

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
FINANCIAL REPORT  
JUNE 30, 2020

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John S. Dowling, CPA - 1904-1984  
 John Newton Stout, CPA - 1936-2005  
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Retired

Harold Dupre, CPA - 1996  
 Dwight Ledoux, CPA - 1998  
 Joel Lanclos, Jr., CPA - 2003  
 G. Kenneth Pavy, II, CPA - 2020

Van L. Auld, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
 Families Helping Families of Acadiana, Inc.  
 Lafayette, Louisiana

**Report on the Financial Statements**

We have audited the accompanying financial statements of Families Helping Families of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

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

To the Board of Directors  
Families Helping Families of Acadiana, Inc.  
Page 2

### **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer 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 December 9, 2020 on our consideration of Families Helping Families of Acadiana, 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 the Organization's internal control over financial reporting and compliance.



Lafayette, Louisiana  
December 9, 2020

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2020

<u>ASSETS</u>	<u>2020</u>
<u>Current Assets</u>	
Cash	\$ 118,603
Unconditional promises to give	38,304
Prepaid insurance	13,151
<u>Total current assets</u>	<u>170,058</u>
<u>Property and Equipment</u>	
Building, equipment and furniture	164,924
Less: Accumulated depreciation	(47,524)
<u>Total property and equipment</u>	<u>117,400</u>
<u>Total assets</u>	<u>287,458</u>
 <u>LIABILITIES AND NET ASSETS</u>	
<u>Current Liabilities</u>	
Accounts payable	\$ 1,672
Payroll taxes payable	1,419
Insurance payable	7,456
PPP Loan	32,800
<u>Total current liabilities</u>	<u>43,347</u>
<u>Net Assets</u>	
Without donor restrictions	244,111
<u>Total net assets</u>	<u>244,111</u>
<u>Total liabilities and net assets</u>	<u>287,458</u>

The accompanying notes are an integral part of this statement.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020

	WITHOUT DONOR RESTRICTIONS
	2020
<u>REVENUES AND OTHER SUPPORT</u>	
Government contracts and grants	\$ 200,146
Contributions	7,202
Other	9,157
Interest income	106
<u>Total revenues and other support</u>	216,611
<u>FUNCTIONAL EXPENSES</u>	
Program services	211,220
Management and general	23,077
<u>Total functional expenses</u>	234,297
<u>CHANGE IN NET ASSETS</u>	(17,686)
<u>NET ASSETS</u> , beginning of year	261,797
<u>NET ASSETS</u> , end of year	244,111

The accompanying notes are an integral part of this statement.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2020

	2020		
	Program Services	Management and General	Total
Advertising	\$ 667	\$ -	\$ 667
Auto expense	1,234	-	1,234
Conferences and workshops	3,701	-	3,701
Copier	2,857	-	2,857
Depreciation	-	8,927	8,927
Dues and subscriptions	1,643	-	1,643
Insurance	5,624	7,445	13,069
Interest	-	52	52
Miscellaneous expense	1,250	7	1,257
Office supplies	7,096	719	7,815
Payroll taxes	13,443	-	13,443
Postage and shipping	635	-	635
Printing and publications	21	-	21
Promotional supplies	1,836	-	1,836
Professional fees	8,152	-	8,152
Repairs and maintenance	-	1,929	1,929
Salaries	152,362	-	152,362
Stipends	607	-	607
Taxes and licenses	-	15	15
Telephone	3,820	-	3,820
Training and education	5,560	-	5,560
Travel, meals, and lodging	712	-	712
Utilities	-	3,983	3,983
	<u>211,220</u>	<u>23,077</u>	<u>234,297</u>
<u>Total functional expenses</u>	<u>211,220</u>	<u>23,077</u>	<u>234,297</u>

The accompanying notes are an integral part of this statement.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2020

	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Increase in net assets	\$ (17,686)
Adjustment to reconcile change in net assets to net cash provided by operating activities.	
Depreciation	8,927
Decrease (increase) in operating assets -	
Unconditional promises to give	(10,199)
Prepaid insurance	(8,199)
Increase (decrease) in operating liabilities -	
Accounts payable	(192)
Payroll taxes payable	48
Insurance payable	7,456
<u>Net cash used by operating activities</u>	<u>(19,845)</u>
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>	
Proceeds from notes payable	32,800
<u>Net cash provided by financing activities</u>	<u>32,800</u>
<u>CHANGE IN CASH AND CASH EQUIVALENTS</u>	12,955
<u>CASH AND CASH EQUIVALENTS, beginning of year</u>	105,648
<u>CASH AND CASH EQUIVALENTS, end of year</u>	118,603
<u>SUPPLEMENTAL DISCLOSURES OF CASH FLOW</u>	
Cash paid during the year for :	
Interest	\$ 52

The accompanying notes are an integral part of this statement



FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE (1) - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF ORGANIZATION

Families Helping Families of Acadiana, Inc. (The "FHF") administers programs for the benefit of individuals with disabilities and families who have children with special needs. FHF is a resource center for information, referrals, education, training, and peer support for all persons with disabilities and their families. FHF also serves as a resource for professionals. FHF serves the Louisiana parishes of Acadia, Evangeline, Iberia, Lafayette, St. Landry, St. Martin, St. Mary and Vermilion.

