

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To Management
nCGCare, Inc.

We have performed the procedures enumerated below, which were agreed to by nCGCare, Inc. and the West Virginia Department of Health and Human Resources, related to Starlight Behavioral Health's (a wholly owned subsidiary of nCGCare, Inc.) compliance with the West Virginia Department of Health and Human Resources' guide "Supplemental Compliance Procedures for an Agreed-Upon Procedures Engagement Conducted in Accordance with West Virginia Code Section 12-4-14 and CSR Section 148-18" during the period January 1, 2018 to December 31, 2018. nCGCare, Inc.'s management is responsible for Starlight Behavioral Health's compliance with those requirements. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representations regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose

The procedures we performed and the associated findings are as follows:

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 grant.
 - We reviewed grant agreement #G180663 and grant agreement #G190208
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 funds received for grant submissions during the period from January 1, 2018 to December 31, 2018 were correctly authorized, recorded and deposited into the appropriate organizational accounts.
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 West Virginia Department of Health and Human Resources, if required.
 - There were no disallowed costs.
 - b. Costs conform to the allowability of costs provisions or limitations in the program agreement, program regulations or program statute.

- Costs submitted for reimbursement are allowable within grant guidelines.
- c. Costs represent charges for actual costs, not budgeted or projected amounts.
 - Costs submitted for reimbursement represent actual costs incurred.
- 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.
 - Costs have been consistently recorded.
- 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).
 - Costs have been submitted net of all applicable credits.
- f. Costs are not included as both a direct billing and as a component of indirect costs.
 - Costs are not included as both a direct billing and as a component of indirect costs.
- 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.
 - All costs are supported by appropriate documentation and correctly charged as to account, amount and period, with the exception of the following charges which were not supported by appropriate documentation:
 - Unit 3115 – Group Home/Forensic
 - City of Huntington – January \$ 17.58
 - Frontier - February \$ 194.12
 - American Express – February \$ 29.07
 - Unit 2874 - Colin Anderson Center
 - Mountaineer Gas - January \$ 80.62
 - Appalachian Power - January \$ 229.78
 - Huntington Sanitary – January \$ 19.13
 - Frontier – January \$ 40.90
 - Comcast – January \$ 59.85

• WVa American Water – January	\$ 39.27
• Repairs and Maint. – January	\$ 7.50
• Appalachian Power - February	\$ 190.73
• Mountaineer Gas - February	\$ 100.24
• WVa American Water – February	\$ 33.25
• Unknown Vendor – February	\$ 71.49
• Mountaineer Gas - March	\$ 54.41
• Appalachian Power - March	\$ 155.42
• Comcast – March	\$ 241.51
• WVa American Water – March	\$ 42.35
• Paula Vaughan – April	\$ 100.00
• Save a Lot – April	\$ 45.00
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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 grant and related program/project.
- We did not discover findings, contingencies or other deficiencies during the engagement, and we are not aware of any such items from prior engagements.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with specified requirements. Accordingly, we do not express such an opinion or conclusion. 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 ncgCare, Inc. and the West Virginia Department of Health and Human Resources and is not intended to be, and should not be, used by anyone other than the specified parties.

PBMares, LLP

Richmond, Virginia
February 11, 2021