

**RAPE AND DOMESTIC VIOLENCE
INFORMATION CENTER, INC.**

**INDEPENDENT AUDITOR'S REPORT AND
RELATED FINANCIAL STATEMENTS**

JUNE 30, 2011

DHHR - Finance

JAN 30 2012

Date Received

INDEX

	Page
Independent Auditor's Report	1-2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-11
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	12-13
Schedule of Grants and Contracts	14-15
Notes to the Schedule of Grants and Contracts	16
Schedule of Findings and Responses	17-18



INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Rape and Domestic Violence Information Center, Inc.
Morgantown, West Virginia

We have audited the accompanying statement of financial position of Rape and Domestic Violence Information Center, 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 Rape and Domestic Violence Information Center, 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 October 26, 2011, on our consideration of Rape and Domestic Violence Information Center, 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 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 grants and contracts is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and related 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

Detrick + Bantvet, PLLC

October 26, 2011

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
 STATEMENT OF FINANCIAL POSITION
 JUNE 30, 2011

ASSETS

Current Assets			
Cash and cash equivalents	\$	253,951	
Investments		51,207	
Grants and contracts receivable		53,551	
Prepaid assets		<u>19,021</u>	\$ 377,730
Plant and Equipment			
Buildings		361,183	
Furniture and equipment		127,594	
Less: Accumulated depreciation		<u>(323,160)</u>	<u>165,617</u>
TOTAL ASSETS			\$ <u>543,347</u>

LIABILITIES AND NET ASSETS

Current Liabilities			
Accounts payable	\$	19,555	
Accrued wages		9,542	
Payroll withholdings		784	
Accrued vacation		<u>4,606</u>	\$ 34,487
Long-Term Liabilities			
Accrued vacation			<u>13,818</u>
Total liabilities			48,305
Net Assets			
Unrestricted		495,042	
Temporarily restricted		<u>-0-</u>	<u>495,042</u>
TOTAL LIABILITIES AND NET ASSETS			\$ <u>543,347</u>

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

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Public Support and Revenues			
WV Department of Health and Human Resources	\$ -0-	\$ 322,485	\$ 322,485
STOP Grant	128,033	-0-	128,033
VOCA Grant	72,088	-0-	72,088
Emergency Shelter Grant Program	25,400	-0-	25,400
Legal Assistance for Victims Grant	17,995	-0-	17,995
Rural Domestic Violence Grant	13,423	-0-	13,423
Department of Justice	54,709	-0-	54,709
United Way	13,045	-0-	13,045
Foundation for Rape and Information Services	95,365	-0-	95,365
Local contributions	25,000	-0-	25,000
Donations	36,200	-0-	36,200
Miscellaneous income	18,066	-0-	18,066
Investment income	2,080	-0-	2,080
Unrealized (gain) on investments	4,694	-0-	4,694
Net assets released from restrictions	<u>322,485</u>	<u>(322,485)</u>	<u>-0-</u>
Total public support, revenue and reclassifications	<u>828,583</u>	<u>-0-</u>	<u>828,583</u>
Expenses			
Program expenses	647,400	-0-	647,400
Management and general	197,621	-0-	197,621
Fundraising	<u>10,487</u>	<u>-0-</u>	<u>10,487</u>
Total expenses	<u>855,508</u>	<u>-0-</u>	<u>855,508</u>
Change in net assets	(26,925)	-0-	(26,925)
Net assets – beginning of period	<u>521,967</u>	<u>-0-</u>	<u>521,967</u>
Net assets – end of period	\$ <u>495,042</u>	\$ <u>-0-</u>	\$ <u>495,042</u>

The accompanying independent auditor's report and notes are an integral part of this statement

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Program</u> <u>Services</u>	<u>Management</u> <u>and</u> <u>General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Wages	\$ 315,922	\$ 122,543	\$ 6,449	\$ 444,914
Payroll taxes	33,647	12,329	649	46,625
Employee benefits	<u>98,373</u>	<u>29,510</u>	<u>1,553</u>	<u>129,436</u>
Total personnel	447,942	164,382	8,651	620,975
STOP Grant payments	83,309	-0-	-0-	83,309
Project Safe Neighborhood	7,008	-0-	-0-	7,008
Supplies	8,998	9,134	1,836	19,968
Telephone	15,728	1,748	-0-	17,476
Utilities	14,089	1,565	-0-	15,654
Insurance	6,235	693	-0-	6,928
Maintenance	4,845	538	-0-	5,383
Travel and training	24,148	1,271	-0-	25,419
Other expenses	-0-	2,336	-0-	2,336
Food and medicine	2,500	-0-	-0-	2,500
Professional fees	10,033	8,154	-0-	18,187
Printing	-0-	450	-0-	450
Rent	10,200	-0-	-0-	10,200
Postage	-0-	1,193	-0-	1,193
Advertising	50	-0-	-0-	50
Depreciation	<u>12,315</u>	<u>6,157</u>	<u>-0-</u>	<u>18,472</u>
 Total expenses	 \$ <u>647,400</u>	 \$ <u>197,621</u>	 \$ <u>10,487</u>	 \$ <u>855,508</u>