B. FINANCIAL STATEMENT PRESENTATION

The financial statements of FHF are prepared on the accrual basis of accounting. This means revenues are recognized when earned and expenses are recognized when incurred.

C. PROPERTY AND EQUIPMENT

FHF capitalizes all assets with a cost, or value if donated, in excess of \$500. These assets are depreciated over a five to thirty-nine year estimated useful life using the straight-line method.

D. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, FHF considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

E. PROMISES TO GIVE

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

F. BAD DEBTS

The financial statements of FHF contain no allowance for uncollectible promises to give. Uncollectible accounts are recognized as an expense at the time information becomes available that indicates the amounts are uncollectible. While accounting principles generally accepted in the United States of America require that bad debts be recorded utilizing the allowance method, the difference between the two methods is immaterial to the Organization, as management considers all promises to give to be fully collectible.

G. USE OF ESTIMATES

Financial statements are prepared in conformity with generally accepted accounting principles. These principles require management to make estimates and assumptions affecting certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE (1) - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – Continued

H. INCOME TAX STATUS

FHF is exempt from federal income tax under Internal Revenue Code Section 501(c)(3). FHF's Forms 990, Return of Organization Exempt from Income Taxes, for the years ended 2019, 2018, and 2017 are subject to examination by the IRS, generally for three years after they were filed.

I. REVENUE RECOGNITION

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statements of activities as net assets released from restriction.

J. FUNCTIONAL EXPENSES

A summary of the costs of providing various program and supporting services is in the statement of functional expenses. Accordingly, certain costs are allocated between the programs and supporting service benefited.

K. ADVERTISING COSTS

Advertising costs are expensed as incurred. Advertising expense for the year ended June 30, 2020 was \$667.

L. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following represents the Organization's financial assets as of June 30, 2020, reduced by any amounts not available for general use within one year of the statement of financial positions date because of contractual or donor-imposed restrictions or internal designations. There are no donor-imposed restrictions.

	<u>2020</u>
Financial assets at year-end	\$ 156,907
Less those unavailable for general expenditures within one year - donor-imposed restrictions	<u>-</u>
Financial assets available to meet cash needs for general expenditure within one year	<u><u>156,907</u></u>

As part of FHF's liquidity management, it invests excess cash in certificates of deposits.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE (1) - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – Continued

M. RECENT PRONOUNCEMENT

During the year ended June 30, 2020, the Organization implemented ASU 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for contributions received and contributions made to assist entities in (1) evaluating whether transactions should be accounted for as contributions (non-reciprocal transactions) within the scope of Topic 958, Not-for-Profit entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The adoption of ASU 2018-08 did not result in a change to the accounting for contributions received and contributions made.

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases (Topic 842)*, which will require leases to be recorded as an asset on the balance sheet for the right to use the leased asset and liability for the corresponding lease obligation for leases with terms of more than twelve months. In November 2019, the FASB issues ASU 2019-10 delaying the effective date for non-public companies to fiscal years beginning after December 15, 2020. In response to COVID-19 pandemic, ASU 2020-05 was issued in June 2020 delaying the effective date for Topic 842 to fiscal years beginning after December 15, 2021. The Organization is evaluating the impact the pronouncement may have on the financial statements.

On May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU replaces nearly all existing U.S. GAAP guidance on revenue recognition. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers: Topic 606: Deferral of Effective Date*. This standard delayed the effective date for non-public entities to fiscal years beginning after December 15, 2018, with early adoption permitted. In response to the COVID-19 pandemic, ASU 2020-05 was issued in June 2020 delaying the effective date for Topic 606 to annual reporting periods beginning after December 15, 2019. The Organization is evaluating the impact the pronouncement may have on the financial statements.

NOTE (2) - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2020 were as follows:

	<u>Balances</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balances</u> <u>June 30, 2020</u>
Land	\$ 16,238	\$ -	\$ -	\$ 16,238
Building and improvements	100,800	-	-	100,800
Furniture and equipment	47,886	-	-	47,886
<u>Total historical cost</u>	<u>164,924</u>	<u>-</u>	<u>-</u>	<u>164,924</u>
Less accumulated depreciation				
Building and improvements	(17,844)	(3,249)	-	(21,093)
Furniture and equipment	(20,753)	(5,678)	-	(26,431)
<u>Total accumulated depreciation</u>	<u>(38,597)</u>	<u>(8,927)</u>	<u>-</u>	<u>(47,524)</u>
<u>Capital assets, net</u>	<u>126,327</u>	<u>(8,927)</u>	<u>-</u>	<u>117,400</u>

Depreciation expense for the year ended June 30, 2020 was \$8,927.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

NOTE (3) - CONCENTRATIONS OF CREDIT RISK

At the end of the year, the carrying amount of FHF's cash was \$118,603. The bank balance of cash was \$118,267. At June 30, 2020, all bank balances were fully secured by federal depository insurance.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, FHF's deposits may not be recovered. FHF does not have a policy for custodial credit risk.

