

**HELPING HANDS, INC. OF LAFAYETTE**

Lafayette, Louisiana

Financial Report

Year Ended June 30, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/10/10

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Helping Hands, Inc. of Lafayette  
Lafayette, Louisiana 70501

We have audited the accompanying statements of financial position of Helping Hands, Inc. of Lafayette (a nonprofit organization) as of June 30, 2009, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Helping Hands, Inc. of Lafayette's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Helping Hands, Inc of Lafayette. as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 30, 2009, on our consideration of Helping Hands, Inc of Lafayette's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of Helping Hands, Inc. of Lafayette. The accompanying schedule of expenditures of federal awards on page 19 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", and is not a required part of the financial statements of Helping Hands, Inc. of Lafayette. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
December 30, 2009

**FINANCIAL STATEMENTS**

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Statement of Financial Position  
June 30, 2009

ASSETS

Current assets:	
Cash and cash equivalents	\$ 68,366
Accounts receivable	202,400
Prepaid expenses	<u>1,597</u>
Total current assets	272,363
Other assets:	
Deposits	720
Equipment, net of accumulated depreciation	<u>6,592</u>
Total assets	<u>\$ 279,675</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable and accrued expenses	\$ 179,265
Due to government - grantor	32,050
Deferred revenue	72,403
Short-term notes payable	<u>12,938</u>
Total current liabilities	<u>296,656</u>
Net assets (deficit):	
Unrestricted -	
Operating	(23,573)
Net investment in fixed assets	<u>6,592</u>
Total net assets	<u>(16,981)</u>
Total liabilities and net assets	<u>\$ 279,675</u>

The accompanying notes are an integral part of the financial statements.

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Statement of Activities  
Year Ended June 30, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support, revenues and reclassifications:			
Governmental grants	\$ -	\$ 758,943	\$758,943
Program income	28,786	-	28,786
Net assets released from restrictions	<u>758,943</u>	<u>(758,943)</u>	<u>-</u>
Total support, revenues and reclassifications	<u>787,729</u>	<u>-</u>	<u>787,729</u>
Expenses and losses:			
Program services-			
TANF programs	147,035	-	147,035
21st Century Community Learning Centers	603,772	-	603,772
Louisiana Consumer Healthcare Coalition (LCHC)	27,597	-	27,597
Medicine Assistance Program (MAP)	<u>5,240</u>	<u>-</u>	<u>5,240</u>
Total program services	783,644	-	783,644
Support services-			
Management and general	<u>21,783</u>	<u>-</u>	<u>21,783</u>
Total expenses	<u>805,427</u>	<u>-</u>	<u>805,427</u>
Change in net assets	<u>(17,698)</u>	<u>-</u>	<u>(17,698)</u>
Net assets, beginning of year	717	45,550	46,267
Correction of error relative to accrual of amount owed to grantor	<u>-</u>	<u>(45,550)</u>	<u>(45,550)</u>
Net assets, beginning of year, as restated	<u>717</u>	<u>-</u>	<u>717</u>
Net assets (deficit), end of year	<u>\$ (16,981)</u>	<u>\$ -</u>	<u>\$ (16,981)</u>

The accompanying notes are an integral part of the financial statements.

**HELPING HANDS, INC. OF LAFAYETTE**  
Lafayette, Louisiana

Statement of Functional Expenses  
Year Ended June 30, 2009

	Program Services										Support Services				
	TANF			21st Century				LCHC			MAP		Total Program Services	Management and General	Total Expenses
	After School	Teen Pregnancy	Freedom School	-	-	-	-	-	-	-	-	-			
Depreciation	\$ 666	\$ 1,706	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 756	\$ -	\$ -	\$ 928	\$ 3,128	\$ 928	\$ 4,056	
Insurance	-	-	-	1,000	-	-	-	-	-	-	727	1,000	-	1,727	
Interest	-	-	-	-	-	-	-	-	-	-	1,369	-	-	1,369	
Meetings, conferences and conventions	-	25	35,498	17,773	1,432	-	-	-	-	-	-	54,728	-	54,728	
Office expenses	-	-	-	135	30	-	-	-	-	-	1,866	165	-	2,031	
Payroll taxes	384	609	429	4,400	-	-	193	-	-	-	-	6,015	-	6,015	
Postage	-	56	7	190	8	-	-	-	-	-	-	261	-	261	
Professional fees and contract services	27,800	10,601	35,360	471,082	24,583	-	-	-	-	-	4,500	569,426	4,500	573,926	
Rent	275	360	2,741	4,000	1,136	-	815	-	-	-	2,550	9,327	2,550	11,877	
Repair and maintenance	-	-	-	1,277	-	-	-	-	-	-	51	1,277	-	1,328	
Salaries	3,847	6,893	4,460	64,096	-	-	2,159	-	-	-	-	81,455	-	81,455	
Supplies	1,151	690	8,878	37,997	163	-	276	-	-	-	5,191	49,155	5,191	54,346	
Telephone	-	-	-	1,002	245	-	-	-	-	-	-	1,247	2,329	3,576	
Travel	-	-	4,599	-	-	-	1,041	-	-	-	-	5,640	-	5,640	
Utilities	-	-	-	820	-	-	-	-	-	-	2,272	820	-	3,092	
<b>Total</b>	<b>\$34,123</b>	<b>\$20,940</b>	<b>\$91,972</b>	<b>\$603,772</b>	<b>\$27,597</b>	<b>\$5,240</b>	<b>\$783,644</b>	<b>\$21,783</b>	<b>\$805,427</b>						

The accompanying notes are an integral part of the financial statements.

