

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

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

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**JUNE 30, 2016**

DHHR - Finance

JUL 26 2017

Date Received

I/We Have Reviewed and Accept the Draft  
Financial Statement Proposed by Tetrick &  
Bartlett, PLLC

Signed:

*Margaret McDevaid*

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**Tetrick & Bartlett, PLLC**

**Certified Public Accountants  
Consultants**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Rape and Domestic Violence Information Center, Inc.

### Report on the Financial Statements

We have audited the accompanying financial statements of Rape and Domestic Violence Information Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, 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 from 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 on 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 above present fairly, in all material respects, the financial position of Rape and Domestic Violence Information Center, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Other Matters*

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of grants and contracts and the notes to the schedule of grants and contracts is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and 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 our report dated April 19, 2017, on our consideration of Rape and Domestic Violence Information Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rape and Domestic Violence Information Center, Inc.'s internal control over financial reporting and compliance.

*Frank A. Bazzani, Ph.D.*

Clarksburg, West Virginia  
April 19, 2017

DHHR - Finance

JUL 26 2017

Date Received

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2016**

**ASSETS**

<b>Current Assets</b>			
Cash and cash equivalents	\$	442,674	
Investments		66,153	
Grants and contracts receivable		102,447	
Prepaid expenses		<u>18,563</u>	\$ 629,837
 <b>Property and Equipment</b>			
Buildings		421,071	
Furniture and equipment		101,246	
Less: Accumulated depreciation		<u>(350,248)</u>	<u>172,069</u>
<b>TOTAL ASSETS</b>			<b><u>\$ 801,906</u></b>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>			
Accounts payable	\$	14,904	
Accrued wages		20,862	
Accrued payroll withholdings		10,893	
Accrued vacation		<u>3,338</u>	\$ 49,997
 <b>Long-Term Liabilities</b>			
Accrued vacation			<u>10,014</u>
<b>Total liabilities</b>			<b>60,011</b>
 <b>Net assets</b>			
Unrestricted			<u>741,895</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>			<b><u>\$ 801,906</u></b>

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

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**Change in Unrestricted Net Assets:**

**Public Support and Revenues**

WV Department of Health and Human Resources	\$ 321,945
STOP grant	92,212
VOCA grant	75,974
Emergency Shelter Grant Program	2,162
Legal Assistance for Victims Grant	10,044
Rural VAWA	17,201
Foundation grants	20,640
Foundation for Rape and Information Services	91,834
Local contributions	23,750
Legal services contributions	43,939
Donations	43,127
Miscellaneous income	30,776
Investment income	(2,199)
Gain/(loss) on disposal of capital assets	(1,878)
Fundraising events	14,470
<b>Total public support and revenue</b>	<u>783,997</u>

**Expenses**

Program expenses	520,768
Management and general	224,389
Fundraising	13,091
<b>Total expenses</b>	<u>758,248</u>

Change in unrestricted net assets	25,749
Net assets – beginning of period	<u>716,146</u>
Net assets – end of period	<u>\$ 741,895</u>

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

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Program</u> <u>Services</u>	<u>Management</u> <u>and</u> <u>General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Wages	\$ 248,392	\$ 132,890	\$ 6,994	\$ 388,276
Payroll taxes	41,008	10,166	535	51,709
Employee benefits	<u>67,019</u>	<u>35,603</u>	<u>2,094</u>	<u>104,716</u>
Total personnel	356,419	178,659	9,623	544,701
STOP grant payments	18,775	-	-	18,775
Advertising	455	-	-	455
Supplies	5,395	600	-	5,995
Public awareness	846	-	-	846
Fundraising events	-	-	3,468	3,468
Telephone	16,246	1,805	-	18,051
Utilities	15,281	1,698	-	16,979
Insurance	6,199	689	-	6,888
Maintenance	10,106	1,123	-	11,229
Travel and training	21,321	1,122	-	22,443
Other expenses	-	15,364	-	15,364
Food and medicine	3,462	-	-	3,462
Professional fees	56,533	2,975	-	59,508
Printing	-	4,947	-	4,947
Rent and lease	-	9,740	-	9,740
Postage	-	802	-	802
Depreciation	<u>9,730</u>	<u>4,865</u>	<u>-</u>	<u>14,595</u>
<b>Total expenses</b>	<b><u>\$ 520,768</u></b>	<b><u>\$ 224,389</u></b>	<b><u>\$ 13,091</u></b>	<b><u>\$ 758,248</u></b>

