

THE HELP CENTER

**INDEPENDENT AUDITORS' REPORT
FINANCIAL STATEMENTS AND SUPPORTING DATA**

**FOR THE YEARS ENDED
DECEMBER 31, 2022 AND DECEMBER 31, 2021**

THE HELP CENTER

Table of Contents

INDEPENDENT AUDITORS' REPORT	1-3
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF ACTIVITIES	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF FUNCTIONAL EXPENSES	7-8
NOTES TO FINANCIAL STATEMENTS	9-13
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	14-16
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	17-20
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	21-22
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	23-25



INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Management
The Help Center
213 W Maplewood Lane, Suite 400
Nashville, TN 37207

Opinion

We have audited the accompanying financial statements of The Help Center (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2022 and December 31, 2021, and the related statements of activities, cash flows and functional expenses for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Help Center as of December 31, 2022 and December 31, 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Help Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implantation, 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 The Help Center's ability to continue as a going concern within one year after the date that financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is no absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 The Help Center'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 The Help Center'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.

Supporting Data

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

generally accepted in the United States of America. In our opinion, the 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*, as of August 15, 2023, we have issued our report on our consideration of The Help Center'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 Help Center's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "SPD CPA Firm". The letters are stylized and cursive.

SPD CPA Firm
August 15, 2023

THE HELP CENTER
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022 AND DECEMBER 31, 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,638,087	\$ 205,427
Grants Receivable	502,652	391,531
Total Current Assets	<u>2,140,739</u>	<u>596,958</u>
NONCURRENT ASSETS		
Furniture and Equipment	10,665	10,665
Accumulated Depreciation	(10,665)	(10,665)
Leased Asset	154,175	-
TOTAL ASSETS	<u><u>\$ 2,294,914</u></u>	<u><u>\$ 596,958</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 1,448	\$ -
EIDL Small Business Disaster Loan	6,700	6,700
PPP Loan	-	7,862
Interest Payable	21,760	10,880
Current Portion - Lease Liability	96,521	-
Current Portion of Long Term Debt	231,222	-
Total Current Liabilities	<u>357,651</u>	<u>25,442</u>
NONCURRENT LIABILITIES		
Lease liability	57,654	-
Note Payable	312,778	544,000
Total Noncurrent Liabilities	<u>370,432</u>	<u>544,000</u>
TOTAL LIABILITIES	728,083	569,442
NET ASSETS		
Net Assets Without Donor Restrictions	<u>1,566,831</u>	<u>27,516</u>
Total Net Assets	<u>1,566,831</u>	<u>27,516</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,294,914</u></u>	<u><u>\$ 596,958</u></u>

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

THE HELP CENTER
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

	<u>2022</u>	<u>2021</u>
Revenue and support		
Contributions	\$ -	\$ 3,250
Other Income	27,501	-
Grants	2,739,701	1,109,214
Total revenue and support	<u>\$ 2,767,202</u>	<u>\$ 1,112,464</u>
 Expenses		
Program Expenses	896,016	422,555
General and Administrative Expenses	331,871	89,400
	<u>1,227,887</u>	<u>511,955</u>
 Increase in Net Assets	1,539,315	600,509
 Net Assets, Beginning of Year	<u>27,516</u>	<u>(572,993)</u>
 Net assets, end of year	<u><u>\$ 1,566,831</u></u>	<u><u>\$ 27,516</u></u>

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

THE HELP CENTER
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Increase in net assets	\$ 1,539,315	\$ 600,509
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Prior period adjustment	-	(50,943)
Increase in grants receivable	(111,121)	(391,531)
Increase (Decrease) in accounts payable	1,448	(228)
Increase in interest payable	<u>10,880</u>	<u>10,880</u>
Net cash provided by operating activities	<u>1,440,522</u>	<u>168,687</u>
 Cash flows from investing activities	 -	 -
 Cash flows from financing activities		
Proceeds from PPP loan	-	7,862
PPP loan forgiveness	<u>(7,862)</u>	<u>-</u>
	<u>(7,862)</u>	<u>7,862</u>
 Net increase in cash and cash equivalents	 1,432,660	 176,549
Cash and cash equivalents, beginning of year	<u>205,427</u>	<u>28,878</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,638,087</u></u>	<u><u>\$ 205,427</u></u>