The accompanying independent auditor's report and notes are an integral part of this statement

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011

Cash Flows From Operating Activities	\$ (26,925)
Change in net assets	
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	18,472
Unrealized (gain) on investments	(4,694)
(Increase) decrease in:	
Grants and contracts receivable	45,681
Prepaid assets	(897)
Increase (decrease) in:	
Accounts payable	6,342
Accrued wages and vacation	(2,912)
Payroll withholding	<u>(2,122)</u>
Net cash provided by operating activities	\$ 32,945
 Cash Flows From Investing Activities	
Purchase of investments	(998)
Acquisition of capital assets	<u>(4,759)</u>
Net cash (used in) investing activities	(<u>5,757</u>)
 Net increase in cash	27,188
 Cash at beginning of year	<u>226,763</u>
 Cash at end of year	\$ <u>253,951</u>

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

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

1. **Summary of Significant Accounting Policies**

Description of Entity

Rape and Domestic Violence Information Center, Inc., a non-profit organization, was founded July 15, 1974, for the purpose of providing education of the public in the prevention of rape, support and counseling for rape victims, an organization which will study and support studies of rape and related problems, shelter, food, and assistance to victims in Monongalia County, West Virginia and North Central West Virginia. The Organization's major source of revenue is from the West Virginia Department of Health and Human Resources and the West Virginia Division of Criminal Justice Services.

Financial Statement Presentation

The Organization has adopted Financial Accounting Standard Board (FASB) Codification 958, Not-for-Profit Organizations. The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

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.

Revenue Recognition

Unconditional grants and promises to give are recorded when the grant or promise is made. Conditional grants and promises to give are recorded when the 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.

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 and all are deemed collectible.

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2011

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.

Contributions

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

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 Organization 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 Organizations mutual funds are considered insignificant to the Organization's financial statements.

Property and Equipment

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

Tax-Exempt Status

Rape and Domestic Violence Information Center, Inc. is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986.

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.

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT'D)
 JUNE 30, 2011

Cash

All cash accounts are with F.D.I.C. insured institutions. At various times throughout the year Rape and Domestic Violence Information Center, Inc. had amounts in banks that exceeded the F.D.I.C. coverage. These amounts were not adequately covered by pledged assets. This represents a risk for potential loss. 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 regard to their repurchase agreements.

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

Cash and cash equivalents	\$ <u>253,951</u>
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Risk and Uncertainties

The majority of the funding for the operation of the Rape and Domestic Violence Information Center, 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 were 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.

Prepaid Expenditures

Prepaid expenses consist of property and health insurance and rent based on the effective dates of the policy and contracts.

2. Investments

Investments are measured at fair value on a recurring basis as of June 30, 2011, are summarized as follows:

	<u>Cost</u>	<u>Fair Market Value</u>	<u>Unrealized Gain (Loss)</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Insured savings	\$ 24	\$ 24	\$ -0-	\$ 24	\$ -0-
Mutual funds	<u>53,299</u>	<u>51,183</u>	<u>(2,116)</u>	<u>51,183</u>	<u>-0-</u>
Total	\$ <u>53,323</u>	\$ <u>51,207</u>	\$ <u>(2,116)</u>	\$ <u>51,207</u>	\$ <u>-0-</u>

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2011

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

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	\$ 1,914
Capital gains	<u>166</u>
Total investment income	\$ <u>2,080</u>

3. Property and Equipment

Property and equipment consist of the following:

Building	\$ 361,183
Furniture and equipment	<u>127,594</u>
Total property and equipment	488,777
Less accumulated depreciation	<u>(323,160)</u>
Net property and equipment	\$ <u>165,617</u>

4. Compensated Absences

Compensated absences are included in these financial statements at the employees current hourly rate for June 30, 2011 for vacation time only, sick time does not vest.

5. Retirement Plan

During fiscal year 1994, Rape and Domestic Violence Information Center, Inc established a Section 403(b) Annuity Plan. The Organization does not contribute to this plan. It is employee funded only.

6. 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:

Building and improvements	15 – 30 years
Furniture and equipment	3 – 5 years

Depreciation expense for the year totaled \$18,472.

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT'D)
 JUNE 30, 2011

7. Operating Lease

The Organization leases its outreach office in Taylor County for \$1,350 a quarter on a quarter to quarter basis. Also, the Organization leases outreach office space in Preston County. The lease in Preston County is on a year-to-year basis. The quarterly rental fee on the Preston County outreach office is \$1,200 per quarter. The Organization also has three operating leases for copiers.