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

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2016**

<b>Cash Flows from Operating Activities</b>	
Change in unrestricted net assets	\$ 25,749
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities:	
(Gain)/Loss on dispositions	1,878
Depreciation	14,595
(Increase) decrease in:	
Grants and contracts receivable	18,513
Prepaid expenses	(9,846)
Increase (decrease) in:	
Accounts payable	7,662
Accrued wages	8,042
Accrued payroll withholdings	362
Accrued vacation	<u>(1,112)</u>
Net cash provided by operating activities	\$ 65,843
<b>Cash Flows from Investing Activities</b>	
Purchase of investments	2,394
Purchase of property and equipment	<u>(13,426)</u>
Net cash (used in) investing activities	<u>(11,032)</u>
Net increase in cash	54,811
Cash at beginning of year	<u>387,863</u>
Cash at end of year	<u>\$ 442,674</u>

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



**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**1. Summary of Significant Accounting Policies**

**Description of Entity**

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

**Financial Statement Presentation**

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

Grants and contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions would be reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets would be reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Revenue Recognition**

Unconditional grants and promises to give are recorded when the grant or promise is made. Conditional grants and promises to give are recorded when the related condition is met. Project income is recognized in the period received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donor-imposed restrictions that are fulfilled in the same period they are received are recorded as unrestricted support.

The accompanying independent auditor's report is an integral part of these notes.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTD)**  
**JUNE 30, 2016**

**Grants and Contracts**

Support received under grants and contracts with the State of West Virginia and other government agencies that require revenues to be billed down, is recorded as public support when the related direct costs are incurred. Grants and contracts receivable represent amounts due for expenditures incurred prior to year end and all are deemed collectible.

**Donated Services**

Donated services are recognized as contributions in accordance with FASB Standards Codification 958-605, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. No services received by the Organization met these requirements.

**Contributions**

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

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Unrealized gains and losses are included in the change in net assets.

Estimated fair values of investments are based on quoted market prices. If quoted prices are not available, estimated fair values are based on quoted market prices of comparable investments.

The Organization holds units, which on occasion will hold derivative financial instruments (e.g. forwards, options, etc.) as a means to control interest rate and currency risks. Derivatives within the Organizations mutual funds are considered insignificant to the Organization's financial statements.

**Property and Equipment**

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

The accompanying independent auditor's report is an integral part of these notes.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONT'D)**  
**JUNE 30, 2016**

**Tax-Exempt Status**

The Organization operates as a nonprofit organization and has received exempt status under Code Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

All required Federal Business Income Tax Returns for the Organization have been filed up to and including the tax year ended June 30, 2015. The Organization's federal income tax returns for 2015, 2014, and 2013 remain subject to examination by the Internal Revenue Service (IRS). The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash**

All cash accounts are with F.D.I.C. insured institutions. For the purpose of the statement of cash flows, the Organization considers both restricted and unrestricted cash as well as short-term, highly liquid investments which are convertible into cash within ninety (90) days of purchase to be cash and cash equivalents. The Organization does not have a policy regarding collateralization with regard to their repurchase agreements, although it is a treasury management agreement.

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

Unrestricted cash and cash equivalents	\$ 442,674
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The accompanying independent auditor's report is an integral part of these notes.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTD)  
JUNE 30, 2016**

**Risk and Uncertainties**

The majority of the funding for the operation of the Rape and Domestic Violence Information Center, Inc. comes as grants through the State of West Virginia. A loss or decrease in this funding could adversely affect the operation of the Organization. Per the DHHR Agreement, upon request by the Department, the Grantee shall account for and return in good condition, reasonable use, and wear excepted, all such equipment and supplies purchased with funds received under this grant agreement. This would create an economic hardship on the organization if this would be required.

