

TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.

**AUDITED FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

JUNE 30, 2011

LEGISLATIVE

MAR 20 2012

MANAGER

TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.

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Tetrick & Bartlett, PLLC
Certified Public Accountants
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Task Force on Domestic Violence, HOPE, Inc.
Fairmont, West Virginia

We have audited the accompanying statement of financial position of Task Force on Domestic Violence, HOPE, Inc. (a nonprofit organization) as of June 30, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Task Force on Domestic Violence, HOPE, Inc., as of June 30, 2011, and the changes in its net assets and its 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 March 12, 2012, on our consideration of Task Force on Domestic Violence, HOPE, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 should be considered in assessing the results of our audit.

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 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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.

Tatiana Bartlett, Ph.D.

March 12, 2012

TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2011

ASSETS	
CURRENT ASSETS	
Cash	\$ 207,040
Grants and Contracts Receivable	128,391
Health Care Credit Receivable	943
Prepaid Assets	<u>12,414</u>
TOTAL CURRENT ASSETS	<u>348,788</u>
OTHER ASSETS	
Investments - Merrill Lynch	203,160
Investments - BB&T Brokerage Account	36,378
Investments - Stock	41,619
Investments - Mutual Fund	<u>44,983</u>
TOTAL LONG-TERM ASSETS	<u>326,140</u>
RESTRICTED ASSETS	
Investments - Mutual Fund	10,012
Cash	<u>1,000</u>
TOTAL RESTRICTED ASSETS	<u>11,012</u>
PLANT AND EQUIPMENT	
Construction Work in Progress	3,169
Furniture and Equipment	188,719
Leasehold Improvements	208,661
Less: Accumulated Depreciation	<u>(283,766)</u>
NET PLANT AND EQUIPMENT	<u>116,783</u>
TOTAL ASSETS	\$ <u>802,723</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	\$ <u>8,191</u>
TOTAL CURRENT LIABILITIES	<u>8,191</u>
NET ASSETS	
Unrestricted - Undesignated	457,380
Unrestricted - Designated	326,140
Temporarily Restricted	-
Permanently Restricted	<u>11,012</u>
TOTAL NET ASSETS	<u>794,532</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>802,723</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT & RECLASSIFICATIONS				
Contributions	\$ 18,900	\$ -	\$ -	18,900
In-Kind Donation - Occupancy	145,200	-	-	145,200
Emergency Shelter Grant Program	39,914	-	-	39,914
State General	-	64,119	-	64,119
West Virginia Foundation for Rape and Information Services, Inc.	98,693	-	-	98,693
United Way of Marion County	26,200	-	-	26,200
United Way of Lewis County	4,500	-	-	4,500
United Way of Harrison County	61,500	-	-	61,500
Family Protection	-	30,163	-	30,163
Harrison County - EFSP	-	1,230	-	1,230
Marion County - EFSP	-	267	-	267
Doddridge County - EFSP	-	255	-	255
VOCA	-	169,987	-	169,987
Marion County Commission	4,000	-	-	4,000
Family Violence	-	66,064	-	66,064
WV Budget Digest	-	183,948	-	183,948
STOP Violence Against Women Formula Grant	-	80,811	-	80,811
Rural Domestic Violence & Child Victimization Enforcement	12,801	-	-	12,801
WV Coalition Against Domestic Violence	12,211	-	-	12,211
Sprigg Estate	1,400	-	-	1,400
Safe & Drug Free Communities Grant	11,779	-	-	11,779
Justice Assistance Grant	-	60,016	-	60,016
Other Grants and Awards	8,712	-	-	8,712
Net Assets Released From Donor Restriction	656,860	(656,860)	-	-
TOTAL SUPPORT & RECLASSIFICATIONS	<u>1,102,670</u>	<u>-</u>	<u>-</u>	<u>1,102,670</u>

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE				
Fund Raising	\$ 6,292	\$ -	\$ -	6,292
Membership	125	-	-	125
USDA	3,941	-	-	3,941
Other Revenue	7,034	-	-	7,034
Investment Income	48,533	-	-	48,533
TOTAL REVENUE	65,925	-	-	65,925
TOTAL SUPPORT, REVENUE & RECLASSIFICATIONS	1,168,595	-	-	1,168,595
EXPENSES				
Shelter Programs Expense	346,884	-	-	346,884
Counseling Program Expense	485,423	-	-	485,423
Fund Raising	3,697	-	-	3,697
Management and General	283,662	-	-	283,662
TOTAL EXPENSES	1,119,666	-	-	1,119,666
INCREASE IN NET ASSETS	48,929	-	-	48,929
NET ASSETS - BEGINNING OF PERIOD - RESTATED	734,591	-	11,012	745,603
NET ASSETS - END OF PERIOD	\$ 783,520	-	\$ 11,012	\$ 794,532

The accompanying independent auditor's report and notes are integral parts of this statement.