	<u>Lease 1</u>	<u>Lease 2</u>	<u>Lease 3</u>
Term	60 months	60 months	60 months
Payment	\$ 136.90	\$ 135.80	\$ 177.33
Expiration date	12/2014	12/2014	5/2012
Paid year to date included in supplies	\$ 1,643	\$ 1,630	\$ 2,128

Future payments:

<u>Year</u>	<u>Amount</u>
2012	\$ 5,224
2013	3,273
2014	3,273
2015	<u>1,636</u>
Total	\$ <u>13,406</u>

Rent expense for the year was \$10,200 for the outreach office.

8. 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.

9. Advertising Costs

Rape and Domestic Violence Information Center, Inc. expenses advertising costs as incurred.

10. Subsequent Events

The Organization has considered all subsequent events through October 26, 2011, the date the financial statements were made available.



**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**

The Board of Directors
Rape and Domestic Violence Information Center, Inc.
Morgantown, West Virginia

We have audited the financial statements of Rape and Domestic Violence Information Center, Inc. (a nonprofit organization) as of and for the year ended June 30, 2011, and have issued our report thereon dated October 26, 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 Rape and Domestic Violence Information Center, 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 Rape and Domestic Violence Information Center, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Rape and Domestic Violence Information Center, Inc.'s internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and responses as items 11-1 through 11-3 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rape and Domestic Violence Information Center, 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*.

We noted certain matters that we reported to management of Rape and Domestic Violence Information Center, Inc. in a separate letter dated October 26, 2011.

The Rape and Domestic Violence Information Center, Inc.'s responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Rape and Domestic Violence Information Center, Inc.'s responses and accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Board of Directors of the Rape and Domestic Violence Information Center, Inc., others within the entity, and federal 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.

Tetrick + Bandett, PLLC

October 26, 2011

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
 SCHEDULE OF GRANTS AND CONTRACTS
 FOR THE YEAR ENDED JUNE 30, 2011**

<u>Grantor Agency/Subgrantor</u>	<u>Program Title</u>	<u>Grant Number</u>	<u>CFDA Number</u>	<u>Amount Expended</u>
U.S. Department of Health and Human Services				
WV Department of Health and Human Resources	WV FRIS Family Violence Prevention & Services Act	8802-2009-0506-096-128 G090187	16.890 93.671	\$ 34,542 <u>74,172</u>
Total Department of Health and Human Resources				<u>108,714</u>
Department of Justice				
WV Division of Criminal Services	Victim Assistance STOP Violence Against Women STOP Violence Against Women STOP Violence Against Women STOP Violence Against Women STOP Violence Against Women STOP Violence Against Women Rural Grant Legal Assistance for Victims Project Safe Neighborhood Sexual Assault Services Program Sexual Assault Services Program Sexual Assault Services Program	2009-VA-GX-0048 09-4008 09-4007 10-5002 10-5001 11-1004 11-1005 10-607 2004-WL-AX-0040 2004 GP CX 0703 SASP-09-005 SASP-09-005A SASP-11-0005	16.575 16.588 16.588 16.588 16.688 16.588 16.588 16.589 16.524 16.590 16.736 16.736 16.736	72,088 865 3,691 15,874 8,366 31,958 67,279 13,423 10,901 2,363 5,459 4,141 7,686
WV Division of Criminal Services -- ARRA	Recovery Act Justice Assistance Grant	2009-SU-B9-0034	16.803	<u>52,346</u>
Total Department of Justice				<u>296,440</u>

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
 SCHEDULE OF GRANTS AND CONTRACTS (CONT'D)
 FOR THE YEAR ENDED JUNE 30, 2011

<u>Grantor Agency/Subgrantor</u>	<u>Program Title</u>	<u>Grant Number</u>	<u>CFDA Number</u>	<u>Amount Expended</u>
Department of Housing and Urban Development				
WV Office of Economic Opportunity	Emergency Shelter Grants Program	N/A	14.231	\$ <u>25,000</u>
Total Department of Housing and Urban Development				<u>25,000</u>
Total Federal Grants & Contracts				\$ <u>430,154</u>
State Awards				
WV Department of Health and Human Resources	Prevention Education	N/A	N/A	\$ 11,343
	Prevention Education	N/A	N/A	10,682
	Rural Advocates	R-07-003	N/A	7,626
	Rural Advocates	R-09-004	N/A	13,203
	General Allocation	G090187	N/A	<u>248,313</u>
Total State Grants & Contracts				\$ <u>291,167</u>

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
NOTES TO THE SCHEDULE OF GRANTS AND CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2011

Note 1 Basis of Presentation

The accompanying Schedule of Grants and Contracts is prepared on the accrual basis of accounting which is the same basis used in the preparation of the financial statements.