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Statement of Cash Flows  
Year Ended June 30, 2009

Cash flows from operating activities:	
Change in net assets	\$ (17,698)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	4,056
Changes in assets and liabilities-	
Decrease in:	
Accounts receivable	86,463
Prepaid expenses	932
Accounts payable and accrued expenses	<u>(39,594)</u>
Net cash provided by operating activities	<u>34,159</u>
Cash flows from financing activities:	
Short-term borrowings	116,350
Repayment of short-term borrowings	<u>(117,398)</u>
Net cash used by financing activities	<u>(1,048)</u>
Net increase in cash and cash equivalents	33,111
Cash and cash equivalents, beginning of year	<u>35,255</u>
Cash and cash equivalents, end of year	<u>\$ 68,366</u>
Supplemental disclosure for the statements of cash flows:	
Interest paid	<u>\$ 1,369</u>

The accompanying notes are an integral part of the financial statements.

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Notes to Financial Statements

(1) Nature of Organization and Significant Accounting Policies

A. Organization and Purpose

Helping Hands, Inc. (Organization) is a nonprofit corporation organized under the laws of the State of Louisiana on September 1, 1992. The organization was formed to engage in activities that promote health, social, educational, vocational, and character development for low-income, elderly and handicapped citizens. The Organization is exempt from federal and state income taxes as a charitable organization under Section 501(c) (3) of the Internal Revenue Code. Accordingly, contributions to the Organization are qualified as charitable donations.

B. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets of the organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to stipulations.

Temporarily restricted net assets - Net assets subject to stipulations that will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

C. Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less at the date of acquisition to be cash equivalents.

D. Grants Receivable

Grants receivable are recognized to the extent that the related qualifying expenses have been incurred.

E. Equipment

The Organization's capitalization policy is \$500 for equipment recorded at cost, if purchased, or at estimated fair market value if donated. Donations of equipment are recorded at fair market value at the date of donation. Depreciation is computed by the straight line method at rates based on the following estimated useful lives:

	<u>Years</u>
Computer equipment	3 - 10
Machinery and equipment	5 - 10

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

F. Revenue and Expense Recognition

Contributions are recognized when the donor makes a commitment to give to the Organization. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increase those net asset classes. Expenses are recognized in the period incurred in accordance with the accrual basis of accounting. When a restriction expires, that is when a stipulated time restriction ends or purpose restrictions are accomplished, restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. Helping Hands, Inc. of Lafayette had no permanently restricted net assets during the period July 1, 2008 through June 30, 2009.

G. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

H. Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and therefore, has no provision for federal income taxes. The Organization is not classified as a private foundation.

I. Donated Services and Material

The Organization receives a significant amount of donated services from unpaid volunteers who assist in program services during the year. These donated services are not reflected in the statement of activities because the criteria for recognition under SFAS No. 116 have not been satisfied.

J. Compensated Absences

Accrued vacation and sick leave must be used by June 30<sup>th</sup> of each year and are recorded as expenses of the current period when taken. Any unused time at the end of the fiscal period may not be carried forward to subsequent periods. The Organization does not customarily pay for unused vacation and sick leave upon separation from the company nor do the rights vest or accumulate. Therefore, no liability has been recorded in the accounts as of June 30, 2009.

K. 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. Accordingly, actual results could differ from these estimates.

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(2) Receivables

Receivables are composed of the following amounts at June 30, 2009:

Louisiana Department of Education	\$ 137,757
Louisiana Department of Social Services	<u>64,643</u>
Total	<u>\$ 202,400</u>

(3) Equipment

Equipment consists of the following as of June 30, 2009:

Computer equipment	\$ 27,198
Machinery and equipment	<u>26,369</u>
	53,567
Less accumulated depreciation	<u>(46,975)</u>
Total	<u>\$ 6,592</u>

Total depreciation expense for the year ended June 30, 2009 was \$4,056.

(4) Prepaid Expenses

At June 30, 2009 prepaid expenses consisted of the following:

Insurance	<u>\$ 1,597</u>
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(5) Short-term Borrowings

The Organization has available a variable-rate revolving line of credit with JPMorgan Chase Bank, collateralized by all funds on deposit with the financial institution. Under the terms of the agreement, the Organization can borrow up to \$50,000. Interest is due and payable monthly on the 1<sup>st</sup> day of each month at the rate of prime plus 4.250% to be applied to the unpaid principal balance. Outstanding advances under this arrangement at June 30, 2009 totaled \$12,938.

(6) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of the following at June 30, 2009:

Trade accounts payable	\$ 167,421
Compensation and related expenses	<u>11,844</u>
Total	<u>\$ 179,265</u>

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(7) Deferred Revenue

Deferred revenue at June 30, 2009 in the amount of \$72,403 consists of unexpended grant funds received from the Public Welfare Foundation for the Louisiana Consumer Healthcare Coalition.