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011**

	PROGRAM SERVICES		FUND RAISING	MANAGEMENT AND GENERAL	TOTAL
	SHELTER	COUNSELING			
Salaries	\$ 118,503	\$ 359,907	\$ -	\$ 115,889	\$ 594,299
Benefits	26,392	45,396	-	77,960	149,748
Payroll Taxes	12,781	38,824	-	12,500	64,105
In-Kind Donation - Occupancy	145,200	-	-	-	145,200
Supplies	3,449	-	3,697	-	7,146
Office	2,218	4,511	-	918	7,647
Shelter Supplies	2,842	-	-	-	2,842
Telephone	-	6,295	-	1,198	7,493
Postage	393	1,226	-	832	2,451
Rent	-	2,831	-	416	3,247
Utilities	9,108	1,214	-	1,821	12,143
Maintenance	5,428	-	-	-	5,428
Communication	-	3,075	-	-	3,075
Liability Insurance	5,270	1,299	-	1,068	7,637
Equipment Maintenance	3,366	828	-	983	5,177
Printing	1,293	2,696	-	1,399	5,388
Travel	2,032	4,063	-	3,138	9,233
Training	869	1,804	-	669	3,342
Dues	-	-	-	625	625
Other	604	1,576	-	2,456	4,636
Audit & Accounting	-	-	-	9,400	9,400
Pass Through Grant	-	-	-	43,581	43,581
Client Assistance	-	9,878	-	-	9,878
TOTAL BEFORE DEPRECIATION	339,748	485,423	3,697	274,853	1,103,721
DEPRECIATION	7,136	-	-	8,809	15,945
TOTALS	\$ 346,884	\$ 485,423	\$ 3,697	\$ 283,662	\$ 1,119,666

The accompanying independent auditor's report and notes are integral parts of this statement.

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011**

CASH FLOWS FROM OPERATING ACTIVITIES	\$ 48,929
Change in Net Assets	
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities	
Depreciation	15,945
Unrealized Gain on Investments	(40,266)
(Increase) Decrease In:	
Grants and Contracts Receivable	7,753
Health Care Credit Receiveable	(943)
Prepaid Assets	56
Increase (Decrease) In:	
Accounts Payable	(10,893)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>20,581</u></u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments	(6,199)
Acquisition of Plant and Equipment	(10,176)
NET CASH USED BY INVESTING ACTIVITIES	<u><u>(16,375)</u></u>
 NET INCREASE IN CASH	4,206
 CASH - BEGINNING OF PERIOD	<u>203,834</u>
 CASH - END OF PERIOD	<u><u>\$ 208,040</u></u>
 NON-CASH OPERATING ACTIVITIES	
In-Kind- Occupancy	<u><u>\$ 145,200</u></u>

The accompanying independent auditor's report and notes are integral parts of this statement.

TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. GENERAL STATEMENT

Hope, Inc. operates a voluntary nonprofit organization located in Fairmont, West Virginia providing direct services to victims of domestic violence.

b. BASIS OF ACCOUNTING

The financial statements of Task Force on Domestic Violence, Inc. have been prepared on an accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

c. FINANCIAL STATEMENT PRESENTATION

The Organization has adopted FASB Standards Codification 958, Not-for-Profit Entities. Grants and contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions would be reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets would be reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

d. REVENUE RECOGNITION

Unconditional grants and promises to give are recorded when grant or promise is made. Conditional grants and promises to give are recorded when related condition is met. Project income is recognized in the period received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donor-imposed restrictions that are fulfilled in the same period they are received are recorded as unrestricted support.

e. GRANTS AND CONTRACTS

Support received under grants and contracts with the State of West Virginia and other government agencies, that require revenues to be billed down, is recorded as public support when the related direct costs are incurred. Grants and contracts receivable represent amounts due for expenditures incurred prior to year end.

f. DONATED SERVICES

Donated services are recognized as contributions in accordance with FASB Standards Codification 958-605, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. No services received by the Organization met these requirements.

g. CONTRIBUTIONS

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

The accompanying independent auditor's report is an integral part of these notes.

TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

h. INVESTMENTS

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Unrealized gains and losses are included in the change in net assets.

Estimated fair values of investments are based on quoted market prices. If quoted prices are not available, estimated fair values are based on quoted market prices of comparable investments.

The corporation holds units, which on occasion will hold derivative financial instruments (e.g. forwards, options, etc.) as a means to control interest rate and currency risks. Derivatives within the Corporations mutual funds are considered insignificant to the Corporation's financial statements.

i. PROPERTY AND EQUIPMENT

Land, buildings and equipment are stated at cost or fair market value at date of contribution. Depreciation is computed on a straight-line basis over the estimated useful lives of the respective assets. All assets are capitalized.

j. TAX-EXEMPT STATUS

Hope, Inc. is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986.

All required federal income tax returns for the Organization have been filed up to, and including the tax year ended June 30, 2011. The Organization's federal income tax returns for 2010, 2009, and 2008 remain subject to examination by the Internal Revenue Service ("IRS").

k. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

l. CASH

All cash accounts are with F.D.I.C. insured institutions. For the purpose of the statement of cash flows, the Organization considers both restricted and unrestricted cash as well as short-term, highly liquid investments which are convertible into cash within ninety (90) days of purchase to be cash and cash equivalents. The Organization does not have a policy regarding collateralization with regards to their repurchase agreements, although it is a treasury management agreement.

Cash for cash flow purposes is made up of the following accounts:

Cash	\$	207,040
Restricted Cash		1,000
	\$	<u>208,040</u>

The accompanying independent auditor's report is an integral part of these notes.

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

m. RISK AND UNCERTAINTIES

The majority of the funding for the operation of the Task Force on Domestic Violence, Inc. comes as grants through the State of West Virginia. A loss or decrease in this funding could adversely affect the operation of the Organization. Per the DHHR Agreement, upon request by the Department, the Grantee shall account for and return in good condition, reasonable use, and wear excepted, all such equipment and supplies purchased with funds received under this grant agreement. This would create an economic hardship on the organization if this would be required.

n. SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 12, 2012, which is the date the financial statements were available to be issued.

2. INVESTMENTS

Investments as of June 30, 2011, are summarized as follows:

	<u>Cost</u>	<u>Fair Market Value</u>	<u>Unrealized Gain (Loss)</u>
Common Stock	\$ 4,425	\$ 41,619	\$ 17,194
Money Market	20,413	20,413	-
Mutual Funds	272,785	274,120	1,335
TOTAL	<u>\$ 317,623</u>	<u>\$ 336,152</u>	<u>\$ 18,529</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year then ended June 30, 2011:

Interest and Dividends	\$ 8,267
Unrealized Gain	40,266
Realized Gains	<u>-</u>
Total Investment Income	<u>\$ 48,533</u>

\$10,012 of the above investment amount is permanently restricted.

3. BOARD DESIGNATED NET ASSETS

The Board of Directors of Hope, Inc. has designated \$326,140 of investments for future maintenance, renovations, additions to the building it leases, and/or purchase of a facility.

The accompanying independent auditor's report is an integral part of these notes.

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Construction Work In Progress	\$	3,169
Leasehold Improvements		208,661
Furniture and Fixtures		64,777
Equipment		<u>123,942</u>
TOTAL PROPERTY AND EQUIPMENT		400,549
Less accumulated depreciation		<u>(283,766)</u>
NET PROPERTY AND EQUIPMENT	\$	<u>116,783</u>

5. COMPENSATED ABSENCES

Accrued compensated absences are not included in these financial statements because the amounts cannot be reasonably estimated.

6. RETIREMENT PLAN

During fiscal year 1992, Hope Inc. established a Simplified Employee Pension (SEP) plan under Section 408 (k) of the Internal Revenue Code. The plan is non-contributory and is administered by American General. Under the plan, a predetermined contribution is made to the individual retirement account of each eligible employee, based on a percentage of their annual compensation. To be eligible an employee must be at least 21 years old, have worked at least 3 years of the immediately preceding 5 years, and not a member under a collective bargaining agreement or whose total compensation for the year is less than \$450. During fiscal year 2011, Hope, Inc. contributed a total of \$58,746 to the retirement plan.

