



HERBEIN+COMPANY, INC.

CERTIFIED PUBLIC ACCOUNTANTS

Members of PKF North American Network Pennsylvania Institute of CPAs
American Institute of Certified Public Accountants Div of CPA Firms/SEC & Private Practice Sections
www.herbein.com

February 11, 2009

To the Board of Directors
Supportive Concepts for Families, Inc.

In planning and performing our audit of the financial statements of Supportive Concepts for Families, Inc. for the year ended June 30, 2008, we considered the organization's internal control in order to determine our audit procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

During our audit, we became aware of several matters that are opportunities for strengthening internal controls and improving operating efficiently. The following will summarize our comments and suggestions. This letter does not affect our report dated February 11, 2009 on the financial statements of Supportive Concepts for Families, Inc.

Documentation of Controls and Procedures for Federal Funds

Statement on Auditing Standards No. 112 has now been applied to the Single Audit process. Statement 112, Communicating Internal Control Matters identified in an audit now requires that an auditor address internal controls as it relates to the federal grants and awards the Organization receives. Internal controls over federal awards include the design or operation of a control so that in the normal course of performing assigned functions, an employee could prevent or detect on a timely basis noncompliance with the significant compliance requirements applicable to the types of funds the Organization receives. In total, there are 14 possible compliance areas that may apply to each type of federal funding you receive as well as compliance with the requirements of the Pennsylvania Department of Public Welfare's Single Audit Supplement. The compliance requirements are available online for the federal supplements applicable to your programs at the Office of Management and Budget's website at www.whitehouse.gov/omb/circulars/index.html under the A-133 circular for the latest year. The DPW supplement is available on their website at www.dpw.state.pa.us/PubsFormsReports/ReportsPoliciesPlans/ under the document name Single Audit Supplement for the applicable year. All policies and procedures should be documented in your policy and procedure manual and available to employees responsible for the oversight and processing of transactions related to the Organization's federal awards.

HERBEIN+COMPANY, INC.

2763 Century Boulevard Reading PA 19610
reading@herbein.com

Telephone: 610-378-1175 Facsimile: 610-378-0999

Other Offices:

PITTSBURGH

GREENSBURG



HERBEIN+COMPANY, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Data Collection Form Submission Changes

Since your Agency is subject to an audit under OMB Circular A-133 requirements we want to keep you abreast of the submission changes that will impact your June 30, 2008 financial statements. In the past, we completed the data collection form and filed the completed form electronically. We then gave you paper copies of the form submitted which needed to be signed. We then submitted both the signed data collection form and your financial reporting package to the Federal Audit Clearinghouse and the PA Office of the Budget. The data collection form and the report will now need to be submitted electronically. The time frame for submission is 30 days from the report release date or the submission will be overdue. We will discuss the procedures in depth with you as we finalize the audit process

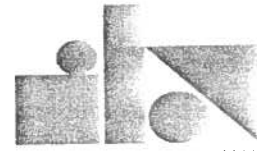
We will review the status of this comment during our next audit engagement. We have already discussed this comment and suggestions with you, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

We wish to take this opportunity to express our appreciation for the cooperation we received during the course of our engagement from all of you at Supportive Concepts for Families, Inc

Sincerely,

Herbein + Company, Inc.

Herbein + Company, Inc.



February 20, 2009

Mr. Ryan D. Smith
Supportive Concepts for Families, Inc.
President/ CEO
200 Penn Street
Reading, PA 19602-1000

Dear Ryan:

The following update is in response to the Management Letter provided by our auditors, Herbein & Co., Inc., dated February 11, 2009. The two items noted in Herbein & Company's Management Letter are informational items relating to updated Federal Compliance Auditing requirements and updated filing requirements for the annual 990 and Data collection forms submission. These items will be addressed as follows:

1.) **Documentation of Controls and Procedures for Federal Funds**

Statement on Auditing Standards No. 112 has now been applied to the Single Audit process Statement 112, Communicating Internal Control Matters identified in an audit now requires that an auditor address internal controls as it relates to the federal grants and awards the Organization receives. Internal controls over federal awards include the design or operation of a control so that in the normal course of performing assigned functions, an employee could prevent or detect on a timely basis noncompliance with the significant compliance requirements applicable to the types of funds the Organization receives. In total there are 14 possible compliance areas that may apply to each type of federal funding you receive as well as compliance with the requirements of the Pennsylvania Department of Public Welfare's Single Audit Supplement. The compliance requirements are available online for the federal supplements applicable to your programs at the Office of Management and Budget's website at www.whitehouse.gov/omb/circulars/index.html under the A-133 circular for the latest year. The DPW supplement is available on their website at www.dpw.state.pa.us/PubsFormsReports/ReportsPoliciesPlans/ under the document name Single Audit Supplement for the applicable year. All policies and procedures should be documented in your policy and procedure manual and available to employees responsible for the oversight and processing of transactions related to the Organization's federal awards. **Supportive Concepts for Families, Inc. has downloaded the 14 possible compliance areas, of which only 11 apply to our specific fundings. We will review these items and supply all information requested during audits to determine compliance in these areas. We will also make all internal control policies and procedures available to any staff responsible for oversight and processing of transactions related to our Organization's federal award funding.**

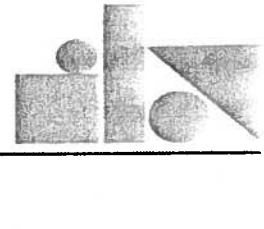
www.supportiveconcepts.org / 1-888-686-SCFF

FUNDING BY: BERKS • SCHUYLKILL • LEHIGH • HUNTINGDON • MIFFLIN • JUNIATA • LEBANON • MII/MR PROGRAMS

Corporate Office
200 Penn Street
Reading, PA 19602-1000
610 372-7712

Regional Office
724 East Cumberland Street
Lebanon, PA 17042
717 675-2897

Regional Office
203 West Market Street
Lewistown, PA 17044-2004
717 242-2240

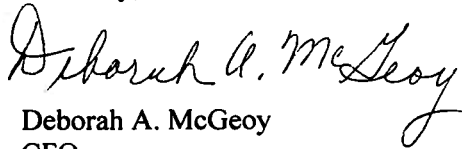


2.) Data Collection Form Submission Changes

Since your Agency is subject to an audit under OMB Circular A-133 requirements we want to keep you abreast of the submission changes that will impact your June 30, 2008 financial statements. In the past, we completed the data collection form and filed the completed form electronically. We then gave you paper copies of the form submitted which needed to be signed. We then submitted both the signed data collection form and your financial reporting package to the Federal Audit Clearinghouse and the PA Office of the Budget. The data collection form and the report will now need to be submitted electronically. The time frame for submission is 30 days from the report release date or the submission will be overdue. We will discuss the procedures in depth with you as we finalize the audit process. **Supportive Concepts for Families, Inc. will monitor the process to make sure the electronic filing of both our data collection form and financial statements happen within 30 days from the release date of the audit. Herbein + Company, Inc. will be filing this information for us as a part of their Auditing services. Both the Auditee and the Auditor are part of this submission process online. The release date of the Audit was February 11, 2009; the filing was completed on February 20, 2009 well within the 30 day timeframe noted above. (See attached submission confirmation)**

If you have any questions or you require anything further please let me know.

Sincerely,


Deborah A. McGeoy
CFO

www.supportiveconcepts.org / 1-888-686-SCFF

FUNDING BY: BERKS • SCHUYLKILL • LEHIGH • HUNTINGDON • MIFFLIN • JUNIATA • LEBANON • MH/MR PROGRAMS

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724 East Cumberland Street
Lebanon, PA 17042
717 675-2897

Regional Office
203 West Market Street
Lewistown, PA 17044-2004
717 242-2240

Deborah McGeoy

From: gov.s.f.a.c.i.d.e.s@c.e.n.s.u.s.g.o.v
Sent: Friday, February 20, 2009 3:09 PM
To: <D.M.C.G.E.O.Y@S.U.P.P.O.R.T.I.V.E.C.O.N.C.E.P.T.S.O.R.G.>
Subject: OMB Circular A-133 Submission Received (SUPPORTIVE CONCEPTS FOR FAMILIES, INC., 2008)