(8) Summary of Grants/Contracts

Helping Hands, Inc. of Lafayette was primarily funded through the following grants and contracts for the period of July 1, 2008 through June 30, 2009:

<u>Funding Source</u>	<u>Grant Contract Period</u>	<u>Total Grant Contract</u>	<u>Support Recognized</u>
Louisiana Department of Education	10/1/07-8/31/08	\$ 167,462	\$ 19,516
Louisiana Department of Education	07/1/07-6/30/10	2,094,095	603,772
Louisiana Department of Social Services	3/1/08-6/30/08	31,920	18,326
Louisiana Department of Social Services	1/1/08-8/31/08	103,600	89,732
Public Welfare Foundation	1/1/2009-12/31/2011	<u>200,000</u>	<u>27,597</u>
Total		<u>\$2,597,077</u>	<u>\$ 758,943</u>

(9) Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the time or purpose restrictions specified by donors as follows:

Purpose restrictions accomplished:

Louisiana Department of Education:

Temporary Assistance for Needy Families Program- ASFA	\$ 19,516
21st Century Community Learning Centers Program- 21STCCLC	603,772

Louisiana Department of Social Services:

Temporary Assistance for Needy Families Program- TPP	18,326
Temporary Assistance for Needy Families Program- CDFFS	89,732

Public Welfare Foundation:

Louisiana Consumer Healthcare Coalition	<u>27,597</u>
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Total net assets released from restrictions	<u>\$ 758,943</u>
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HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(10) Restatement of Financial Statements

The Organization was approved for a grant on July 17, 2006 in the amount of \$100,000. The grant ended on December 31, 2007, at which time unused funds should have been remitted back to the grantor. The unused funds should have been reported as a liability at June 30, 2008. Instead they were reported as temporarily restricted net assets on the June 30, 2008 Statement of Financial Position. Accordingly, the Organization restated its financial statements for the year ended June 30, 2008. The effect of the restatement was to decrease restricted net assets by \$45,550 and report a liability for the amount owed to the grantor. Net assets at the beginning of 2009 have been adjusted for the effects of this restatement.

(11) Contingencies

Amounts received or receivable from grantor agencies are subject to audit adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable program. Except as indicated in the following paragraph, the amount which may be disallowed by the grantor cannot be determined at this time. Accordingly, no provision for a liability was recognized in the accompanying financial statements.

The Medicine Assistance Program (MAP) was approved in the amount of \$100,000 by the Louisiana Department of Health and Hospitals for the period of July 17, 2006 through December 31, 2007. Within fifteen days of the end of this period, the Organization should have filed a close-out report and returned any unused funds. There was no evidence indicating that the Organization had obtained an extension of this agreement or returned the unused funds which totaled \$45,550 at July 1, 2008. In May of 2009 the Organization refunded \$13,500 of the unused funds to the Louisiana Department of Health and Hospitals, leaving an outstanding liability of \$32,050. The ultimate outcome of this matter, which has been reported to appropriate grant officials, is uncertain at this time.

(12) Concentrations

Helping Hands, Inc. of Lafayette receives its support for operations primarily from grants administered through the Louisiana Departments of Education, Health & Hospitals, and Social Services. The grant amounts are appropriated by the Louisiana Legislature on an annual basis. In the event of significant budget cuts, the level of funding could be significantly lower and adversely impact the Organization's operations. However, Management is not aware of any actions planned by the grantor agencies that will reduce its funding within the next fiscal period other than the Louisiana Department of Education After School for All program.

(13) Risk Management

The Organization is exposed to risks of loss in the areas of auto liability, general liability, management liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(14) Accumulated Deficit and Management Plans

As of June 30, 2009, the Organization has a deficit net assets balance of \$16,981. This factor, as well as the Organization's dependence on two major grantors (described in Note 12), create an uncertainty about the Organization's ability to continue as a going concern. The financial statements do not include any adjustments that might be necessary if the organization is unable to continue.

Management is currently working with the Board of Directors to develop fundraising activities and sponsorships to establish an adequate cash reserve. Since all programs currently provided by the Organization are operated on a cost-reimbursement basis, the anticipated increase in cash from these new funding sources should result in a reduction of the deficit net asset balance and allow the Organization to operate on a profitable basis.

**INTERNAL CONTROL, COMPLIANCE  
AND  
OTHER GRANT INFORMATION**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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

To the Board of Directors of  
Helping Hands, Inc. of Lafayette  
Lafayette, Louisiana 70501

We have audited the financial statements of Helping Hands, Inc. of Lafayette (a nonprofit organization) as of and for the year ended June 30, 2009, and have issued our report thereon dated December 30, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Helping Hands, Inc. of Lafayette's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Helping Hands, Inc. of Lafayette's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Helping Hands, Inc. of Lafayette's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Helping Hands, Inc. of Lafayette's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Helping Hands, Inc. of Lafayette's financial statements that is more than inconsequential will not be prevented or detected by Helping Hands, Inc. of Lafayette's internal control. We consider the deficiencies described in the accompanying summary schedule of current and prior year audit findings and questioned costs as items 09-3 (IC) through 09-6 (IC) to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Helping Hands, Inc. of Lafayette's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 09-3 (IC) and 09-4 (IC) to be material weaknesses.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Helping Hands, Inc. of Lafayette's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 09-1 (C).