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

THE HELP CENTER
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services	General and Administrative	Total
Compensation, including taxes and benefits	\$ 725,026	\$ 4,574	\$ 729,600
Client Supportive Services	133,724	-	133,724
Utilities	-	17,233	17,233
Food Pantry	7,824	-	7,824
Miscellaneous	-	2,945	2,945
Office expenses	-	4,767	4,767
Office Rent	-	105,163	105,163
Office supplies	25,217	16,812	42,029
Professional Services	-	10,250	10,250
Interest Expense	-	10,880	10,880
Insurance	-	32,023	32,023
Investment Property Expense	-	111,898	111,898
Telephone	-	15,326	15,326
Travel and Meetings	4,225	-	4,225
Total expenses	<u>\$ 896,016</u>	<u>\$ 331,871</u>	<u>\$ 1,227,887</u>

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

THE HELP CENTER
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Services	General and Administrative	Total
Compensation, including taxes and benefits	\$ 368,749	\$ 7,587	\$ 376,336
Contract Services	-	12,400	12,400
Client Supportive Services	29,543	-	29,543
Utilities	-	7,419	7,419
Advertising & Marketing	-	201	201
Food Pantry	980	-	980
Office Rent	-	24,892	24,892
Office supplies	18,325	12,045	30,370
Interest Expense	-	10,880	10,880
Insurance	-	725	725
Telephone	-	9,945	9,945
Travel and Meetings	4,958	3,306	8,264
Total expenses	<u>\$ 422,555</u>	<u>\$ 89,400</u>	<u>\$ 511,955</u>

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

THE HELP CENTER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

NOTE 1---NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

The Help Center (The Organization) is a 501 (c) (3) non-profit organization that helps low-income individuals and families as well as offenders and ex-offenders who are in need of emergency rental and utilities assistance and career assessment, preparation and training.

Basis of Presentation

The financial statements of The Organization have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities. The financial statement presentation follows the recommendations of the Financial Accounting Standard Board's Accounting Standard Codification (FASB ASC 958), Financial Statements of Not-for-profit Organizations. Under FASB ASC 958, The Organization is reporting information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Financial position and activities are classified based on the existence or absence of donor restrictions as follows:

Net Assets without donor restrictions — Net assets that are not restricted by explicit donor stipulations or by law.

Net Assets with donor restrictions — Net assets, accepted by board actions, subject to donor stipulations that require the asset be invested in perpetuity.

As of December 31, 2022, and December 31, 2021, The Organization had no assets with donor restrictions.

Support and Expenses

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), the net assets are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

The Organization reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

Use of Estimates

The financial statements are prepared in conformity with generally accepted accounting principles in the United States of America. Management is required to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying disclosures. Actual results could differ from those estimates.

THE HELP CENTER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

In-Kind Donations

The Organization follows the recommendations of the Financial Accounting Standard Board's Accounting Standard Codification (FASB ASC 958), Financial Statements of Not-for-profit Organizations regarding contributions received and contributions made. These standards require recording the value of donated goods or services that create or enhance non-financial assets or require specialized skills. Subject matter experts lend their time and talents at no charge to spare the Organization the cash outlay for such goods and services rendered. All in-kind donations are captured and reported appropriately in the Organization's financial records.

The Organization records donated goods and services at fair value.

Income Taxes

The Organization is operated as a tax-exempt entity as described under Section 501(c)(3) of the Internal Revenue Code and is therefore exempt from Federal and State income taxes. Accordingly, no provisions for income taxes have been recorded.

