe, and accessible hub for essential services. Our measurable outcomes focus on operational stability, service continuity, and community impact:

Operational Outcomes

- Maintain continuous facility operations
- Achieve 100% compliance with safety, fire, pest control, and insurance requirements

Service Delivery Outcomes

- Support all programs listed on our website
- Maintain capacity for resource navigation and partner-delivered services

Community Access Outcomes

- Ensure the center remains open and accessible for inner-city and rural residents
- Sustain a safe, dignified environment for an ever-changing participant base
- Strengthen capacity to host new collaborative partnerships

3. If funding is not available at the requested amount, what is the minimum Human Services Grant funding needed to be able to run this program?

The minimum amount required is **\$16,000**.

IMPACT AND COST EFFECTIVENESS –20 POINTS

Evaluation:

- *impact on the identified need*
- *implementation costs compared to impact*
- *use of available resources (financial, staff, volunteer)*
- *impact compared to other applicants*

1. Programs can provide value by deeply impacting the lives of a few, with effects that may ripple through generations, or by providing smaller but meaningful impact to a larger group. Describe in detail the impact this program will have on the identified need and on San Marcos residents.

This program delivers both deep, generational impact and broad, community-wide benefit for San Marcos residents. For families facing crisis—especially seniors, individuals with disabilities, immigrants, and transportation-limited residents—the stability of Centro Esperanza provides life-changing support that helps prevent hunger, homelessness, and health deterioration. These residents often return month after month, building trust, receiving bilingual guidance, and gaining the stability needed to move toward long-term well-being. The impact on these households is profound and often generational, as consistent access to food, clothing, hygiene items, and health resources strengthens family stability over time.

At the same time, the program provides meaningful support to a much larger group of residents who rely on Centro Esperanza during short-term hardship, seasonal instability, or unexpected emergencies. By keeping the center fully operational, the program ensures that hundreds of households each month can access essential resources quickly, safely, and without barriers. This dual impact—deep for those in chronic need and broad for those in temporary crisis—makes the Overhead and Operational Costs Fulfillment Program one of the most cost-effective and community-wide investments available to the City of San Marcos.

2. Briefly describe other funding sources, volunteers, or in-kind donations that will be used with this program.

50% Overhead and Operational non-City Funding:

San Marcos Lions Club, recurring \$10,000 annual

Eleanor Crook, recurring \$5,000 annual

Bluebonnet Lions Club

United Way – \$8,000 - \$10,000 (temporarily suspended – refer to Seguin Gazette Article)

RCCI sustains this program through a strong network of community partners, dedicated volunteers, and significant in-kind contributions that extend the reach of HSAB funding. Volunteers support event check-ins, information distribution, and facility upkeep.

RCCI leverages an estimated **434 engaged volunteers**, each contributing an average of **5 hours per program/event**, totaling **2,170 in-kind volunteer hours in CY2025**. Using the **Texas volunteer hourly rate of \$33.59** (Source: IndependentSector.org), this represents **\$72,890.30** in in-kind labor value that directly offsets operational costs.

In addition, RCCI benefits from substantial pro bono leadership:

- **Pro Bono Director:** 1,000 volunteer hours valued at **\$33,590.00**
- **Pro Bono Center Administrator:** 760 volunteer hours valued at **\$25,528.40**

RCCI also receives significant support from **Court-Ordered Community Service Volunteers**, with **123 individuals contributing 620 hours**, representing an additional **\$20,825.80** in in-kind labor value.

In total, RCCI leveraged **4,550 volunteer hours in CY2025**, representing **\$152,834.20** in combined in-kind labor value—substantially reducing operational expenses and expanding the center’s capacity to serve San Marcos residents.

RCCI’s community support network includes a broad coalition of civic, faith-based, nonprofit, and public agencies, including: City of San Marcos Blue Santa, Transitional Work Solutions, San Marcos Noon Lions Club, St. Mark’s Episcopal Church, Bluebonnet Lions Club, Eleanor Crook, PromiseLand Church, LDS Church, City of San Marcos Recovery Program, Hays County Pet Food Program, Mobile Mini Vet, Seguin DSHS, Superior HealthPlan, WellCare, San Antonio Food Bank, San Marcos CISD, San Marcos Lions Club Vision Assistance Program, San Marcos Unitarian Universalist Fellowship, and community members completing service hours.

RCCI also pursues external grants to diversify funding. The Executive Director and Center Administrator serve pro bono during funding gaps, ensuring uninterrupted services.

Together, these resources enable RCCI to maximize the impact of HSAB funds and maintain consistent, high-quality service delivery.

3. How many total annual unduplicated direct clients is this program expected to serve? What percentage will be San Marcos residents?

This program is projected to serve a minimum of **280–300 unduplicated households per month**, with an estimated **50% (140–150 households)** residing within San Marcos city limits.

This consistent service level reflects both the ongoing demand and our proven capacity to deliver high-impact programming at scale.

4. . Please list the agencies with which you partner to provide this program’s services.

RCCI partners with multiple organizations that deliver programs at the Center, including food distribution partners, clothing support groups, health navigation providers, and other community-based organizations. These partners rely on the facility’s safe, functional operation to serve residents effectively.

City of SM Gives Back Program
City of San Marcos Blue Santa Program
Guadalupe County
Guadalupe County Court-Ordered Community Service
Hays County Court-Ordered Community Service
Hays County Health Department Pet Food Pantry
Mini Vet Express
San Antonio Food Bank
Seguin Texas Department of State Health Services
Superior HealthPlan
Traditional Work Solutions, LLC
WellCare

COMMUNITY SUPPORT – 15 POINTS

Evaluation:

- *A minimum of three letters of reference that indicate strong local support for the program and the agency's ability to implement it as described in the application. Letters must be in support of the specific program requesting funding, not the agency as a whole. Letters will preferably be from San Marcos residents as well as direct clients of the program.*
- *Evidence that volunteers play a vital role in the program or agency's operation.*
- *Evidence that board members are actively involved in and supportive of the agency*

1. What actions do Board members take to support the programs of the agency?

Our Board of Directors provides active, hands-on support that strengthens both the strategic direction and day-to-day success of our programs. Their involvement includes:

- **Strategic oversight and planning**, ensuring programs remain aligned with community needs and HSAB objectives
- **Direct operational support**, including personal financial contributions and the use of personal vehicles to pick up or deliver donations
- **Active participation in events**, helping with setup, volunteer coordination, and community engagement
- **Ambassadorship and partnership development**, leveraging personal and professional networks to secure collaborations, in-kind donations, and increased visibility for the center

This combination of governance, hands-on service, and community advocacy reflects a deeply engaged, mission-driven board that actively champions the Overhead and Operational Costs Fulfillment Program and the services it makes possible.

2. Briefly describe the number and role of volunteers in the program or agency's operation.

Volunteers are essential to the operation and reach of Centro Esperanza. In Calendar Year 2025, Engaged Volunteers 434 (averaging 5 hrs per program/event) with 2,170 contributed **hours** of service, significantly expanding our capacity to serve inner-city and rural residents. *(refer to: Impact and Cost-Effectiveness 2.)*

Their roles include:

- **Direct service delivery**, such as assisting with food distributions, clothing support, and client check-in
- **Event and logistics coordination**, supporting program setup, flow, and community engagement
- **Administrative and facility support**, including record-keeping, maintenance tasks, and operational assistance
- **Community outreach**, helping create welcoming spaces and strengthening trust with residents

Our volunteer base includes individuals, families, students, and organized groups such as **Promiseland Church, Guadalupe County (Hays County Court-Ordered Community Service Volunteers – refer to: Impact and Cost Effectiveness 2.** and whose ongoing involvement demonstrates strong local support and shared commitment to our mission.