**Prepaid Expenses**

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

**2. Fair Value Measurements**

Investments are measured at fair value on a recurring basis as of June 30, 2016, are summarized as follows:

	<u>Cost</u>	<u>Fair Market Value</u>	<u>Unrealized Gain (Loss)</u>
Money market	\$ 23	\$ 23	\$ -
Mutual funds	<u>64,380</u>	<u>66,130</u>	<u>1,750</u>
Total investments	<u>\$ 64,403</u>	<u>\$ 66,153</u>	<u>\$ 1,750</u>

The accompanying independent auditor's report is an integral part of these notes.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTD)  
JUNE 30, 2016**

The following schedule summarizes the investment return and its classification in the statement of activities for the year then ended June 30, 2016:

Interest and dividends	\$ 4,988
Unrealized gains	<u>(7,187)</u>
 Total investment income	 <u>\$ (2,199)</u>

**3. Property and Equipment**

Property and equipment consist of the following:

Building	\$ 421,071
Furniture and equipment	<u>101,246</u>
 Total property and equipment	 522,317
Less accumulated depreciation	<u>(350,248)</u>
 Net property and equipment	 <u>\$ 172,069</u>

**4. Compensated Absences**

Compensated absences are included in these financial statements at the employees current hourly rate for June 30, 2016 for vacation time only; sick time does not vest.

**5. Retirement Plan**

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

The accompanying independent auditor's report is an integral part of these notes.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTD)**  
**JUNE 30, 2016**

**6. Depreciation**

Assets are recorded at cost or fair market value at date of donation. Assets are being depreciated on a straight-line basis as follows:

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

Depreciation expense for the year totaled \$14,595.

**7. Operating Leases**

The Organization leases its outreach office in Taylor County for \$1,100 per quarter. The lease is on a year-to-year basis. Also, the Organization leases outreach office space in Preston County. The lease in Preston County is on a year-to-year basis. The quarterly rental fee on the Preston County outreach office is \$1,200 per quarter.

Rent expense for the year was \$9,740.

**8. Functional Expenses**

Expenses are charged based on direct expenditures incurred. Other expenses that are common to program expenses and general or administrative expenses are allocated on a statistical basis.

**9. Advertising Costs**

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

**10. Fair Value Measurements**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

The accompanying independent auditor's report is an integral part of these notes.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTD)**  
**JUNE 30, 2016**

**Level 1.** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

**Level 2.** Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3.** Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis. There have been no changes in the methodologies used at June 30, 2016.

*Money market funds:* The fair value of money market funds classified as Level 1 has been measured by reference to quoted market prices.

*Mutual funds:* The fair value of equity securities and mutual funds classified as Level 1 has been measured by reference to quoted market prices.

The accompanying independent auditor's report is an integral part of these notes.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONT'D)**  
**JUNE 30, 2016**

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

	Assets at Fair Value as of June 30, 2016			
	Level 1	Level 2	Level 3	Total
Money market funds	\$ 23	\$ -	\$ -	\$ 23
Mutual Funds				
Domestic equities	35,497	-	-	35,497
Domestic fixed income	30,633	-	-	30,633
Total	\$ 66,153	\$ -	\$ -	\$ 66,153

**11. Related Party Transactions**

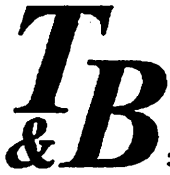
During the fiscal year the Organization received grants from the WV Foundation for Rape and Information Services for \$91,834. There was a receivable due from the WV Foundation for Rape and Information Services, Inc. in the amount of \$37,362 as of June 30, 2016.

**12. Subsequent Events**

The Organization has considered all subsequent events through April 19, 2017, the date the financial statements were made available.

The accompanying independent auditor's report is an integral part of these notes.





**Tetrick & Bartlett, PLLC**

**Certified Public Accountants  
Consultants**

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**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  
Rape and Domestic Violence Information Center, Inc.

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 Rape and Domestic Violence Information Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, 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 April 19, 2017.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Rape and Domestic Violence Information Center, 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 Rape and Domestic Violence Information Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Rape and Domestic Violence Information Center, Inc.'s internal control.

*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 internal control 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items #2016-001 through #2016-007 that we consider to be material weaknesses.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rape and Domestic Violence Information Center, Inc.'s financial statements are free from 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 matter that is required to be reported under *Government Auditing Standards* and which is described as item #2016-008 in the accompanying schedule of findings and responses.

We noted certain matters that we reported to management of Rape and Domestic Violence Information Center, Inc. in a separate letter dated April 19, 2017.

### Rape and Domestic Violence Information Center, Inc.'s Responses to Findings

Rape and Domestic Violence Information Center, Inc.'s responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. Rape and Domestic Violence Information Center, Inc.'s responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### 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 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.