Fair Values of Financial Instruments

The carrying values of current assets and current liabilities approximate fair values due to the short maturities of these instruments. The fair values of the noncurrent liabilities approximate the carrying amounts and are estimated based on current rates offered to The Organization.

Functional Expenses

Management allocates expenses on a functional basis among its various programs and support services. Expenses and support services that can be identified with a specific program are allocated directly to their natural expenditure classification. Other expenses that are common to several programs are allocated based on various relationships.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and savings accounts. The carrying amount reported in the statement of financial position for cash and cash equivalents approximates its fair value. Management believes The Organization is not exposed to any significant credit risk on cash and cash equivalents.

Concentration of Revenues

The Organization receives a substantial amount of its support from grants. A significant reduction in the level of this support may have a significant effect on the Organization's programs and activities and its ability to continue operations.

Property and Equipment

Property and equipment, with an initial cost or market value at date of donation of \$1,000 or more or computer related assets, are recorded at cost. Depreciation is computed under the straight-line method over the estimated useful lives of the respective assets that are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	30-40

THE HELP CENTER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

Additions to Building	10-15
Furniture and Equipment	3-15
Vehicles	5

NOTE 2--LIQUIDITY AND AVAILABILITY

As December 31, 2022, and December 31, 2021, the Organization had \$2,140,739 and \$596,958, respectively, of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, all consisting of cash and receivables. None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date.

NOTE 3--GRANTS RECEIVABLE

Grant receivables consist of the following:

	December 31, 2022	December 31, 2021
United Way SNAP E&T Reimbursement	\$ 502,652	\$ 391, 531

NOTE 4--PAYROLL PROTECTION PROGRAM

On April 10, 2021, the Organization received loan proceeds in the amount of \$7,862 under the Payroll Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides loans to qualifying small businesses up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after 24 weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week period.

The unforgiven portion of the PPP loan is payable over five years at an interest rate of 1%, with a deferral of payments for the first six months. The Organization used the proceeds for purposes consistent with the PPP. On August 23, 2022, the Organization received notice of forgiveness of the full amount of the PPP loan proceeds.

NOTE 5---NOTES PAYABLE and RELATED PARTY TRANSACTION

During the period from 2015 through 2019, the Founder and Executive Director provided funds to the Organization to cover expenses such as rent, supplies, equipment and salaries. These funds totaled \$544,000 as of December 31, 2021. In January 2021, the Board of Directors approved the repayment of

THE HELP CENTER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

these funds with monthly payments of \$20,000 including interest at 2% to begin January 1, 2023. The balance as of December 31, 2022, and December 31, 2021, is \$544,000 with accrued interest totaling \$21,760 at December 31, 2022 and \$10,880 at December 31, 2021.

Schedule of Maturities for the next three years are as follows:

2022	-----
2023	231,222
2024	235,908
2025	76,870

NOTE 6---GRANTS

The Organization received grants throughout the year to support their ongoing mission. During the years ended December 31, 2022, and December 31, 2021, the following grants were received:

As of December 31, 2022:

Organization

United Way of Greater Nashville-SNAP E&T	\$ 2,654,886
State of TN Addictions Recovery Program (ARP)	67,315
American Family Insurance Dream Foundation	10,000
CoreCivic	5,000
First Tennessee Bank	2,500
Total	<u>\$ 2,739,701</u>

As of December 31, 2021:

Organization

United Way of Greater Nashville-SNAP E&T	\$ 1,002,863
United Way of Greater Nashville- COVID-19	60,194
State of TN Addictions Recovery Program (ARP)	32,157
CoreCivic	10,000
First Tennessee Bank	2,500
Walmart	1,500
Total	<u>\$ 1,109,214</u>

The United Way Grant funds totaling \$60,194 included \$55,000 to be used for rent, mortgage and utilities payments for Davidson County residents who suffered a negative economic impact during the coronavirus pandemic. The term of the contract was from January 1, 2021 through June 15, 2021. The remaining balance of \$5,194 was used for administrative expenses as outlined in the contract. All funds were properly expended within the contract terms.