NOTE (4) - RISK AND UNCERTAINTIES

The State of Louisiana, through various departments and agencies, is the primary controller of revenue for FHF. In the future, financial problems of the State of Louisiana may result in reduced funding. It is possible certain programs may be severely affected by these declining revenues. However, management believes changes can be incorporated into the continuing operations without a catastrophic result.

NOTE (5) - PPP LOAN

On April 13, 2020, the Corporation was granted a loan from b1Bank, in the aggregate amount of \$32,800, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The loan, which was in the form of a note, matures on April 13, 2022 and bears interest at a rate of 1% per annum, payable monthly commencing on November 13, 2020. Other than the Corporation's obligation to pay any prepayment penalty, the note may be prepaid in full at any time by paying the unpaid principal balance plus accrued simple interest through the prepayment date. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The Corporation intends to use the entire loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they used for qualifying expenses as described in the CARES Act. The loan is classified as a current liability on the balance sheet due to management's intent on paying back the unforgiven portion of the loan within one year of the fiscal year ended June 30, 2020.

NOTE (6) - SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease ("COVID-19") as a pandemic. We expect this matter may negatively impact the results of the District's operations and financial position, but the related financial impact cannot be reasonably estimated at this time.

Subsequent events were evaluated through December 9, 2020, which is the date the financial statements were available to be issued. As of December 9, 2020, there were no subsequent events noted.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER  
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED JUNE 30, 2020

Schedule of Compensation, Benefits and Other Payments to

Agency Head Name: Laci Polotzola, Executive Director (July-December)

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 20,054
Benefits-insurance	0
Benefits-retirement	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	131
Registration fees	669
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	134

Agency Head Name: Nicole Florez, Executive Director (January-June)

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 19,250
Benefits-insurance	0
Benefits-retirement	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	23
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0

See Independent Auditor's Report.

James L. Nicholson, Jr., CPA  
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Dana D. Quebedeaux, CPA

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Dwight Ledoux, CPA - 1998  
Joel Lanclos, Jr., CPA - 2003  
G. Kenneth Pavy, II, CPA - 2020

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS

To the Board of Directors  
Families Helping Families of Acadiana, Inc.  
Lafayette, 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 Families Helping Families of Acadiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 9, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Families Helping Families of Acadiana, Inc.'s internal control over financial reporting (internal control) to determine the 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 Families Helping Families of Acadiana, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of FHF'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. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses that we consider to be a significant deficiency listed as item 2020-1.

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To the Board of Directors  
Families Helping Families of Acadiana, Inc.  
Page 2

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Families Helping Families of Acadiana, Inc.'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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.


### Families Helping Families of Acadiana Inc.'s Response to Findings

Families Helping Families of Acadiana, Inc.'s response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. Families Helping Families of Acadiana, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### 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 FHF'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.

This report is intended solely for the information and use of FHF's management and the appropriate regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties, the Board of Directors, 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

  
Lafayette, Louisiana  
December 9, 2020

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2020

SECTION I – SUMMARY OF AUDITOR'S REPORT

1. We have audited the basic financial statements of Families Helping Families of Acadiana, Inc. as of and for the year ended June 30, 2020, and have issued our report thereon dated December 9, 2020. 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, if applicable. Our audit of the financial statements as of June 30, 2020 resulted in an unmodified opinion.
2. One significant deficiency and no material weaknesses relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instance of noncompliance relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
4. No management letter was issued for Families Helping Families of Acadiana, Inc. as of and for the year ended June 30, 2020.
5. There was no single audit required under 2 CFR 200.516(A) Uniform Guidance.

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2020-1 Segregation of Duties

Condition: Families Helping Families of Acadiana, Inc. does not have an adequate segregation of duties with respect to the accounting function. A system of internal control procedures contemplates a segregation of duties so that no one individual handles a transaction from its inception to its completion. While we recognize that the Organization may not be large enough to permit an adequate segregation of duties for an effective system of internal control procedures, it is important that the Board be aware of this condition.

Criteria: Proper internal controls dictate that duties be segregated so that no one individual performs or controls all duties related to the accounting system.

Cause: There is inadequate segregation of duties within the accounting system.

Effect: Without adequate segregation of duties and oversight, errors or fraud could occur and not be detected increasing the risk of loss or theft of FHF's assets.



FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2020

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS - CONTINUED

2020-1 Segregation of Duties - Continued

Recommendation: Keeping in mind the limited number of employees to which the duties can be assigned, FHF should monitor assignment of duties to assure as much segregation of duties and responsibilities as possible.

Corrective Action Plan: Management has provided as much segregation as possible with the resources available and will continue to monitor assignment and segregation of duties.

Contact Person: Nicole Flores, Director

SECTION III – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

Not Applicable

SECTION IV – MANAGEMENT LETTER

Not Applicable

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2020

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2019-1 Segregation of Duties

Repeat comment

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

Not Applicable

SECTION III - MANAGEMENT LETTER

The prior year's report did not include a management letter.