We noted certain matters that we reported to management of Helping Hands, Inc. of Lafayette in a separate letter dated December 30, 2009.

Helping Hands, Inc. of Lafayette's responses to the findings identified in our audit are described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. We did not audit the responses and, accordingly, we express no opinion on it.

This report is intended for the information of Helping Hands, Inc. of Lafayette's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
December 30, 2009

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR PROGRAMS AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors of  
Helping Hands, Inc. of Lafayette  
Lafayette, Louisiana 70501

### Compliance

We have audited the compliance of Helping Hands, Inc. of Lafayette (a nonprofit organization) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal programs for the year ended June 30, 2009. Helping Hands, Inc. of Lafayette's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to the aforementioned program is the responsibility of Helping Hands, Inc. of Lafayette's management. Our responsibility is to express an opinion on Helping Hands, Inc. of Lafayette's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Helping Hands, Inc. of Lafayette's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Helping Hands, Inc. of Lafayette's compliance with those requirements.

In our opinion, Helping Hands, Inc. of Lafayette complied, in all material respects, with the requirements referred to above that are applicable to its major programs for the year ended June 30, 2009.

## Internal Control Over Compliance

The management of Helping Hands, Inc. of Lafayette is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Helping Hands, Inc. of Lafayette's internal control over compliance with requirements that could have a direct and material effect on its major federal programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Helping Hands, Inc. of Lafayette's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 09-2(IC), 09-5 (IC), and 09-7 (IC) to be significant deficiencies in internal control over compliance.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Helping Hands, Inc. of Lafayette's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above are material weaknesses.

Helping Hands, Inc. of Lafayette's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the responses and, accordingly, we express no opinion on it.

This report is intended solely for the information of Helping Hands, Inc. of Lafayette's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
December 30, 2009

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	Pass-through Identifying Number	CFDA Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION:			
Passed through Louisiana Department of Education: 21st Century Community Learning Centers	CFMS 658698	84.287	<u>\$ 603,772</u>
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Passed through Louisiana Department of Education: Temporary Assistance for Needy Families - After School For All	CFMS 658103	93.558	19,516
Passed through Louisiana Department of Social Services: Temporary Assistance for Needy Families - CDF Freedom Schools 2009 Summer Program	CFMS 661415	93.558	89,732
Teen Pregnancy Prevention (TPP)	CFMS 651543	93.558	<u>18,326</u>
Total U.S. Department of Health and Human Services			<u>127,574</u>
Total expenditures of federal awards			<u>\$ 731,346</u>

See accompanying notes to schedule of expenditures of federal awards.

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2009

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Helping Hands, Inc. of Lafayette (a nonprofit organization). Helping Hands, Inc. of Lafayette's reporting entity is defined in Note 1 to the financial statements for the year ended June 30, 2009. All federal financial assistance received directly from federal agencies is included in the schedule as well as federal financial assistance passed through other government agencies. The following programs are considered major federal programs of Helping Hands, Inc. of Lafayette: 21<sup>st</sup> Century Community Learning Centers and Temporary Assistance for Needy Families.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to Helping Hands, Inc. of Lafayette's financial statements for the year ended June 30, 2009.

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2009

Part I. Summary of Auditors' Results:

1. The auditors' report expresses an unqualified opinion on the financial statements.
2. Four significant deficiencies in internal control were disclosed by the audit of the financial statements. Two of the deficiencies were considered to be material weaknesses.
3. One instance of noncompliance material to the financial statements, which would be required to be reported in accordance with Government Auditing Standards, was disclosed during the audit.
4. Three significant deficiencies in internal control over major federal award programs were disclosed by the audit of the financial statements. None of the deficiencies were considered to be material weaknesses.
5. The auditors' report on compliance for the major programs expresses an unqualified opinion.
6. Findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this schedule.
7. The following programs were considered to be major programs: 21<sup>ST</sup> Century Community Learning Centers (84.287) and Temporary Assistance for Needy Families (93.558).
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of OMB Circular A-133 was \$300,000.
9. The auditee did not qualify as a low-risk auditee under Section 530 of OMB Circular A-133.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Compliance Finding --

See Compliance Finding 09-1 (C) in the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

Internal Control Findings -

See Internal Control Findings 09-3 (IC) through 09-6 (IC) in the Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan.

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2009

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of OMB Circular A-133:

DEPARTMENT OF EDUCATION:

Internal Control Findings -

**09-5 (IC)**

21<sup>st</sup> Century Community Learning Centers (84.287)

Criteria

Proper internal control requires expenditures to be properly authorized and approved.

Condition

Some of the timesheets for regular employees and contract labor were not approved by appropriate supervisors.

Questioned Costs

There are no specific questioned costs relative to this finding.

Context

The timesheets were not approved.

Cause and Effect

Failure to properly approve timesheets was caused by noncompliance with policies and procedures regarding approval of timesheets. This could result in employees being paid for time not actually worked.

Recommendation

Management should implement policies and procedures to insure that all timesheets are properly approved by the appropriate supervisor for each pay period.

Planned Corrective Action and Management's Response

All timesheets will be approved by appropriate supervisors prior to payment.