The United Way SNAP E&T and the State of TN ARP Program grants are both cost reimbursement grants.

THE HELP CENTER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

NOTE 7--OFFICE SPACE

As of December 31, 2022, the organization subleases corporate office space from Maplewood Lane LLC (lessor) and End Slavery TN LLC (original lessee). The sublease has been evaluated and determined to be an operating lease greater than 12 months, requiring balance sheet presentations. At December 31, 2022, the balance of the leased asset and corresponding liability was \$154,175. The amount of the leased liability due within 12 months is \$96,521 at December 31, 2022.

At December 31, 2021, the Organization leased office space from the Boots Family Trust for \$2,013 per month for its Clarksville Pike location and \$900 per month for its Dickerson Pike location. Total office rent expense as of December 31, 2021 was \$24,891. There is no formal lease agreement for the Dickerson Pike location. A formal lease agreement was signed for the Clarksville Pike location which began in June 2021.

NOTE 8---SUBSEQUENT EVENTS

On April 13, 2023, the Organization entered into a mitigation agreement with the Boots Family Trust for rent concessions and other expenses related to early termination of the Clarksville Pike location. Total expenses to be incurred are \$18,912.

On June 2, 2023, the United Way of Greater Nashville-SNAP E&T grant ended.

There were no other subsequent events requiring disclosure as of August 13, 2023, the date management evaluated such events. August 15, 2023, is the date the financial statements were available to be issued.

THE HELP CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Project Number</u>	<u>Expenditures/ Amount Earned</u>	<u>Outstanding Balance 12/31/2022</u>
<u>MAJOR FEDERAL PROGRAMS</u>				
U.S. Department of Agriculture				
Supplemental Nutrition Assistance Program	10.537		\$ 2,654,886	502,652
<u>NON-MAJOR FEDERAL PROGRAMS</u>				
U.S. Department of the Treasury				
Cornavirus State and Local Fiscal Recovery Funds	21.027		-	-
TOTAL FEDERAL AWARDS			\$ 2,654,886	\$ 502,652

THE HELP CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Project Number</u>	<u>Expenditures/ Amount Earned</u>	<u>Outstanding Balance 12/31/2021</u>
<u>MAJOR FEDERAL PROGRAMS</u>				
U.S. Department of Agriculture				
Supplemental Nutrition Assistance Program	10.537		\$ 1,002,863	\$ 391,531
<u>NON-MAJOR FEDERAL PROGRAMS</u>				
U.S. Department of the Treasury				
Cornavirus State and Local Fiscal Recovery Funds	21.027		60,194	-
TOTAL FEDERAL AWARDS			\$ 1,063,057	\$ 391,531

THE HELP CENTER
NOTES TO THE SCHEDULE OF FEDERAL AWARDS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

NOTE 1---BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of The Help Center ("Organization") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from presented in or used in the preparation of the general purpose financial statements.

NOTE 2—BASIS OF ACCOUNTING

The expenditures presented in the associated schedules of expenditures of federal awards were developed from the Organization's records and are reported using the accrual basis of accounting.

NOTE 3 FEDERAL AWARDS

The Help Center was approved by the United Way organization to receive a grant funded by the United States Department of Agriculture to provide employment and training opportunities to Supplemental Nutrition Assistance Participants. The amount listed for this award includes the outstanding balance for cost reimbursements as of December 31, 2022 and December 31, 2021.

