TAYLOR COUNTY COLLABORATIVE
FAMILY RESOURCE NETWORK, INC.

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

CONTENTS

ROTH & WHITE, A.C.
CERTIFIED PUBLIC ACCOUNTANTS
P.O. Box 67
Kingwood, WV 26537
(304) 329-1020

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying statement of financial position of Taylor County Collaborative Family Resource Network, Inc. (a nonprofit organization) as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Taylor County Collaborative Family Resource Network, Inc. as of June 30, 2014, 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.

Other Matters

Other Information

The accompanying schedule of expenditures of state awards is presented for purposes of additional analysis, as required by the West Virginia Department of Health and Human Resources, and is not a required part of the basic 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 information is fairly stated, in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 28, 2016 on our consideration of Taylor County Collaborative Family Resource Network, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Roth & White, A.C.

DHHR - Finance

SEP 6 2016

Date Received

Kingwood, West Virginia
June 28, 2016

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

STATEMENT OF FINANCIAL POSITION
June 30, 2014

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 28 315
Prepayments	1 430
	29 745
PROPERTY AND EQUIPMENT	
Office equipment	7 618
Less accumulated depreciation	(6 906)
	712
TOTAL ASSETS	$ 30 457
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Bank line of credit	$ 4 549
Accounts payable	7 781
Accrued expenses	5 161
TOTAL CURRENT LIABILITIES	17 491
NET ASSETS	
Unrestricted	12 966
TOTAL NET ASSETS	12 966
TOTAL LIABILITIES AND NET ASSETS	$ 30 457

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

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

STATEMENT OF ACTIVITIES
Year Ended June 30, 2014

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
State government grants	$	$ 91 600	$ 91 600
Fundraising and special events	391		391
Other grants		8 000	8 000
Donations	12 075		12 075
Other revenue	26 857		26 857
Total revenue and support	39 323	99 600	138 923
Net assets released from usage restrictions	99 600	(99 600)	
Total public support and revenue	138 923		138 923
EXPENSES			
Program services	97 704		97 704
General and administrative	36 849		36 849
Fundraising	657		657
Total expenses	135 210		135 210
Increase in net assets	3 713		3 713
NET ASSETS - BEGINNING OF YEAR	9 253		9 253
NET ASSETS - END OF YEAR	$ 12 966	$	$ 12 966

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

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2014

	Total	Program Services	General & Administrative	Fundraising
PAYROLL				
Staff wages	$ 49 919	$ 23 801	$ 26 118	$
Payroll taxes	4 226	2 028	2 198	
Total payroll	54 145	25 829	28 316	
OTHER EXPENSES				
Rent	4 940	4 940		
Professional fees	3 680		3 680	
Contractual	10 464	10 464		
Supplies and materials	38 891	38 234		657
Telephone and utilities	5 539	5 539		
Advertising and marketing	1 923	1 923		
Insurance	4 717	4 717		
Office expense	3 030		3 030	
Travel and conferences	6 058	6 058		
Dues, subscriptions and fees	704		704	
Depreciation	569		569	
Interest expense	483		483	
Penalties	67		67	
	$ 135 210	$ 97 704	$ 36 849	$ 657

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

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

STATEMENT OF CASH FLOWS
Year Ended June 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 3 713
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	569
Increase in accrued expenses	839
Increase in accounts payable	64
Decrease in prepaid expenses	676
Decrease in grant receivable	393
Net cash provided by operating activities	6 254
CASH FLOWS FROM FINANCING ACTIVITIES	
Bank line of credit proceeds	10 000
Bank line of credit payments	(6 289)
Net cash provided by capital and related financing activities	3 711
NET INCREASE IN CASH	9 965
CASH AND CASH EQUIVALENTS - BEGINNING	18 350
CASH AND CASH EQUIVALENTS - ENDING	$ 28 315
SUPPLEMENTAL DISCLOSURE:	
Interest paid on line of credit	$ 483

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

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2014

Note 1. Summary of Significant Accounting Policies

Organization

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

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

For the year ending June 30, 2014, the Organization administered grant funding from the West Virginia Department of Health and Human Resources Bureau for Children and Families under programs for Taylor County Collaborative Family Resource Network, Inc. Any decrease of these grants would be detrimental to the Organization.