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2009

**09-7 (IC)**

21<sup>st</sup> Century Community Learning Centers (84.287)

Criteria

21<sup>st</sup> Century Community Learning Centers grant agreement states that only certified teachers will be paid \$20 per hour for services.

Condition

The Organization paid teachers the certified rate without verifying their certification.

Questioned Costs

There are no specific questioned costs relative to this finding.

Context

The proper verifications were not performed.

Cause and Effect

Policies and procedures were not in place to insure that verifications were performed. The Organization may have paid a certified rate to an uncertified teacher.

Recommendation

Policies and procedures should be established to insure that certification status is verified for these teachers. Proof of certification should be maintained for the duration of the grant.

Planned Corrective Action and Management's Response

Prior to this recommendation, certification of the qualifying teachers was verified through the appropriate school district. In the future, proof of certification will be verified and maintained by the Organization.

DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Internal Control Findings -

**09-2 (IC)**

Temporary Assistance for Needy Families (93.558)

HELPING HANDS, INC. OF LAFAYETTE  
Lafayette, Louisiana

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2009

Criteria

2 CFR, Part 230 (A) states that charges must be supported by appropriate documentation such as approved purchase orders, receiving reports, vendor invoices, and cancelled checks.

Condition

Payments made to hotels and reimbursements for travel expenses incurred by employees do not have adequate supporting documentation attached.

Questioned Costs

There are no specific questioned costs relative to this finding.

Context

Adequate supporting documentation was not attached to payment vouchers for some travel expenses. The business purpose for travel was not properly documented on invoices.

Cause and Effect

Policies and procedures regarding maintenance of supporting documentation for travel expenses were not followed. Expenditures charged to the program may not be allowed.

Recommendation

All travel expenses should be supported by appropriate documentation, including the business purpose for the travel.

Planned Corrective Action and Management's Response

It is our policy to obtain receipts for all disbursements. We will continue to implement this policy and ascertain that all travel expenses are properly documented with invoices, brochures, agendas, and some information pertaining to the purpose of travel.

**09-5 (IC)**

Temporary Assistance for Needy Families (93.558)

See finding **09-5 (IC)** under Department of Education above.

HELPING HANDS INC. OF LAFAYETTE  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
June 30, 2009

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken
<u>Compliance:</u>			
09-1 (C)	2008	The Organization did not comply with federal and state laws regarding audit report completion and submission.	No
<u>Internal Control:</u>			
09-2 (IC)	2009	Payments made to hotels and reimbursements for travel expenses incurred by employees do not have adequate supporting documentation attached. All credit card charges regarding travel should be supported by appropriate documentation, including the business purpose for the travel.	No
09-3 (IC)	1997	Due to the small number of employees, the Organization did not have adequate segregation of functions within the accounting system. Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	No
09-4 (IC)	2009	The Organization does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	No
09-5 (IC)	2009	The Board of Directors does not officially approve employee compensation. Additionally, there is no documentation included in the personnel files documenting the amount of the compensation.	No
09-6 (IC)	2009	Some of the timesheets for regular employees and contract labor were not approved by appropriate supervisors. Management should implement policies and procedures to verify that all timesheets are approved prior to payment.	No
09-7 (IC)	2009	All teachers participating in the 21st Century Community Learning Grant who are receiving \$20 per hour are required to be certified. Appropriate written policies and procedures should be established to insure that certification status is verified for these teachers. Proof of certification should be maintained for the duration of the grant.	No
<u>Management Letter:</u>			
09-8 (ML)	2009	Management should enhance policies and procedures to properly account for the purchase and distribution of supplies utilized at service sites. Itemized listings of supplies signed by site managers or directors acknowledging receipt of items received should be attached to invoices as supporting documentation for proper distribution of purchases. Additionally, procedures should be developed and implemented regarding the purchase and distribution of snacks.	No

<u>Corrective Action Plan</u>	<u>Name of Contact Person</u>	<u>Anticipated Date of Completion</u>
In the future, management will comply with the federal and state laws regarding the completion and submission of the audit report within six months of the close of the fiscal year.	David Mason, Executive Director	6/30/2010
It is our policy to retain receipts for all expenses. We will continue to implement this policy and ascertain that all travel expenses are properly documented with invoices, brochures, agendas, and some information pertaining to the purpose of the travel.	David Mason, Executive Director	6/30/2010
No response is considered necessary.	David Mason, Executive Director	N/A
The Organization has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the Organization to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	David Mason, Executive Director	N/A
This procedure will be recommended to the Board and will be implemented upon approval.	David Mason, Executive Director	6/30/2010
All time sheets will be approved by appropriate supervisors prior to payment.	David Mason, Executive Director	6/30/2010
Prior to this recommendation, certification of the qualifying teachers was verified through the appropriate school district. In the future, proof of certification will be verified and maintained by the Organization.	David Mason, Executive Director	6/30/2010
In the future, the acknowledgment of receipt will be attached to the invoice. Procedures will be developed and implemented regarding the purchase and distribution of snacks.	David Mason, Executive Director	6/30/2010

HELPING HANDS INC. OF LAFAYETTE  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings (Continued)  
and Corrective Action Plan  
June 30, 2009