7. DEPRECIATION

Assets are recorded at cost or fair market value at date of donation. Assets are being depreciated on a straight-line basis as follows:

Office Improvements	10-20 years
Furniture and Fixtures	5-10 years
Equipment	5 years

Depreciation expense for the year totaled \$15,945.

The accompanying independent auditor's report is an integral part these notes.

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

8. OPERATING LEASE

The Organization leases its shelter in Marion County for \$1 a year on a year to year basis. Also, the Organization leases office space in Gilmer, Lewis, Doddridge and Harrison Counties. The lease in Harrison, Gilmer & Lewis Counties are free of charge and are on a year-to-year basis. The lease in Doddridge County is also on a year-to-year basis and the monthly office rental fee is \$68 per month.

The Organization signed a 36 month operating lease in March, 2008 for a copier. The lease requires monthly payments of \$186.35. The Organization then signed a new lease for 36 monthly payments of \$190.00.

Minimum future payments are as follows:

2012	\$	2,280
2013		2,280
2014		<u>1,900</u>
Totals	\$	<u>6,460</u>

Rent expense for the year was \$3,247 which includes \$0 of In-Kind Rent.

7. RELATED PARTY TRANSACTIONS

During the fiscal year Task Force on Domestic Violence, Hope, Inc. received a grant from WV Foundation for Rape and Information Services, Inc. for \$98,693. There was a receivable due from WV Foundation for Rape and Information Services, Inc. in the amount of \$16,945 as of June 30, 2011.

8. ADVERTISING COSTS

Task Force on Domestic Violence, Hope, Inc. expenses advertising costs as incurred.

9. DONATED MATERIALS AND FACILITIES

The facilities used by the Organization in Fairmont are leased for \$1 per year, on a year to year basis. The facilities at Lewis, Gilmer and Harrison Counties also receive In-Kind – Rent. The value of the facilities included in the financial statements and the corresponding disbursements for fiscal year 2011 is as follows:

Revenues (Contributions)	\$	<u>145,200</u>
Expenses (Occupancy)	\$	<u>145,200</u>

The accompanying independent auditor's report is an integral part of these notes.

TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

10. PERMANENTLY RESTRICTED ASSETS

As of June 30, 2011, the Organization had \$1,000 in cash and \$10,012 in a stock investment that are permanently restricted. The income from these assets may be used for operations.

11. FUNCTIONAL EXPENSES

Expenses are charged based on direct expenditures incurred. Other expenses that are common to program expenses and general or administrative expenses are allocated on a statistical basis.

12. FAIR VALUE MEASUREMENTS

FASB Standards Codification 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB Accounting Standards Codifications 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 - Inputs to the valuation methodology include

- i. Quoted prices for similar assets or liabilities in active markets;
- ii. Quoted prices for identical or similar assets or liabilities in inactive markets;
- iii. Inputs other than quoted prices that are observable for the asset or liability;
- iv. Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The accompanying independent auditor's report is an integral part of these notes.

TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2011

12. FAIR VALUE MEASUREMENTS (CONT.)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2011.

Money Market Funds: Valued using the amortized cost, in accordance with rules under the Investment Company Act of 1940.

Common Stock: Valued at the most recent repurchase of outstanding shares as treasury stock.

Mutual Funds: Valued at the net asset value (NAV) of shares held by the plan at year end.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

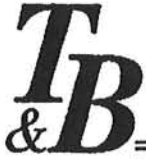
The following table sets forth by level, within the fair value hierarchy, the Organization's financial assets at fair value on a recurring basis as of June 30, 2011:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Market Funds	\$ -	\$ 20,413	\$ -	\$ 20,413
Common Stock	41,619	-	-	41,619
Mutual Funds	274,120	-	-	274,120
Total Assets at Fair Value	<u>\$ 315,739</u>	<u>\$ 20,413</u>	<u>\$ -</u>	<u>\$ 336,152</u>

13. PRIOR PERIOD ADJUSTMENT

Beginning Net Assets	\$ 743,855
Prepaid Brickstreet	<u>1,748</u>
Beginning Net Assets Restated	<u>\$ 745,603</u>

The accompanying independent auditor's report is an integral part of these notes.



