

**Tucker County Family  
Resource Network, Inc.**

**AUDITED FINANCIAL STATEMENTS**

**June 30, 2012**

DHHR - Finance

JUL 8 2014

Date Received

*Audited by  
Williams & Associates, A.C.  
204 Davis Avenue, PO Box 2727  
Elkins, West Virginia 26241*

**Tucker County Family Resource Network, Inc.  
For the Year Ended June 30, 2012**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>Independent Auditor's Report</b>	<b>1</b>
<b>Financial Statements</b>	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Statement of Functional Expenses	5
<b>Notes to the Financial Statements</b>	<b>6-9</b>
<b>Supplemental Information</b>	
Auditor's Report on Supplemental Information	10
Statement of Activities by Grant	11
<b>Schedule of Expenditures of State Awards</b>	<b>12</b>
<b>Report on Selected Compliance Requirements of the West Virginia Department of Health &amp; Human Resources</b>	<b>13</b>
<b>Independent Auditor's Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	<b>14-15</b>
<b>Management Letter</b>	<b>16</b>

# Williams & Associates, A.C.

Certified Public Accountant

#6 Second Street  
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## Independent Auditor's Report

Board of Directors  
Tucker County Family Resource Network, Inc.  
Parsons, West Virginia

We have audited the accompanying statement of financial position of Tucker County Family Resource Network, Inc., as of June 30, 2012, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the entity'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. 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 Tucker County Family Resource Network, Inc., as of June 30, 2012, 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses on page 5 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued my report dated November 12, 2012, on my consideration of the Tucker County Family Resource Network, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

*Williams & Associates, A.C.*  
Williams & Associates, A.C.  
November 12, 2012

DHHR - Finance

JUL 8 2014

Date Received

**Tucker County Family Resource Network, Inc.**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2012**

**ASSETS**

Current Assets		
Cash and Cash Equivalents	\$	43,962
Grants Receivable		3,466
Prepaid Expenses		764
Total Current Assets		<u>48,192</u>
Fixed Assets		
Office Furniture & Equipment, net		<u>6,897</u>
Total Fixed Assets		<u>6,897</u>
<b>TOTAL ASSETS</b>		<b><u>\$ 55,089</u></b>

**LIABILITIES & NET ASSETS**

Liabilities		
Current Liabilities		
Accounts Payable	\$	-
Payroll Tax Liabilities		<u>5,072</u>
Total Current Liabilities		<u>\$ 5,072</u>
Total Liabilities		<u>5,072</u>
Net Assets		
Unrestricted		<u>50,017</u>
Total Net Assets		<u>50,017</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>		<b><u>\$ 55,089</u></b>

The accompanying notes are an integral part of these financial statements.

**Tucker County Family Resource Network, Inc.**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2012**

<b>REVENUE &amp; SUPPORT</b>		
Grants	\$ 204,112	
Donations	4,320	
Miscellaneous Income	<u>3,998</u>	
 Total Revenue & Support		 \$ 212,430
 <b>EXPENSES</b>		
Program Expenses	194,734	
Other Expenses	<u>12,009</u>	
 Total Expenses		 <u>206,743</u>
 Total Increase(Decrease) in Net Assets		 \$ 5,687
 Net Assets, 7/1/11		 <u>44,330</u>
 Net Assets, 6/30/12		 <u>\$ 50,017</u>

The accompanying notes are an integral part of these financial statements.

**Tucker County Family Resource Network, Inc.**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended June 30, 2012**

**OPERATING ACTIVITIES**

Net Income	\$	5,687
Adjustments to reconcile Net Income to net cash provided(used) by operations:		
Depreciation		945
Accounts Receivable		33
Prepaid Expenses		439
Payroll Tax Liabilities		2,340
Net cash provided(used) by Operating Activities	\$	9,444

**FINANCING ACTIVITIES**

Purchases of Fixed Assets		(6,509)
Net cash provided(used) by Financing Activities		(6,509)
Net cash increase(decrease) for the fiscal year		2,935
Cash, 7/1/11		41,027
Cash, 6/30/12	\$	43,962

The accompanying notes are an integral part of these financial statements.

**Tucker County Family Resource Network, Inc.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended June 30, 2012**

EXPENSES	PROGRAM EXPENSES					General Fund	TOTAL	
	DHHR	PIP	SDFC	SP	Others			Subtotal
Personnel Expenses								
Salaries & Wages	30459	2973	220	78296	12321	124,269	5,118	
Fringe Benefits	3479	321	24	8554	1437	13,815	422	
Contractual/Professional								
Contract Labor	0	800	0	0	180	980	-	
Travel Expenses								
Mileage	2128	661	0	5198	1650	9,637	-	
Lodging	0	0	0	952	350	1,302	-	
Meals	72	0	0	88	411	571	-	
Supplies								
Office	131	392	0	2031	4308	6,862	-	
Postage	10	0	0	47	103	160	-	
Other	0	0	0	431	802	1,233	-	
Other Expenses								
Advertising	0	0	0	0	560	560	-	
Consumer/Community Involvement	630	1000	0	5972	3793	11,395	849	
Public Awareness	0	1623	0	2433	1828	5,884	-	
Insurance	717	0	0	1629	0	2,346	439	
Rent	0	0	0	3000	0	3,000	3,600	
Telephone	817	0	0	1425	55	2,297	-	
Other	1550	0	0	2227	6646	10,423	636	
Depreciation	0	0	0	0	0	-	945	
<b>TOTAL EXPENSES</b>	<b>\$ 39,993</b>	<b>\$ 7,770</b>	<b>\$ 244</b>	<b>\$ 112,283</b>	<b>\$ 34,444</b>	<b>\$ 194,734</b>	<b>\$ 12,009</b>	<b>\$ 206,743</b>

The accompanying notes are an integral part of these financial statements.

**Tucker County Family Resource Network, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2012**

**Note 1. Summary of Significant Accounting Policies**

Tucker County Family Resource Network, Inc. (TCFRN) is a nonprofit organization whose purpose is to facilitate a seamless system of services to the family of the county by identifying family needs, identifying resources to meet family needs, sharing plans and information, and planning joint actions.

The summary of significant accounting policies of TCFRN is presented to assist in understanding the Organization's financial statements. The financial statements and notes are the representation of management, who is responsible for their integrity and objectivity.

**Basis of Accounting**

The financial statements of TCFRN have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statements of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, 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.

**Estimates**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Cash and Cash Equivalents**

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.



**Tucker County Family Resource Network, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2012**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Grants Receivable**

Grants are recognized when the grantor makes a promise to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor/grantor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor/grantor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily net assets are reclassified to unrestricted net assets. As of June 30, 2012, all grants receivable are deemed collectible.

**Property and Equipment**

The Organization currently capitalizes all equipment purchased at cost and all donated equipment at fair market value and is depreciating these costs using the accelerated method over the asset's estimated useful life.

**Income Taxes**

The Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3).

**Grant Monies**

Grant monies are received in two ways:

- 1 – On a cost reimbursement basis for which the Organization requests reimbursement for monies already spent.
- 2 – On an as needed basis in which the Organization requests monies that it feels it will need in the immediate future. Upon completion of a grant year, any unexpended money must be approved for carryover to the next year, but if approval is denied, the money must be reimbursed to the grantor.

Total grant revenues for the year ended June 30, 2012 was \$204,112.

**Donated Facilities/Contractual Services**

The TCFRN's office space is provided by the Tucker County Board of Education. Donations equal to the value of the office space are recorded as income and an offsetting expense for rent is also recorded in the accompanying financial statements.

**Tucker County Family Resource Network, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2012**

**Note 5. In-Kind Contributions**

Office space valued at \$3,600 was donated by the Tucker County Board of Education and is recorded as both In-Kind Revenue and In-Kind Rent Expense in the Statement of Activities.

# *Williams & Associates, A.C.*

*Certified Public Accountant*

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## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION**

To the Board of Directors  
Tucker County Family Resource Network, Inc.  
Parsons, West Virginia

My report on my audit of the basic financial statements of Tucker County Family Resource Network, Inc., for the year ended June 30, 2012, appears on page one (1). I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States for the purpose of forming an opinion on the basic financial statements taken as a whole. The Statement of Activities by Grant is presented for purposes of additional analysis and is not a required part of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Williams & Associates, A.C.*

Elkins, West Virginia  
November 12, 2012

**Tucker County Family Resource Network, Inc.**  
**STATEMENT OF ACTIVITIES BY GRANT**  
**For the Year Ended June 30, 2012**

	PROGRAMS						TOTAL
	DHHR	PIP	SDFC	SP	Others	Total Programs	
<b>REVENUE &amp; SUPPORT</b>							
Grant Revenues	\$ 42,500	\$ 8,500	\$ -	\$ 120,000	\$ 33,112	\$ 204,112	\$ -
Donations					\$ 720	720	\$ 3,600
Other Revenues					2,605	2,605	1,393
<b>TOTAL REVENUE &amp; SUPPORT</b>	<b>42,500</b>	<b>8,500</b>	<b>-</b>	<b>120,000</b>	<b>36,437</b>	<b>207,437</b>	<b>4,993</b>
<b>EXPENSES</b>							
Personnel Expenses							
Salaries & Wages	30459	2973	220	78296	12321	124,269	5,118
Fringe Benefits	3479	321	24	8554	1437	13,815	422
Contractual/Professional							
Contract Labor	0	800	0	0	180	980	-
Travel Expenses							
Mileage	2128	661	0	5198	1650	9,637	-
Lodging	0	0	0	952	350	1,302	-
Meals	72	0	0	88	411	571	-
Supplies							
Office	131	392	0	2031	4308	6,862	-
Postage	10	0	0	47	103	160	-
Other	0	0	0	431	802	1,233	-
Other Expenses							
Advertising	0	0	0	0	560	560	560
Consumer/Community Involvement	630	1000	0	5972	3793	11,395	849
Public Awareness	0	1623	0	2433	1828	5,884	-
Insurance	717	0	0	1629	0	2,346	439
Rent	0	0	0	3000	0	3,000	3,600
Telephone	817	0	0	1425	55	2,297	-
Other	1550	0	0	2227	6646	10,423	636
Depreciation	0	0	0	0	0	-	945
<b>TOTAL EXPENSES</b>	<b>39,993</b>	<b>7,770</b>	<b>244</b>	<b>112,283</b>	<b>34,444</b>	<b>194,734</b>	<b>12,009</b>
<b>INCREASE(DECREASE) IN NET ASSETS</b>	<b>\$ 2,507</b>	<b>\$ 730</b>	<b>\$ (244)</b>	<b>\$ 7,717</b>	<b>\$ 1,993</b>	<b>\$ 12,703</b>	<b>\$ (7,016)</b>
							<b>\$ 5,687</b>

The accompanying notes are an integral part of these financial statements.

**Tucker County Family Resource Network, Inc.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL STATE AWARDS**  
**For the Year Ended June 30, 2012**

<b>Federal &amp; State Grantor/Pass-Through</b>			
<b>Grantor/Program or Cluster Title</b>	<b>Grant Number</b>	<b>CFDA Number</b>	<b>Expenditures</b>
<i>Federal Awards</i>			
Pass-Through Awards			
Department of Health & Human Resources			
Starting Points	120148	93.556	\$ 56,250
		93.590	5,944
Department of Health & Human Resources			
Family Resource Network	120323	93.778	<u>14,784</u>
<i>Total Expenditures of Federal Awards</i>			<u>\$ 76,978</u>
<i>State Awards</i>			
Department of Health & Human Resources			
Starting Points	120148		57,806
Department of Health & Human Resources			
Family Resource Network	120323		27,716
Pass-Through Awards			
Department of Health & Human Resources			
Bureau for Behavioral Health & Health Facilities			<u>26,112</u>
<i>Total Expenditures of State Awards</i>			<u>\$ 111,634</u>
<i>Total Expenditures of Federal &amp; State Awards</i>			<u><u>\$ 188,612</u></u>

**The accompanying notes are an integral part of this schedule.**

# Williams & Associates, A.C.

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## REPORT ON SELECTED COMPLIANCE REQUIREMENTS OF THE WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES

To the Board of Directors  
Tucker County Family Resource Network, Inc.  
Parsons, West Virginia

