

**SISTERS HEALTH FOUNDATION  
PARKERSBURG, WEST VIRGINIA**

**REPORT ON INTERNAL AUDIT PROCEDURES  
FOR THE FINANCE COMMITTEE**

**YEAR ENDED JUNE 30, 2017**

**SISTERS HEALTH FOUNDATION**  
**REPORT ON INTERNAL AUDIT PROCEDURES FOR THE FINANCE COMMITTEE**  
**YEAR ENDED JUNE 30, 2017**

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## REPORT ON INTERNAL AUDIT PROCEDURES

To the Finance Committee  
Sisters Health Foundation  
Parkersburg, West Virginia

We have performed the procedures enumerated in Appendix A, which were agreed to by the Finance Committee and Management of Sisters Health Foundation (the Foundation), solely to assist you with respect to completing certain internal monitoring responsibilities to be performed for the year ended June 30, 2017. The Foundation's management is responsible for the accounting records and transactions. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below 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, or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records and transactions. Accordingly, we do not express such an opinion or conclusion. In addition, these procedures do not constitute an audit or a review of financial statements or any part thereof, the objective of which is the expression of an opinion or conclusion on the financial statements or a part thereof. 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 the Finance Committee, Board of Directors, and Management of Sisters Health Foundation and is not intended to be, and should not be, used by anyone other than those specified parties.



Parkersburg, West Virginia  
September 18, 2017

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**SISTERS HEALTH FOUNDATION  
FINDINGS AND MANAGEMENT'S RESPONSE  
YEAR ENDED JUNE 30, 2017**

**Foundation Disbursements**

No exceptions were noted as a result of applying the procedures.

**Bank Disbursements**

No exceptions were noted as a result of applying the procedures.

**Return of Grant Funding**

No exceptions were noted as a result of applying the procedures.

**SISTERS HEALTH FOUNDATION  
PROCEDURES PERFORMED AND RESULTS  
YEAR ENDED JUNE 30, 2017**

Procedures	Results
<p>1. Obtained the Consolidated Transaction List for the Sisters Health Foundation &amp; Crawford Trust from July 1, 2016 through June 30, 2017 and verified completeness of report. Selected a sample of operation and grant disbursements and tested the following, as applicable:</p> <ul style="list-style-type: none"> <li>a. Traced to deposit in the operating account.</li> <li>b. Traced to deposit in the general ledger.</li> <li>c. Traced to reduction of the investment on the general ledger.</li> <li>d. Agreed operations withdrawal to the board approved monthly withdrawal amount.</li> <li>e. Agreed grant withdrawal to approval from grant committee and board of directors.</li> </ul>	No exceptions.
<p>2. Obtained bank statements from July 1, 2016 through June 30, 2017 and verified completeness. Selected a sample of disbursements, including electronic transfers and tested the following, as applicable:</p> <ul style="list-style-type: none"> <li>a. Grant related expenses <ul style="list-style-type: none"> <li>i. Verified approval of grant committee</li> <li>ii. Verified approval from board of directors</li> <li>iii. Amount agreed to Foundant software</li> <li>iv. Amount agreed to general ledger</li> <li>v. Amount agreed to final spending report provided by the grantee</li> <li>vi. Check payee name on the copy of the cleared check from the bank statement agreed to grant application</li> </ul> </li> <li>b. Salaries and benefits <ul style="list-style-type: none"> <li>i. Verified approval from the board of directors</li> <li>ii. Amount agreed to general ledger</li> <li>iii. Check payee name on the copy of the cleared check from the bank statement agreed to the general ledger</li> </ul> </li> <li>c. All other expenses <ul style="list-style-type: none"> <li>i. Agreed to invoice</li> <li>ii. Amount agreed to general ledger</li> <li>iii. Check payee name on the copy of the cleared check from the bank statement agreed to the general ledger</li> </ul> </li> </ul>	No exceptions.
<p>3. Selected a sample of grantees that did not spend the full grant amount provided. Obtained final reports from selected grantee and tested the following:</p> <ul style="list-style-type: none"> <li>a. Traced total grant distributions from grantee report to Foundant and general ledger.</li> <li>b. Traced returned funds to bank statement deposit and the general ledger.</li> </ul>	No exceptions.

**SISTERS HEALTH FOUNDATION  
DETERMINATION OF SAMPLE SIZE  
YEAR ENDED JUNE 30, 2017**

Appendix B

<u>Frequency and Population Size</u>	<u>Sample Size</u>
Quarterly (4)	2
Monthly (12)	2-4
Semimonthly (24)	3-8
Weekly (52)	5-9
Populations between 100 and 250	10% of the population
Populations greater than 250	25