**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**

Board of Directors
Task Force on Domestic Violence, HOPE, Inc.
Fairmont, West Virginia

We have audited the financial statements of Task Force on Domestic Violence, HOPE, Inc. (a nonprofit organization) as of and for the year ended June 30, 2011, and have issued our report thereon dated March 12, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Task Force on Domestic Violence, HOPE, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Task Force on Domestic Violence, HOPE, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 Task Force on Domestic Violence, HOPE, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, audit committee, others within the entity, the Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

T. J. Baskin • Baskin, PLLC

March 12, 2012



Tetrick & Bartlett, PLLC
Certified Public Accountants
Consultants

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND
MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

Board of Directors
Task Force on Domestic Violence, HOPE, Inc.
Fairmont, West Virginia

Compliance

We have audited Task Force on Domestic Violence, HOPE, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Task Force on Domestic Violence, HOPE, Inc.'s major federal programs for the year ended June 30, 2011. Task Force on Domestic Violence, HOPE, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Task Force on Domestic Violence, HOPE, Inc.'s management. Our responsibility is to express an opinion on Task Force on Domestic Violence, HOPE, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Task Force on Domestic Violence, HOPE, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Task Force on Domestic Violence, HOPE, Inc.'s compliance with those requirements.

In our opinion, Task Force on Domestic Violence, HOPE, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Task Force on Domestic Violence, HOPE, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Task Force on Domestic Violence, HOPE, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Task Force on Domestic Violence, HOPE, Inc.'s internal control over compliance.

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 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.

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

This report is intended solely for the information and use of management, audit committee, others within the entity, the Board of Trustees, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

J. Strickland • Bartlett, Ph.D.

March 12, 2012

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011**

A. Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Task Force on Domestic Violence, HOPE, Inc.
2. No significant deficiencies relating to the audit of the financial statements are reported in the report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Task Force on Domestic Violence, HOPE, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over the major federal award programs were disclosed during the audit and reported in the independent auditor's report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with *OMB Circular A-133*.
5. The auditor's report on compliance for the major federal award programs for Task Force on Domestic Violence, HOPE, Inc. expresses an unqualified opinion on all major federal programs.
6. No audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.
7. The programs tested as major programs are the U.S. Department of Health and Human Resources – Family Violence Prevention & Services/Grants for Battered Women's Shelters – Grants to States and Indian Tribes CFDA 93.671, U.S. Department of Justice – Crime Victim Assistance CFDA 16.575, U.S. Department of Justice – Edward Byrne Memorial Formula Grant Program CFDA 16.579.
8. The threshold for distinguishing between Type A and B programs was \$300,000.
9. Task Force on Domestic Violence, HOPE, Inc. was determined not to be a low-risk auditee.

B. Findings – Financial Statement Audit

No findings

C. Findings and Questioned Costs – Major Federal Award Programs Audit

U.S. Department of Health and Human Resources – Family Violence Prevention & Services/Grants for Battered Women's Shelters – Grants to States and Indian Tribes CFDA 93.671 for the fiscal year ended June 30, 2011. U.S. Department of Justice – Crime Victim Assistance CFDA 16.575 for the fiscal year ended June 30, 2011. U.S. Department of Justice – Edward Byrne Memorial Formula Grant Program CFDA 16.579 for the fiscal year ended June 30, 2011.

No findings

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/ Expenditures</u>
U.S. Department of Health and Human Services Administration for Children and Families					
<i>WV Department of Health and Human Resources</i>					
Family Violence Prevention and Services / Grants for Battered Women's Shelters_ Grants to States and Indian Tribes	93.671	G110176	\$ 344,294	\$ 66,064	\$ 66,064
U.S. Department of Health and Human Services Centers for Disease Control and Prevention					
<i>WV Department of Health and Human Resources</i>					
Injury Prevention and Control Research and State and Community Based Programs	93.136	G100644 & RR-10-004	13,407	11,465	11,465
Injury Prevention and Control Research and State and Community Based Programs	93.136	G100644 & PE-10-004	9,000	10,139	10,139
Total U.S. Department of Health and Human Services				<u>87,668</u>	<u>87,668</u>
U.S. Department of Homeland Security					
Emergency Food and Shelter National Board Program	97.024	898800-002	2,460	1,230	1,230
Emergency Food and Shelter National Board Program	97.024	900600-001	533	267	267
Emergency Food and Shelter National Board Program	97.024	897200-005	510	255	255
Total U.S. Department of Homeland Security				<u>1,752</u>	<u>1,752</u>