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2011

11-1 Segregation of Duties

Criteria: Analysis of the internal control system indicated a lack of 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.

Cause: The Organization did not assign the responsibility for approving, executing, and recording transactions and custody of the resulting asset to separate individuals.

Effect: Because of the lack of segregated duties, the 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, executing, recording and custody of the assets should be distributed among the accounting staff to the degree possible. However, we recognize that complete segregation of duties is not economically feasible.

Entity's Response: To the extent possible, the Organization has segregated its duties. Any further segregation of duties would not be economically feasible.

11-2 Cash in Excess of F.D.I.C.

Criteria: The Organization should monitor cash amounts regularly and transfer any amounts in excess of F.D.I.C. coverage to another financial institution.

Condition: It was noted during the audit the Organization has cash accounts in excess of F.D.I.C. coverage at various times during the fiscal year.

Cause: Receipt of checks in excess of \$250,000 through no fault of the Organization.

Effect: The Organization's cash balances were not always fully protected from collateral risk.

Recommendation: The Organization should review the accounts monthly and transfer amounts in excess of F.D.I.C. coverage to another financial institution.

Entity's Response: Transfers of grant monies into the account are made only when absolutely necessary to maintain a lower balance. The only time normally that the bank balance exceeds the F.D.I.C. coverage amount is when we receive a large drawdown from the WV Department of Health & Human Resources

RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.
SCHEDULE OF FINDINGS AND RESPONSES (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2011

11-3 Credit Card Support Documentation

Criteria: The Organization should maintain support documentation for all credit card transactions.

Condition: It was noted during our audit that the Organization did not have proper documentation for 5 credit card charges for travel totaling \$395.74.

Cause: Travel documentation was not retained by the employees' of the Organization.

Effect: The failure to maintain the proper support documentation for the credit card transactions result in the potential of credit cards being used for personal use and charged to the Organization.

Recommendation: The Organization should maintain proper support documentation for all credit card transactions. The documentation for the travel should include business purpose for the transaction.

Entity's Response: The Organization recognizes the need to maintain the proper documentation for all credit card transactions and will implement the procedures necessary to ensure all such documentation is properly maintained.



Rape & Domestic Violence Information Center, Inc.

December 23, 2011

TO: Board of Directors, Rape and Domestic Violence Information Center, Inc.
FROM: Judy King, Executive Director *Judy King*
RE: Audit Response for the Year Ended June 30, 2011

Below are recommendations made by Tetrick & Bartlett, PLLC after performing the annual audit and my responses.

1. **Recommendation:** Responsibilities of approval, executing, recording and custody of the assets should be distributed among the accounting staff to the degree possible. However, we recognize that complete segregation of duties would not be economically feasible

Response: To the extent possible, RDVIC has segregated its duties. Any further segregation would not be economically feasible.

2. **Recommendation:** The Organization should review the accounts monthly and transfer amounts in excess of F.D.I.C. coverage to another financial institution.

Response: The only time that RDVIC has an unusually high bank balance is when we receive a large drawdown (electronically) from the WV Department of Health and Human Resources. In checking with Huntington Bank (Jenny Parsons and Barbara Shriver) we were told that any account that is not interest bearing will be FDIC covered at an unlimited amount. Accounts that are interest bearing, such as our money market, are covered at the \$250,000 level. Therefore, having high balances after a DHHR deposit does not put us at additional risk.

3. **Recommendation:** The organization should maintain proper documentation for all credit card transactions. The documentation for the travel should include business purpose for the transaction.

Response: RDVIC recognizes the need to maintain the proper documentation for all credit card transactions and will implement the procedures to necessary to ensure all such documentation is properly maintained.



RE: RDVIC Audit Response

Friday, January 13, 2012 7:35 AM

From: "Matthew C. Dean" <mdean@tetrickbartlett.com>
To: "Judy King Smith" <jks26505@yahoo.com>

Judy,

I have reviewed your response and you are correct. The measures taken by Congress were supposed to be temporary, but they have not expired as of yet. Therefore, it seems that I was incorrect in indicating that RDVIC exceeded the FDIC limits. To be perfectly honest, our workpaper that tests for FDIC coverage was not adjusted to reflect the "unlimited" coverage aspect of the new FDIC rules.

My sincere apologies.

Thanks,

Matthew C. Dean, CPA, CFE

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From: Judy King Smith [mailto:jks26505@yahoo.com]
Sent: Monday, January 09, 2012 1:44 PM
To: mdean@tetrickbartlett.com
Subject: RE: RDVIC Audit Response

Sorry! I'll try again.

Judy King

--- On Sat, 1/7/12, Matthew C. Dean <mdean@tetrickbartlett.com> wrote: