OPEN DOORS FOR THE DEVELOPMENTALLY CHALLENGED, INC.

FINANCIAL STATEMENTS

Years Ended December 31, 2008 and 2007

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Open Doors for the Developmentally Challenged, Inc
Lewisburg, West Virginia

We have audited the accompanying financial statements of Open Doors for the Developmentally Challenged, Inc. ("Open Doors") as of and for the year ended December 31, 2008, which collectively comprise Open Doors' basic financial statements as listed in the table of contents. These financial statements are the responsibility of Open Doors' management. Our responsibility is to express opinions on these financial statements based on our audit. The financial statements of Open Doors for the Developmentally Challenged, Inc. as of December 31, 2007, were audited by other auditors whose report dated June 5, 2008, expressed an unqualified opinion on those statements.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Open Doors for the Developmentally Challenged, Inc. as of December 31, 2008, and its changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2009 on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Open Doors' basic financial statements. The accompanying schedule of grant receipts and expenditures is presented for purposes of additional analysis as required by The West Virginia Department of Health and Human Resources Bureau of Behavioral Health and Health Facilities ("BBHF") and is not a required part of the basic financial statements of Open Doors. The information contained within this schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The period July 1, 2007 through December 31, 2007 contained in this schedule was audited by other auditors whose report dated June 5, 2008, expressed an unqualified opinion.

Hess, Stewart & Campbell, PLLC

Beckley, West Virginia
June 29, 2009

DHHR - Finance

DEC 14 2010

Date Received

OPEN DOORS FOR THE DEVELOPMENTALLY CHALLENGED, INC.
BALANCE SHEETS
December 31, 2008 and 2007

	2008	2007
ASSETS		
CURRENT ASSETS		
Cash	$ 109,202	$ 122,345
Accounts receivable	773,446	841,691
Deposits and prepaid expenses	69,033	27,038
TOTAL CURRENT ASSETS	951,681	991,074
LAND, STRUCTURES AND EQUIPMENT		
Land and improvements	20,125	20,125
Building	82,644	82,644
Furniture, fixtures and equipment	154,500	143,805
	257,269	246,574
Less accumulated depreciation	(203,551)	(190,484)
	53,718	56,090
	$ 1,005,399	$ 1,047,164
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current maturities of long-term debt	$ 5,542	$ 5,190
Line of credit	485,906	357,906
Accounts payable and accrued expenses	119,316	222,727
Payroll related accruals	273,865	243,237
TOTAL CURRENT LIABILITIES	884,629	829,060
LONG TERM DEBT, less current maturities	4,412	9,940
STOCKHOLDERS' EQUITY		
Common stock	3,000	3,000
Retained earnings	133,645	225,451
Treasury stock	(20,287)	(20,287)
	116,358	208,164
	$ 1,005,399	$ 1,047,164

OPEN DOORS FOR THE DEVELOPMENTALLY CHALLENGED, INC.
STATEMENTS OF INCOME
Years Ended December 31, 2008 and 2007

	2008	2007
OPERATING REVENUE		
Net client service revenue	$ 4,037,590	$ 4,141,275
OPERATING EXPENSES		
Payroll expense	2,744,099	2,559,000
Employee health and welfare	387,056	409,456
Contract and professional	386,537	459,024
Medical supplies and client expenses	24,125	23,682
Licenses, taxes and insurance	257,136	209,473
Rent	50,201	47,525
Utilities	36,014	35,769
Travel	118,777	115,657
Depreciation	13,067	12,138
Interest	30,869	29,756
Provision for bad debts	3,023	12,649
Other operating expenses	37,135	38,180
General and administrative expense	41,357	68,672
	4,129,396	4,020,981
NET INCOME (LOSS)	$ (91,806)	$ 120,294

OPEN DOORS FOR THE DEVELOPMENTALLY CHALLENGED, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
Years Ended December 31, 2008 and 2007

	Common Stock	Retained Earnings	Treasury Stock	Total
BALANCE, December 31, 2006	$ 3,000	$ 87,417	$ (20,287)	$ 90,417
Net Income	-	17,740	-	17,740
BALANCE, December 31, 2007	$ 3,000	$ 105,157	$ (20,287)	$ 87,870
Net Income	-	**120,294**	-	**120,294**
BALANCE, December 31, 2008	**$ 3,000**	**$ 225,451**	**$ (20,287)**	**$ 208,164**

See Notes to Financial Statements.