COUNCIL PRIORITIES - 20 POINTS

1. How long has this program served San Marcos residents? (10 points if at least 2 years)

Centro Esperanza has **over 12 years** of experience operating this program

2. In what ways does your agency actively conduct outreach to engage San Marcos residents in its programs and services? How will San Marcos residents access those services? (up to 10 points)

Outreach is conducted through social media (Facebook and website), printed flyers, bulletin board postings, and word-of-mouth communication within the community.

RISK - 10 POINTS

1. How many years' experience does the agency have in implementing a program of this size and complexity? (5 points if more than 5 years)

Centro Esperanza has over **12 years** of experience operating this program since opening in June 2013. For more than a decade, we have successfully managed the full operational infrastructure required to run a high-volume, multi-partner community center. This includes maintaining safety systems, utilities, insurance, technology, administrative processes, and facility operations—demonstrating long-standing capacity to manage a program of this size and complexity.

2. What percentage of the program's funding is non-City? (5 points if at least 50%)

50% in non-City Funding.

San Marcos Lions Club, recurring \$10,000 annual

Eleanor Crook, recurring \$5,000 annual

Bluebonnet Lions Club

United Way – \$8,000 - \$10,000 (temporarily suspended – refer to Seguin Gazette Article)

III. FUNDING RESTRICTIONS

By signing this application I certify the following to be true:

1. All Human Services Grant funding will be spent on San Marcos residents, except for school-based programs, in which case it may be spent within the San Marcos Consolidated Independent School District boundary.
2. Funding requested is not more than 50% of the total funding for the agency.
3. Funding will not be used to fund more than 20% of a full time position.
4. Agency has been in existence for at least 2 years. (This can include serving communities other than San Marcos.)

SUBMITTAL APPROVED BY:



Signature

MARCH 02, 2026
Date

IRMA DEVORA PALACIOS
Printed Name

PRO BONO DIRECTOR
Title

	A	B	C	D	E	F	
1	RCCI PROGRAM BUDGETS: PART 1 OF 2						
2	OPERATING (CY 2025), ANTICIPATED (CY 2026), AND PROJECTED (CY 2027)						
3	FOR THE CITY OF SAN MARCOS HSAB GRANT CYCLE 2026-2027						
4							
5	Overview of CY 2025 Expenditure Categories :		Operating Expenditures Incorporating a				
6	Recurring Line Items 1–20		3% Annual Inflation Adjustment Anticipated and Projected				
7	Continuing for CY 2026 and CY 2027		for Calendar Years 2026 -2027				
8	To Be Applied Towards the		OPERATING	3%	ANTICIPATED	3%	PROJECTED
9	2026 - 2027 City of Marcos HSAB Grant		CY 2025	ANNUAL	CY 2026	ANNUAL	CY 2027
10			FINAL ACTUALS/	INFLATION		INFLATION	
11			BASE YEAR	ADJUSTMENT		ADJUSTMENT	
12	1. ADT Security		\$ 1,566.89	\$ 47.01	\$ 1,613.90	\$ 48.42	\$ 1,662.32
13							
14	2. BenchMark		\$ 1,426.90	\$ 42.81	\$ 1,469.71	\$ 44.09	\$ 1,513.80
15	Directors & Officers						
16	Policy Premium						
17							
18	3. BenchMark		\$ 333.50	\$ 10.01	\$ 343.51	\$ 10.31	\$ 353.82
19	Worker Comp						
20	Policy Premium						
21							
22	4. BenchMark		\$ 1,691.59	\$ 50.75	\$ 1,742.34	\$ 52.27	\$ 1,794.61
23	Pack Policy Premium						
24							
25	5. Bluebonnet Electric		\$ 1,932.21	\$ 57.97	\$ 1,990.18	\$ 59.71	\$ 2,049.89
26							
27	6. Crystal Clear Water		\$ 1,264.53	\$ 37.94	\$ 1,302.47	\$ 39.07	\$ 1,341.54
28							
29	7. Frontier Waste Solutions		\$ 1,724.10	\$ 51.72	\$ 1,775.82	\$ 53.27	\$ 1,829.09
30							
31	8. Green Guy Recycling		\$ 1,073.52	\$ 32.21	\$ 1,105.73	\$ 33.17	\$ 1,138.90
32							
33	9. ROW Business Solutions		\$ 1,200.00	\$ -	\$ 1,200.00	\$ -	\$ 1,200.00
34	<i>(SIGNED CONTRACT AGREEMENT)</i>						
35							
36	10. Schmidt Fire & Safety		\$ 219.00	\$ 6.57	\$ 225.57	\$ 6.77	\$ 232.34
37							
38	11. Schwartz & Associates		\$ 2,400.00	\$ -	\$ 2,400.00	\$ -	\$ 2,400.00
39	Bookkeeping						
40	<i>(SIGNED CONTRACT AGREEMENT)</i>						
41							
42	12. Spectrum Mobile		\$ 660.00	\$ 19.80	\$ 679.80	\$ 20.39	\$ 700.19
43							
44	13. Spectrum Internet		\$ 2,289.42	\$ 68.68	\$ 2,358.10	\$ 70.74	\$ 2,428.84
45							
46	14. Summit Pest & Control		\$ 649.12	\$ 19.47	\$ 668.59	\$ 20.06	\$ 688.65
47							
48	15. Administrator Salary		\$ 9,430.07	\$ -	\$ -	\$ -	\$ -
49	20% CAP						
50	Temporarily Ineligible for HSAB Funding						
51	<i>(\$10,000 Guadalupe County United Way</i>						
52	<i>2026 -2027 Grant Application halted due</i>						

	A	B	C	D	E	F
53	<i>to alleged misappropriation of funds.</i>					
54	<i>Refer to Dec 2025 Seguin Gazette article</i>					
55	<i>and Notes at the end of Part 2 of 2.)</i>					
56						
57	16. Notary Commission & Supplies					
58	4 Year Terms					
59	(2025-2009 > 1st Notary \$107.70					
60	Self-paid by Pro Bono Center Director)					
61	(2026-2010 > 2nd Notary \$243.14 and	\$ -	\$ -	\$ 405.52	\$ -	\$ -
62	3rd Notary \$162.38)					
63						
64	17. Microsoft 365 Software					
65	3 PC's: 1. Center Main Office	\$ 140.71	\$ 4.22	\$ 144.93	\$ 4.35	\$ 149.28
66	2. Remote Office - Center Director	\$ -	\$ -	\$ -	\$ -	\$ 149.28
67	3. Hybrid Work - Center Administrator	\$ -	\$ -	\$ -	\$ -	\$ 149.28
68						
69	1 Laptop: 1.Hybrid Work, Center Administrator	\$ -	\$ -	\$ -	\$ -	\$ 149.28
70						
71	18. Technology Protection	\$ 194.84	\$ 5.85	\$ 200.69	\$ 6.02	\$ 206.71
72	(Best Buy Geek Squad)					
73						
74	19. HP Equipment					
75	2026 HP Office Jet Pro 9135e,	\$ -	\$ -	\$442.62	\$1.03	\$455.89
76	All-In-One Printer:					
77	2027 Dell Laptop and 2 Tablets					\$1,500
78	Annual funding is needed to replace aging office					
79	equipment that supports essential					
80	administrative and reporting tasks. Regular					
81	upgrades prevent downtime, reduce repair					
82	costs, and ensure staff have reliable tools to meet					
83	ongoing program requirements.					
84						
85	20. HP INSTA Ink & Paper	\$ 968.61	\$ 29.06	\$ 997.67	\$ 29.93	\$ 1,027.60
86	Monthly Subscription					
87						
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101						

