

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2010

DHHR - Finance

MAY 29 2012

Date Received

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ROTH & WHITE, A.C.
CERTIFIED PUBLIC ACCOUNTANTS
202 Tunnelton Street
Kingwood, WV 26537
(304) 329-1020

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Taylor County Collaborative Family Resource Network, Inc.
Grafton, West Virginia

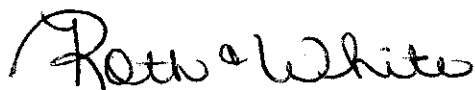
We have audited the accompanying statement of financial position of Taylor County Collaborative Family Resource Network, Inc. (a nonprofit organization) as of June 30, 2010, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Network's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 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 Taylor County Collaborative Family Resource Network, Inc. as of June 30, 2010, 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 a report dated September 20, 2011 on our consideration of Taylor County Collaborative Family Resource Network, Inc.'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 should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Taylor County Collaborative Family Resource Network, Inc. taken as a whole. The accompanying schedule of expenditures of state awards is presented for purposes of additional analysis as required by the West Virginia Department of Health and Human Resources, and is not a required part of basic financial statements. Such information is the responsibility of 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 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.



Kingwood, West Virginia
September 20, 2011

DHHR - Finance

MAY 29 2012

Date Received

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2010

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 15 686

TOTAL CURRENT ASSETS	15 686

PROPERTY AND EQUIPMENT	
Office equipment	5 151
Less accumulated depreciation	2 053

TOTAL PROPERTY AND EQUIPMENT	3 098

TOTAL ASSETS	\$ 18 784
	=====
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable and accrued expenses	\$ 10 608

TOTAL CURRENT LIABILITIES	10 608

NET ASSETS	
Unrestricted	4 391
Temporarily restricted	3 785

TOTAL NET ASSETS	8 176

TOTAL LIABILITIES AND NET ASSETS	\$ 18 784
	=====

The Notes to Financial Statements are an integral part of these statements.

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

**STATEMENT OF ACTIVITIES
Year Ended June 30, 2010**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE AND SUPPORT			
State government grants	\$	\$ 85 000	\$ 85 000
Other grants		5 000	5 000
Contributions		200	200
	-----	-----	-----
Total revenue and support		90 200	90 200
	-----	-----	-----
Net assets released from usage restrictions			
Restrictions satisfied by payments	86 415	(86 415)	
	-----	-----	-----
Total public support and revenue	86 415	3 785	90 200
	-----	-----	-----
EXPENSES			
Program services	77 510		77 510
General and administrative	9 169		9 169
	-----	-----	-----
Total expenses	86 679		86 679
	-----	-----	-----
Changes in net assets	(264)	3 785	3 521
	-----	-----	-----
NET ASSETS -			
BEGINNING OF YEAR	4 655	-0-	4 655
	-----	-----	-----
NET ASSETS - END OF YEAR	\$ 4 391	\$ 3 785	\$ 8 176
	=====	=====	=====

The Notes to Financial Statements are an integral part of these statements.

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2010

	<u>Total</u>	<u>Program Services</u>	<u>General & Administrative</u>
PAYROLL			
Staff wages	\$ 43 343	\$ 43 343	\$
Payroll taxes	3 971	3 971	
	-----	-----	-----
Total payroll	47 314	47 314	
OTHER EXPENSES			
Rent	4 620	4 620	
Professional fees	4 000		4 000
Contractual	5 500	5 500	
Supplies and materials	4 829	4 829	
Utilities	2 219	2 219	
Telephone	3 515	3 515	
Training	2 114	2 114	
Advertising and public relations	395	395	
Insurance	2 944	2 944	
Office expense	4 003		4 003
Travel and transportation	3 427	3 427	
Dues and subscription	422		422
Depreciation	744		744
Other sundries	633	633	
	-----	-----	-----
	<u>\$ 86 679</u>	<u>\$ 77 510</u>	<u>\$ 9 169</u>

The Notes to Financial Statements are an integral part of these statements.

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

STATEMENT OF CASH FLOWS
Year Ended June 30, 2010

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ 3 521
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	744
Increase operating liabilities:	
Accounts payable and accrued expenses	8 731

Net cash provided by operating activities	12 996

CASH FLOWS FROM INVESTING ACTIVITIES:	
Payments for equipment	(645)

Net cash used by investing activities	(645)

NET INCREASE IN CASH	12 351
CASH AND CASH EQUIVALENTS - BEGINNING	3 335

CASH AND CASH EQUIVALENTS - ENDING	<u><u>\$ 15 686</u></u>

The Notes to Financial Statements are an integral part of these statements.

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Organization

Taylor County Collaborative Family Resource Network, Inc. is a nonprofit organization, formed on March 3, 2008.

The mission of this Organization is to bring together resources to improve conditions for all children and families.

The Organization is supported primarily through grant funding from the West Virginia Department of Health and Human Resources Bureau for Children and Families under programs for Taylor County Collaborative Family Resource Network, Inc.

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting. Revenue is recognized when earned, and expenses are recognized when the obligation is incurred.