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken
<b><u>Management Letter (Continued):</u></b>			
09-9 (ML)	2009	Management should increase oversight and monitoring of controls over cash receipts and disbursements. All bank statements and reconciliations should be reviewed on a monthly basis for accuracy by a member of the board of directors not authorized to sign the checks. This approval should be documented by a signature.	No
09-10 (ML)	2009	Checks for payment of employee services should be issued in accordance with approved payroll distribution dates.	No
09-11 (ML)	2009	David Mason, Executive Director, purchases the majority of the supplies for the Organization from his personal funds and reimburses himself when revenues are received from grantors. This practice should be discontinued. Management should obtain an alternate funding source in the name of Helping Hands, Inc. or utilize its existing line of credit in order to finance reimbursement-based grants.	No
09-12 (ML)	2009	As of June 30, 2009, the Organization had a deficit net asset balance of \$16,981. Management should consider ways to increase revenues and decrease expenses in order to eliminate this deficit and operate within available resources.	No

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
Additional controls over cash will be introduced to the board for approval.	David Mason, Executive Director	6/30/2010
Management will implement this procedure in the future.	David Mason, Executive Director	6/30/2010
In the future, management will consider other funding sources for financing reimbursement-based grants.	David Mason, Executive Director	N/A
The funding deficit occurred through the TANF programs, which are no longer being received by the Organization. To prevent this situation from reoccurring, procedures have been established that evaluate spending on a monthly basis.	David Mason, Executive Director	6/30/2010

HELPING HANDS INC. OF LAFAYETTE  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings (Continued)  
and Corrective Action Plan  
June 30, 2009

<u>Reference Number</u>	<u>Prior Year Audit</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>
<b>Compliance:</b>				
1	2008-01	2008	The Louisiana Department of Health and Hospitals grant agreement for the Medicine Assistance Program (MAP) ended December 31, 2007. The Organization did not submit a closeout report and remit the unused funds, which totaled approximately \$54,820 at January 1, 2008, within fifteen days of the contract expiration date. There was no evidence indicating that the Organization had obtained an extension of this agreement. However, the agency continued to expend approximately \$9,270 on its MAP program for the period of January 1, 2008 through June 30, 2008. In addition, the Organization improperly utilized the unused funds to pay approximately \$31,200 of the expenses of its federal programs (21st Century - \$24,992; TANF - \$6,208). These funds have not been returned as of the audit report date and the interfund receivables were not recorded.	Yes
2	2008-05	2008	The Organization utilized state funds to finance federal program operations in violation of the state grant agreement. These unauthorized loans were not properly recorded in the financial records. The cash transfers were booked; however, the Organization failed to record the related interfund receivables and payables. At June 30, 2008, the Department of Health and Hospitals was due a total of \$31,200 (\$30,851 from the Department of Education: \$24,992 from the 21st Century Community Learning Centers program, \$5,859 for the TANF - After School for All Program and \$349 from the Department of Social Services for the TANF - Teen Pregnancy Prevention Program). Reimbursement has not been made as of the audit report date.	Yes
3	2008-06	2008	The Organization did not comply with federal and state laws regarding audit report completion and submission.	No
4	2008-10	2008	<b>21st Century Community Learning Centers - CFDA No. 84.287C; Grant No. CFMS No. 658698; Grant Period - Year Ended June 30, 2008</b> As discussed in Finding 2008-05, the 21st Century Community Learning Centers grant is operated on a cost reimbursement basis. The Organization did not receive its first reimbursement from the Department of Education until mid December 2007. From inception of the program in July 2007 to the middle of December, the Organization had to pay for the expenses without receiving grant funding. However, the Organization experienced cash flow problems during this period. Consequently, they utilized state funds of \$24,992 received from the Louisiana Department of Health and Hospitals to pay for 21st Century program expenses in violation of the provisions of the state grant. These funds have not been returned as of the audit report date and the related interfund payable was not booked. The Organization should be familiar with the provisions of contracts and grant agreements that could have a direct and material effect on its programs. Increased oversight and monitoring should be performed on an ongoing basis to strengthen and improve controls in this area.	Yes

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
Management concurs with the recommendation and plans to increase oversight and monitoring and compliance with contract provisions.	David Mason, Executive Director	6/30/2009
Management concurs with the recommendation and has discontinued making interfund loans.	David Mason, Executive Director	6/30/2009
Management obtained an approved extension from the Legislative Auditor for the fiscal year ended June 30, 2008. However, in the future, they will comply with the federal and state laws regarding the completion and submission of the audit report within six months of the close of the fiscal year.	David Mason, Executive Director	6/30/2009
Management concurs with this recommendation and plans to increase oversight and monitoring of program compliance.	David Mason, Executive Director	6/30/2009

HELPING HANDS INC. OF LAFAYETTE  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings (Continued)  
and Corrective Action Plan  
June 30, 2009