*Delinda A. Bartlett, PHA*

Clarksburg, West Virginia  
April 19, 2017

DHHR - Finance

JUL 26 2017

Date Received

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2016**

**#2016-001 Segregation of Duties**

**Criteria:** Internal control should be implemented to the degree possible to assign to different individuals the responsibility for approving, executing and recording transactions and custody of the resulting asset arising from the transaction.

**Condition:** Responsibility for approving, executing and recording transactions and custody of the resulting asset arising from the transaction should be assigned to different individuals.

**Cause:** Responsibilities for approving, executing, and recording transactions and custody of the resulting asset arising from the transaction are not assigned to different individuals.

**Effect:** The lack of complete segregation of duties increases the risk that errors or irregularities in recording, processing, summarizing and reporting financial data could occur and not be detected in a timely manner.

**Recommendation:** Responsibilities of approval, execution, recording and custody be distributed among the accounting staff to the degree possible. We recommend that the Board should remain involved in the financial affairs of the Organization to provide oversight and independent review functions and to continue exercising due diligence and professional skepticism in relation to the Organization's financial operations.

**Views of Responsible Officials and Planned Corrective Actions:** To the extent possible, the Organization has segregated its duties. Any further segregation of duties would not be economically feasible.

**Status:** This condition was reported in the prior year's audit as finding #2015-001.

**#2016-002 Qualification and Knowledge**

**Criteria:** Internal control should be implemented to the degree possible in recording the entity's financial transactions and the preparation of financial statements.

**Condition:** Analysis of the internal control system indicated a lack of particular skills, training, and knowledge in the recording of financial transactions or preparation of financial statements. More specifically, this should include all required financial statement presentations and all required financial statement note disclosures.

**Cause:** Individuals responsible for the accounting and reporting function lack the particular skills, training, and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
SCHEDULE OF FINDINGS AND RESPONSES (CONTD)  
FOR THE YEAR ENDED JUNE 30, 2016**

**Effect:** Because of the lack of particular skills, training, and knowledge, 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:** Individuals responsible for the accounting and reporting function should be trained to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements.

**Views of Responsible Officials and Planned Corrective Actions:** To the extent possible, the individuals responsible for the accounting and reporting function have been trained to perform their assigned duties. However, it would not be economically feasible for the Organization to train its employees to apply generally accepted accounting principles in recording its financial transactions or preparing its financial statements.

**Status:** This condition was reported in the prior year's audit as finding #2015-002.

**#2016-003 Maintenance of Accounting Records**

**Criteria:** Internal control should be implemented to the highest degree possible in maintaining records for all financial transactions.

**Condition:** Analysis of the internal control system indicated that adequate supporting documentation for accounting records was not maintained.

**Cause:** The Organization failed to retain all supporting documentation for its disbursements on (5) five out of (41) forty one instances tested.

**Effect:** Because the Organization did not maintain adequate supporting documentation, the Organization increases its vulnerability to erroneous financial reporting either by fraud or error.

**Recommendation:** We recommend that the Organization implement internal controls to insure that all supporting documentation is retained.

**Views of Responsible Officials and Planned Corrective Actions:** The Organization has put controls into place to ensure maintenance of supporting documentation for accounting records.

**Status:** This condition was not reported in the prior year's audit.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
SCHEDULE OF FINDINGS AND RESPONSES (CONTD)  
FOR THE YEAR ENDED JUNE 30, 2016**

**#2016-004 Classification of Financial Transactions**

**Criteria:** Internal control should be implemented to the degree possible in properly classifying all financial transactions.

**Condition:** Analysis of the internal system indicated that financial transactions were not always classified properly.

**Cause:** The Organization did not properly classify all financial transactions, more specifically, certain taxes were not always properly recorded.

**Effect:** Because the Organization did not properly classify all financial transactions, the Organization increases its vulnerability to erroneous financial reporting either by fraud or error.

**Recommendation:** The Organization should properly classify all financial transactions in the general ledger.

**Views of Responsible Officials and Planned Corrective Actions:** The Organization will properly classify all financial transactions in the general ledger.

