



Regional Family Resource Network

Agreed-Upon Procedures

June 30, 2020

**Independent Accountant's Report
on Applying Agreed-Upon Procedures**

Regional Family Resource Network, Inc.
1078 Main Street, Room 202
Elkview, WV 25071

WVDHHR
350 Capitol Street
Charleston, WV 25301

We have performed the procedures enumerated below, which were agreed to by Regional Family Resource Network, Inc. and the State of West Virginia Department of Health and Human Resources (DHHR) (the specified parties) on the sworn statements of expenditures of Regional Family Resource Network, Inc. to insure they were in accordance with the accountability requirements of West Virginia Code §12-4-14 and CSR §148-18 for the period ended June 30, 2020. Regional Family Resource Network, Inc.'s management is responsible for the sworn statements of expenditures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and findings are as follows:

For the year ended June 30, 2020, in connection with the following DHHR Grants G200149, G200162, G200295, and G200502, we have performed these agreed-upon procedures:

- 1) We examined the grant agreement and any related documents to ascertain the purpose for which funds were awarded and the terms and conditions associated with the state grant (as reported on the sworn statements of expenditures).
- 2) We verified that funds received under the grants were correctly authorized, recorded and deposited into the appropriate accounts.

Findings –

We reviewed the organization's sworn statements of expenditures, noting the amount of revenue that was recorded for each grant. We then traced the receipts to supporting documentation to verify all funds that were received were recorded correctly. During our testing of revenue received under grant G200295, we noted that supporting documentation indicates the Organization received \$5,000 more than the reported amount on the sworn statement of expenditures.



- 3) We examined a sample of costs (as listed on the sworn statement) and related transactions associated with the grant to verify whether:
- a. Costs were approved by DHHR, if required.
 - b. Costs conform to the allowability of cost provisions or limitations in the program agreement, program regulations or program statute.
 - c. Costs represent charges for actual costs, not budgeted or projected amounts.
 - d. Cost treatments are consistent within and between accounting periods.
 - e. Costs are net of all applicable credits.
 - f. Costs are not included as both direct billing and as a component of indirect cost.
 - g. Costs are supported by appropriate documentation and correctly charged as to account, amount and period.

Findings –

We reviewed each grant agreement to determine allowable costs. Three of the grants allowed for allocation of indirect costs, calculated as no more than ten percent of direct costs. We noted the overallocation of indirect costs under grants G200149 and G200502 by \$2,754 and \$3,810, respectively.

We selected ten percent of the transactions of G200162, representing thirty-five percent of the expenses. We noted that supporting documentation could not be located for two transactions totaling \$747. When extrapolated to the population, the potential misstatement would be \$2,122.

In addition to the transactions noted above that could not be supported, we noted various transactions in which supporting documentation could not be located for various steps in the internal control process. Ultimately, we were able to obtain enough support that the transaction as a whole was not questioned, but the internal control process should be reviewed by management and greater effort should be made to substantiate all steps.

4) We inquired on the status of previous findings.

Findings – There were no findings noted in the previous agreed-upon procedures report.

We were engaged by Regional Family Resource Network, Inc. to perform this agreed-upon procedures engagement and conducted our engagement 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 the sworn statements of expenditures. 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.

We are required to be independent of Regional Family Resource Network, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Regional Family Resource Network, Inc. and the State of West Virginia Department of Health and Human Resources (DHHR) and is not intended to be and should not be used by anyone other than those specified parties.



Charleston, West Virginia
July 8, 2022