

HANDS ON NEW ORLEANS, INC.

FINANCIAL STATEMENTS
AND
REPORT TO BOARD

June 30, 2021 and 2020



CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1-2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4-5
Statements of Functional Expenses	6-7
Statements of Cash Flows	8
Notes to Financial Statements	9-12
Government Auditing Standards Report	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	13-14
Supplementary Information	
Summary of Compensation, Benefits and Other Payments to Agency Heads	15

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Hands On New Orleans, Inc.
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Hands On New Orleans, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hands On New Orleans, Inc. as of June 30, 2021 and 2020, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hands On New Orleans, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hands On New Orleans, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Summary of Compensation, Benefits and Other Payments to Agency Heads is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2022 on our consideration of Hands On New Orleans, Inc.'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hands On New Orleans, Inc.'s internal control over financial reporting and compliance.

Metairie, Louisiana
March 7, 2022

Wegmann Bazet

HANDS ON NEW ORLEANS, INC.
STATEMENTS OF FINANCIAL POSITION

June 30, 2021 and 2020

	2021	2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 678,126	\$ 620,777
Accounts receivable	46,583	17,583
Other receivables	306	1,038
Total current assets	725,015	639,398
Property and equipment, at cost less accumulated depreciation	2,379	8,707
Total assets	\$ 727,394	\$ 648,105
LIABILITIES		
Current liabilities		
Accounts payable	\$ 3,771	\$ 8,287
Accrued payroll liabilities	6,211	1,371
Other current liabilities	406	6,743
Total current liabilities	10,388	16,401
NET ASSETS		
Net assets		
Without donor restrictions		
Undesignated	414,815	215,227
Board designated	292,030	291,034
With donor restrictions	10,161	125,443
Total net assets	717,006	631,704
Total liabilities and net assets	\$ 727,394	\$ 648,105

See accompanying Notes to Financial Statements.

HANDS ON NEW ORLEANS, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Community revitalization	\$ -	\$ 55,439	\$ 55,439
Fundraising	789	-	789
Contributions/other	66,250	-	66,250
Volunteer engagement	-	158,597	158,597
Disaster management	-	258,500	258,500
COVID-19 response	-	70,990	70,990
Net assets released from restrictions	658,808	(658,808)	-
Total revenues	725,847	(115,282)	610,565
Expenses			
Program services			
Community revitalization	76,030	-	76,030
Fundraising	84	-	84
Volunteer engagement	147,515	-	147,515
Disaster management	99,327	-	99,327
COVID-19 response	156,103	-	156,103
Supporting services			
General and administrative	46,204	-	46,204
Total expenses	525,263	-	525,263
Change in net assets	200,584	(115,282)	85,302
Net assets			
Beginning of year	506,261	125,443	631,704
End of year	<u>\$ 706,845</u>	<u>\$ 10,161</u>	<u>\$ 717,006</u>

See accompanying Notes to Financial Statements.

HANDS ON NEW ORLEANS, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Community revitalization	\$ -	\$ 89,750	\$ 89,750
Fundraising	8,766	-	8,766
Contributions/other	40,817	-	40,817
Volunteer engagement	-	283,557	283,557
Disaster management	-	1,950	1,950
COVID-19 response	-	222,900	222,900
Net assets released from restrictions	493,636	(493,636)	-
	<u>543,219</u>	<u>104,521</u>	<u>647,740</u>
Expenses			
Program services			
Community revitalization	70,303	-	70,303
Fundraising	6,694	-	6,694
Volunteer engagement	170,349	-	170,349
Disaster management	5,622	-	5,622
COVID-19 response	127,627	-	127,627
Supporting services			
General and administrative	40,354	-	40,354
	<u>420,949</u>	<u>-</u>	<u>420,949</u>
Change in net assets	122,270	104,521	226,791
Net assets			
Beginning of year	383,991	20,922	404,913
End of year	<u>\$ 506,261</u>	<u>\$ 125,443</u>	<u>\$ 631,704</u>

See accompanying Notes to Financial Statements.