**Status:** This condition was reported in the prior year's audit as finding #2015-004.

**#2016-005 Inaccurate Recordkeeping**

**Criteria:** Internal control should be implemented to the degree possible to ensure that the hours worked on all of the employee's timesheets are reconciled to the hours worked recorded on all of the corresponding paystubs.

**Condition:** Hours worked on all of the employee's timesheets should always be reconciled to the hours worked recorded on all the corresponding paystubs.

**Cause:** The Organization did not always ensure that the hours worked on all of the employee's timesheets were reconciled to the hours worked recorded on all of the corresponding paystubs on (1) one out of (41) forty one instances tested.

**Effect:** Because of the failure to ensure that the hours worked on all of the employee's timesheets are reconciled to the hours worked recorded on all of the corresponding paystubs, 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.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
SCHEDULE OF FINDINGS AND RESPONSES (CONTD)  
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**Recommendation:** The Organization should implement procedures to ensure that the hours worked on all of the employee's timesheets are reconciled to the hours worked recorded on all of the corresponding paystubs.

**Views of Responsible Officials and Planned Corrective Actions:** The Organization will implement procedures to ensure that the hours worked on all of the employee's timesheets are reconciled to the hours worked recorded on all of the corresponding paystubs.

**Status:** This condition was not reported in the prior year's audit.

**#2016-006 Detailed Fixed Asset and Depreciation Schedules**

**Criteria:** Generally accepted accounting principles dictate that depreciation be charged against operations over the estimated useful lives of each individual fixed asset.

**Condition:** The Organization failed to maintain a detailed fixed asset and depreciation schedule.

**Cause:** The Organization failed to maintain a detailed fixed asset and depreciation schedule.

**Effect:** By not having detailed fixed asset schedule, the Organization loses custodial control over certain assets that are susceptible to theft. Accumulated depreciation records are not kept for categories, but are the total accumulated depreciation on all fixed assets. This creates the opportunity for excess depreciation to be recorded within certain categories (especially those that have shorter useful lives).

**Recommendation:** The Organization should analyze past financial statement reports to obtain a proper detailed fixed asset schedule.

**Views of Responsible Officials and Planned Corrective Actions:** The Organization will obtain as detailed a depreciation schedule as soon as possible.

**Status:** This condition was reported in the prior year's audit as finding #2015-006.

**#2016-007 Recording of Cash Disbursements**

**Criteria:** Internal control should be implemented to the degree possible to properly record and prepare cash disbursements.

**Condition:** Analysis of the internal control system indicated that cash disbursements were not always recorded and prepared properly.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
SCHEDULE OF FINDINGS AND RESPONSES (CONTD)  
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**Cause:** The Organization recorded different general ledger and physical check dates on (1) one out of (41) forty one cash disbursements tested.

**Effect:** Because the Organization did not properly record and prepare all cash disbursements, the Organization increases its vulnerability to erroneous financial reporting either by fraud or error.

**Recommendation:** The Organization should implement internal controls to properly record and prepare all cash disbursements.

**Views of Responsible Officials and Planned Corrective Actions:** The Organization will properly record and prepare all cash disbursements.

**Status:** This condition was not reported in the prior year's audit.

**#2016-008 Federal Income Withholding Reports Filing and Payments**

**Criteria:** Federal regulations dictate that employers are required to file quarterly reports and deposit applicable tax due in a timely manner, in accordance with the taxing authority.

**Condition:** It was noted during our audit that the Organization did not report and pay federal income withholding and tax liability correctly.

**Cause:** The Organization failed to prepare the required reports timely and correctly in accordance with the appropriate tax authority guidelines.

**Effect:** The Organization was not in compliance with Federal taxing authority regulations.

**Recommendation:** The Organization should implement procedures to ensure that the Organization file quarterly reports and deposit applicable tax due in a timely manner, in accordance with the taxing authority.

**Views of Responsible Officials and Planned Corrective Actions:** The Organization will implement procedures to ensure compliance with the Federal regulations.