	A	B	C	D	E	F	
199	RCCI PROGRAM BUDGETS: PART 2 OF 2						
200	OPERATING (CY 2025), ANTICIPATED (CY 2026), AND PROJECTED (CY 2027)						
201	FOR THE CITY OF SAN MARCOS HSAB GRANT CYCLE 2026-2027						
202							
203	Final Consolidated Expense Categories Eligible Line Items 1-28 To Be Applied Towards the 2026 - 2027 City of Marcos HSAB Grant	Operating Expenditures with an Incorporated					
204		3% Annual Inflation Adjustment Anticipated and Projected					
205		for Calendar Years 2026 -2027					
206		OPERATING		ANTICIPATED		PROJECTED	
207		CY 2025		CY 2026		CY 2027	
208	FINAL ACTUALS/		With 3% Inf Adjust		With 3% Inf Adjust		
209	BASE YEAR		(From CY2025)		(From CY2026)		
210	Security System						
211	1. ADT	\$ 1,566.89		\$ 1,613.90		\$ 1,662.32	
212							
213	Electric, Water, Mobile, Internet						
214	5. Bluebonnet Electric Cooperative	\$ 1,932.21		\$ 1,990.18		\$ 2,049.89	
215	6. Crystal Clear Water	\$ 1,264.53		\$ 1,302.47		\$ 1,341.54	
216	12. Spectrum Mobile (Center Admin Cell Phone)	\$ 660.00		\$ 679.80		\$ 700.19	
217	13. Spectrum Internet, Hotspot and Landline Phone	\$ 2,289.42		\$ 2,358.10		\$ 2,428.84	
218							
219	Waste & Recycling						
220	7. Dallas Frontier	\$ 1,724.10		\$ 1,775.82		\$ 1,829.09	
221	8. Green Guy Recycling	\$ 1,073.52		\$ 1,105.73		\$ 1,138.90	
222							
223	Bookkeeping Services						
224	11. Schwartz & Associates Bookkeeping Services	\$ 2,400.00		\$ 2,400.00		\$ 2,400.00	
225	<i>(SIGNED CONTRACT AGREEMENT)</i>						
226							
227	Center Admin FT Salary (20% CAP)						
228	15. CY 2025 = \$9,430.07	\$ 9,430.07		\$ -		\$ -	
229	CY 2026 FIXED Full-Time Salary:						
230	72 hrs bi-weekly @ \$9.58 hrly rate						
231	Temporarily Ineligible for HSAB Funding						
232	<i>(\$10,000 Guadalupe County United Way</i>						
233	<i>2026 -2027 Grant Application halted due</i>						
234	<i>to alleged misappropriation of funds.</i>						
235	<i>Refer to Dec 2025 Seguin Gazette article</i>						
236	<i>and Notes at the end of Part 2 of 2.)</i>						
237							
238	Digital Marketing, Software Subscriptions						
239	& Technology						
240	9. Row Business Solutions	\$ 1,200.00		\$ 1,200.00		\$ 1,200.00	
241	<i>(SIGNED CONTRACT AGREEMENT)</i>						
242	17. Microsoft 365 Software - Best Buy	\$ 140.71		\$ 144.93		\$ 597.12	
243	Annual Renewal Subscription Remote Office						
244	18. Technology Protection - Best Buy	\$ 194.84		\$ 200.69		\$ 206.71	
245	Monthly Subscription						
246	19. HP OfficeJet Pro - Equipment Purchase	\$ -		\$ 442.62		\$ 1,955.89	

	A	B	C	D	E	F
247	20. HP Insta Ink & Paper - HP Subscription	\$ 968.61		\$ 997.67		\$ 1,027.60
248						
249	Fire Safety & Pest Control					
250	10. Schmidt Fire & Safety	\$ 219.00		\$ 225.57		\$ 232.34
251	14. Summit Pest Control	\$ 649.12		\$ 668.59		\$ 688.65
252						
253	General Facility Operations					
254	2. Benchmark Directors & Officers Policy (D & O)	\$ 1,426.90		\$ 1,469.71		\$ 1,513.80
255	3. Benchmark Worker's Comp Policy	\$ 333.50		\$ 343.51		\$ 353.82
256	4. Benchmark General Package Policy	\$ 1,691.59		\$ 1,742.34		\$ 1,794.61
257	16. Notary Commission - 4 Year Term	\$ -		\$ 405.52		\$ -
258	21. County/Government, FEMA Fees	\$ 800.00		\$ 834.00		\$ 848.72
259	22. Sam's Club Business Membership	\$ 150.00		\$ 154.50		\$ 159.14
260	23. Programs/Events	\$ 151.40		\$ 395.94		\$ 2,882.23
261	24. Signage: Safety and Advertisement	\$ -		\$ -		\$ 1,500.00
262	25. Remote Office Allotment & Supplies	\$ 1,400.00		\$ 1,442.00		\$ 1,485.26
263	26. Contract Labor/Supplies For	\$ 902.45		\$ 929.52		\$ 957.41
264	Repairs/Renovations					
265	27. Transport Retail Store Pickup	\$ -		\$ -		\$ 783.00
266	Reimbursement (@ IRS Rates)					
267	28. Miscellaneous	\$ 865.53		\$ 891.50		\$ 918.25
268						
269	Consolidated Expense Categories 1-28 TOTAL:	\$ 33,434.39		\$ 25,714.61		\$ 32,655.32
270	Reconciliation performed;					
271	Calculations in Parts 2 and 1 match					
272						
273	15. Note: Administrator Salary 20% cap					
274	This line item reflects administrative salary costs that would ordinarily fall under the HSAB 20% administrative cost cap.					
275	However, due to the publicly documented funding instability affecting Guadalupe County United Way operations					
276	(Seguin Gazette, December 2025), this category is not included in the 2026 - 2027 HSAB request.					
277						
278	Our agency will reapply for administrative salary support once a dedicated salary-funding grant becomes available.					
279	This temporary exclusion ensures full compliance with current HSAB guidelines and maintains transparency in our					
280	budget development process.					
281						
282	Because United Way grant opportunities in Guadalupe County are not expected to reopen until the mid-to-late 2027 cycle,					
283	administrative salary support cannot be pursued at this time. The agency will reinstate this line item when an eligible					
284	funding source becomes available.					
285						
286	16. Notary Commission - 4 Year Term					
287	RCCI maintains active notary commissions for the following individuals:					
288	Irma Palacios, Commission Term 2025-2029	Paid out-of-pocket		Page 1: Line Items 1 - 52		
289	Sage Gonzales, Commission Term 2026-2030			Page 2: Line Items 53 - 101		
290	Priscilla Salazar, Commission Term 2026-2030			Page 3: Line Items 102 - 151		
291				Page 4: Line Items 152 - 198		
292				Page 5: Line Items 199 - 246		
293				Page 6: Line Items 247 - 293		