General and administrative activities include the functions necessary to provide support for the organization's program activities. General and administrative activities include those that provide governance (Board of Directors), oversight, business management, financial recordkeeping, budgeting, human resource management, and similar activities that ensure an adequate working environment and an equitable employment program.

Fundraising activities include publicizing and conducting fundraising campaigns; conducting special fundraising events; and other activities involved with soliciting contributions from corporations, foundations, individuals, and others.

The organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profits (NFPs). The significant accounting and reporting policies used by the organization are described subsequently to enhance the usefulness and understandability of the financial statements.

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-implied restrictions as follows:

Unrestricted: Unrestricted net assets are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of accounting (Continued)

Temporarily Restricted: Temporarily restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The organization's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted endowment funds.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as temporarily restricted until the specified assets are placed in service by the organization, unless the donor provides more specific directions about the period of its use. The organization had no temporarily restricted net assets as of June 30, 2014.

Permanently Restricted: Permanently restricted net assets are resources whose use by the organization is limited by donor-imposed restrictions that neither expire by being used in accordance with a donor's restriction nor by the passage of time.

All revenues and net gains are reported as increases in unrestricted net assets in the statement of activities unless the use of the related resources is subject to temporary or permanent donor restrictions. All expenses and net losses other than losses on endowment investments are reported as decreases in unrestricted net assets. The organization had no permanently restricted net assets as of June 30, 2014.

Contributions

Contributions and gifts received with no restrictions or specified uses identified by the donor or grantor are included in unrestricted revenue in the statement of activities when received.

Contributions received with donor or grantor stipulations that limit the use of donated assets are reported as either temporarily or permanently restricted revenue in the consolidated statement of activities when received. When donor or grantor restrictions expire or are fulfilled by actions of the Organization, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statement of activities as net assets released from restriction.

Note 1. Summary of Significant Accounting Policies (Continued)

Expense Recognition and Allocation
The costs of providing the various programs and other activities has been detailed in the statement of functional expenses and are summarized on a functional basis in the statement of activities. Salaries and other expenses, which are associated with a specific program, are charged directly to that program. Salaries and other expenses, which benefit more than one program, are allocated to the various programs based on the time spent on each specific program.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide overall support and direction of the organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The organization does not conduct its fundraising activities in conjunction with its other activities.

Contributed Goods and Services
Contributed goods and services are reflected in the financial statements at their estimated fair value, if reasonably determined. The contributions of services are recognized if the services received (a) create or enhance non-financial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations. For the year ended June 30, 2014, there were no significant non-cash contributions of goods or services. However, many individuals volunteer their time and perform a variety of tasks that may assist the Organization, but these services do not meet the criteria for recognition as contributed services.

Cash and cash equivalents
All highly liquid cash investments with original maturities of three months or less are considered to be cash equivalents.

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

	Bank Balance	Carrying Value	Interest Rate
Checking accounts	$ 30 042	$ 28 315	0%

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

Note 1. Summary of Significant Accounting Policies (Continued)

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

Income Taxes
The Organization received a determination from the Internal Revenue Service indicating that it is exempt for Federal income tax on all income except unrelated business income under Internal Revenue Code Section 501(c)(3). It is classified as an organization that is not a private foundation under Internal Revenue Code Section 509(a); accordingly, no provision for income taxes has been recorded in the accompanying financial statements. For the year ended June 30, 2014, the Organization had no unrelated business income.

The Organization accounts for uncertainty in income taxes in accordance with GAAP, which requires recognition in the financial statements of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statement is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Organization had no material unrecognized tax benefits and no adjustments to its financial position, activities or cash flows were required.

The Organization does not expect that unrecognized tax benefits will increase within the next twelve months. The Organization's tax returns for the years ended June 30, 2011 through June 30, 2013 remain subject to examination by Federal and State tax jurisdictions. The Organization recognizes accrued interest and penalties, if any, related to uncertain tax positions as income tax expense.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses, and gains and losses during the reported periods. Accordingly, actual results could differ from those estimates.

Prepayments
This account consists of prepaid insurance based on the effective dates of the policies.

