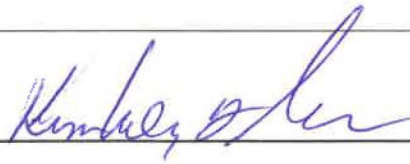


WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Internal Control and Policy Development
Division of Compliance and Monitoring

REPORT COVERSHEET
WV Code §12-4-14(d)(3) & CSR §148-18-7.5

| | |
|--|-------------------------|
| Name of Organization: | WVFIMS /OASIS #: |
| Family Crisis Center | 29228 / 172520 |
| Type of Report / Communication: | |
| Agreed-Upon Procedures - RPT | |
| Grantee's Fiscal Year: | |
| 06/30 | |
| State Fiscal Year: | |
| 2016 | |
| Grant and Commitment Numbers: | |
| G160023 | |
| Date Report Received by DHHR: | |
| 10/17/2018 | |
| Date Audit Received by DHHR, if applicable: | |
| | |

Reviewer: 

Date: 10/19/18

Comments:

| Review Item | Yes | No | Ref. |
|---|--|--|------|
| <p>References Used: WV Code §12-4-14 & Legislative Rule §148-18</p> <p><i>The reviewer should respond to each question with a check mark in the appropriate column. A "Yes" response is considered favorable and generally means the report complies with the reporting requirements. A "No" response is considered unfavorable which could possibly require action to correct the reporting deficiency and should be referenced in the Notes section of this review checklist.</i></p> <p><i>This checklist is neither all-inclusive nor intended to cover all reporting requirements that may be applicable to a particular WV Code §12-4-14 report.</i></p> | | | |
| <p>1. Does the report identify the following: (Legislative Rule 148-18-3.3.1)</p> <p>a. Amount of state grant award?</p> <p>b. Receipts of funds?</p> <p>c. Expenditures of funds?</p> <p>d. Time period being reported?</p> | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | |
| <p>2. Does the report identify the scope of the report, which is to show that state grants were spent for the intended purposes? (WV Code §12-4-14(b)(3) and Legislative Rule §148-183.2)</p> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| <p>3. Do the findings include any matters that could negatively affect or have a negative result on administration of the state grant and/or related program? (Legislative Rule §148-18-7.5)</p> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| <p>4. Does the report contain any evidence of a reportable condition, significant deficiency, or violation, including deficiencies in internal control; illegal acts; violation of the provision of a contract or grant agreement; errors, or abuse that are required to be reported to the West Virginia Legislative Auditor within 30 days of receipt by the grantor? (WV Code 12-4-14(d)(3) & Legislative Rule §148-18-7.5)</p> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |

| Reference | Notes |
|-----------|---|
| A | <p>Finding 1 - A statement that an agreed upon procedures report was completed for June 30, 2015</p> <p>Finding 2 - Based on auditor review timesheets do not align with actual payroll period due to timesheets being formatted monthly but pay period is bi-weekly.</p> <p>Finding 3 - The Sworn Statement submitted incorrectly reported grant expenditures that matched the budget from the grant agreement. However it was not an accurate reflection of grant expenditures. A spreadsheet showing the differences between what was reported and what actual expenditures were included with the report.</p> <p>Finding 4 - Actual costs charged to budget line items "fringe Benefits" was overstated by more than 10% of the budgeted amount. The Center is required to get approval from DHHR for charges exceeding the budget. Employees whose wages were charged to grants other than DHHR have health insurance under Fringe Benefits being charged to DHHR.</p> |

| | |
|--|--|
| | <p>Received grantee response to findings</p> <p>Finding 1 - No response needed</p> <p>Finding 2 - Timesheets were changed to match bi-weekly pay periods as of July 1, 2018.</p> <p>Finding 3 - Grant expenditures are now being matched with the outside accounting firms records to ensure they are clearly marked and categorized correctly in both the Center's records and the accountant's records.</p> <p>Finding 4 - Due to changing costs of health insurance, they budgeted based on prior year costs which sometimes changed. New health insurance plan costs the same each month so it will enable for better budgeting in the future. An employee was switched from LAV/VOCA funding to a DHHR fund but the accountant did not update the quickbooks to reflect it. All employee's health insurance is charged to DHHR. The VOCA and VAWA only pays for wages therefore all fringe benefits are paid through the DHHR grant. In addition, we have reviewed all employees with the accountant's office to ensure they are classified under the correct grant programs.</p> |
| | |
| | |
| | |

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, 2016**

DHHR - Finance

OCT 17 2016

Date Received

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

Fike, Conner & Associates, P.A.

Certified Public Accountants

113 NATIONAL HIGHWAY, LAVALE, MARYLAND 21502

PHONE (301) 777-9383 FAX (301) 777-3923

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, 2016, 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
October 16, 2018

DHHR - Finance

OCT 17 2018

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 of the grant agreement.

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.

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

- 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, to agree 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 statements and no discrepancies were noted.