	A	B	C
1	RCCI BUDGET TABLE		
2	SHOWING THE PROPOSED USES OF		
3	HSAB FUNDING TO BE INCLUDED IN THE CONTRACT		
5	Expense Category	Line Items	CY 2027
6	Security System	1.ADT Security	\$ 1,662.32
7	Electric, Water, Mobile, Interne	5.Bluebonnet	\$ 2,049.89
8		6.Crystal Clear	\$ 1,341.54
9		12. Spectrum Mobile	\$ 700.19
10		13. Spectrum Internet	\$ 2,428.84
11	Waste & Recycling	7.Frontier Waste	\$ 1,829.09
12		8.Green Guy	\$ 1,138.90
13	Booking Services	11.Schwartz & Associates	\$ 2,400.00
14	Digital Mktg., Software Subscriptions, Tech	9.ROW	\$ 1,200.00
15		17. Microsoft 365 Software	\$ 597.12
16		18. Technology Protection	\$ 206.71
17		19. HP Equipment	\$ 1,955.89
18		20. HP INSTA Ink & Paper	\$ 1,027.60
19	Fire Safety & Pest Control	10.Schmidt Fire & Safety	\$ 232.34
20		14. Summit Pest & Control	\$ 688.65
21	General Facility Operations	2.BenchMark, D & O	\$ 1,513.80
22		3.BenchMark, WC	\$ 353.82
23		4.BenchMark, PP	\$ 1,794.61
24		21. County/Government FEMA Fees	\$ 848.72
25		22. Sam's Club	\$ 159.14
26		23. Programs/Events	\$ 2,882.23
27		24. Signage	\$ 1,500.00
28		25. Remote Office & Supplies	\$ 1,485.26
29		26. Contract Labor/Supplies	\$ 957.41
30		27. Transport Fuel	\$ 783.00
31		28. Miscellaneous	\$ 918.25
32		Line Items 1-14, 17-28 > TOTAL:	\$ 32,655.32
33		REQUESTING 50% OF \$32,655.32	\$ 16,327.66
34			
35	Table Notes - Expense Category Line Item 15 & 16		
36	NON-ELIGIBLE FOR 2026-2027 HSAB GRANT FUNDING		
38	Expense Category	Line Items	
39	Center Admin FT Salary (20%)	15. Administrator Salary	
40	<i>Status: Temporarily Ineligible for HSAB Funding</i>	<i>due to the suspension of the \$8,000-\$10,000 Guadalupe</i>	
41	<i>Center Administrator</i>	<i>County United Way 2026-2027 Grant Application.</i>	
42	<i>Note: Position transitions to pro bono service</i>	<i>Suspension referenced in Seguin Gazette - Dec 2025</i>	
43	<i>for the 2026-2027 program year</i>	<i>GCUW Article</i>	
44	General Facility Operations	16. Notary Commission & Supplies	
45	<i>Status: Non-Eligible for HSAB Funding</i>	<i>4 Year Terms</i>	
46		<i>(2025-2009 Term >1st Notary Commission \$107.70</i>	
47		<i>Self-paid by Pro Bono Center Director)</i>	
48		<i>(2026-2010 Term >2nd Notary Commission \$243.14</i>	
49		<i>and 3rd Notary Commission \$162.38)</i>	PAGE 1 OF 1

	A	B	C	D	E	F
102	Calendar Year 2025					
103	Eligible Expenses (Newly Added Items 21-28)					
104	<i>To Be Applied Towards the 2026 - 2027</i>					
105	<i>City of Marcos HSAB Grant</i>					
106	21. COUNTY/GOVERNMENT FEMA FEES	\$ 800.00	\$ 24.00	\$ 834.00	\$ 24.72	\$ 848.72
107						
108	22. SAM'S CLUB BUSINESS MEMBERSHIP	\$ 150.00	\$ 4.50	\$ 154.50	\$ 4.64	\$ 159.14
109						
110	23. PROGRAMS/EVENTS					
111	Food Handler's Cert	\$ 21.40	\$ 0.64	\$ 22.04	\$ 0.07	\$ 22.11
112	T-Shirt Carry Out Bags Qty: 6 bx of 1,000 ct					\$ 2,400.00
113	@ \$20/box = \$120 per ea mox12 mo = \$2,400					
114	Custom Program/Event Announcement Banners	\$ -	\$ -	\$ 240.00	\$ 1.03	\$ 247.20
115	with Logo					
116	<i>(2026 Purchase \$240.00 -</i>					
117	<i>3 Custom Banners with Logo:</i>					
118	<i>2 Food Distribution and 1 Clothing Distribution)</i>					
119	Custom Program/Event Tablecovers with Logo	\$ 130.00	\$ 3.90	\$ 133.90	\$ 4.02	\$ 137.92
120	<i>(2025 Purchase \$130.00 -</i>					
121	<i>Custom 3-sided Tablecover with Logo)</i>					
122	Deluxe Plastic A-Frame Announcement					\$ 75.00
123	Display Signs 24" x 36"					
124						
125	24. SIGNAGE: SAFETY & ADVERTISEMENT	\$ -	\$ -	\$ -	\$ -	\$ 1,500.00
126	Accessible Parking					
127	Fire/ Emergency Lane					
128	Hours of Operation					
129	Authorized Personnel Only					
130	Heavy-Duty Traffic Cones with <i>(con'd next line)</i>					
131	Reflective Strips 18"					
132	Reflective Safety Vests - Variable Sizes					
133	Anti-Slip Treads for center entry					
134	wooden steps and ramps <i>(con'd next line)</i>					
135						
136	25. REMOTE OFFICE &	\$ 1,400.00	\$ 42.00	\$ 1,442.00	\$ 43.26	\$ 1,485.26
137	OFFICE SUPPLIES ALLOTMENT					
138						
139	26. CONTRACT LABOR/SUPPLIES	\$ 902.45	\$ 27.07	\$ 929.52	\$ 27.89	\$ 957.41
140	FOR REPAIRS/RENOVATONS					
141						
142	27. TRANSPORT FUEL REIMBURSEMENT					\$783
143	@ IRS RATE, FOR DONATION PICKUP					
144	FROM RETAIL STORES					
145	90 miles (3 trips @ 30 miles RT)					
146	x 12 months = 1.080 miles; IRS Standard Mileage					
147	72.5 cents per mile x 1,080 miles = \$783					
148						
149	28. MISCELLANEOUS	\$ 865.53	\$ 25.97	\$ 891.50	\$ 26.75	\$ 918.25
150	Postage, 8 oz.					
151	Disposables - Toilet Paper, Paper Towels,					

	A	B	C	D	E	F
152	Trash Receptables & Bags,					
153	Cleaning Supplies, etc.					
154						
155	Expense Categories 1-28 TOTAL:	\$ 33,434.39	\$ 612.15	\$ 25,714.61	\$ 631.98	\$ 32,655.32
156	Reconciliation performed:					
157	Calculations in Parts 1 and 2 match					
158						
159						
160						
161						
162						
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BOARD OF DIRECTORS

Jason Ezequiel Palacios, Chair

ASE and Ford Senior Master, Associates in Automotive, Senior Master Technician

FORD Senior Master Technician

Date on Board: August 2019

City and State Residency: San Marcos, Texas

Harry Stewart, Co Chair

Retired Air Force Veteran

Date on Board: August 2010

City and State Residency: San Marcos, Texas

Mary Johnson, Treasurer, Fundraising Strategist

Community Resident, Entrepreneur

Date on Board: February 2025

City and State Residency: San Marcos, Texas

Ellie Stewart, Board Member, Fundraising Strategist

Retired Banker

Date on Board: August 2010

City and State Residency: San Marcos, Texas

Irma Devora Palacios, Secretary, Center Director

Retired Radiologic Technologist, NCT Xray Instructor, Spanish Bilingual Associate, Community Health Worker, Notary

