

**FAMILY CRISIS CENTER, INC.**

**AGREED-UPON PROCEDURES REPORT  
State of West Virginia  
Department of Health and Human Resources  
Accountability and Reporting Requirements**

**Fiscal Year Ending  
June 30, 2014**

DHHR - Finance

DEC 12 2016

Date Received

**Fike, Conner & Associates, P.A.**  
*Certified Public Accountants*

# Fike, Conner & Associates, P.A.

Certified Public Accountants

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors and Management  
Family Crisis Center, Inc.  
P.O. Box 207  
Keyser, WV 26726

We have performed the procedures listed in the attached supplement for the fiscal year ending June 30, 2014, which were agreed to by the management of Family Crisis Center, Inc., solely to assist Family Crisis Center, Inc. with the accountability and reporting requirements of the State of West Virginia Department of Health and Human Resources pursuant to West Virginia Code Section 12-4-14. Family Crisis Center, Inc.'s management is responsible for compliance with the State of West Virginia Department of Health and Human Resources' accountability and reporting requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached supplement either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on Family Crisis Center Inc.'s compliance with the State of West Virginia Department of Health and Human Resources' accountability and reporting requirements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

*Fike, Conner and Associates, P.A.*

LaVale, Maryland  
December 12, 2016

DHHR - Finance

DEC 12 2016

Date Received

**FAMILY CRISIS CENTER, INC.**  
**SUPPLEMENT TO THE AGREED-UPON PROCEDURES REPORT**

Agreed-Upon Procedures are as follows:

Source:

State of West Virginia Department of Health and Human Resources (DHHR)

DHHR Grantee Audit Compliance Guide

Attachment E - Supplemental Compliance Procedures for an Agreed-Upon Procedures Engagement

1. Review the grant agreement and any related documents (e.g. statements of work, budgets, change orders, program directives, regulations, etc.) to ascertain the purpose for which the funds were awarded and the terms and conditions associated with the state grant.

**We obtained the grant agreement between the West Virginia Department of Health and Human Resources (Bureau for Children and Families) and the Family Crisis Center, Inc. We reviewed the grant agreement along with the grantee budget and other terms and conditions of the grant to ascertain the purpose for which the funds were awarded. The grant agreement is for the provision of protective services for victims of domestic violence and their families as further described in Exhibit A.**

2. Verify whether funds received under the grant (as reported on the sworn statement of expenditures) were correctly authorized, recorded, and deposited into the appropriate organizational accounts.

**We verified that the funds awarded by the grant as reported on the "Sworn Statement of Grant Receipts and Expenditures" agreed to the deposit records and accounting records of the Family Crisis Center and were properly authorized.**

3. Review all costs (as listed on the sworn statement of expenditures) and related transactions associated with the grant to verify whether:
  - a. Costs were approved by the DHHR, if required.

**There were no costs noted that needed approved by the DHHR.**

- b. Costs conform to the allowability of costs provisions or limitations in the program agreement, program regulations, or program statute.

**We reviewed all costs charged to the grant/program for allowability of the cost provisions and did not note any unallowable costs during our review.**

- c. Costs represent charges for actual costs, not budgeted or projected amounts.

**We reviewed all costs charged to the grant/program and ascertained that they were all actual costs and that none of the costs were budgeted or projected amounts.**

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- d. Costs are given consistent treatment within and between accounting periods. Consistency in accounting requires that costs incurred for the same purpose, in like circumstances, be treated as either direct costs only or indirect costs only with respect to final cost objectives.

**We verified that the costs were given consistent treatment within and between accounting periods. During our test of the costs charged to the grant/program, we did not note any costs that were from another accounting period. All costs charged to the grant/program were treated as direct costs.**

- e. Costs are net of all applicable credits (e.g. volume or cash discounts, insurance recoveries, refunds, rebates, trade-ins, adjustments for checks not cashed, and scrap sales).

**During our test of the costs charged to the grant/program, we did not note any costs that were not net of all applicable credits.**

- f. Costs are not included as both a direct billing and as a component of indirect costs.

**There were only direct costs charged to the grant/program, and no indirect costs were charged. Family Crisis Center did not treat any costs as indirect costs and no indirect cost rates were applied to the grant.**

- g. Costs are supported by appropriate documentation (e.g. approved purchase orders, receiving reports, vendor invoices, canceled checks, and time and attendance records) and correctly charged as to account, amount and period.

**The Family Crisis Center (Center) uses an outside certified public accounting (CPA) firm to process payroll and to help with all accounting functions. The Center forwards all payroll related information to the CPA firm to process the payroll and forwards all unpaid invoices with an approval for payment sheet to the CPA firm to cut all checks for vendors. The CPA firm uses QuickBooks to complete all the accounting functions. We reviewed the accounting records from the QuickBooks program, agreed the expenditures from the accounting system to the "Sworn Statement of Expenditures," and tested all expenditures charged to the DHHR grant. Our test of expenditures charged to the grant consisted of reviewing the original invoice documentation along with the approval for payment sheet, canceled checks, payroll earnings reports and employee time sheets. The Center had substantially all the original invoice documentation along with an approval for payment sheet for all expenditures charged to the grant. The approval for payment sheet attached to the original invoice documentation shows the grant program to be charged and approval for payment by an authorized signature (executive director). We traced each expenditure from the accounting records and the invoice documentation to the cancelled checks on the bank statement and no discrepancies were noted. We reconciled the total salaries and wages expense line in QuickBooks with the payroll**

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- g. Costs are supported by appropriate documentation (e.g. approved purchase orders, receiving reports, vendor invoices, canceled checks, and time and attendance records) and correctly charged as to account, amount and period. - Continued

earnings records and payroll reports. We also reviewed the salaries and wages charged to the grant with the payroll earnings reports and related employee timesheets. It was noticed that some employee timesheets were missing but overall the timesheets were substantially complete. During our tests of transactions, we did have findings which are outlined below under procedure four (4).

4. Inquire and report upon the status of any findings, contingencies, or other deficiencies discovered during the current engagement or described in any prior agreed-upon procedures report (if applicable) that could negatively affect administration of the DHHR grant and related program/project.
- 1) There was an agreed-upon procedures engagement completed for the Family Crisis Center for the fiscal year ending June 30, 2013.
  - 2) Original invoice documentation for ten (10) expenditures charged to the grant were not present. We recommend that the Center maintain all original invoice documentation for expenditures charged to the grant. This finding was also noted on the June 30, 2013 agreed-upon procedures report.
  - 3) There were some missing employee time sheets from our tests of salaries and wages charged to the grant. We recommend that the Center obtain and maintain timesheets from all personnel that charge time to the grant. This finding was also noted on the June 30, 2013 agreed-upon procedures report.
  - 4) It was noted that all accounting transactions from January 2014 to June 2014 were lost from the QuickBooks accounting system due to some unknown software error according to the Center's CPA's. The Center's CPA's accounted for the lost transactions by completing one month end journal entry in the Center's accounting system and summarizing similar expenses by their natural classification. Although the re-entered expenditures were classified in natural expense categories, they were all entered under one department. We had to review all original invoices and approval for payment sheets for months January 2014 to June 2014 to determine which expenditures should have been classified as DHHR expenditures because all expenditures were charged under one department. We recommend that the Center properly record department awards and expenditures for the DHHR grant separately from all other grants and contributions.
  - 5) Based on our review of the accounting records, the actual costs charged to budget line items "Fringe Benefits" and "Contractual Costs" on the Center's approved budget as stated in the grant agreement (Exhibit E) are overstated by more than ten percent (10%) of the budgeted amount. Per (Exhibit K) of the grant agreement, the Center is to request prior written approval from the Department to modify the budget when any budget line item is increased by more than ten percent (10%). We recommend that the Center obtain prior written approval from the Department when the Center plans to exceed a budget line item by more than ten percent (10%).