HANDS ON NEW ORLEANS, INC.
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2021

	Program Services					General and Administrative	Total Expenses
	Community Revitalization	Fundraising	Volunteer Engagement	Disaster Management	COVID-19 Response		
Accounting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,350	\$ 7,350
Advertising	-	-	52	-	-	2	54
Americorp stipends	3,906	-	23,562	841	-	7,700	36,009
Bank service charges	-	-	83	-	-	136	219
Building repairs	-	-	696	-	-	-	696
Contract services	2,750	-	31,347	8,237	921	-	43,255
Development	-	-	82	116	768	1,018	1,984
Depreciation	-	-	-	-	-	6,328	6,328
Dues and subscriptions	-	-	-	50	-	984	1,034
Hardware rental	11,412	-	-	942	980	-	13,334
Information technology	-	-	1,301	75	2,137	3,412	6,925
Insurance	3,266	-	11,240	1,805	610	2,125	19,046
Meals and entertainment	11,520	-	548	123	36,023	2,003	50,217
Meetings	-	-	72	62	-	185	319
Office supplies	-	-	194	160	1,490	234	2,078
Other expense	-	-	-	-	-	568	568
Parking and tolls	9	-	28	-	-	13	50
Payroll service fees	445	-	1,246	89	-	105	1,885
Payroll taxes	361	-	6,335	3,475	5,781	666	16,618
Postage and delivery	-	-	-	-	-	13	13
Project management	23,346	84	-	740	-	-	24,170
Project materials and supplies	12,297	-	5,862	1,383	2,209	631	22,382
Rent expense	875	-	2,700	25,175	-	(250)	28,500
Salaries	4,713	-	54,163	45,120	104,120	12,973	221,089
Travel	-	-	669	7,000	526	-	8,195
Vehicle maintenance	1,130	-	7,335	3,934	538	8	12,945
Total expenses	\$ 76,030	\$ 84	\$ 147,515	\$ 99,327	\$ 156,103	\$ 46,204	\$ 525,263

See accompanying Notes to Financial Statements.

HANDS ON NEW ORLEANS, INC.
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2020

	Program Services					General and Administrative	Total Expenses
	Community Revitalization	Fundraising	Volunteer Engagement	Disaster Management	COVID-19 Response		
Accounting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 705	\$ 705
Advertising	-	-	-	-	292	2,556	2,848
Americorp stipends	4,575	-	21,875	878	-	4,500	31,828
Bad debt expense	-	-	1,200	-	-	-	1,200
Bank service charges	-	-	592	-	45	134	771
Contract services	-	-	1,105	-	37,000	-	38,105
Development	-	-	-	-	-	2,237	2,237
Depreciation	-	-	-	-	-	6,391	6,391
Dues and subscriptions	-	-	-	-	-	400	400
Information technology	1,583	-	1,272	-	2,702	4,702	10,259
Insurance	3,305	33	12,208	859	2,559	1,542	20,506
Meals and entertainment	22	-	1,761	-	11,078	1,712	14,573
Meetings	143	-	139	309	28	360	979
Office supplies	96	-	56	-	308	904	1,364
Other expense	-	4,044	-	-	-	484	4,528
Parking and tolls	-	-	180	23	108	(50)	261
Payroll service fees	387	-	1,098	77	-	73	1,635
Payroll taxes	924	185	7,666	152	783	772	10,482
Postage and delivery	-	-	10	-	-	8	18
Project management	28,000	-	4,071	827	8,623	-	41,521
Project materials and supplies	18,411	-	34,628	390	31,485	2,981	87,895
Rent expense	625	-	1,750	125	500	(250)	2,750
Salaries	12,042	2,422	78,240	1,981	31,882	9,637	136,204
Travel	45	10	1,734	1	-	309	2,099
Vehicle maintenance	145	-	764	-	234	247	1,390
Total expenses	\$ 70,303	\$ 6,694	\$ 170,349	\$ 5,622	\$ 127,627	\$ 40,354	\$ 420,949

See accompanying Notes to Financial Statements.