Date on Board: January 2009

City and State Residency: San Marcos, Texas

Josephine Anderson, Board Member

In-home Healthcare Professional

Date on Board: December 2022

City and State Residency: San Marcos, Texas

Evelyn McDaniels, Board Member

Retired Machine Equipment Operator

Initial RCCI Founder & Treasurer

Community Resident

Date on Board: January 2023

City and State Residency: San Marcos, Texas

Deedra Gonzales, Board Member

Retired Culinary Chef, Restaurant Manager & Homeless Shelter Manager

Date on Board: January 2024

City and State Residency: San Marcos, Texas

<https://www.centroesperanzasmtx.com/board>

ORGANIZATION INFORMATION

Current IRS Form 990, pages 1 and 2 (not required for churches)

Compliance Statement: Change in Accounting Period

Most Recently Filed Form 990-EZ

Short Form Return of Organization Exempt From Income Tax

The most current Redwood Community Center Inc., dba Centro Esperanza, Form 990-EZ available for submission is for the tax year ending December 31, 2024. For a nonprofit with a calendar-year tax period ending December 31, 2025, the IRS due date for the 2025 Form 990-EZ is April 15, 2026. This is the standard filing deadline for organizations operating on a calendar-year basis. While a nonprofit may request an automatic six-month extension, which would move the filing deadline to October 15, 2026, no extension has been filed at this time; therefore, the official due date remains April 15, 2026.

Because the 2025 Form 990-EZ is not yet due or filed, the 2024 Form 990-EZ is the most recently filed return and is being provided as the required supporting documentation in accordance with HSAB's submission requirements. Once the 2025 return is completed and filed, we will provide a copy to the City of San Marcos HSAB upon request.

RCCI Secretary:

Irma D. Palacios

Notes per Schwartz & Associates:

Should return to postcard return for 2025 filing.

Schwartz & Associates
116 S LBJ Dr
San Marcos, TX 78666-5506
512-667-6352

October 28, 2025

CONFIDENTIAL

REDWOOD COMMUNITY CENTER INC
2045 SPRUCE STREET
SAN MARCOS, TX 78666

Dear :

We have prepared the following returns from information provided by you without verification or audit.

Short Form of Organization Exempt From Income Tax (Form 990-EZ)

We suggest that you examine these returns carefully to fully acquaint yourself with all items contained therein to ensure that there are no omissions or misstatements. Attached are instructions for signing and filing each return. Please follow those instructions carefully.

Enclosed is any material you furnished for use in preparing the returns. If the returns are examined, requests may be made for supporting documentation. Therefore, we recommend that you retain all pertinent records for at least seven years.

In order that we may properly advise you of tax considerations, please keep us informed of any significant changes in your financial affairs or of any correspondence received from taxing authorities.

If you have any questions, or if we can be of assistance in any way, please call.

Sincerely,

Schwartz & Associates

Filing Instructions**REDWOOD COMMUNITY CENTER INC****Short Form Exempt Organization Tax Return****Taxable Year Ended December 31, 2024**

Date Due: November 17, 2025

Remittance: None is required. Your Form 990-EZ for the tax year ended 12/31/24 shows no balance due.

Signature: You are using a Personal Identification Number (PIN) for signing your return electronically. Form 8879-TE, IRS *e-file* Signature Authorization for an Exempt Organization should be signed and dated by an authorized officer of the organization and returned to:

Schwartz & Associates
116 S LBJ Dr
San Marcos, TX 78666-5506

Important: Your return will not be filed with the IRS until the signed Form 8879-TE has been received by this office.

Other: Your return is being filed electronically with the IRS and is not required to be mailed. If you Mail a paper copy of your return to the IRS it will delay the processing of your return.

CHANGE IN ACCOUNTING PERIOD

Form **990-EZ**

Short Form
Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2024

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form, as it may be made public.

Go to www.irs.gov/Form990EZ for instructions and the latest information.

A For the 2024 calendar year, or tax year beginning _____, and ending _____

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization
REDWOOD COMMUNITY CENTER INC

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
2045 SPRUCE STREET

City or town, state or province, country, and ZIP or foreign postal code
SAN MARCOS TX 78666

D Employer identification number
74-2609547

E Telephone number
512-353-0356

F Group Exemption Number

G Accounting Method: Cash Accrual Other (specify) _____

H Check if the organization is not required to attach Schedule B (Form 990).

I Website: **N/A**

J Tax-exempt status (check only one) — 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527

K Form of organization: Corporation Trust Association Other _____

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B)) are \$500,000 or more, file Form 990 instead of Form 990-EZ \$ **39,601**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)

Check if the organization used Schedule O to respond to any question in this Part I

Line	Description	Amount
1	Contributions, gifts, grants, and similar amounts received	38,946
2	Program service revenue including government fees and contracts	486
3	Membership dues and assessments	
4	Investment income	169
5a	Gross amount from sale of assets other than inventory	
5b	Less: cost or other basis and sales expenses	
5c	Gain or (loss) from sale of assets other than inventory (subtract line 5b from line 5a)	
6	Gaming and fundraising events:	
6a	Gross income from gaming (attach Schedule G if greater than \$15,000)	
6b	Gross income from fundraising events (not including \$ _____ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	
6c	Less: direct expenses from gaming and fundraising events	
6d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	
7a	Gross sales of inventory, less returns and allowances	
7b	Less: cost of goods sold	
7c	Gross profit or (loss) from sales of inventory (subtract line 7b from line 7a)	
8	Other revenue (describe in Schedule O)	
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	39,601
10	Grants and similar amounts paid (list in Schedule O)	
11	Benefits paid to or for members	
12	Salaries, other compensation, and employee benefits	13,984
13	Professional fees and other payments to independent contractors	2,718
14	Occupancy, rent, utilities, and maintenance	10,130
15	Printing, publications, postage, and shipping	
16	Other expenses (describe in Schedule O)	16,830
17	Total expenses. Add lines 10 through 16	43,662
18	Excess or (deficit) for the year (subtract line 17 from line 9)	-4,061
19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	24,694
20	Other changes in net assets or fund balances (explain in Schedule O)	
21	Net assets or fund balances at end of year. Combine lines 18 through 20	20,633

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990-EZ (2024)

PERSONNEL POLICIES

Policy on Affirmative Action/Equal Employment Opportunity Statement

Redwood Community Center, Inc. RCCI, dba – Centro Esperanza is an Equal Opportunity Employer and recruits, employs, retains, and promotes persons in all job titles without regard to gender, sexual orientation, race, religion, color, alienage or citizenship, national or ethnic origin, age, transgender status, marital status, veteran status, carrier status or disability, except where there is a bonafide occupation qualification for the job tasks to be performed. In such circumstances reasonable accommodations for qualified individuals with known disabilities will be made unless doing so would result in an undue hardship.

Redwood Community Center, Inc. RCCI, dba – Centro Esperanza will also ensure that all personnel actions such as compensation, benefits, transfers, layoffs, recalls, transfers, leaves of absence compensation, and training will be administered in accordance with the principles of equal employment opportunity.

Compliant Procedure

Redwood Community Center, Inc. RCCI, dba – Centro Esperanza does not discriminate against any employee, volunteer or consultant on the basis of race, color, cultural heritage, national origin, religion, age, sex, sexual orientation, marital status, physical or mental disability, political affiliation, source of income, veteran status or any other status protected under local, state, or federal law. This policy extends to all personnel decisions, terms and conditions of employment, vendor contracts and provision of services.