Note 1. Summary of Significant Accounting Policies (Continued)

Fixed Assets
Fixed assets are capitalized. Fixed assets are recorded at cost or, if donated, at fair value at the date of donation. Major renewals and improvements are capitalized, while repairs and maintenance expenditures are expensed as incurred. When items are retired or otherwise disposed of, the related costs and accumulated depreciation and amortization are removed from the accounts and any resulting gains or losses are recognized. Depreciation is computed using the straight-line method over the estimated lives of the respective assets. Leasehold improvements are amortized over their useful lives.

The estimated useful lives of each asset group is as follows:

Asset Group	Years
Office equipment	7

Grants from Government Agencies
Grants from governmental agencies are recognized as revenues when the grant funds have been expended in accordance with the grant provisions of the respective agreements.

Fund-Raising Activities
The Organization's financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, formerly known as Statement of Position 98-2, "Accounting for Costs of Activities of Not-for-Profit Organizations and State and Local Government Entities that Included Fund-Raising". FASB ASC 958 establishes criteria for accounting and reporting for any entity that solicits contributions.

Compensated Absences
The Organization has a policy for vacation and sick pay. Vacation and sick pay applies only to salaried full-time employees. Vacation leave cannot be accumulated beyond two times the employee's annual rate. Accumulated sick leave is forfeited upon separation of employment. An accrual for unpaid vacation pay of $3,079 has been included in accrued expenses.

Subsequent Events
The Organization has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through June 28, 2016, the date the financial statements were available to be issued.

Note 2. Property and Equipment and Depreciation

Property and equipment consist of the following:

Office equipment	$ 7 618
Less accumulated depreciation	(6 906)
	$ 712

Depreciation expense for the year ended June 30, 2014 amounts to $569.

Note 3. Retirement System

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

Note 4. Commitments

The Organization leases space under cancellable operating leases. Rent expenses for these leases for the year ended June 30, 2014 were $4,940.

Note 5. Risk Management

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

Note 6. Advertising and Marketing

Advertising and marketing expenses for the year are $1,923.

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2014

Note 7. State Government Grants

Preston Caring Council, Inc. received funds from West Virginia Health and Human Resources/Bureau for Children and Families. The funds for these grant agreements were paid from the following federal and/or state sources:

Taylor County Collaborative Family Resource Network, Inc.:		
Federal Funds (CFDA #93.778)	$	14 784
State Funds (Account #0403/274)		23 816
	$	38 600

Taylor County Starting Points.:		
Federal Funds (CFDA # 93.590)	$	5 944
State Funds (Account #0403/274)		39 056
State Funds (Account #0403/951)		8 000
	$	53 000

Note 8. Contingencies

The Organization participates in state grant programs that are subject to audit by the respective grantor agencies. Any disallowed funds received or to be received under these programs may constitute a liability in the amount of the disallowed funds. Management does not believe that any potential disallowed funds would have a significant effect on the financial statements.

Note 9. Concentration of Credit Risk

The Organization's cash is maintained at a financial institution in North Central West Virginia. The organization has exposure to credit risk to the extent cash exceeds $250,000 in one institution, the amounts covered by Federal Deposit Insurance Corporation (FDIC). As of June 30, 2014, there was not any uninsured amounts.

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

Note 10. Line of Credit

The Organization executed an unsecured line of credit agreement, due on demand, at a local financial institution.

The Organization borrowed $10,000 against the line of credit during the year, and repaid $5,451 by June 30, 2014 leaving a balance of $4,549.

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

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended June 30, 2014

State Grantor	Revenue Recognized	Expenditures
West Virginia Department of Health and Human Resources Bureau for Children and Families		
Taylor County Starting Points	$ 53 000	$ 53 000
Taylor County Collaborative Family Resource Network	38 600	38 600

Note A. BASIS OF PRESENTATION

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

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

ROTH & WHITE, A.C.
CERTIFIED PUBLIC ACCOUNTANTS
P.O. Box 67
Kingwood, WV 26537
(304) 329-1020

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Taylor County Collaborative Family Resource Network, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 28, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Taylor County Collaborative Family Resource Network, Inc's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Taylor County Collaborative Family Resource Network, Inc's internal control. Accordingly, we do not express an opinion on the effectiveness of the Network's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify two deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses as 2014-01 and 2014-02 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Taylor County Collaborative Family Resource Network, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contacts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of an our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Taylor County Collaborative Family Resource Network, Inc.'s Response to Findings

Taylor County Collaborative Family Resource Network, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Taylor County Collaborative Family Resource Network, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Roth & White, A.C.