<u>Reference Number</u>	<u>Fiscal Year</u>	<u>Prior Finding</u>	<u>Year Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>
<u>Compliance (Continued):</u>					
5	2008-11	2008	2008	<b>21st Century Community Learning Centers - CFDA NO. 84.287C; Grant No. CFMS No. 658698; Grant Period - Year Ended June 30, 2008</b> As discussed in Finding 2008-06, the Organization failed to comply with federal and state requirements to complete and transmit its audit report within six months of the close of the entity's fiscal year. During the audit examination, an accounting staff person died unexpectedly. As a result, the Organization did not have sufficient staff to maintain administrative duties and complete the audit in accordance with reporting requirements. Management should hire adequate personnel to ensure timely submission of information to the auditor in order to comply with the federal and state regulations regarding its reporting requirements.	No
6	2008-13	2008	2008	<b>Temporary Assistance for Needy Families-CFDA No. 93.558; Grant No. CFMS No. 631249-658103, CFMS No. 661415, and CFMS No. 651543; Grant Period-Year Ended June 30, 2008</b> The significant deficiency discussed at Findings 2008-04 and 2008-06 also applies to this grant.	Yes
7	2008-15	2008	2008	<b>Noncompliance with reporting requirement</b> The Organization did not comply with federal and state laws regarding audit report completion and submission.	No
<u>Internal Control:</u>					
8	2008-02	2008	2008	<b>Improper cut-off</b> Test of federal award disbursements disclosed that expenses were not recorded in the correct fiscal year.	Yes
9	2008-03	2008	2008	<b>2008-03 Improper revenue recognition</b> As a result of several errors on claim for reimbursement request No. 011, revenue totaling \$5,961 was improperly recognized in 2008. The overstatement was comprised of the following error: (1) \$2,931 indicated as June 30, 2008 disbursement date when the cost was incurred in July 2008 for fiscal year 2009; (2) \$2,535 had a July 2008 disbursement date; fiscal year 2009 expenses; (3) \$585 represented fiscal year 2009 expenses that were booked in 2008; (4) \$450 represented incorrect billing amounts. In addition, the Organization failed to recognize revenue for fiscal year 2008 totaling \$4,650 relating to claims for reimbursement request No. 012, 014, & 015. The aforementioned understatement was a result of errors as follows: (1) \$9,672 was recognized as revenue in fiscal year 2008 for request No. 012; however, \$13,662 should have been recognized, resulting in an error of \$3,990; (2) \$660 pertained to errors on requests No. 014 and 015; the expenses were properly recorded in fiscal year 2008; however, the corresponding revenue was not properly recorded. The Organization apparently used the claims for reimbursement as the basis for recognizing revenues and did not agree the claims to the accounting records.	Yes

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
Management obtained an approved extension from the Legislative Auditor for the fiscal year ended June 30, 2008. However, in the future, they will comply with the federal and state laws regarding the completion and submission of the audit report within six months of the close of the fiscal year.	David Mason, Executive Director	6/30/2009
Management concurs with the recommendations and plans to increase oversight and monitoring in this area.	David Mason, Executive Director	6/30/2009
Management obtained an approved extension from the Legislative Auditor for the fiscal year ended June 30, 2008. However, in the future, they will comply with the federal and state laws regarding the completion and submission of the audit report within six months of the close of the fiscal year.	David Mason, Executive Director	6/30/2009
The misstatement was corrected in the accompanying financial statements. Management concurs with the recommendation and plans to increase supervision and monitoring over control over financial reporting.	David Mason, Executive Director	6/30/2009
The misstatement was corrected in the accompanying financial statements. The claims for reimbursements were timely corrected but we inadvertently failed to adjust revenues before the fiscal year audit of the financial statements. Management concurs with the recommendation and plans to increase supervision and monitoring of controls over financial reporting.	David Mason, Executive Director	6/30/2009

HELPING HANDS INC. OF LAFAYETTE  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings (Continued)  
and Corrective Action Plan  
June 30, 2009

<u>Reference Number</u>	<u>Fiscal Year</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	
Prior Year Audit	Finding Initially Occurred			
<u>Internal Control (Continued):</u>				
10	2008-04	2008	<p><b>Inadequate control over cash deposits</b> Cash received for summer camp fees was routinely deposited in more than five business days. For example, fees collected over a period of eight business days totaled \$11,635 (\$4,835 cash and \$6,800 in check); however, the deposit was made on the ninth business day. In addition, there is inadequate separation of duties in this area. One person is allowed to collect, record, and deposit cash receipts as well as reconcile bank accounts.</p>	Yes
11	2008-07	2008	<p><b>21<sup>st</sup> Century Community Learning Centers-CFDA No. 84.287C; Grant No. CFMS No. 658698; Grant Period-Year ended June 30, 2008</b> As discussed at Finding 2008-05, fiscal year 2008 expenses totaling \$7,259 were improperly recorded in fiscal year 2009. \$3,214 of these expenditures pertained to the 21st Century Community Learning Centers grant. Due to improper cutoff of transactions, expenses, liabilities, revenue and receivables were understated. Staff should exercise greater care in performing their assigned duties and responsibilities in this area. In addition, management should increase oversight and monitoring to prevent, detect, or correct misstatements.</p>	Yes
12	2008-08	2008	<p><b>21<sup>st</sup> Century Community Learning Centers-CFDA No. 84.287C; Grant No. CFMS No. 658698; Grant Period-Year ended June 30, 2008</b> As discussed at Finding 2008-03, revenue was improperly recognized for 21st Century Community Learning Centers claims for reimbursement requests no. 011, 012, 014, and 015. Revenue was overstated in the amount of \$4,650 for requests no 012, 014, and 015 combined. These errors resulted from improper cutoff and monitoring. Staff should exercise greater care in performing their assigned duties and responsibilities in this area. In addition, management should increase oversight and monitoring to prevent, detect, or correct misstatements in a timely manner.</p>	Yes
13	2008-09	2008	<p><b>21<sup>st</sup> Century Community Learning Centers- CFDA No. 84.287C; Grant No. CFMS No. 658698; Grant Period- Year ended June 30, 2008</b> As discussed at Finding 2008-04, cash was not deposited timely on a routine basis. Cash receipts were consistently held for more than five business days. One deposit totaling \$11,635 was made in nine business days. This condition occurred due to ineffective operation of the control procedure. Deposits should be made daily and intact. Management should increase oversight and monitoring of controls in this area to protect the asset from misappropriation.</p>	Yes