At Redwood Community Center, Inc. RCCI, dba – Centro Esperanza, we are committed to providing a safe and respectful work environment for all staff and customers. No one, whether a supervisor, an employee, a consultant, or a member of the public, has to put up with harassment at Redwood Community Center, Inc. RCCI, dba – Centro Esperanza, for any reason, at any time. And, no one has the right to harass anyone else, at work or in any situation related to employment.



CENTRO ESPERANZA
COMMUNITY CENTER

2045 Spruce St.
San Marcos, TX 78666
(512) 353-0356

E-mail: centroesperanza2050a@yahoo.com

Website: <http://www.centroesperanzasmtx.com>

Facebook: <https://www.facebook.com/centro.esperanza.33>

Twitter: <https://twitter.com/rcci2050a2>

2 MANUALS CONSOLIDATED IN 1 DOCUMENT FOR CITY OF SM HSAB GRANT SUBMISSION

MANUAL 1 OF 2

REDWOOD COMMUNITY CENTER, INC. (RCCI)

dba CENTRO ESPERANZA

ORGANIZATIONAL FISCAL POLICIES & PROCEDURES MANUAL

Board-Adopted Version

Effective Date: January 1, 2026

Approved by: Board of Directors

TABLE OF CONTENTS

1. Introduction & Purpose
 2. Governance & Authority
 3. Accounting Standards & Fiscal Year
 4. Internal Controls & Segregation of Duties
 5. Cash Management
 6. Payments & Disbursements
 7. Cash Receipts
 8. General Ledger & Account Coding
 9. Revenue Recognition & Allowable Costs
 10. Delinquent Accounts & Write-Offs
 11. Financial Reporting
 12. Investment & Banking Policies
 13. Budget Principles & Procedures
 14. Record Retention Policy
 15. Definitions
 16. Board Approval Page
-

1. INTRODUCTION & PURPOSE

Redwood Community Center, Inc. (RCCI), dba Centro Esperanza, establishes this Organizational Fiscal Policies & Procedures Manual to ensure consistent, transparent, and accountable financial management practices. These policies guide staff, leadership, and contracted professionals in maintaining compliance with Generally Accepted Accounting Principles (GAAP), safeguarding organizational assets, and supporting responsible stewardship of all funds.

This manual may be amended by the Board of Directors as needed to reflect evolving operational, regulatory, or organizational requirements.

2. GOVERNANCE & AUTHORITY

The Board of Directors holds ultimate authority over RCCI's financial policies. The Board delegates day-to-day fiscal management to the Executive Board, Treasurer, Center Director, and contracted Bookkeeping consultant or contracted Certified Public Accountant (CPA).

All financial procedures must align with:

- RCCI bylaws
 - GAAP standards
 - Applicable federal, state, and local regulations
 - Contractual obligations with funders
-

3. ACCOUNTING STANDARDS & FISCAL YEAR

- RCCI maintains accounting, billing, and cash control procedures consistent with General Accepted Accounting Principals, GAAP.
 - RCCI uses the **accrual basis** of accounting for all transactions.
 - The organization's fiscal year runs **January 1 through December 31**.
 - Financial records must be accurate, complete, and maintained in a timely manner.
-

4. INTERNAL CONTROLS & SEGREGATION OF DUTIES

RCCI maintains strong internal controls to safeguard assets and ensure accuracy in financial reporting. Duties are distributed among four key roles to prevent conflicts of interest and reduce financial risk.

Segregation of Duties Structure

Individual A – Treasurer

- Reviews mail addressed to the Treasurer and prepares a list of checks received
- Performs interfund transfers
- Prepares bank deposits
- Writes/prints checks
- Signs checks
- Approves invoices
- Reconciles debit card charges

Individual B – Center Director

- Reviews service provider invoices
- Handles written/email correspondence with service providers
- Signs checks

Individual C – Contracted CPA/Bookkeeper

- Provides financial reports and responds to financial queries
- Enters records into general ledger
- Reconciles bank statements
- Reviews mailed or online bank statements

Individual D – Center Administrator

- Opens and sorts mail for distribution to the appropriate role
- Records debit card transactions
- Creates invoices
- Handles undeposited funds
- Assists with deposits
- Handles verbal correspondence with service providers

No individual may control multiple stages of a financial transaction.

5. CASH MANAGEMENT

RCCI manages cash in a manner that minimizes risk and ensures timely disbursement of funds. Cash balances are monitored regularly to prevent excess idle funds.

Key principles:

- Cash is deposited promptly.
 - Bank accounts are reconciled monthly.
 - Transfers are documented and reviewed.
 - Only authorized individuals may access online banking.
-

6. PAYMENTS & DISBURSEMENTS

6.1 Check Payments

- All check signers must be approved by the Board
- The payee and check signer **cannot** be the same person.
- Checks must be pre-numbered and logged.
- Voided checks must be defaced and retained.
- Checks may only be issued with proper documentation.

6.2 ACH & Electronic Payments

- ACH is the preferred method of payment.
- Authorized online banking users must be Board-approved.
- ACH information is used instead of debit card numbers to ensure continuity.

6.3 Invoice Approval

- Two authorized individuals must approve all invoices.
 - Billing statements must be reviewed for accuracy before payment.
 - Debit card transactions must be supported by receipts.
-

7. CASH RECEIPTS

- Mail is opened and logged by someone other than the depositor.
 - Deposits are prepared by the Treasurer or authorized individual.
 - Deposits are made daily or secured in a safe.
 - Deposit logs and documentation are forwarded to the CPA for verification.
-

8. GENERAL LEDGER & ACCOUNT CODING

- All receipts and disbursements must be coded accurately.
 - Each funding source must have a separate general ledger account.
 - Documentation must include check number, date, and account code.
 - All costs must be ordinary, necessary, and within approved budgets.
-

9. REVENUE RECOGNITION & ALLOWABLE COSTS

- Revenue is recognized on an accrual basis.
 - Reimbursement is requested only for allowable, documented, necessary, and allocable costs.
 - Costs may not be duplicated across funding sources.
-

10. DELINQUENT ACCOUNTS & WRITE-OFFS

RCCI does not routinely engage in activities that generate client billing, accounts receivable, or collectible debts. As a result, delinquent accounts are not expected to occur under normal program operations. In the rare event that RCCI collects fees for special events, booth rentals, pavilion space, or other program-related activities, any unpaid balances will be reviewed by the Center Director to determine whether reasonable efforts to collect the amount have been made. If the balance is deemed uncollectible, the Center Director may authorize a write-off within Board-approved limits. Any funds recovered after a write-off will be recorded as revenue in the period received.

11. FINANCIAL REPORTING

- Monthly and year-to-date financial reports are prepared Schwartz and Associates Bookkeeping..
 - Reports must be reconciled before submission to any external party.
 - Budget deviations require prior approval from the funding source when applicable.
 - Financial reports are presented to the Board of Directors and Board Members.
-

12. INVESTMENT & BANKING POLICIES

12.1 Principles

- Minimize financial risk.
- Maximize investment return within risk parameters.
- Maintain funds in federally insured institutions.