To Representatives:

Re: SUPPORTIVE CONCEPTS FOR FAMILIES, INC. 6/30/2008

The Form SF-SAC and the A-133 reporting package for SUPPORTIVE CONCEPTS FOR FAMILIES, INC. for the fiscal period ending 6/30/2008 have been transmitted electronically to the Federal Audit Clearinghouse (FAC). The FAC will process the submission and send you an email with the results. If the submission has any problems, you will receive an email detailing those problems. You may check the processing status of your submission at <http://harvester.census.gov/fac/dissemination/disclaim.html>

Sincerely,
Federal Audit Clearinghouse

FORM **SF-SAC**
(8-6-2-05)

U.S. DEPT. OF COMM.— Econ and Stat Admin U.S. CENSUS BUREAU
ACTING AS COLLECTING AGENT FOR
OFFICE OF MANAGEMENT AND BUDGET

**Data Collection Form for Reporting on
AUDITS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS
for Fiscal Year Ending Dates in 2008, 2009, or 2010**

▶ Complete this form, as required by OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

PART 1 GENERAL INFORMATION (To be completed by auditee, except for Items 6, 7, and 8)

1. Fiscal period ending date for this submission Month Day Year 06 / 30 / 2008	2. Type of Circular A-133 audit 1 <input checked="" type="checkbox"/> Single audit 2 <input type="checkbox"/> Program-specific audit	3. Audit period covered 1 <input checked="" type="checkbox"/> Annual 3 <input type="checkbox"/> Other - _____ Months 2 <input type="checkbox"/> Biennial
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4. Auditee Identification Numbers

a. Primary Employer Identification Number (EIN)
23 - 2713290

b. Are multiple EINs covered in this report? 1 Yes 2 No

c. If Part I, Item 4b = "Yes," complete Part I, Item 4c on the continuation sheet on Page 4.

d. Data Universal Numbering System (DUNS) Number
____ - ____ - ____

e. Are multiple DUNS covered in this report? 1 Yes 2 No

f. If Part I, Item 4e = "Yes," complete Part I, Item 4f on the continuation sheet on Page 4.

5. AUDITEE INFORMATION

a. Auditee name
SUPPORTIVE CONCEPTS FOR FAMILIES, INC.

b. Auditee address (Number and Street)
200 PENN STREET
City
READING
State ZIP + 4 Code
PA 19602

c. Auditee contact
Name
DEBORAH MCGEOY
Title
CFO

d. Auditee contact telephone
(610) 372 - 7712

e. Auditee contact FAX
() -

f. Auditee contact E-mail
DMCGEOY@SUPPORTIVECONCEPTS.ORG

6. PRIMARY AUDITOR INFORMATION (To be completed by auditor)

a. Primary auditor name
HERBEIN + COMPANY, INC.

b. Primary auditor address (Number and street)
2763 CENTURY BLVD.
City
READING
State ZIP + 4 Code
PA 19610

c. Primary auditor contact
Name
LINDA HIMEBACK
Title
PARTNER

d. Primary auditor contact telephone
(610) 378 - 1175

e. Primary auditor contact FAX
(610) 378 - 0999

f. Primary auditor contact E-mail
LSHIMEBACK@HERBEIN.COM

g. AUDITEE CERTIFICATION STATEMENT - This is to certify that, to the best of my knowledge and belief, the auditee has: (1) engaged an auditor to perform an audit in accordance with the provisions of OMB Circular A-133 for the period described in Part I, Items 1 and 3; (2) the auditor has completed such audit and presented a signed audit report which states that the audit was conducted in accordance with the provisions of the Circular; and, (3) the information included in **Parts I, II, and III** of this data collection form is accurate and complete. I declare that the foregoing is true and correct.

g. AUDITOR STATEMENT - The data elements and information included in this form are limited to those prescribed by OMB Circular A-133. The information included in Parts II and III of the form, except for Part III, Items 7, 8, and 9a-9f, was transferred from the auditor's report(s) for the period described in Part I, Items 1 and 3, and **is not a substitute** for such reports. The auditor has not performed any auditing procedures since the date of the auditor's report(s). A copy of the reporting package required by OMB Circular A-133, which includes the complete auditor's report(s), is available in its entirety from the auditee at the address provided in Part I of this form. As required by OMB Circular A-133, the information in **Parts II and III** of this form was entered in this form by the auditor based on information included in the reporting package. The auditor has not performed any additional auditing procedures in connection with the completion of this form.

