

MASON, KAMMERMANN & ROHRBACK, P.C.

Certified Public Accountants

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May 28, 2019

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Citizen Dispute Resolution Services, Inc. and
Michigan Supreme Court State Court Administrative Office:

We have performed the procedures enumerated below, which were agreed to by Citizen Dispute Resolution Services, Inc. and the Michigan Supreme Court State Court Administrative Office, solely to assist you in evaluating the accompanying Final Expenditure Report of the Community Dispute Resolution Program of the Center for the period ended December 31, 2018. The Center's management is responsible for the Final Expenditure Report. The 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 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.

Agreed Upon Procedures

Clerical Accuracy of the Final Expenditure Reports:

1. Obtain the Final Expenditure Report for the period January 1, 2016, to December 31, 2018, and check the mathematical accuracy.
2. Reconcile the "CDRP Award, Agency Application Match, Other Grants Application Match, and Inkind Application Match" columns on the Final Expenditure Report to the most recently approved CDRP 2016-2018 Budget Form CDRP01.
3. Reconcile the figures in the "CDRP Actual, Agency Actual and Other Grants Actual" columns on the Final Expenditure Report to the trial balance/general ledger.
4. Obtain the Final Expenditure Report of Inkind Match for the three years ended December 31, 2018, and check the mathematical accuracy.
5. Reconcile the totals by category on the Final Expenditure Report of Inkind Match to the "Inkind Match Donated/Volunteer" column of the Final Expenditure Report.

~ Boyne City ~

115A S. Lake Street
Boyne City, MI 49712
p: 231-582-7211

~ Charlevoix ~

110 Park Avenue
Charlevoix, MI 49720
p: 231-547-4911

~ Petoskey ~

2780 Charlevoix Avenue – Unit 16
Petoskey, MI 49770
p: 231-348-6930

Compliance with Grant Contract and Accountability of CDRP Funds:

1. Obtain a copy of the grant contract and determine if the following requirements have been met:
 - a. The Center has at least 35 percent of cash and/or Inkind donations from non-CDRP fund sources and other sources specifically approved by SCAO.
 - b. Determine that the Center has a workers' compensation policy in effect.
 - c. Determine that no individual category in the CDRP actual column with a budget amount exceeds the budget column by more than \$3,000.
2. Obtain from the Center a signed copy of the Program Questionnaire, review responses and investigate any non-compliance issues.
3. Review, as follows, to determine that expenditures charged to the CDRP grant contract are in accordance with SCAO guidelines.

- a. Personnel category:

Reconcile payroll per general ledger to the Final Expenditure Report and to W-2's and 941's.

Determine that wages included under the CDRP grant are in compliance with those requested in the Grant Application by comparing budgeted position allocations to actual compensation. Also verify if employees are working on multiple programs that proper documentation is prepared to show allocation of time by program.

Review the detail of the benefit category in the general ledger to determine that it is comprised of appropriate items such as employer paid FICA and Medicare taxes, workers compensation, unemployment insurance, and employee health, dental, life, disability insurance, and retirement plans as stated under the approved Grant Application and that proper approval was obtained if the amount exceeded the amount stated in the Grant Application.

- b. Accounting:

Review the accounting category in the general ledger to determine if payments for accounting services are in compliance with those requested in the Grant Application.

Compliance with Grant Contract and Accountability of CDRP Funds (Continued):

c. Training:

Review the detail in the training category in the general ledger and randomly test items to determine if expenses are incurred while providing volunteer mediator training (including trainer fees and expenses, textbooks and manuals, periodicals, refreshments and location rental) or training provided to staff as recommended by SCAO and that the totals do not exceed those stated in the approved Grant Application.

d. Contractual:

Review the contractual category in the general ledger to determine that payments for contractual services are as requested in the Grant Application and reconcile to required 1099 forms.

e. Travel:

Randomly select 10 expenditures from the detail of travel expense in the general ledger. Determine that the expense is allowable under the requirements of the grant agreement, and the rates for mileage and meals are in compliance with the Center's policy manual and that these rates used by the Center do not exceed the corresponding rates prescribed by SCAO.

f. Equipment:

Review the detail of the equipment category in the general ledger and randomly select any large items purchased. Reconcile selected items to the invoice for accuracy, and determine their existence and compliance with the Grant Application. Verify that items in excess of \$500 were properly recorded on Form CDRP16 Annual Equipment Inventory.

g. Operating Expenses:

Review the detail of rent, maintenance, and utility category in the general ledger. Determine that the items appear reasonable and reconcile to the Grant Application.

h. Supplies, Telephone, Postage, Printing, and Advertising:

Review the detail of supplies, telephone, postage, printing and advertising categories in the general ledger for any items that appear unusual. Any unusual items should be reviewed for appropriate support and compliance to grant application.

Compliance with Grant Contract and Accountability of CDRP Funds (Continued):

i. Insurance:

Review the detail of insurance category in the general ledger and determine that the items are for board or mediator liability insurance as requested in the grant application.