OPEN DOORS FOR THE DEVELOPMENTALLY CHALLENGED, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2008 and 2007

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (91,806)	$ 120,294
Adjustments to reconcile net loss to net cash provided by operations:		
Depreciation and amortization	13,067	12,138
Provision for bad debts	3,023	12,649
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	65,222	(201,167)
(Increase) decrease in deposits and prepaid expenses	(41,995)	3,967
Increase (decrease) in accounts payable and accrued expenses	(103,411)	68,040
Increase in payroll related accruals	30,628	22,566
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(125,272)	38,487
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, improvements, and equipment	(10,695)	(11,383)
NET CASH USED IN INVESTING ACTIVITIES	(10,695)	(11,383)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from line of credit	198,000	357,906
Payments on line of credit	(70,000)	(310,000)
Principal payments on long-term debt	(5,176)	(4,835)
NET CASH FROM FINANCING ACTIVITIES	122,824	43,071
INCREASE (DECREASE) IN CASH	(13,143)	70,175
CASH AT BEGINNING OF YEAR	122,345	52,171
CASH AT END OF YEAR	$ 109,202	$ 122,346
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest paid	$ 30,869	$ 29,756

OPEN DOORS FOR THE DEVELOPMENTALLY CHALLENGED, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization, reporting entity, and program descriptions: Open Doors for the Developmentally Challenged, Inc. ("Open Doors") is a West Virginia corporation established for the purpose of providing social services to the residents of Greenbrier and surrounding counties. Funding for operations is primarily from fees for services provided and purchased service contracts with the West Virginia Department of Health and Human Resources.

Basis of accounting: Open Doors presents its financial statements on the accrual basis of accounting whereby revenues are reported as earned and expenses are reported as incurred in accordance with accounting principles generally accepted in the United States of America

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. The reported amounts of revenues and expenses are similarly affected. Actual results could differ from those estimates.

Cash and cash equivalents: Cash and cash equivalents are considered to be cash on hand and temporary investments with original maturities of three months or less from the date of acquisition.

Open Doors maintains cash balances with multiple banking institutions. At December 31, 2008 and 2007, the amounts on deposit exceeded the amounts that would be covered by the Federal Deposit Insurance Corporation (FDIC). Management believes the credit risk related to these deposits is minimal and has not experienced any losses in such accounts

Economic dependency: Open Doors receives a substantial portion of its funding from the West Virginia Department of Health and Human Resources and is therefore dependent on funding from that agency for its continued operation as presently structured. Over 99% of client service revenue and accounts receivable, as of and for the years ended December 31, 2008 and 2007, were from this source.

Accounts receivable: Accounts receivables are considered to be fully collectible; accordingly, no allowance for doubtful accounts is made. Should accounts become uncollectible, they will be charged to operations in the year management makes that determination

Land, structures and equipment: All purchased fixed assets exceeding the $500 threshold are valued at cost where historical records are available and at an estimated historical cost where no historical records exist.

The costs of normal maintenance and repairs that do not add to the asset or materially extend asset lives are not capitalized. Major repair expenditures and costs of non-routine maintenance are funded from operations and are charged against income. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Assets are depreciated over their useful lives using the straight-line method. The useful lives for each class of depreciable assets are as follows:

Buildings	20 years
Building improvements	10 years
Office furniture, fixtures and equipment	5 years
Vehicles and maintenance equipment	4 years

Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the accounts. Any gain or loss is included in current year operations

A portion of the equipment reflected on the balance sheet was acquired with the use of funds provided by state agencies. Open Doors has full use of these assets in fulfilling its service requirements; however, restrictions exist on the disposition of these assets

OPEN DOORS FOR THE DEVELOPMENTALLY CHALLENGED, INC.
NOTES TO FINANCIAL STATEMENTS

Interest and advertising expense: All interest and advertising costs incurred have been expensed. Advertising cost were $5,175 and $5,556 for the years ended December 31, 2008 and 2007, respectively, and are included in other operating expenses on the statement of income.

Income taxes: Open Doors has elected to be taxed as an S Corporation under provisions of the Internal Revenue Code. No provision for income taxes is reported in the accompanying financial statements as the tax attributes of Open Doors are reported on the individual tax returns of the stockholders.

Vacation and sick leave compensation: Under current policy, a terminating employee is entitled to receive payment of accumulated unpaid vacation and sick pay. The Organization has established a liability in the financial statements for this compensation.