Auditee certification	Date
ELECTRONICALLY CERTIFIED	2/18/2009
Name of certifying official	
DEBORAH MCGEOY	
Title of certifying official	
CFO	

7a. Add Secondary auditor information? (Optional)
1 Yes 2 No

b. If "Yes," complete Part I, Item 8 on the continuation sheet on page 5.

Auditor certification	Date
ELECTRONICALLY CERTIFIED	2/20/2009

PART II FINANCIAL STATEMENTS (To be completed by auditor)

1. Type of audit report

Mark either: 1 Unqualified opinion **OR**
any combination of: 2 Qualified opinion 3 Adverse opinion 4 Disclaimer of opinion

2. Is a "going concern" explanatory paragraph included in the audit report? 1 Yes 2 No

3. Is a significant deficiency disclosed? 1 Yes 2 No - SKIP to Item 5

4. Is any significant deficiency reported as a material weakness? 1 Yes 2 No

5. Is a material noncompliance disclosed? 1 Yes 2 No

PART III FEDERAL PROGRAMS (To be completed by auditor)

1. Does the auditor's report include a statement that the auditee's financial statements include departments, agencies, or other organizational units expending \$500,000 or more in Federal awards that have separate A-133 audits which are not included in this audit? (AICPA Audit Guide, Chapter 12) 1 Yes 2 No

2. What is the dollar threshold to distinguish Type A and Type B programs? (OMB Circular A-133 § 520(b)) \$ 300,000

3. Did the auditee qualify as a low-risk auditee? (§ 530) 1 Yes 2 No

4. Is a significant deficiency disclosed for any major program? (§ 510(a)(1)) 1 Yes 2 No - SKIP to Item 6

5. Is any significant deficiency reported for any major program as a material weakness? (§ 510(a)(1)) 1 Yes 2 No

6. Are any known questioned costs reported? (§ 510(a)(3) or (4)) 1 Yes 2 No

7. Were Prior Audit Findings related to **direct** funding shown in the Summary Schedule of Prior Audit Findings? (§ 315(b)) 1 Yes 2 No

8. Indicate which **Federal** agency(ies) have current year audit findings related to **direct** funding or prior audit findings shown in the Summary Schedule of Prior Audit Findings related to **direct** funding. (Mark (X) all that apply or None)

- | | | | |
|--|--|---|--|
| 98 <input type="checkbox"/> U.S. Agency for International Development | 39 <input type="checkbox"/> General Services Administration | 43 <input type="checkbox"/> National Aeronautics and Space Administration | 96 <input type="checkbox"/> Social Security Administration |
| 10 <input type="checkbox"/> Agriculture | 93 <input type="checkbox"/> Health and Human Services | 59 <input type="checkbox"/> National Archives and Records Administration | 19 <input type="checkbox"/> U.S. Department of State |
| 23 <input type="checkbox"/> Appalachian Regional Commission | 97 <input type="checkbox"/> Homeland Security | 05 <input type="checkbox"/> National Endowment for the Arts | 20 <input type="checkbox"/> Transportation |
| 11 <input type="checkbox"/> Commerce | 14 <input type="checkbox"/> Housing and Urban Development | 06 <input type="checkbox"/> National Endowment for the Humanities | 21 <input type="checkbox"/> Treasury |
| 94 <input type="checkbox"/> Corporation for National and Community Service | 03 <input type="checkbox"/> Institute of Museum and Library Services | 47 <input type="checkbox"/> National Science Foundation | 64 <input type="checkbox"/> Veterans Affairs |
| 12 <input type="checkbox"/> Defense | 15 <input type="checkbox"/> Interior | 07 <input type="checkbox"/> Office of National Drug Control Policy | 00 <input checked="" type="checkbox"/> None |
| 84 <input type="checkbox"/> Education | 16 <input type="checkbox"/> Justice | 59 <input type="checkbox"/> Small Business Administration | <input type="checkbox"/> Other - Specify |
| 81 <input type="checkbox"/> Energy | 17 <input type="checkbox"/> Labor | | |
| 66 <input type="checkbox"/> Environmental Protection Agency | 09 <input type="checkbox"/> Legal Services Corporation | | |

PART I Item 5 Continuation Sheet

c. List the multiple Employer Identification Numbers (EINs) covered in this report.

f. List the multiple DUNS covered in the report.