4. For items on the Report of Revenue Sources Financial Expenditure Report CDRP10, perform the following:
 - a. Reconcile the total amount per the Report of Revenue Sources to the Income/Revenue section of the Center's general ledger for the three year period ending December 31, 2018.
 - b. Verify that there is a system in place to account for other cash receipts of the program.
5. Review that the items listed on the Final Expenditure Report of Inkind and determine if they are supported.
 - a. For volunteer time, randomly reconcile to supporting signed timesheets.
 - b. For other items, select large items and reconcile to supporting documentation.

We are not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the accompanying Final Expenditure Report of the Center. 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 the Board of Directors and management of Citizen Dispute Resolution Services, Inc. and the Michigan Supreme Court State Court Administrative Office.

Mason, Kammermann & Rohrback, P.C.

CDRP10
Michigan Supreme Court
Community Dispute Resolution Program

Grant Period 1/1/2016-12/31/2018

Grantee Name: Citizen Dispute Resolution Services, Inc.		Completed By: Mason, Kammermann & Rohrback, P.C.				
Reporting Period:						
Budget Category	CDRP Award	CDRP Actual	CDRP Difference	Agency Application Match	Agency Actual	Agency Difference
1. Personnel						
A. Salaries	168,899.16	168,899.16	-	218,291.34	249,626.80	(31,335.46)
B. Fringe Benefits				54,758.37	50,404.01	4,354.36
2. Accounting				10,705.00	8,385.00	2,320.00
3. Training						
A. Mediator				8,086.23	8,933.03	(846.80)
B. Technical Assistance						
4. Contractual				15,737.50	16,812.30	(1,074.80)
5. Travel				17,157.60	19,599.39	(2,441.79)
6. Equipment				2,499.00	3,221.40	(722.40)
7. Operating Expense						
A. Occupancy				22,800.00	21,800.00	1,000.00
B. Supplies				9,946.05	13,303.80	(3,357.75)
C. Telephone & Internet				10,168.59	10,120.82	47.77
D. Postage				5,860.26	6,020.26	(160.00)
E. Printing				6,689.00	3,683.00	3,006.00
F. Insurance				6,632.00	6,612.00	20.00
1. Liability						
2. Mediator						
8. Marketing/Advertising				4,600.89	9,280.05	(4,679.16)
9. Other						
A. Board				2,482.88	2,883.57	(400.69)
B. Executive Director				9,187.52	8,116.26	1,071.26
C. Hospitality				2,406.29	2,432.25	(25.96)
D. Licenses, Fees, Due				3,479.32	3,657.06	(177.74)
E. PD				3,685.50	2,537.50	1,148.00
F. Staff Retreat				712.61	694.21	18.40
G. Theatre Party - Petoskey				10,170.78	11,092.05	(921.27)
H. Theatre Party - Charlevoix				7,908.39	8,002.46	(94.07)
I. Reimbursement				160.00	460.00	(300.00)
J. Miscellaneous				120.00	150.00	(30.00)
K. 25th Anniversary				3,898.02	1,607.18	2,290.84
L. Annual Meeting				-	245.30	(245.30)
M. Restorative Practices				2,386.69	88.69	2,298.00
N. Christmas Gifts				-	2,000.00	(2,000.00)
Total	168,899.16	168,899.16	-	440,529.93	471,768.39	(31,238.56)

CDRP10
Michigan Supreme Court
Community Dispute Resolution Program

Grantee Name: Citizen Dispute Resolution Services, Inc.		Reporting Period: 1/1/2016 - 12/31/2018			
Budget Category	Other Grants Application Match	Other Grants Actual	Other Grants Difference	Inkind Application Match	Inkind Match Donated/Volunteer
1. Personnel					
A. Salaries	12,957.44	12,319.50	637.94	475,113.50	444,669.50
B. Fringe Benefits					
2. Accounting		500.00	(500.00)	1,600.00	1,800.00
3. Training					
A. Mediator					
B. Technical Assistance					
4. Contractual		3,250.00	(3,250.00)		
5. Travel		149.94	(149.94)	1,658.96	3,011.36
6. Equipment		3,788.00	(3,788.00)	11,193.23	
7. Operating Expense					
A. Occupancy				63,450.00	64,000.00
B. Supplies				600.00	11,593.23
C. Telephone & Internet				2,931.87	5,456.90
D. Postage					
E. Printing	694.00	3,981.00	(3,287.00)		
F. Insurance					
1. Liability					
2. Mediator					
8. Marketing/Advertising	9,813.00	5,776.00	4,037.00		
9. Other					
A. Board					
B. Executive Director				9,306.82	5,704.85
C. Hospitality					
D. Licenses, Fees, Due					
E. PD					
F. Staff Retreat					
G. Theatre Party - Petoskey				10,669.91	11,410.56
H. Theatre Party - Charlevoix				1,000.00	
I. Reimbursement				271.76	271.76
J. Miscellaneous				4,404.00	4,334.00
K. 25th Anniversary	4,940.00	7,410.00	(2,470.00)		
L. Annual Meeting					
M. RP Grant Expense					
N. Christmas Gifts					
Total	28,404.44	37,174.44	(8,770.00)	582,200.05	552,252.16

CDRP10

Michigan Supreme Court
Community Dispute Resolution Program

Center Name:
Citizen Dispute Resolution Services, Inc.