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/ Expenditures</u>
U.S. Department of Housing and Urban Development Office of Community Planning and Development					
<i>WV Office of Economic Opportunity</i>					
Emergency Shelter Grants Program	14.231	S-09-DC-54-0001	\$ 36,000	\$ 14,125	\$ 14,125
Emergency Shelter Grants Program	14.231	S-10-DC-54-0001	36,000	25,789	25,789
Total U.S. Department of Housing and Urban Development			<u>39,914</u>	<u>39,914</u>	<u>39,914</u>
U.S. Department of Justice Office of Victims of Crime					
<i>WV Division of Criminal Justice Service</i>					
Crime Victim Assistance	16.575	11-1126	166,714	155,971	155,971
Crime Victim Assistance	16.575	10-407	31,230	14,016	14,016
U.S. Department of Justice Violence Against Women Office					
<i>WV Division of Criminal Justice Service</i>					
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589	2007-WR-AX-0012	66,822	25,098	25,098
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589	10-612	21,158	12,801	12,801
Legal Assistance for Victims	16.524	2004-WL-AX-0040	22,486	3,241	3,241
Legal Assistance for Victims	16.524	2010-WL-AX-0063	20,750	8,970	8,970
Education, Training, and Enhanced Services to Violence Against and Abuse of Women with Disabilities	16.529	2006-FW-AX-K001	600	600	600

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/ Expenditures</u>
ARRA - Violence Against Women Formula Grants	16.588	10-307	\$ 110,968	\$ 52,444	\$ 52,444
ARRA - Violence Against Women Formula Grants	16.588	10-306	131,456	28,367	28,367
Sexual Assault Services Formula Program	16.017	09-SASP-004 & 09-SASP-004A	24,000	17,541	17,541
WV Department of Health and Human Resources					
Grants to Encourage Arrest Policies	16.590	A-09-003 & A-10-003	33,847	33,847	33,847
WV Division of Criminal Justice Service					
Edward Byrne Memorial Formula Grant Program	16.579	11-628	60,016	60,016	60,016
Total U.S. Department of Justice				<u>412,912</u>	<u>412,912</u>
U.S. Department of Agriculture Food and Nutrition Service					
WV Department of Education					
ARRA - National School Lunch Program	10.555		3,942	3,942	3,942

TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/ Expenditures</u>
U.S. Department of Education Office of Safe and Drug-Free Schools	84.186	09-808	30,097	\$ 11,779	\$ 11,779
WV Division of Criminal Justice Services					
Safe and Drug-Free Schools and Communities_State Grants				\$ 557,967	\$ 557,967
Total Federal Awards					

Notes to Schedule of Expenditures of Federal Awards

Note 1 - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is a summary of the accrual activity of Task Force on Domestic Violence HOPE, Inc.'s federal award programs and presents transactions that would be included in financial statements of the Organization, presented on an accrual basis of accounting as contemplated by accounting principles generally accepted in the United States of America.

The accompanying independent auditor's report and notes are integral parts of this schedule

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
 SCHEDULE OF STATE AWARDS AND OTHER ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

STATE GRANTOR PROGRAM

Grantor Agency	<u>Award/Grant No.</u>	<u>Financial Awards Recognized</u>
West Virginia Division of Criminal Justice Services:		
Budget Digest	G110176	\$ 183,948
State General	G110176	64,119
Family Protection	G110176	<u>30,163</u>
Total State Funds		<u>\$ 278,230</u>

The accompanying independent auditor's report and notes are integral parts of this schedule.

**TASK FORCE ON DOMESTIC VIOLENCE, HOPE, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2011**

U.S. Department of Health and Human Resources – Family Violence Prevention & Services/Grants for Battered Women's Shelters – Grants to States and Indian Tribes CFDA 93.671 for the fiscal year ended June 30, 2010. U.S. Department of Justice – Crime Victim Assistance CFDA 16.575 for the fiscal year ended June 30, 2010. U.S. Department of Justice – ARRA – Violence Against Women Formula Grant CFDA 16.588 for the fiscal year ended June 30, 2010.

There were no Findings and Questioned Costs relative to federal awards for the prior audit period of July 1, 2009 to June 30, 2010.