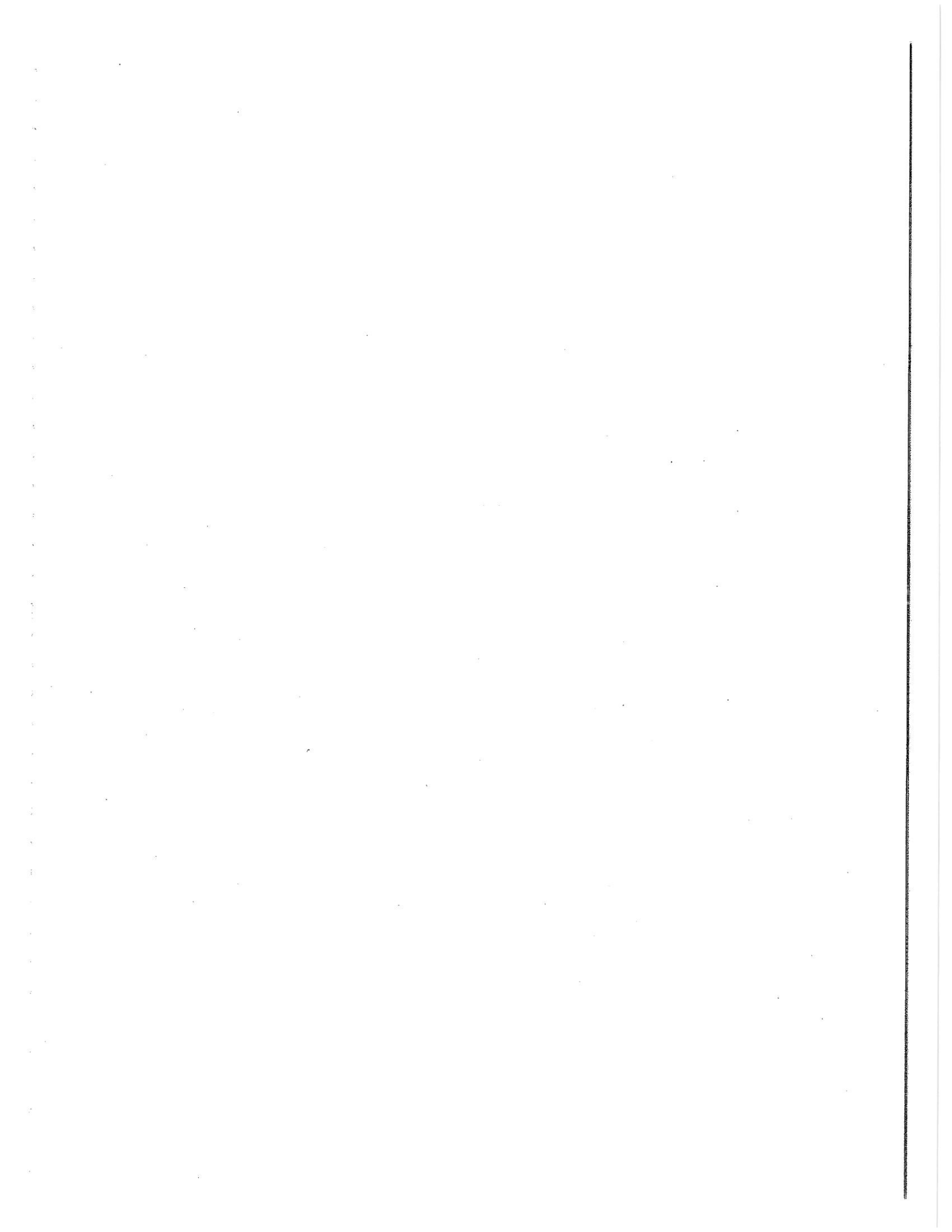
We have audited the financial statements of the Tucker County Family Resource Network, Inc. (a non-profit organization) as of and for the year ended June 30, 2012, and have issued our report thereon dated November 12, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

As part of obtaining reasonable assurance about whether the Tucker County Family Resource Network, Inc.'s financial statements are free of material misstatement, we performed tests of certain compliance requirements per the directive of the West Virginia Department of Health and Human Resources. Providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. However, the results of our tests disclosed no instances of noncompliance that are required to be reported under the directive of the West Virginia Department of Health and Human Resources.

This report is intended for the information of the Board of Directors, management and the granting agencies and it not intended to be and should not be used by anyone other than those specified parties.

*Williams & Associates, A.C.*

Williams & Associates, A.C.  
November 12, 2012



Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we noted certain matters that we have reported to management of Tucker County Family Resource Network, Inc., in a separate letter dated November 12, 2012, and included in this audit report on page 16.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Tucker County 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 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 the audit committee, management, the Department of Health and Human Resources and other funders, and is not intended to be and should not be used by anyone other than these specified parties.

*Williams & Associates, A.C.*

Williams & Associates, A.C.  
November 12, 2012



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## MANAGEMENT LETTER

Board of Directors  
Tucker County Family Resource Network, Inc.  
501 Chestnut Street  
Parsons, WV 26287

In planning and performing my audit of the financial statements of Tucker County Family Resource Network, Inc. (TCFRN) as of and for the year ended June 30, 2012, I considered its internal control to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. However, I noted certain matters involving internal control and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. *Reportable conditions* involve matters coming to my attention relating to significant deficiencies in the design or operation of internal control that, in my judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

### Segregation of Duties

I noted that, in general, one person is responsible for the accounting and financial duties. As a result, many aspects of the internal accounting control which rely upon an adequate segregation of duties are, for all practical purposes, missing in TCFRN. I recognize that the Organization is not large enough to make the employment of additional people for the purpose of segregating duties practicable from a financial standpoint; however, internal controls should be implemented to compensate for this lack of segregation.

### Fixed Assets

I noted during my audit that the Organization does not have a capitalization policy. This policy should be adopted immediately. The suggested policy would require all purchases exceeding \$500 with a useful life of more than one year to be recorded as a fixed asset and depreciated using the straight-line method over its useful life. This was noted in several previous years' audits and has not yet been implemented.

This report is intended solely for the information and use of the board of directors, management and others within the Organization and is not intended to be and should not be used by anyone other than these specified parties.

*Williams & Associates, A.C.*

Elkins, West Virginia  
November 12, 2012

DHHR - Finance

JUL 8 2014

Date Received