NOTE 2. LAND, STRUCTURES, AND EQUIPMENT

Land, structures and equipment at December 31, 2008 and 2007 consisted of the following:

	2008	2007
Land	$ 20,125	$ 20,125
Buildings	82,644	82,644
Furniture and fixtures	16,412	16,412
Computers and Equipment	138,088	134,393
	253,075	253,575
Accumulated depreciation	(203,551)	(197,484)
	$ 49,523	$ 56,090

Depreciation expense for the years ended December 31, 2008 and 2007 was $13,067and $12,138, respectively.

NOTE 3. LINE OF CREDIT

On January 9, 2007, Open Doors entered into a line of credit with a bank in the amount of $500,000 with a variable interest rate. The interest rate was 5% at December 31, 2008. The amount outstanding was $ 485,906 and $ 357,906 for the years ended December 31, 2008 and 2007, respectively

NOTE 4. NOTE PAYABLE

Note payable at December 31, 2008 and 2007 consists of the following:

	2008	2007
Note payable to a bank with monthly installments of $504, including interest at 6.75%, through September 2010; secured by vehicle.	$ 9,954	$ 15,130
Less current maturities	(5,542)	(5,190)
	$ 4,412	$ 9,940

OPEN DOORS FOR THE DEVELOPMENTALLY CHALLENGED, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 5. NET CLIENT SERVICE REVENUE

Open Doors client service revenue for the years ended December 31, 2008 and 2007 was generated from the following sources:

	2008	2007
Bureau of Behavioral Health and Health Facilities, Medley funding	$ 107,629	$ 172,149
Bureau of Behavioral Health and Health Facilities, Medley grants	10,950	12,019
Medicaid Title XIX Waiver	3,901,692	3,929,599
Client room and board	16,470	16,425
Celia Trust	-	2,000
Education	-	2,654
Other	848	-
Other Department of Health and Human Resources Funding	-	8,625
Contractual adjustments and allowances	-	(2,196)
	$ 4,037,589	$ 4,141,275

NOTE 6. RETIREMENT PLAN

Open Doors participates in a defined contribution plan (401 (k)) amended January 1, 2008. Employees with one year of service, age 21 or older, and who work at least 1,000 hours per year may participate. Participants may contribute up to the maximum allowable by law. Open Doors may contribute to the employee's account, at its discretion based on the employee's status. Total contributions by Open Doors for the years ended December 31, 2008 and 2007 were $14,160 and $3,035, respectively, and are included in employee health and welfare on the statements of income.

NOTE 7. WEST VIRGINIA HEALTH CARE PROVIDER TAX

Open Doors is subject to the West Virginia Severance and Business Privilege Taxes for Providers of Health Care Items and Services on certain revenues. Provider taxes amounted to $216,854 and $168,807 for the years ended December 31, 2008 and 2007, respectively. Amounts owed to the state for provider taxes were $57,420 and $168,807 at December 31, 2008 and 2007, respectively.

NOTE 8. COMMITMENTS AND CONTINGENCIES

Operating leases: Open Doors has entered into various operating lease commitments. Future minimum lease payments under these non-cancelable operating leases are as follows:

Years Ending December 31:	Amount
2009	$ 1,048
2010	786
	$ 1,834

Liability insurance coverage contingency: Open Doors carries liability insurance coverage on an occurrence basis. The annual premium is based on the claims expected to be filed in the current year, actual claims filed and the effectiveness of the risk management program. Insurance coverage is $1,000,000 per occurrence and $3,000,000 in aggregate for the year. Claims filed in future years resulting from services provided in the current year will affect annual premiums in future years.

Healthcare legislation and regulation: As described in other notes to these financial statements, Open Doors is significantly dependent on reimbursement from the West Virginia Department of Health and Human Resources. Any future modifications to exiting reimbursement methodologies could substantially impact Open Doors' financial operations and financial condition

Laws and regulations governing the Medicaid program are complex and subject to interpretation. Open Doors believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential violations. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future review and interpretation. The results of such governmental review may include fines, penalties, and exclusion from the Medicaid program.

NOTE 9. RELATED-PARTY TRANSACTIONS

Office space is leased from a partnership whose partners are stockholders of Open Doors. The current lease commenced January 1, 2008 and includes an initial term of 12 months terminating on December 31, 2008. The prior lease commenced January 1, 2007 and terminated December 31, 2007 Rental payments under these lease agreements for the years ended December 31, 2008 and 2007 amounted to $40,601 and $ 37,925 respectively

A relative of a stockholder who is also a non-owner member of the Board of Directors, serves as legal counsel to Open Doors. Payments for legal services provided were $767 and $1,318 for the years ended December 31, 2008 and 2007, respectively.

Amounts due to related parties were $0 and $527 at December 31, 2008 and 2007, respectively.

SUPPLEMENTARY INFORMATION

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
Open Doors for the Developmentally Challenged, Inc
Lewisburg, West Virginia

We have audited the financial statements of Open Doors for the Developmentally Challenged, Inc (Open Doors) as of and for the year ended December 31, 2008, and have issued our report thereon dated June 29, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Open Doors for the Developmentally Challenged, Inc. as of December 31, 2007, were audited by other auditors whose report dated June 5, 2008, expressed an unqualified opinion on those statements.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Open Doors for the Developmentally Challenged, 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 one instance of noncompliance that is required to be reported under *Government Auditing Standards*:

1. On the Supported Employment Grant Quarterly Report, Open Doors reported serving client 714 for all four quarters of 2008 when service terminated during the first quarter of 2008.

We noted certain other matters which we have reported to management of Open Doors in a separate letter dated June 29, 2009.

This report is intended solely for the information and use of Open Doors, the West Virginia Department of Health and Human Resources Bureau of Behavioral Health and Health Facilities and is not intended to be and should not be used by anyone other than specified parties.

Hess, Stewart Campbell, PLLC

Beckley, West Virginia
June 29, 2009

OPEN DOORS FOR THE DEVELOPMENTALLY CHALLENGED, INC.
SCHEDULE OF GRANT RECEIPTS AND EXPENDITURES

Line Item No.	Grant Description	07/01/2007 - 06/30/2008 Amount Received	07/01/2007 - 06/30/2008 Amount Expended	07/01/2008 - 06/30/2009 Amount Received	07/01/2008 - 06/30/2009 Amount Expended
1	Collin Anderson Center; Room and Board	$ 10,950	$ 10,950	$ 10,950	$ 10,950
2	Supported Employment	125,000	125,000	110,000	110,000
		$ 135,950	$ 135,950	$ 120,950	$ 120,950

See Notes to Financial Statements.

HESS, STEWART & CAMPBELL, PLLC

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To the Board of Directors
Open Doors for the Developmentally Challenged, Inc.
Lewisburg, West Virginia

In planning and performing our audit of the financial statements of Open Doors for the Developmentally Challenged, Inc. for the year ended December 31, 2008, we considered its internal control structure to determine the nature, timing and extent of the auditing procedures necessary for expressing our opinion on the financial statements. Our purpose was not to provide assurance on the internal control structure taken as a whole, therefore, our study and evaluation was more limited than would be necessary to express such an opinion

The management of Open Doors for the Developmentally Challenged, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with the Organization's accounting principles.

Because of inherent limitations in any internal control structure, errors or irregularities may occur and may not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation of the internal control structure for the limited purpose described in the first paragraph would not necessarily disclose all reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

We noted the following reportable conditions, which in aggregate could result in a significant deficiency relating to internal control and compliance:

In our review of the employee personnel files, we noted several instances where the files were incomplete, for example missing the required background check or where Open Doors was unable to locate the employee file at the time of testing. It is our recommendation that Open Doors review and make current all personnel files.

Additionally, during our testing of the Supported Employment Grant, we noted that Open Doors has been reporting average work hours available on the Quarterly Report, not average work hours worked. In order to comply with the report directions, we recommend Open Doors begin reporting average work hours worked

This report is intended solely for the information and use of the West Virginia Department of Health and Human Resources Bureau of Behavioral Health and Health Facilities, the Board of Directors, management, and others within the organization.

Hess, Stewart & Campbell, PLLC

Beckley, West Virginia
June 29, 2009

DHHR - Finance

DEC 14 2010

Date Received

Open Doors for the Developmentally Challenged, Inc.
211 E Washington St.
Lewisburg, WV 24901

To: Hess, Stewart & Campbell, PLLC
Date: August 10, 2009
Reference: Management Letter for Year Ending December 31, 2008

With reference to the reportable conditions outlined in the management letter for Open Doors for the Developmentally Challenged, Inc we have had our human resourced manager Liz Pitzer review and update all personnel files. This review has been completed. We also instructed Jamie Lafferty, Support Employment Coordinator, to report average work hours worked and not work hours available on the grant quarterly reports.