HANDS ON NEW ORLEANS, INC.
STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ 85,302	\$ 226,791
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	6,328	6,391
(Increase) decrease in operating assets:		
Receivables	(28,268)	6,280
Increase (decrease) in operating liabilities:		
Accounts payable	(4,516)	(3,748)
Accrued expenses	-	(6,645)
Accrued payroll liabilities	4,840	(515)
Deferred revenue	-	(12,278)
Other current liabilities	(6,337)	6,315
Net cash provided by operating activities	<u>57,349</u>	<u>222,591</u>
Net increase in cash	57,349	222,591
Cash and cash equivalents at beginning of year	<u>620,777</u>	<u>398,186</u>
Cash and cash equivalents at end of year	<u><u>\$ 678,126</u></u>	<u><u>\$ 620,777</u></u>

See accompanying Notes to Financial Statements.

HANDS ON NEW ORLEANS, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2021 and 2020

1) Nature of activities

Hands On New Orleans, Inc. (the “Organization”) is a non-profit organization established in 2008 to engage, empower, and transform the community through volunteer service. Hands On New Orleans, Inc. supports the missions of 70 plus community partners (schools, park and recreation centers, neighborhood associations, and nonprofits) by identifying pressing needs, creating high-impact projects, and recruiting and managing volunteer teams to make meaningful improvements.

2) Summary of significant accounting principles

Significant accounting policies are summarized below.

a) Financial statement presentation

The Organization’s policy is to prepare its financial statements on the accrual basis of accounting, which recognizes all revenues and the related assets when earned and all expenses and the related obligations when incurred.

b) Cash and cash equivalents

All cash-related items having a maturity of three months or less from the original maturity date are classified as cash and cash equivalents.

c) Accounts receivable

The Organization writes off uncollectible accounts as they are identified. No amounts were written off in the years ended June 30, 2021 and 2020. No allowance for uncollectible accounts has been provided, as management has evaluated the accounts and believes they are all collectible.

d) 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

e) Property and equipment

Property and equipment are carried at cost. Depreciation of property is provided over the estimated useful lives of the assets using the straight-line method. Repairs and maintenance are expensed as incurred. Expenditures that increase the value or productive capacity of assets are capitalized. When property and equipment are retired, sold, or otherwise disposed of, the assets carrying amount and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations. The estimated useful lives of depreciable assets are:

	<u>Useful Lives</u>
Equipment	5 years
Vehicles	5 years

f) Revenue recognition

The Organization recognizes contributions when cash, other assets, an unconditional promise to give or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

HANDS ON NEW ORLEANS, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2021 and 2020

2) Summary of significant accounting principles (continued)

g) Description of net assets classification

Financial Accounting Standards Board (FASB) Accounting Standards Codification “ASC” 958, *Not-for-Profit Entities*, requires the net assets and changes in net assets be reported for two classifications – with donor restrictions and without donor restrictions based on the existence or absence of donor imposed restrictions.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor imposed restrictions or requirements that limit the use of the donation. A donor restriction ends when a time restriction is met or a purpose restriction is accomplished. As restrictions are met, assets are reclassified to unrestricted net assets. Funds received with the stipulation that the funds be returned if specified future events fail to occur are accounted for as refundable advances until the conditions have been substantially met.

h) Concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. The Organization has not experienced any losses in such accounts. The Organization has no policy requiring collateral or other security to support its deposits.

i) Income taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code.

The Organization has adopted the provisions of ASC 740, *Income Taxes*. Management of the Organization believes there are no material uncertain tax positions and, accordingly it will not recognize any liability for unrecognized tax benefits. With few exceptions, the Organization is not subject to United States federal and state income tax examinations by tax authorities beyond three years from the filing of those returns.

j) In-kind contributions

In-kind contributions are reflected as contributions at their fair value at the date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. The Organization did not have any in-kind contributions for the years ended June 30, 2021 and 2020.

k) New accounting pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the statements of financial position as well as additional disclosures. The updated guidance is effective for annual periods beginning after December 15, 2021. Management is currently assessing the impact of this pronouncement on its financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This accounting standard improves transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations through enhancements to presentation and disclosure. The standard is effective for annual periods beginning after December 15, 2021. Management is currently assessing the impact of this pronouncement on its financial statements.