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

- 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

We reconciled the total salaries and wages expense line in QuickBooks with the payroll 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. The timesheets are formatted monthly, but the pay period is on a bi-weekly basis. This made it difficult to have the timesheets backup the payroll charged to the grant. 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, 2015.**
 - 2) **Based on our review of the timesheets, they do not align with the actual payroll period. The timesheets are formatted monthly, but the pay period is bi-weekly. Most hours logged showed no correspondence with hours paid.**
 - 3) **It was noted that the submitted “Sworn Statement of Expenditures” incorrectly reported grant expenditures that matched exactly with the approved budgeted amounts allowed in the grant agreement (Exhibit E). The “Sworn Statement of Expenditures” did not report the actual expenditures that were charged in the (QuickBooks) accounting system. See the attached schedule of grant expenditures that should have been reported on the “Sworn Statement of Expenditures.”**
 - 4) **Based on our review of the accounting records, the actual costs charged to the budget line items “Fringe Benefits” on the Center’s approved budget as stated in the grant agreement (Exhibit E) is 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%). Due to the overstatement of “Fringe Benefits” the actual total expenditures charged to the DHHR grant exceeds the total expenditures to be charged according to the center’s “Sworn Statement of Expenditures.” Specifically, we found that employees whose wages that are charged to grants other than DHHR have health insurance (Fringe Benefits) being charged to DHHR.**

Family Crisis Center, Inc.
Schedule of Grant Expenditures
FY July 1, 2015 to June 30, 2016

| Expenditure Categories | Grantee Budget | Quick Books (actual) |
|-------------------------------|-----------------------|-----------------------------|
| Personnel | 132,000.00 | 130,138.41 |
| Fringe Benefits | 53,055.00 | 83,820.98 |
| Supplies | 20,300.00 | 11,858.90 |
| Contractual Costs | 10,500.00 | 10,000.00 |
| Other | 51,113.00 | 45,437.20 |
| TOTAL | 266,968.00 | 281,255.49 |

West Virginia Department of Health & Human Resources
SWORN STATEMENT OF EXPENDITURES

| | | | |
|---|--|--|--|
| Grant Number: G160023 | Grantee Name: Family Crisis Center, Inc. | | |
| Grantee FEIN: 31-1042103 | wwOASIS Vendor #: 29228 | Contact Name: Sonya Fazzalore | |
| Contact Email Address: fcc911@frontier.com | | Contact Phone: (304) 788-6061 | |
| Grantee Mailing Address: P.O. Box:207, Keyser, WV 26726 | | | |
| Total Amount of Grant Award: \$266,968.00 | | Grant Period: FY July 1, 2015- June 30, 2016 | |

| Grant Revenues (received and anticipated) | | |
|---|----------|---------------------|
| Revenue Categories | Comments | Amount |
| Amount Received | | \$266,968.00 |
| Amount Anticipated | | |
| Total Grant Revenues | | \$266,968.00 |

| Grant Expenditures (allowable costs expended by the grantee) | | |
|--|----------|---------------------|
| Expenditure Categories | Comments | Amount |
| Personnel | | \$132,000.00 |
| Fringe Benefits | | \$53,055.00 |
| Equipment | | |
| Supplies | | \$20,300.00 |
| Contractual Costs | | \$10,500.00 |
| Construction | | |
| Other | | \$51,113.00 |
| Indirect Cost | | |
| Total Grant Expenditures | | \$266,968.00 |

Ending Grant Balance (Revenues - Expenditures)

Grant Funds Returned to the DHHR \$0.00

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete and accurate, and that the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal (and/or State) award. I am aware that any false, fictitious or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

Authorized Signature: Allan T. LaRue Date: 3-15-17

Printed Name and Title: Allan T. LaRue, Board President

Taken, sworn and subscribed before me this 15 day of March, 2017.

Notary Public Signature: Sharon J. Beck

My Commission Expires: July 6th, 2020



FAMILY CRISIS CENTER, INC.



October 17, 2018

WV Department of Health and Human Resources
Division of Compliance and Monitoring
Capitol Complex Building, Room 550
Charleston, WV 25305

RE: Response/Corrective Action Plan for 2016 agreed upon procedures report

Dear DHHR Representatives:

This letter is in response to the issues stated in the 2016 agreed upon procedures report recently submitted by our agency.

FINDINGS IN 2016 REPORT

- 1. There was an agreed-upon procedures engagement completed for the Family Crisis Center for the fiscal year ending June 30, 2016.**

RESPONSE: This is just a statement of fact from the CPA on services provided and not a finding; therefore, no corrective action plan is needed.

- 2. Based on our review of the timesheets, they do not align with the actual payroll period. The timesheets are formatted monthly, but the pay period is bi-weekly. Most hours logged showed no correspondence with hours paid.**

RESPONSE: Up until the time of these current audits, the Center had continued to use the same monthly timesheets that had been used by the Center since the beginning.

Corrective Action: After the 2015 Agreed Upon Procedures Report was completed, we implemented a new time sheets that was approved and has been implemented since July 1, 2018. These new time sheets coincide with the dates on every pay stub.