If you have any additional questions or concerns please do not hesitate to contact me.

Sheila Talbott
Accounting Manager

Cottrell, Reathel M

From: Cottrell, Reathel M
Sent: Wednesday, December 15, 2010 10:05 AM
To: 'Angie M. Haynie'
Cc: 'Sheila Talbott'
Subject: RE: 2008 Audit Request

Ms Haynie:

That is fine. I will use this email as documentation that the corrective action plan provided serves for both the management letter issues and the instance of noncompliance We do not need any further documentation.

Thanks again for all your assistance

Reathel Cottrell, Compliance Auditor
West Virginia Department of Health and Human Resources
Office of Internal Control and Policy Development
Division of Compliance and Monitoring
One Davis Square, Suite 401
Charleston, West Virginia 25301
Phone Number 304-558-6507
Fax Number 304-558-2269
Reathel.M.Cottrell@wv.gov

From: Angie M. Haynie [mailto:ahaynie@hsc-cpa.com]
Sent: Wednesday, December 15, 2010 9:41 AM
To: Cottrell, Reathel M
Cc: 'Sheila Talbott'
Subject: RE: 2008 Audit Request

Ms Cottrell,

It's no bother, however I will reply to you and Ms. Talbott as our firm accepted her Memo as the corrective action plan and did not require further documentation.
Additionally, I can tell you that Hess, Stewart and Campbell followed up during the 2009 audit and found both 2008 findings corrected.

Again if I may assist you further, please don't hesitate to ask.

Angie Haynie, CPA
Hess, Stewart and Campbell
304-255-1978

From: Cottrell, Reathel M [mailto:Reathel.M.Cottrell@wv.gov]
Sent: Wednesday, December 15, 2010 9:23 AM
To: Angie M. Haynie
Subject: RE: 2008 Audit Request

Ms. Haynie:

I'm sorry to bother you again, but we still need the corrective action plan for the finding on page 12 of the audit relating to the Supported Employment Grant Quarterly Report

Thank you.

Reathel Cottrell, Compliance Auditor
West Virginia Department of Health and Human Resources
Office of Internal Control and Policy Development
Division of Compliance and Monitoring
One Davis Square, Suite 401
Charleston, West Virginia 25301
Phone Number 304-558-6507
Fax Number 304-558-2269
Reathel.M.Cottrell@wv.gov

From: Angie M. Haynie [mailto:ahaynie@hsc-cpa.com]
Sent: Tuesday, December 14, 2010 3:01 PM
To: Cottrell, Reathel M
Subject: RE: 2008 Audit Request

Ms Cottrell,

Please find attached the 2008 Management Letter and client response/action plan. Please let me know if I can be of further assistance.

Angie Haynie, CPA
Hess, Stewart and Campbell
304-255-1978

From: Cottrell, Reathel M [mailto:Reathel.M.Cottrell@wv.gov]
Sent: Tuesday, December 14, 2010 9:38 AM
To: Angie M. Haynie
Subject: RE: 2008 Audit Request

Ms Haynie:

After briefly reviewing the audit, I have determined that it is acceptable for WV Code §12-4-14 purposes; however, I noticed that there was an instance of noncompliance and mention of a Management letter on page 12 of the audit. We usually request by letter any additional information related to the audit, but if you can provide the items listed below, the letter would not be necessary. If you do not have these items, I will contact the grantee to request them.

- Grantee corrective action plan for the instance of noncompliance
- Management letter referenced on page 12
- Response to issues listed in the management letter

Thank you for your assistance

Reathel Cottrell, Compliance Auditor
West Virginia Department of Health and Human Resources
Office of Internal Control and Policy Development
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Phone Number 304-558-6507
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From: Angie M. Haynie [mailto:ahaynie@hsc-cpa.com]
Sent: Tuesday, December 14, 2010 9:02 AM
To: Cottrell, Reathel M
Cc: 'Sheila Talbott'
Subject: 2008 Audit Request

Please find attached a scanned copy of the 2008 audit report issued by Hess, Stewart and Campbell. If you have any questions please feel free to contact me at the number listed below. Happy Holidays.

Angie Haynie, CPA
Hess, Stewart and Campbell
304-255-1978

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