**Status:** This condition was reported in the prior year's audit as finding #2015-007.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
SCHEDULE OF GRANTS AND CONTRACTS  
FOR THE YEAR ENDED JUNE 30, 2016**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursement/ Expenditures</u>	<u>Deferred Revenue at June 30, 2016</u>
<b>U.S. Department of Health and Human Services</b>						
<b>Administration for Children and Families</b>						
<i>WV Department of Health and Human Resources</i>						
Family Violence Prevention and Services/Grants for Battered Women's Shelters - Grants to States and Indian Tribes	93.671	G160024	\$ 65,412	\$ 65,412	\$ 65,412	\$ -
Total Department of Health and Human Resources			<u>65,412</u>	<u>65,412</u>	<u>65,412</u>	<u>-</u>
<b>U.S Department of Justice</b>						
<b>Office of Victims of Crime</b>						
<i>WV Division of Criminal Justice Services</i>						
Crime Victim Assistance	16.575	15-VA-029	77,094	75,974	75,974	-



**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
SCHEDULE OF GRANTS AND CONTRACTS (CONTD)  
FOR THE YEAR ENDED JUNE 30, 2016**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursement/ Expenditures</u>	<u>Deferred Revenue at June 30, 2016</u>
<b>U.S Department of Justice</b>						
<b>Violence Against Women Office</b>						
<i>WV Department of Health and Human Reserouces</i>						
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	A-14-005	\$ 24,968	\$ 7,669	\$ 7,669	\$ -
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	A-15-005	31,855	6,693	6,693	-
<i>WV Division of Criminal Justice Services</i>						
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589	RAN-14-005	32,135	9,057	9,057	-
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589	RAN-16-005	33,916	14,154	14,154	-
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589	16-703	104,636	17,201	17,201	-
ARRA Violence Against Women Formula Grants	16.588	16-1516	53,582	53,297	53,297	-
ARRA Violence Against Women Formula Grants	16.588	16-1517	25,747	38,915	38,915	-
Legal Assistance for Victims	16.524	2010-WL-AX-0063	18,000	3,200	3,200	-
Legal Assistance for Victims	16.524	2015-WL-AX-0048	14,685	6,844	6,844	-
Sexual Assault Services Formula Program	16.017	SASP-15-005	25,795	11,632	11,632	-
Sexual Assault Services Formula Program	16.017	SASP-16-005	33,115	8,778	8,778	-

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
SCHEDULE OF GRANTS AND CONTRACTS (CONTD)  
FOR THE YEAR ENDED JUNE 30, 2016**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursement/ Expenditures</u>	<u>Deferred Revenue at June 30, 2016</u>
<i>West Virginia University</i>						
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525	2013-WA-AX-0002	\$ 86,601	\$ 20,640	\$ 20,640	\$ -
Total U.S. Department of Justice			<u>562,129</u>	<u>274,054</u>	<u>274,054</u>	<u>-</u>
<b>U.S Department of Housing and Urban Development Office of Community Planning and Development</b>						
<i>WV Office of Economic Opportunity</i>						
Emergency Solutions Grant Program	14.231	N/A	18,000	2,162	2,162	-
Total Department of Housing and Urban Development			<u>18,000</u>	<u>2,162</u>	<u>2,162</u>	<u>-</u>
<b>Total Federal Grants &amp; Contracts</b>			<u>\$ 645,541</u>	<u>\$ 341,628</u>	<u>\$ 341,628</u>	<u>\$ -</u>

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
SCHEDULE OF GRANTS AND CONTRACTS (CONTD)  
FOR THE YEAR ENDED JUNE 30, 2016**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursement/ Expenditures</u>	<u>Deferred Revenue at June 30, 2016</u>
<b>State Awards</b>						
<i>WV Department of Health and Human Reserouces</i>						
Prevention Education	N/A	RR-15-005	\$ 25,515	\$ 16,618	\$ 16,618	\$ -
Prevention Education	N/A	RR-16-005	25,602	3,764	3,764	-
Sexual violence intervention program	N/A	W-15-005	10,000	13,469	13,469	-
General Allocation	N/A	G160024	<u>256,533</u>	<u>256,533</u>	<u>256,533</u>	<u>-</u>
<b>Total State Grants &amp; Contracts</b>			<u>\$ 317,650</u>	<u>\$ 290,384</u>	<u>\$ 290,384</u>	<u>\$ -</u>

The accompanying independent auditor's report and notes are integral parts of this schedule.

**RAPE AND DOMESTIC VIOLENCE INFORMATION CENTER, INC.  
NOTES TO THE SCHEDULE OF GRANTS AND CONTRACTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**Note 1 Basis of Presentation**

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

**The accompanying schedule is an integral part of these notes.**