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
Management concurs with the recommendation and plans to increase oversight and monitoring in this area. Cash will be deposited intact and on a daily basis.	David Mason, Executive Director	6/30/2009
The misstatement was corrected in the accompanying financial statements. Management concurs with the recommendation and plans to increase supervision and monitoring over control over financial reporting.	David Mason, Executive Director	6/30/2009
The misstatement was corrected in the accompanying financial statements. The claims for reimbursements were timely corrected but we inadvertently failed to adjust revenues before the fiscal year audit of the financial statements. Management concurs with the recommendation and plans to increase supervision and monitoring of controls over financial reporting.	David Mason, Executive Director	6/30/2009
Management concurs with the recommendation and plans to increase oversight and monitoring in this area. Cash will be deposited intact and on a daily basis.	David Mason, Executive Director	6/30/2009

HELPING HANDS INC. OF LAFAYETTE  
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
June 30, 2009

<u>Reference Number</u>	<u>Fiscal Year</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>
Prior Year Audit	Finding Initially Occurred		
<u>Internal Control (Continued):</u>			
14	2008-12 2008	<b>Temporary Assistance for Needy Families- CFDA No. 93.558; Grant No. CFMS No. 631249/658103, CFMS No. 661415, and CFMS No. 651543; Grant Period-Year Ended June 30, 2008</b> As discussed at Finding 2008-02, fiscal year 2008 expenses totaling \$7,259 were improperly recorded in fiscal year 2009. \$4,045 of this amount pertained to TANF program expenditures. Due to improper cutoff of these transactions, expenses and liabilities were understated. Staff should exercise greater care in performing their assigned duties and responsibilities in this area. In addition, management should increase oversight and monitoring to prevent, detect or correct misstatements on a timely basis.	Yes
15	2008-14 2008	<b>Temporary Assistance for Needy Families-CFDA No 93.558; Grant No. CFMS No. 631249/358103 and CFMS No. 651543; Grant Period-Year Ended June 30, 2008</b> As discussed at Finding 2008-05, the TANF program utilized state funds of \$6,208 received from the Louisiana Department of Health and Hospitals to pay for certain program expenses in violation of the provisions of that state grant (\$5,859- Louisiana Department of Education for The After School for All program; \$349-Louisiana Department of Social Services for the Teen Pregnancy Prevention Program). These funds have not been returned as of the audit report date. This activity is unallowable in accordance with federal compliance requirements. The Organization should be familiar with the provisions of contracts and grant agreements that could have a direct and material effect on its programs. Increase oversight and monitoring should be performed on an ongoing basis to strengthen and improve controls in this area. Management concurs with this recommendation and plans to increase oversight and monitoring of program compliance.	Yes

Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
The misstatement was corrected in the accompanying financial statements. Management concurs with the recommendation and plans to increase supervision and monitoring over control over financial reporting.	David Mason, Executive Director	6/30/2009
Management concurs with the recommendation and has discontinued making interfund loans.	David Mason, Executive Director	6/30/2009

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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To the Board of Directors of  
Helping Hands, Inc. of Lafayette  
Lafayette, Louisiana 70501

During our audit of the basic financial statements of Helping Hands, Inc. of Lafayette for the year ended June 30, 2009, we noted certain areas in which improvements in the accounting system and financial practices of the Organization should be considered.

- (1) Management should enhance policies and procedures to properly account for the purchase and distribution of supplies utilized at service sites. Itemized listings of supplies signed by site managers or directors acknowledging receipt of items received should be attached to invoices as supporting documentation for proper distribution of purchases. Additionally, procedures should be developed and implemented regarding the purchase and distribution of snacks.
- (2) Management should increase oversight and monitoring of controls over cash receipts and disbursements. All bank statements and reconciliations should be reviewed on a monthly basis for accuracy by a member of the board of directors not authorized to sign on the checks. This approval should be documented by a signature.
- (3) Checks for payment of employee services should be issued in accordance with approved payroll distribution dates.
- (4) David Mason, Executive Director, purchases the majority of the supplies for the Organization from his personal funds and reimburses himself when revenues are received from grantors. This practice should be discontinued. Management should obtain an alternate funding source in the name of Helping Hands, Inc. or utilize its existing line of credit in order to finance reimbursement-based grants.

- (5) As of June 30, 2009, the Organization had a deficit net asset balance of \$16,981. Management should consider ways to increase revenues and decrease expenses in order to eliminate this deficit and operate within available resources.

We would like to express our appreciation to you and your staff, particularly your office staff, for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need assistance, please feel free to contact us.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
December 30, 2009