12.2 Procedures

- Quarterly review of cash needs and investment opportunities.
 - Annual review of risk-minimization strategy.
 - Treasurer or designee consults with financial institutions as needed.
-

13. BUDGET PRINCIPLES & PROCEDURES

- Budgets must align with RCCI's mission and legal requirements.
 - Annual budgets are approved by the Board.
 - Differences between RCCI's operating budget and funder budgets must be resolved through negotiation.
 - Adjustments exceeding 20% require Board approval.
-

14. RECORD RETENTION POLICY

RCCI maintains financial, corporate, personnel, and tax records according to the following schedule:

Permanent Records (P)

- Audit reports
- Financial statements
- General ledgers
- Legal briefs
- Board minutes
- Property records
- Tax returns & work papers, if applicable per IRS Rules and Regulations

Three-Year Records (3)

- Accounts payable/receivable
 - Bank statements & reconciliations
 - Canceled checks
 - Invoices
 - Payroll tax returns, if applicable per IRS Rules and Regulations
 - Insurance policies (after expiration)
-

15. DEFINITIONS

Accrual Basis: Revenue and expenses recorded when earned or incurred.

Allowable Cost: A cost that is necessary, reasonable, allocable, and documented.

Internal Controls: Processes designed to safeguard assets and ensure accuracy.

16. BOARD APPROVAL PAGE

This Organizational Fiscal Policies & Procedures Manual was reviewed and approved by the Board of Directors of Redwood Community Center, Inc. (RCCI), dba Centro Esperanza.

Board Approval Date: January 1, 2026

Board Chair Signature:  Jason Ezequiel Palacios

Treasurer Signature:  Mary "Mia" Johnson

Executive Director Signature:  Irma Devora Palacios

End of Manual 1 of 2

CONSOLIDATED MANUALS

Brian Trazzare
[REDACTED]

February 27, 2026

My name is Brian Trazzare, and I am writing this letter to support Redwood Community Center Inc. (RCCI), also known as Centro Esperanza Community Center, for their HSAB grant application. I recently moved from the San Antonio area to the Redwood community and rented a house on Spruce Street, right across from the Center. When I got here, I had almost nothing with me. I only had a few clothes, no furniture, and the yard at the house had been left in bad shape. I was starting over from zero.

During my first days here, I walked over and introduced myself to some people working outside the Center. They turned out to be the Center Director and a few of the main volunteers. I told them I was new to the area, didn't have a job yet, and couldn't apply for work because I didn't have the identification documents I needed. Right away, the staff helped me order my birth certificate online so I could start the process of getting my driver's license. That small act of help meant a lot to me and made me feel like I wasn't alone.

From then on, they welcomed me not just as a volunteer, but like family. The Center became my main support system. Their food distributions helped me get through a time when I had no income. Their clothing distributions gave me things I didn't have. Community donations helped me get small appliances and basic furniture so I could turn an empty house into a real home. All of this made a huge difference while I was trying to get back on my feet.

The Center Director also helped me by submitting a Mission Able application to get the debris in my yard cleared so I wouldn't get a citation. That took a big weight off my shoulders.

Centro Esperanza didn't just help me with things I needed—they also gave me purpose. I've always believed that God puts us where we are needed, and my time here has made that belief even stronger. Even while rebuilding my own life, I was able to volunteer and help with small repairs and handyman work around the Center. Helping made me feel useful and connected to the community.

I will soon be moving to a place along Highway 80 in San Marcos, but I plan to keep volunteering and staying involved with the Center whenever I can. Centro Esperanza has been a lifeline for me—emotionally, spiritually, and in practical ways. I know how important their services are for people who are starting over, going through hard times, or just needing a place where they are treated with respect.

RCCI has a long history of running their Center in a steady and reliable way. They have been at the Spruce Street location since 2018, and before that they operated at the Redwood Baptist Church site starting with their grand opening on June 15, 2013. Because they have managed their space for so many years, I believe they are fully prepared to handle the overhead cost program they are asking for. Supporting their operational backbone, the basic costs that keep the building running—will help them stay strong so they can continue helping people like me.

For all these reasons, I strongly support RCCI's HSAB grant application. The Center plays an important role in helping people stabilize their lives, make connections, and find hope during difficult times.

Respectfully,
Brian Trazzare *BT*

February 17, 2026

Maria Martinez
San Marcos, Texas
[REDACTED]

To Whom It May Concern,

My name is Maria Martinez, and I am writing in support of Redwood Community Center Inc. (RCCI), dba Centro Esperanza Community Center, as part of their HSAB grant application. My two teenage sons and I moved to San Marcos after an unexpected and difficult change in our lives. In March 2024, I went to the government office in San Marcos to check the status of my divorce, only to learn that it had already been finalized without my knowledge. Because I did not have legal representation on the court date, I lost the home we had been living in since the day my ex-husband left us. With very little notice, the court ordered me to leave the house, and I made the decision to move closer to my family in San Marcos so I could begin rebuilding our lives.

After arriving here, I began visiting RCCI/Centro Esperanza for their food and clothing distributions. These programs helped me keep my household stable during a time when everything felt uncertain. The staff has also helped me schedule my doctor's appointments on days when I feel overwhelmed and distracted by everything I am trying to manage. Their support has made it possible for me to stay organized and take care of my responsibilities as a mother.

The volunteers at the Center are always kind and patient. When I attend the distributions, they greet me with respect and make me feel welcome. During a time when I felt alone and unsure of what would come next, the Center gave me a sense of belonging. Sometimes what a person needs most is simply to feel like they are part of something bigger, and the Center provides that for me. Even when they cannot offer a specific service directly, they guide me to other places that can help. Knowing I have a place to turn to has made a real difference for me and my sons.

As someone who has relied on the Center during a very vulnerable time, I understand how important it is for RCCI to have stable funding for the basic costs that keep their doors open. The overhead cost fulfillment program they are requesting—support for essential infrastructure expenses—is something I know they can manage well. I have seen firsthand how organized and dependable their operations are, and I trust that any investment in their facility and administrative capacity will be used responsibly to strengthen the support they offer families like mine.

I am deeply grateful for the help I have received from RCCI/Centro Esperanza during one of the hardest moments of my life. Their services, their kindness, and the community they create have helped me move forward with strength and hope.

For these reasons, I strongly support RCCI's HSAB grant application. The Center plays an essential role in helping families like mine get through difficult times and feel supported by their community.

Thank you for your consideration,

Maria Martinez



February 1, 2026

To City of San Marcos HSAB,

My name is Gloria Castillo, and I want to share how much the staff at Redwood Community Center Inc. (RCCI), also known as Centro Esperanza, have helped me.

I retired after 12 years in retail and many years working as a caregiver. I am now a disabled senior living with diabetes and high blood pressure, and I use assistive devices to get around. My husband is also retired after 30 years of work. He is a dialysis patient with a kidney condition he was born with, which got worse after surgery. He also has high blood pressure, cataracts, limited mobility, and uses assistive devices.

The Centro Esperanza staff helped me fill out the City of San Marcos Home Rehabilitation & Rehab Program Preliminary Application—High Priority Submission. Even though my application did not move forward, I understand there were many people applying and not enough funding. I still want to make sure my experience is known, because the Center truly makes a difference for people like me.

The staff have helped me in so many ways. They sat with me and explained the grant application step by step. They never rushed me and always treated me with patience and respect. I go to their food distributions often, which helps me stretch my limited income. I also donate to their clothing distributions because I want to give back to a place that has helped me so much.

They have also helped me with the healthcare system, which can be very confusing. They have made calls with me, helped me understand my insurance, and guided me when I didn't know what to do. Their support has made it easier for me to get the care I need.

What I appreciate most is how they treat people. Every time I walk in, they greet me with kindness. They make me feel welcome and never make me feel like a burden. When life feels heavy, they make me feel seen and supported.