NOTE 4---CONTINGENCIES

Federal Awards received by The Help Center are subject to audit and adjustment. If any expenditures are disallowed by the grantor agencies because of such an audit, the grantor agencies could make a claim for reimbursement, which would become a liability of The Help Center.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
The Help Center
213 W Maplewood Lane, Suite 400
Nashville, TN 37207

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of *The Help Center*, (a not-for-profit organization) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on its major federal program for the years ended December 31, 2022 and December 31, 2021. *The Help Center's* major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, *The Help Center* complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended December 31, 2022 and December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit on compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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We are required to be independent of The Help Center and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of *The Help Center's* compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to *The Help Center's* federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error and express an opinion on *The Help Center's* compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about *The Help Center's* compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding *The Help Center's* compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of *The Help Center's* internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of *The Help Center's* internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as ***Finding 2022-1*** to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on *The Help Center's* response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. *The Help Center's* response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of *The Help Center* as of and for the years ended December 31, 2022 and December 31, 2021, and have issued our report thereon dated August 15, 2023 which contained an unmodified opinion on those financial statements. Our audit was

performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

SPD CPA Firm

Nashville, TN

August 15, 2023



**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 of
The Help Center
213 W Maplewood Lane, Suite 400
Nashville, TN 37207

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 *The Help Center* which comprise the statement of financial position as of December 31, 2022 and December 31, 2021 and the related statements of activities, changes net assets, and cash flows for the years then ended and the related notes to the financial statements, and have issued our report thereon dated August 15, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered *The Help Center'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 *The Help Center's* internal control. Accordingly, we do not express an opinion on the effectiveness of *The Help Center'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.

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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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questions costs as ***Finding 2022-1*** that we consider to be significant deficiencies. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether *The Help Center'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 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*.

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.

A handwritten signature in blue ink that reads "SPD CPA Firm". The signature is stylized and cursive.

SPD CPA Firm
Nashville, TN
August 15, 2023

THE HELP CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022

SECTION I—Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: [Unmodified]

Internal control over financial reporting:

- | | |
|--|-----|
| · Material weaknesses identified? | No |
| · Significant deficiencies identified that are not considered to be material weaknesses? | Yes |

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- | | |
|--|-----|
| · Material weaknesses identified? | No |
| · Significant deficiencies identified that are not considered to be material weaknesses? | Yes |

Type of auditors' report issued on compliance for major program: [Unmodified]

Any audit findings disclosed that are required to be reported in accordance with Section 510 (a) of Circular A-133? No

Identification of major programs:

CFDA Numbers	Name of Federal Program
10.537	Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants

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

Auditee qualified as a low-risk auditee? No

THE HELP CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022

SECTION II— Findings Related to the Financial Statements Audited in Accordance with Government Auditing Standards

A. SIGNIFICANT DEFICIENCIES IN INTERNAL CONTROLS

Finding 2022-1: Inadequate General Ledger System

Condition: During the course of the audit, we noted that the Organization's financial records were not maintained on an adequate general ledger system.

Criteria: Good internal controls require the Organization's financial transactions be properly recorded so that a proper audit trail is maintained.

Effect: The lack of an adequate general ledger system increases the risk that transactions occur and not be properly recorded, it increases the risk of material misstatements to the financial statements, and it increases the time required to prepare financial statements.

Repeat Finding from Prior Year:
Yes

Recommendations: The Organization should purchase and maintain a general ledger system that will record all financial transactions.

Corrective Action: The Organization is in the process of working to obtain a general ledger system and someone that can assist the Organization in maintaining the system.

SECTION III – Findings and Questioned Costs for Federal Awards

Finding 2022-1: Inadequate General Ledger System

Condition: During the course of the audit, we noted that the Organization's financial records were not maintained on an adequate general ledger system.

Criteria: Good internal controls require the Organization's financial transactions be properly recorded so that a proper audit trail is maintained.

Effect: The lack of an adequate general ledger system increases the risk that transactions occur and not be properly recorded, it increases the risk of material misstatements to the financial statements, and it increases the time required to prepare financial statements.

**THE HELP CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Repeat Finding from Prior Year:

Yes

Recommendations: The Organization should purchase and maintain a general ledger system that will record all financial transactions.

Corrective Action: The Organization is in the process of working to obtain a general ledger system and someone that can assist the Organization in maintaining the system.

Questioned Costs:

NONE REPORTED