DHHR - Finance

SEP 6 2016

Date Received

Kingwood, West Virginia
June 28, 2016

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2014

2014-1 **SEGREGATION OF DUTIES**

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

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

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

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

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

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2014

2014-2	**MAINTENANCE OF ACCOUNTING RECORDS**
CONDITION:	We determined during our audit that the management of the Taylor County Collaborative Family Resource Network, Inc. did not maintain adequate accounting records. Specifically, they did not do the following: 1. Keep documentation for all receipts and deposits. 2. Allocate all grant revenue in the general ledger to the various sources from which the grants were received.
CRITERIA:	Analysis of the general ledger and source documents indicated a lack of maintaining all source documents and general ledger allocations.
CAUSE:	Policies and procedures were not in place to ensure adequate records of all transactions were maintained. Management did not review source documents and the general ledger to ensure the maintenance of all source documents and proper allocation among the general ledger accounts.
EFFECT:	Source documentation and substantiation was missing for several transactions which could change the allocation of revenues in the general ledger.
RECOMMENDATION:	Management should establish policies and procedures that provide for the maintenance of adequate accounting records and the proper allocation of grant revenue and expenses.
ORGANIZATION'S RESPONSE:	The new management will correct this situation.

TAYLOR COUNTY COLLABORATIVE FAMILY RESOURCE NETWORK, INC.

P.O. Box 342
Grafton, WV 26354

June 28, 2016

Roth & White, A.C.
P.O. Box 67
Kingwood, WV 26537

We are providing this letter in connection with your audit of the financial statements of Taylor County Collaborative Family Resource Network, Inc. as of June 30, 2014, and the related statements of activities, functional expenses and cash flows for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, changes in net assets, and cash flows of Taylor County Collaborative Family Resource Network, Inc. in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the preparation and fair presentation of the financial statements of financial position, changes in net assets and cash flows in accordance with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of June 28, 2016, the following representations made to you during your review.

1. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all assets and liabilities under the organization's control.

2. We have made available to you all —

    a. Financial records and related data.

    b. Minutes of the meetings of the board of directors, or summaries of actions of recent meetings for which minutes have not yet been prepared.

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

5. We acknowledge our responsibility for design and implementation of programs and controls to prevent and detect fraud.

6. We have no knowledge of any fraud or suspected fraud affecting the entity involving management or others where the fraud could have a material effect on the financial statements, including any communications from employees, former employees, or others.

7. We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or net asset balances.

8. There are no estimates that may be subject to material change in the near term that have not been properly disclosed in the financial statements. We understand that "near term" means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the organization vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.

9. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts.

10. Taylor County Collaborative Family Resource Network, Inc. is an exempt organization under Section 501(c)3 of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the organization's tax exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up to date.

11. There are no —

    a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

    b. Unasserted claims or assessments are probable of assertion that must be disclosed in accordance with FASB ASC 450, *Contingencies*, and we have not consulted a lawyer.

    c. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, *Contingencies*.

12. The Organization has satisfactory title of all owned assets, and there are no liens or encumbrances on such assets nor has any assets been pledged as collateral.

13. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

14. The following have been properly recorded or disclosed in the financial statements:

a. Related party transactions and related accounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees.

b. Guarantees, whether written or oral, under which the company is contingently liable.

c. Significant estimates and material concentrations known to management that are required to be disclosed in accordance with FASB ASC 275, *Risks and Uncertainties*.

15. We are in agreement with the adjusting journal entries, if any, you have recommended, and they have been posted to the Organization's accounts.

16. To the best of our knowledge and belief, no events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.

17. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.

18. We have responded fully and truthfully to all inquires made to us by you during your review.

CATHY COATZ - Griffith

EXE. DIRECTOR

Title

DHHR - Finance

SEP 6 2016

Date Received