I also want to say something important about the funding they are asking for. The Center needs help covering their **basic running costs**, like keeping the building open, safe, and functioning. I believe they can handle this program well because I have seen how organized and responsible they are. When a place helps so many people, it is important that their everyday expenses are covered so they can keep doing their work.

Centro Esperanza is more than a service provider. It is a place of comfort, guidance, and real help for many of us in inner-city San Marcos who are trying to take care of our families and stay stable. I am very grateful for everything they have done for me and for so many others.

Sincerely,


Gloria Castillo





Owen Goodnight Middle School

1301 Highway 123| San Marcos, Texas 78666 | OFFICE 512.393.6550 | FAX 512.393.6560

2/25/2026

City of San Marcos HSAB:

This letter confirms that Owen Goodnight Middle School refers eligible students and families to RCCI, dba Centro Esperanza Community Center, located at 2045 Spruce Street in San Marcos. Many of our students live near the center, making RCCI a practical and effective referral option for additional support services.

Since opening its doors in June 2013, RCCI has maintained a strong and consistent presence in the greater San Marcos community. The organization supports families living in inner city neighborhoods as well as those in the rural areas surrounding San Marcos, meeting HSAB standards for agency longevity. Their programs, described at www.centroesperanzasmtx.com, play an important role in supporting families with diverse needs.

Our campus confirms that RCCI's services are directed toward San Marcos residents across both rural and inner-city communities, in alignment with HSAB funding restrictions.

We value RCCI as a trusted community partner and appreciate the support they provide to our students and families.

Respectfully,

Gracie Campos

Administrative Assistant

Owen Goodnight Middle School

San Marcos Consolidated Independent School District

1301 State Hwy 123 San Marcos, TX 78666

512-393-6551 graciela.campos@smcisd.net

RCCI, dba – Centro Esperanza Community Center
2045 Spruce Street, San Marcos, Texas 78666
4th Quarterly Board Hybrid Meeting Packet
Monday, January 12, 2026

TABLE 3 *Quarterly Meetings Attendance Log: Board Members and Center Leadership Participation*

Calendar Year: 2025					
HYBRID Quarterly Meetings (IP) – In Person (T) – Telecommunications (V) – Virtual Attendance (W) – Written Communication [email, text]	1st Date: 03/31/2025	2nd Date: 07/15/2025	3rd Date: 12/5/2025	4th Date: 01/12/2026	% Attendance
1. Jason Ezequiel Palacios, Chair [REDACTED] San Marcos, Texas 78666 ([REDACTED]) T [REDACTED]	T	T	T	W	100%
2. Harry Stewart, Co-chair [REDACTED] San Marcos, Texas 78666 [REDACTED]	W	W	IP	W	100%
3. Mia Johnson, Treasurer & Strategist [REDACTED] San Marcos, Texas 78666 [REDACTED]	W	W	W	W	100%
4. Irma Devora Palacios, Secretary & Center Director [REDACTED] San Marcos, Texas 78666 [REDACTED]	IP	IP	IP	IP	100%
5. Ellie Stewart, Board Member [Donor Fundraiser] [REDACTED] San Marcos, Texas 78666 [REDACTED]	W	W	IP	W	100%
6. Evelyn McDaniels, Board Member [REDACTED] San Marcos, Texas 78666 [REDACTED]	T	T	T	W	100%
7. Josephine Anderson [REDACTED] San Marcos, Texas 78666 [REDACTED] josephineanderson@ccj.com	W	T	IP	W	100%
8. Deedra Gonzales [REDACTED] San Marcos, Texas 78666 (957) 212-2511 [REDACTED]	T	T	W	W	100%

NON-PROFIT BYLAWS

Non-profit Organization Name
Non-profit Purpose
Non-profit Type
Non-profit Address
Vice Chairperson
Board of Directors Size
Board Membership Rules
Consecutive Missed Meetings
Annual Missed Meetings
Board Elections
Board Elections Vote
Remove Member Vote
Interested Individuals
Board Special Meeting
Minimum Meeting Notice
Quorum Minimum Required
Meeting Minutes Delivery
Action Taken Without Meeting
Electronic Signatures
Minimum Committee Directors
Audit Committee
Legal Defense Fund
Authorized Document Signatories
Fiscal Year
Inspection Financial Statements
Amending Bylaws
Secretary Name
Articles of Incorporation
Date Bylaws Adopted
Copy of Deed – Redwood Community Center, Inc.



Redwood Community Center Inc. (RCCI)
dba – Centro Esperanza Community Center

Page 3 of 22

In addition, this Corporation/Organization has been formed for the purpose of performing all things incidental to, or appropriate in, the foregoing specific and primary purposes. However, the Corporation/Organization shall not, except to an insubstantial degree, engage in any activity or the exercise of any powers which are not in furtherance of its primary non-profit purposes.

The Corporation/Organization shall hold and may exercise all such powers as may be conferred upon any non-profit organization by the laws of the State of Texas and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Corporation/Organization. At no time and in no event shall the Corporation/Organization participate in any activities which have not been permitted to be carried out by a Corporation/Organization exempt under Section 501 (c) of the Internal Revenue Code of 1986 (the "Code").

ARTICLE 3 – OFFICES

The principal office of the Corporation/Organization shall be located at 2045 Spruce Street, San Marcos, Texas 78666.

The Corporation/Organization may have other such offices as the Board of Directors may determine or deem necessary, or as the affairs of the Corporation/Organization may find a need from time to time.

ARTICLE 4 – DEDICATION OF ASSETS

The properties and assets of the Corporation/Organization are irrevocably dedicated to and for non-profit purposes only. No part of the net earnings, properties, or assets of this Corporation/Organization, on dissolution or otherwise shall inure to the benefit of any person or any member, director, or officer of this Corporation/Organization. On liquidation or dissolution, all remaining properties and assets of the Corporation/Organization shall be distributed and paid over to Guadalupe County United Way (GCUW), Seguin, Texas, an organization dedicated to non-profit purposes which has established its tax-exempt status pursuant to Section 501 (c) of the Code. Article 4 of Bylaws is to remain in effect indefinitely throughout the existence of this Corporation/Organization. A copy of the Bylaws with Deed inclusive, has been submitted to Guadalupe County United Way (GCUW), Seguin, Texas.



Redwood Community Center Inc. (RCCI)
dba – Centro Esperanza Community Center

Page 6 of 22

Any vacancy on the Board may be filled by vote of all of the directors then in office, whether or not the number of directors then in office is less than a quorum (4 persons), or by vote of a sole remaining director. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

A Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Resignation

Each Board member shall have the right to resign at any time upon written notice thereof to the Chair of the Board, Secretary of the Board, or the Executive Director. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

Removal

A Board member may be removed, with or without cause, at any duly constituted meeting of the Board, by the affirmative vote of all of then-serving Board members.

Meetings

The Board's regular meetings may be held at such time and place as shall be determined by the Board. The Chair of the Board or any all regular Board members may call a special meeting of the Board with 3 business days' written notice provided to each member of the Board. The notice shall be served upon each Board member via either hand delivery, regular mail, email, or fax. The person(s) authorized to call such special meetings of the Board may also establish the place the meeting is to be conducted, so long as it is a reasonable place to hold any special meeting of the Board.

Minutes

The Secretary shall be responsible for the recording of all minutes of each and every meeting of the Board in which business shall be transacted in such order as the Board may determine from time to time. However, in the event that the Secretary is unavailable, the Chair of the Board or the Vice Chair in the absence of Chair, shall appoint an individual to act as Secretary at the