Financial statement presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the Organization is required to present a statement of cash flows.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, and permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of time or purpose restrictions.

Income taxes

The Council is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

The Organization's Forms 990, Return of Organization Exempt from Income Tax are subject to examination by the IRS, generally for three years after they were filed.

Functional expenses

Expenses are charged to each functional area based on direct expenditures incurred. Expenditures not directly chargeable are allocated based upon the results of periodic time studies and management's estimates.

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

Cash and cash equivalents

Cash and cash equivalents presented on the statement of financial position and cash flows include the following:

	<u>Carrying Value</u>	<u>Interest Rate</u>
Checking accounts	\$ 15 686	0%

All cash accounts were fully insured by the Federal Depository Insurance Corporation (FDIC).

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

Interest Rate Risk

The Organization does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Estimates

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

Contributed Services

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services.

Advertising

The Organization expenses the cost of advertising and promotion as they are incurred. Advertising expenses for the year ended June 30, 2010 were \$395.

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORKS, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2. Property and Equipment and Depreciation

Purchased property and equipment are recorded at cost. Donated property and equipment are recorded at their fair value at the date of the gift. Depreciation is computed using an accelerated method and is based on the estimated useful lives of the assets.

Note 3. Retirement System

Taylor County Collaborative Family Resource Network, Inc. is not a member of any retirement system.

Note 4. Risk Management

The Organization is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets, errors and omissions; and natural disasters for which the Organization carries general liability and property insurance for these various risks. Amounts of settlements have not exceeded insurance coverage in the past three years.

Note 5. State Government Grants

Taylor County Collaborative Family Resource Network, Inc. received funds from West Virginia Health and Human Resources/Bureau for Children and Families. The funds for these grant agreements were paid from the following federal and/or state sources:

Taylor County Collaborative Family Resource Network, Inc.:	
Federal Funds (CFDA #93.590)	\$ 5 944
State Funds (Account #0403/274)	39 056

	\$ 45 000

Taylor County Collaborative Family Resource Network, Inc.:	
Federal Funds (CFDA # 93.778)	\$ 14 784
State Funds (Account #0403/274)	25 216

	\$ 40 000

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 6. Other Grants

A grant of \$5,000 was received from the West Virginia Prevention Resource Center to hold community discussions about prescription drug abuse in West Virginia. The West Virginia Prevention Resource Center is fiscally administered by the Marshall University Research Corporation.

As of June 30, 2010, all of the grant funds have been received and \$1,215 have been expended.

Note 7. Leasing Arrangements

The facilities presently used for office space are leased under a short-term arrangement.

Note 8. Temporarily Restricted Revenue

As reported in Note 6, the Organization received other grants-in-aid of \$5,000 during the current year from the West Virginia Prevention Resource Center. As of June 30, 2010, \$1,215 has been expended.

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

SCHEDULE OF EXPENDITURES OF STATE AWARDS

For the Year Ended June 30, 2010

<u>State Grantor</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
West Virginia Department of Health and Human Resources Bureau for Children and Families		
Taylor County Collaborative Family Resource Network	\$ 45 000	\$ 45 000
Taylor County Collaborative Family Resource Network	40 000	40 000

Note A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of state awards includes the state grant activity of Taylor County Collaborative Family Resource Network, Inc. and is presented on the accrual basis of accounting.

The Notes to Financial Statements are an integral part of these statements.

ROTH & WHITE, A.C.
CERTIFIED PUBLIC ACCOUNTANTS
202 Tunnelton Street
Kingwood, WV 26537
(304) 329-1020

**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
Taylor County Collaborative Family Resource Network, Inc.
Grafton, West Virginia

We have audited the financial statements of Taylor County Collaborative Family Resource Network, Inc (a nonprofit organization) as of and for the year ended June 30, 2010, and have issued our report thereon dated September 20, 2011. 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 Taylor County Collaborative Family Resource Network, 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 the Taylor County Collaborative Family Resource Network, 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 material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the 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. However, we identified a certain deficiency described as 10-1 in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Taylor County Collaborative Family Resource Network, 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 an 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.

Taylor County Collaborative Family Resource Network, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit Taylor County Collaborative Family Resource Network, Inc.'s responses and, accordingly, we express no opinion on it.

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



Kingwood, West Virginia
September 20, 2011

DHHR - Finance

MAY 29 2012

Date Received

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2010**

10-1

SEGREGATION OF DUTIES

CONDITION:

Responsibility for approving, executing, and recording transactions and custody of the resulting asset arising from the transaction is not assigned to separate individuals.

CRITERIA:

Analysis of the internal control system indicated a lack of segregation of duties.

EFFECT:

Because of the failure to segregate duties, internal control elements do not reduce to a relatively low level the risk that irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

RECOMMENDATION:

Responsibilities of approval, execution, recording and custody should be distributed among the office staff to the best degree possible. However, we recognize that complete segregation of duties is not economically feasible for the Organization.

ORGANIZATION'S RESPONSE: Management will try to segregate duties as much as possible with the limited staff available.