- 3. It was noted that the submitted "Sworn Statement of Expenditures" incorrectly reported grant expenditures that matched exactly with the approved budgeted amounts allowed in the grant agreement (Exhibit E). The "Sworn Statement of Expenditures" did not report the actual expenditures that were charged in the (Quickbooks) accounting system. See the attached schedule of grant expenditures that should have been reported on the "Sworn Statement of Expenditures."**

RESPONSE: Grant financial reporting has been prepared in the office by utilizing the monthly vouchers. Currently we have a monthly report from our outside accountants that lists all expenditures charged to DHHR every month. Sometimes we see that things are not categorized the same way in both offices and we try to get that corrected. In the past it seemed all expenses as well as all donations were lumped into the DHHR category. We are working on better ways of making sure both offices are categorizing information the same.

Corrective Action: After the 2015 Agreed Upon Procedures Report was completed, we implemented new controls in the agency to double check with Accounting office that we are categorizing expenses the same. With the help of our Auditor, Jeffrey Conner, invoices will be better compared with outside accounting office to make sure all expenses match. Center is continuing to strive to correctly mark invoice documentation by grant category and check that the accountants' office is not putting all expenses into the DHHR category in QuickBooks. At this point and from this point forward all grant expenditures invoices will be more clearly marked to eliminate mistakes. These expenditures will also be clearly marked and double checked from our records and the accountant's records, so we are both categorizing them the same.

- 4. Based on our review of the accounting records, the actual costs charged to budget line items "fringe benefits" on the Center's approved budget as stated in the grant agreement (Exhibit E) is 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 (10%). Due to the overstatement of "Fringe Benefits" the actual total expenditures charged to the DHHR grant exceeds the total expenditures to be charged according to the center's "Sworn Statement of Expenditures.: Specifically, we found that employees whose wages that are charged to grants other than DHHR have health insurance (Fringe Benefits) being charged to DHHR.**

RESPONSE: Fringe benefits budgeted were always estimated on costs from previous years. Staff members and health insurance coverage payments would change and make it difficult to accurately budget for "fringe benefit" category. Our new health insurance plan now charges the same amount every month and this will enable us to budget more accurately this amount. We had an employee switch from LAV/VOCA funding to DHHR funding. This was not switched on the Quickbooks at the accountants office. All employees' health insurance is charged to DHHR. Our VOCA and VAWA Grants only cover wages for the employees that we pay through them. Therefore, our Center pays ALL health insurance costs for all employees through our DHHR grant as part of the "fringe benefit" category.

Corrective Action: We have made corrections with our accountant's office to make sure every employee is classified under the correct Grant program for their reports.

Sincerely,

Sonya Fazzalore, Director

Cc:

Jeffrey Conner, CPA

P.O. Box 207
Keyser, WV 26726
304-788-6061
Fax: 304-788-6374

20 South Marsham St.
Suite 201 Box 7
Romney, WV 26757
Phone/Fax 304-822-8268

P.O. Box 330
Petersburg, WV 26847
304-257-4606
Phone/Fax: 304-257-4606

DHHR - Finance

OCT 17 2013

Date Received

APR 21 2017

Date Received

West Virginia Department of Health & Human Resources
SWORN STATEMENT OF EXPENDITURES

| | | | |
|---|--|--|--|
| Grant Number: G160023 | Grantee Name: Family Crisis Center, Inc. | | |
| Grantee FEIN: 31-1042103 | wwOASIS Vendor #: 29228 | Contact Name: Sonya Fazzalore | |
| Contact Email Address: fcc911@frontier.com | | Contact Phone: (304) 788-6061 | |
| Grantee Mailing Address: P.O. Box 207, Keyser, WV 26726 | | | |
| Total Amount of Grant Award: \$266,968.00 | | Grant Period: FY July 1, 2015- June 30, 2016 | |

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|---|----------|--------------|
| Revenue Categories | Comments | Amount |
| Amount Received | | \$266,968.00 |
| Amount Anticipated | | |
| Total Grant Revenues | | \$266,968.00 |

| Grant Expenditures (allowable costs expended by the grantee) | | |
|--|----------|--------------|
| Expenditure Categories | Comments | Amount |
| Personnel | | \$132,000.00 |
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| Contractual Costs | | \$10,500.00 |
| Construction | | |
| Other | | \$51,113.00 |
| Indirect Cost | | |
| Total Grant Expenditures | | \$266,968.00 |

Ending Grant Balance (Revenues – Expenditures)

Grant Funds Returned to the DHHR

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete and accurate, and that the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal (and/or State) award. I am aware that any false, fictitious or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729–3730 and 3801–3812).

Authorized Signature: Allan T. LaRue

Date: 3-15-17

Printed Name and Title: Allan T. LaRue, Board President

Taken, sworn and subscribed before me this 15 day of March , 20 17 .

Notary Public Signature: Shannon J. Beck

My Commission Expires: July 6th, 2020