HANDS ON NEW ORLEANS, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2021 and 2020

3) Property and equipment

Property and equipment is summarized as follows:

	2021	2020
Equipment	\$ 9,815	\$ 9,815
Vehicles	33,323	33,323
Total costs	43,138	43,138
Less: accumulated depreciation	40,759	34,431
Property and equipment	\$ 2,379	\$ 8,707

4) Net assets with donor restrictions

The Organization organizes many volunteer service opportunities in the New Orleans area. The organization has many programs which help volunteers take action through service to meet critical community needs.

Net assets with donor purpose restrictions are available for the following programs:

	2021	2020
Subject to expenditures for specified purpose:		
COVID-19 Response	\$ 10,161	\$ 95,274
Community Revitalization	-	30,169
Total net assets with donor purpose restrictions	\$ 10,161	\$ 125,443

5) Liquidity and availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial assets:	
Cash and cash equivalents	\$ 678,126
Receivables	46,889
Financial assets, at year end	\$ 725,015
Less those unavailable for general expenditure within one year, due to	
Restriction by donor for specified purpose	(10,161)
Financial assets available to meet cash needs for general	
expenditure within one year	\$ 714,854

6) Board designated unrestricted net assets

The Board of Directors of Hands On New Orleans, Inc. designated \$292,030 and \$291,034 as a general operating reserve as of June 30, 2021 and 2020, respectively.

HANDS ON NEW ORLEANS, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2021 and 2020

7) Coronavirus (COVID-19)

The COVID-19 pandemic has impacted and could further impact the Organization's operations and the operations of the Organization's suppliers and vendors as a result of quarantines, facility closures, and travel and logistics restrictions. The extent to which the COVID-19 pandemic impacts the Organization's business, results of operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to the duration, spread, severity, and impact of the COVID-19 pandemic, the effects of the COVID-19 pandemic on the Organization's customers, suppliers, and vendors and the remedial actions and stimulus measures adopted by local and federal governments, and to what extent normal economic and operating conditions can resume. Even after the COVID-19 pandemic has subsided, the Organization may continue to experience adverse impacts to its business as a result of any economic recession or depression that has occurred or may occur in the future. Therefore, the Organization cannot reasonably estimate the impact at this time.

8) Paycheck Protection Program

In April 2020, the Organization received a \$28,400 loan, under the Paycheck Protection Program "PPP" administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and was fully guaranteed by the Federal government. The Organization was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. On March 24, 2021, the Small Business Administration forgave the loan principal and the related interest in the amount of \$28,400 and \$210, respectively.

On March 2, 2021, the Organization received a second loan under the Paycheck Protection Program "PPP" administered by a Small Business Administration (SBA) approved partner in the amount of \$28,490. The loan is uncollateralized and is fully guaranteed by the Federal government. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. On August 30, 2021, the Small Business Administration forgave the loan principal and the related interest in the amount of \$28,490 and \$137, respectively.

In accordance with ASC 958-605, *Not-for-Profit Entities: Revenue Recognition*, the Organization initially recorded the PPP loan as a refundable advance and subsequently recognized the funds as a conditional contribution. Accordingly, the Organization recognized grant income as it incurred qualifying expenses and determined that any barriers or right of return of the PPP loan no longer existed. Total contributions recognized by the Organization and included in grant revenues on the statement of activities totaled \$28,490 and \$28,400, for the years ended June 30, 2021 and 2020, respectively.

9) Subsequent events

The Organization has evaluated subsequent events through the date of the auditors' report, the date which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

INDEPENDENT AUDITORS' 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
Hands On New Orleans, Inc.
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Hands On New Orleans, Inc., which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon March 7, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Hands On New Orleans, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hands On New Orleans, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Hands On New Orleans, Inc.'s internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hands On New Orleans, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Metairie, Louisiana
March 7, 2022

Wegmann Bazet

HANDS ON NEW ORLEANS, INC.
SUMMARY OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEADS
For the Year Ended June 30, 2021

SUMMARY OF COMPENSATION

Christopher Cameron
Executive Director

- None of the agency head's compensation was derived from state and/or local assistance.