

MARION HEALTH CARE FOUNDATION, INC.

INDEPENDENT AUDITOR'S REPORT AND
RELATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2012

DHHR - Finance

JUL 16 2014

Date Received

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Marion Health Care Foundation, Inc.
Fairmont, West Virginia

We have audited the accompanying statement of financial position of Marion Health Care Foundation, Inc. (a nonprofit organization) as of June 30, 2012 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 Marion Health Care Foundation, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2013, on our consideration of Marion Health Care Foundation, 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 schedule of state grant receipts and disbursements 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 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 schedule of state grant receipts and disbursements is fairly stated in all material respects in relation to the financial statements as a whole.

Tetuck & Battlett, PLLC

July 30, 2013

MARION HEALTH CARE FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2012

ASSETS

Current Assets

| | | |
|---------------------------|----|----------------|
| Cash and cash equivalents | \$ | 96,180 |
| Grants receivable | | 13,675 |
| Accounts receivable | | 8,582 |
| Prepaid expenses | | 1,011 |
| Total current assets | | <u>119,448</u> |

Property and Equipment

| | | |
|-------------------------------|--|----------------|
| Land | | 7,522 |
| Building | | 190,204 |
| Furniture and fixtures | | 56,516 |
| | | <u>254,242</u> |
| Less accumulated depreciation | | (177,345) |
| Net property and equipment | | <u>76,897</u> |

TOTAL ASSETS

\$ 196,345

LIABILITIES AND NET ASSETS

Current Liabilities

| | | |
|-----------------------------------|----|---------------|
| Accounts payable | \$ | 9,515 |
| Accrued payroll and related taxes | | 1,179 |
| | | <u>10,694</u> |

Total liabilities

10,694

Unrestricted Net Assets

| | | |
|-------------------------------|--|----------------|
| Operating | | 108,754 |
| Fixed assets | | 76,897 |
| Total unrestricted net assets | | <u>185,651</u> |

TOTAL LIABILITIES AND NET ASSETS

\$ 196,345

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

MARION HEALTH CARE FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

| | |
|---|-------------------|
| Unrestricted Revenues, Gains & Other Support | |
| WV Department of Health and Human Resources | \$ 54,408 |
| Valley Mental Health | 28,009 |
| Food stamp income | 12,675 |
| Rental income - residence | 4,354 |
| Interest income | <u>317</u> |
| Total Support and Revenue | <u>99,763</u> |
| | |
| Unrestricted Expenses | |
| Program expense | 97,096 |
| Management and general | <u>6,412</u> |
| Total Expenses | <u>103,508</u> |
| | |
| Change in Unrestricted Net Assets | (3,745) |
| | |
| Net Assets, Beginning of Year | <u>189,396</u> |
| | |
| Net Assets, End of Year | <u>\$ 185,651</u> |

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

MARION HEALTH CARE FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012

| | Community Behavioral Health Services Program | Management and General | Total |
|------------------------------------|--|---------------------------|------------|
| Wages and Payroll Taxes | \$ 30,450 | \$ - | \$ 30,450 |
| Employee Benefits | 2,742 | - | 2,742 |
| Utilities | 17,261 | - | 17,261 |
| Laboratory and medicine | 235 | - | 235 |
| Meals – food stamps | 12,676 | - | 12,676 |
| Meals – purchased | 15,740 | - | 15,740 |
| Supplies | 2,067 | - | 2,067 |
| Professional Fees | - | 3,800 | 3,800 |
| Insurance | 2,644 | - | 2,644 |
| Maintenance | 4,708 | - | 4,708 |
| Telephone | - | 2,094 | 2,094 |
| Other Expenses | 668 | 518 | 1,186 |
| | <hr/> | <hr/> | <hr/> |
| Total expenses before depreciation | 89,191 | 6,412 | 95,603 |
| Depreciation expense | 7,905 | - | 7,905 |
| | <hr/> | <hr/> | <hr/> |
| Total functional expenses | \$ 97,096 | \$ 6,412 | \$ 103,508 |

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

MARION HEALTH CARE FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012

| | |
|---|------------------|
| Cash Flows From Operating Activities | |
| Change in net assets | \$ (3,745) |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities: | |
| Depreciation | 7,905 |
| Loss on disposal of property and equipment | 668 |
| (Increase) decrease in: | |
| Grants receivable | 119 |
| Accounts receivable | 9,513 |
| Prepaid expenses | 26 |
| Increase (decrease) in: | |
| Accounts payable | (11,555) |
| Accrued payroll and related taxes | 149 |
| Net cash provided by (used in) operating activities | <u>3,080</u> |
| Cash Flows From Investing Activities | |
| Acquisition of property and equipment | <u>(30,484)</u> |
| Net cash provided by (used in) investing activities | <u>(30,484)</u> |
| Net (decrease) in cash | (27,404) |
| Cash and cash equivalents, beginning of year | <u>123,584</u> |
| Cash and cash equivalents, end of year | <u>\$ 96,180</u> |
| Supplemental Disclosures | |
| Interest Paid | <u>\$ -</u> |
| Income taxes paid | <u>\$ -</u> |

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

MARION HEALTH CARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Organization and Nature of Operations

Marion Health Care Foundation, Inc. (the Organization), a nonprofit organization, was founded for the purpose of operating and maintaining housing and providing case management to persons who have been diagnosed with a drug addiction. The Organization's major sources of support and revenue consist of a grant from the West Virginia Department of Health and Human Resources and receipts billed to Valley Comprehensive Community Mental Health Center, Inc. which constitute program service revenue. Additionally, the Organization receives support in the form of local grants and contributions from the general public.

Basis of Presentation

The financial statements are prepared in accordance with the recommendations of FASB Codification (ASC) 958-205, "Presentation of Financial Statements". Under ASC 958-205, 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. The net assets of the Organization and changes in these net assets for the period are classified and reported as follows:

Unrestricted net assets – net assets that are not subject to donor/grantor stipulations.

Temporarily restricted net assets – net assets subject to donor/grantor-imposed stipulations that will be satisfied by actions of the organization or the passage of time.

Permanently restricted net assets – net assets subject to donor/grantor-imposed stipulations that they be maintained permanently by the Organization.

The Organization has no temporarily or permanently restricted net assets at June 30, 2012.

Basis of Accounting and Reporting

The financial statements of Marion Health Care Foundation, Inc have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Revenues are recognized when earned and expenses are recognized when incurred.

MARION HEALTH CARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)

Contributions

In accordance with FASB ASC 958-605, *Not-for-Profit Entities: Revenue Recognition*, contributions are recognized in the period received unless the donation qualifies for accrual as an unconditional promise to give at the time a valid pledge is received. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished) temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

Donated Services and Materials

In accordance with FASB ASC 958-605, *Not-for-Profit Entities: Revenue Recognition*, the Organization receives donated services and materials from a variety of unpaid volunteers assisting at the homes, in education programs and maintenance projects. No amounts have been reflected in the financial statements for these services since they do not meet the criteria for recognition.

Cash and Cash Equivalents

In accordance with FASB ASC 305, *Cash and Cash Equivalents*, the Organization considers all funds in banks and highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. These funds consist principally of investments in short-term, interest bearing instruments and are carried at cost plus accrued interest which approximates fair value.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Grant Awards and Contracts

In accordance with FASB ASC 958-605, *Not-for-Profit Entities: Revenue Recognition*, support received under grants and contracts with the West Virginia Department of Health and Human Resources is recorded as unrestricted support because the related costs to such grants and contracts are incurred before reimbursement received. Grants and contracts receivable represent amounts due and billed for expenditures incurred prior to year end but not received until after the period under audit.

MARION HEALTH CARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)

Accounts Receivable

Uncollectible receivables are eliminated in the fiscal period that the receivables are actually determined to be uncollectible. Management has indicated that the accounts receivable, as shown in the accompanying financial statements will be collected in full.

Estimates

In accordance with FASB ASC 275, *Risks and Uncertainties*, the preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, support, revenues, and expenses reported during the period. Accordingly, actual results could differ from those estimates.

Income Taxes

Marion Health Care Foundation, Inc. is exempt from federal income taxes under 501(c) (3) of the Internal Revenue Code. Therefore, Marion Health Care Foundation, Inc. has made no provision for federal income taxes in the accompanying financial statements. In addition, Marion Health Care Foundation, Inc. has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code.

All required federal information returns for the Organization have been filed up to and including the tax year ended June 30, 2012. The Organization's federal information returns for 2010, 2011, and 2012 remain subject to examination by the Internal Revenue Service.

Advertising Costs

The Organization expenses advertising costs as incurred.

2. Property and Equipment

In accordance with FASB ASC 958-360, *Not-for-Profit Entities: Property, Plant and Equipment*, fixed assets acquired by Marion Health Care Foundations, Inc are considered to be owned by Marion Health Care Foundation, Inc. However, State funding sources may maintain equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The State has a reversionary interest in those assets purchased with its funds which have a cost of \$1,000 or more and an estimated useful life of at least one year.

MARION HEALTH CARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)

Marion Health Care Foundation, Inc follows the practice of capitalizing all expenditures for property, furniture, fixtures, and office equipment in excess of \$500. Property and Equipment are stated at original cost if purchased or fair market value if donated. Part of the cost of building and equipment is charged against earnings each year as depreciation expense. These charges are computed by using the straight-line method based on the estimated useful lives of the assets. The useful lives employed in the computation of the depreciation expense are as follows:

| | |
|-----------|-------------|
| Building | 15-40 years |
| Equipment | 5-10 years |

3. Concentrations of Credit Risk

In accordance with FASB ASC 275, *Risks and Uncertainties*, the Organization receives a substantial amount of its support and revenue from two sources. A significant reduction in the level of this support and revenue, if this were to occur, may have a significant impact on the Organization.

The Organization receives substantial support from the West Virginia Department of Health and Human Resources under a grant contract. Support received from the West Virginia Department of Health and Human Resources amounted to \$54,408 for the year ended June 30, 2012. The amount receivable under this contract at June 30, 2012 was \$13,675. Management believes that the full amount is collectible; therefore no allowance for bad debts has been made.

Additionally, the Marion Health Care Foundation, Inc. provides services for the Valley Comprehensive Community Mental Health Center, Inc. Revenue from this agreement amounted to \$28,009 for the fiscal year ending June 30, 2012. The amount receivable for these services was \$8,582 at June 30, 2012. Management believes that the full amount is collectible; therefore no allowance for bad debts has been made.

4. Date of Management's Review of Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, events and transactions subsequent to June 30, 2012 through July 30, 2013, have been evaluated by the Organization's management for possible adjustment and/or disclosure in the financial statements. Management has not identified any subsequent events through July 30, 2013, the date the financial statements were made available.



Tetrick & Bartlett, PLLC

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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
Marion Health Care Foundation, Inc.
Fairmont, West Virginia

We have audited the financial statements of Marion Health Care Foundation, Inc. (a nonprofit organization) as of and for the year ended June 30, 2012, and have issued our report thereon dated July 30, 2013. 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

Management of Marion Health Care Foundation, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Marion Health Care Foundation, 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 Marion Health Care Foundation, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Marion Health Care Foundation, 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 described 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 deficiency described as item #12-01 in the accompanying schedule of findings and responses to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Marion Health Care Foundation, 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item #12-02.

Marion Health Care Foundation, Inc.'s responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Marion Health Care Foundation, Inc.'s responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Board of Directors of the Marion Health Care Foundation, Inc. and federal and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Totush & Baitlett, PLLC

July 30, 2013

MARION HEALTH CARE FOUNDATION, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2012

#12-01 Segregation of Duties

Criteria: Responsibilities of approval, execution, recording and custody associated with all financial transactions should be distributed among different individuals to the highest degree possible.

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

Cause: The Organization has a limited number of individuals who are responsible for the approval, execution, recording and custody associated with all financial transactions. This limits the degree to which these responsibilities can be segregated.

Effect: Because of the lack of segregation of 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, executing, recording and custody associated with all financial transactions should be distributed among individuals to the highest degree possible. We recommend that the full Board of Directors remain involved in the financial affairs of the Organization to provide oversight and independent review functions.

Entity's Response: To the extent possible, the Organization has segregated the responsibilities of approval, execution, recording and custody associated with all financial transactions. Any further segregation of duties would not be economically feasible.

#12-02 Reimbursement of Costs

Criteria: Exhibit D of the West Virginia Department of Health and Human Resources Grant Agreement for grant number G120100 states that "the Grantee will submit invoices for reimbursement of actual costs incurred during the previous month."

Condition: Analysis of the costs submitted for reimbursement under this grant agreement indicated that the Organization requested reimbursement for rent expense totaling \$2,760.72 for which no actual rent cost was incurred.

Cause: The Organization submitted requests for reimbursement for rent expense for which no actual cost was incurred.

MARION HEALTH CARE FOUNDATION, INC.
SCHEDULE OF FINDINGS AND RESPONSES (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2012

Effect: Because the Organization submitted requests for reimbursement of costs that were not actually incurred, the Organization has questioned costs of \$2,760.72.

Recommendation: The Organization should only submit request for reimbursement for actual costs incurred. In the future, the Organization should work with the granting agency in developing the grant budget to include actual costs incurred or a reasonable negotiated facility usage charge.

Entity's Response: The Organization incurred actual, allowable costs for which reimbursement was not requested in an amount greater than the questioned rent costs. The Organization will also work with the granting agency to ensure compliance with the reimbursement of costs segment of the grant agreement.

MARION HEALTH CARE FOUNDATION, INC.
SCHEDULE OF STATE GRANT RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2012

| <u>Identifying State Grant Information</u> | <u>Period of Time</u> | <u>Amount of Award</u> | <u>Receipt of Funds</u> | <u>Expenditure of Funds</u> |
|--|-------------------------|------------------------|-------------------------|-----------------------------|
| Grant #G120100 | 07/01/2011 - 06/30/2012 | <u>\$ 57,000</u> | <u>\$ 40,733</u> | <u>\$ 54,408</u> |



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July 30, 2013

To the Board of Directors
Marion Health Care Foundation, Inc.

We have audited the financial statements of Marion Health Care Foundation, Inc. for the year ended June 30, 2012, and have issued our report thereon dated July 30, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 1, 2012. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Marion Health Care Foundation, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2012. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive accounting estimate affecting the financial statements was:

Management's estimate of the accumulated depreciation is based on historical performance. We evaluated the key factors and assumptions used to develop the accumulated depreciation and depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

DHHR - Finance

JUL 16 2014

Date Received

To the Board of Directors
Marion Health Care Foundation, Inc.

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 30, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

To the Board of Directors
Marion Health Care Foundation, Inc.

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Other Information in Documents Containing Audited Financial Statements

With respect to the Schedule of State Grant Receipts and Disbursements accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared the reconciled the Schedule of State Grant Receipts and Disbursements to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of Marion Health Care Foundation, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Tetrick & Bartlett, PLLC

Tetrick & Bartlett, PLLC