Reporting Period:
1/1/2016-12/31/2018

Please list the description, number of units, unit rate, total value, and the basis for calculation for each item used as match.

Description	Number of Units	Unit Rate	Total Value of Match	Basis of Calculation
Volunteer Mediator Time		\$150.00	441,599.50	CDRP Policies & Procedures Manual
Volunteer Trainer Time		\$150.00	1,200.00	CDRP Policies & Procedures Manual
Volunteer Clerical Time		\$11.00	1,870.00	CDRP Policies & Procedures Manual
Volunteer Specialist Time		\$13.00		CDRP Policies & Procedures Manual
Volunteer Coordinator Time		\$18.00		CDRP Policies & Procedures Manual
Accounting Services			1,800.00	Actual Value
Mediation Off-Site Locations	330 Mediations	\$50.00	16,500.00	Fair Market Value
Training Locations	2 Workshops	NA	700.00	Fair Market Value
Petoskey Rent	36 Months	\$1,000.00	36,000.00	Fair Market Value
Charlevoix Rent	36 Months	\$ 300.00	10,800.00	Fair Market Value
Equipment/Supplies			11,593.23	Actual Value
Cell Phone	36 Months	Varies	4,305.93	Actual Value
GoToMyPC	36 Months	Varies	1,150.97	Actual Value
Mileage	36 Months	\$ 0.35	3,011.36	NCM Reimbursement Rate
Theatre Parties	6 Events	NA	11,410.56	Actual Value
Executive Director	36 Months	NA	5,704.85	Actual Value
25th Anniversary	1 Year	NA	4,334.00	Actual Value
Miscellaneous	36 Months	NA	271.76	Actual Value
Total			552,252.16	

Center Name: Citizen Dispute Resolution Services, Inc.

Reporting Period: 1/1/2016 - 12/31/2018

Please list all sources of revenue collected for the grant period, regardless of whether or not it was expended in the period. Please be as detailed as possible, extra rows may be added to the report. Do not include the Community Dispute Resolution Program grant award.

Category of Revenue	Award Period	Individual Amount	Total Amount for Type
Business/Foundation Grants:			
1. Petoskey Community Foundation (RP Laptop)	2016	894.00	894.00
2. Petoskey Community Foundation (Website)	2017	875.00	875.00
3. Petoskey Community Foundation (Copier, etc.)	2018	1,000.00	1,000.00
4. Petoskey Community Foundation (25th)	2018	2,470.00	2,470.00
5. Petoskey Community Foundation (Movie Ad)	2017	2,392.00	2,392.00
6. Petoskey Community Foundation (Marketing)	2016	3,287.00	3,287.00
7. Charlevoix Community Foundation (25th)	2018	2,470.00	2,470.00
8. Charlevoix Community Foundation (RP Laptop)	2016	894.00	894.00
9. Charlevoix Community Foundation (Website)	2017	875.00	875.00
10. Charlevoix Community Foundation (Copier, etc.)	2018	1,000.00	1,000.00
11. Charlevoix Community Foundation (Movie Ad)	2017	2,384.00	2,384.00
12. Charlevoix Community Foundation (Am Vet Refund)	2017-2018	1,000.00	1,000.00
Total			19,541.00
Service Contracts:			
1. Access & Visitation	2016-2018	13,475.00	13,475.00
2. Counties	2016-2018	201,310.00	201,310.00
3. Courts (Victim-Offender)	2016-2018	47,626.60	47,626.60
4. MSEMP	2016-2018	19,150.00	19,150.00
5. Courts (CDP)	2016-2018	26,240.00	26,240.00
6. SCAO CDP	2016	2,269.44	2,269.44
Total			310,071.04
Grants:			
1. Rotary Club of Petoskey (Am Vet Brochure)	2017	694.00	694.00
2. Rotary Club of Petoskey (25th Anniversary)	2018	2,470.00	2,470.00
3. Revenue Sharing (Database)	2018	3,500.00	3,500.00
4. Revenue Sharing (School Attendance)	2017	2,200.00	2,200.00
5. Women Who Care (Operations)	2016	6,000.00	6,000.00
6. United Way (Waived Fees)	2016	500.00	500.00
7. Restorative Practices	2016-2018	76,000.00	76,000.00
Total			91,364.00
Training Revenue	2016-2018	11,181.82	11,181.82
Fund Raising Events	2016-2018	52,005.65	52,005.65
Case Fees	2016-2018	26,215.00	26,215.00
Donations	2016-2018	16,395.45	16,395.45
Interest	2016-2018	1,143.63	1,143.63
Boyer City Schools Reimbursement	2016-2018	9,758.66	9,758.66
Refunds	2016-2018	2,405.27	2,405.27
GovPayNet	2016	160.00	160.00
Unrealized gains	2016-2018	617.78	617.78
Total			119,883.26
Grand Total			540,859.30