1	N	L	A	21	41	21	N	L	A	21
2	-	-	-	42	-	22	-	-	-	22
3	-	-	-	43	-	23	-	-	-	23
4	-	-	-	44	-	24	-	-	-	24
5	-	-	-	45	-	25	-	-	-	25
6	-	-	-	46	-	26	-	-	-	26
7	-	-	-	47	-	27	-	-	-	27
8	-	-	-	48	-	28	-	-	-	28
9	-	-	-	49	-	29	-	-	-	29
10	-	-	-	50	-	30	-	-	-	30
11	-	-	-	51	-	31	-	-	-	31
12	-	-	-	52	-	32	-	-	-	32
13	-	-	-	53	-	33	-	-	-	33
14	-	-	-	54	-	34	-	-	-	34
15	-	-	-	55	-	35	-	-	-	35
16	-	-	-	56	-	36	-	-	-	36
17	-	-	-	57	-	37	-	-	-	37
18	-	-	-	58	-	38	-	-	-	38
19	-	-	-	59	-	39	-	-	-	39
20	-	-	-	60	-	40	-	-	-	40

PART I GENERAL INFORMATION - Continued

8. Part I, Item 8, Secondary Auditor's Contact Information. (List the Secondary Auditor's Contact information)

<p>1. a. Secondary Auditor name N / A</p> <p>b. Secondary Auditor address (Number and street)</p> <p>City</p> <p>State ZIP + 4 Code</p> <p>c. Secondary Auditor contact Name Title</p> <p>d. Secondary Auditor contact telephone</p> <p>e. Secondary Auditor contact FAX</p> <p>f. Secondary Auditor contact E-mail</p>	<p>2. a. Secondary Auditor name</p> <p>b. Secondary Auditor address (Number and street)</p> <p>City</p> <p>State ZIP + 4 Code</p> <p>c. Secondary Auditor contact Name Title</p> <p>d. Secondary Auditor contact telephone</p> <p>e. Secondary Auditor contact FAX</p> <p>f. Secondary Auditor contact E-mail</p>	<p>3. a. Secondary Auditor name</p> <p>b. Secondary Auditor address (Number and street)</p> <p>City</p> <p>State ZIP + 4 Code</p> <p>c. Secondary Auditor contact Name Title</p> <p>d. Secondary Auditor contact telephone</p> <p>e. Secondary Auditor contact FAX</p> <p>f. Secondary Auditor contact E-mail</p>
<p>4. a. Secondary Auditor name</p> <p>b. Secondary Auditor address (Number and street)</p> <p>City</p> <p>State ZIP + 4 Code</p> <p>c. Secondary Auditor contact Name Title</p> <p>d. Secondary Auditor contact telephone</p> <p>e. Secondary Auditor contact FAX</p> <p>f. Secondary Auditor contact E-mail</p>	<p>5. a. Secondary Auditor name</p> <p>b. Secondary Auditor address (Number and street)</p> <p>City</p> <p>State ZIP + 4 Code</p> <p>c. Secondary Auditor contact Name Title</p> <p>d. Secondary Auditor contact telephone</p> <p>e. Secondary Auditor contact FAX</p> <p>f. Secondary Auditor contact E-mail</p>	<p>6. a. Secondary Auditor name</p> <p>b. Secondary Auditor address (Number and street)</p> <p>City</p> <p>State ZIP + 4 Code</p> <p>c. Secondary Auditor contact Name Title</p> <p>d. Secondary Auditor contact telephone</p> <p>e. Secondary Auditor contact FAX</p> <p>f. Secondary Auditor contact E-mail</p>