

**THE COMMITTEE ON AGING
FOR RANDOLPH COUNTY, INC.**

AUDITED FINANCIAL STATEMENTS

September 30, 2015

Audited by

***Williams & Associates, AC
204 Davis Avenue, PO Box 2727
Elkins, West Virginia 26241***

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.
AUDIT FOR YEAR ENDED SEPTEMBER 30, 2015**

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INDEPENDENT AUDITOR'S REPORT

To Board of Directors
Committee on Aging for Randolph County, Inc.
PO Box 727
Elkins, West Virginia 26241

Report on the Financial Statements

We have audited the accompanying financial statements of Committee on Aging for Randolph County, Inc. which comprise the statement of financial position as of September 30, 2015, and the related statements of activities, changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Committee on Aging for Randolph County, Inc. as of September 30, 2015, and the results of activities and changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of revenues and support is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2016, on our consideration of Committee on Aging for Randolph County Inc's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Committee on Aging for Randolph County Inc's internal control over financial reporting and compliance.

Williams & Associates, A.C.

Elkins, West Virginia
May 13, 2016

The Committee on Aging for Randolph County, Inc.
STATEMENT OF FINANCIAL POSITION
September 30, 2015

ASSETS		
Current Assets		
Cash and Equivalents	\$	357,156
Certificates of Deposit		670,988
Investments		641,602
Accounts Receivable		114,105
Grants Receivable		54,886
Inventory		14,905
Prepaid Expenses		10,169
Total Current Assets		<u>\$ 1,863,811</u>
Fixed Assets		
Property and Equipment	1,844,638	
Less Accumulated Depreciation	<u>834,159</u>	
Net Fixed Assets		<u>1,010,479</u>
TOTAL ASSETS		<u><u>\$ 2,874,290</u></u>
LIABILITIES		
Current Liabilities		
Accounts Payable	\$	2,160
Accrued Compensation	\$	44,101
Current Portion of Long-Term Debt		11,735
Total Current Liabilities		<u>\$ 57,996</u>
Long-Term Liabilities		
Mortgage Payable	37,357	
OPEB Plan Liability	<u>471,647</u>	
Total Long-Term Liabilities		<u>509,004</u>
TOTAL LIABILITIES		\$ 567,000
Net Assets, Unrestricted	2,198,408	
Net Assets, Temporarily Restricted	<u>108,882</u>	
TOTAL NET ASSETS		<u>2,307,290</u>
TOTAL LIABILITIES AND NET ASSETS		<u><u>\$ 2,874,290</u></u>

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

The Committee on Aging for Randolph County, Inc.
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>TOTAL</u>
SUPPORT			
Contributions	\$ 62,659		\$ 62,659
Grants			
Federal Monies		387,015	387,015
State Monies		643,187	643,187
Program Service Fees	1,363,421		1,363,421
Project Income		115,565	115,565
Investment Return	27,798		27,798
Other	448,575		448,575
TOTAL SUPPORT	<u>\$ 1,902,453</u>	<u>\$ 1,145,767</u>	<u>\$ 3,048,220</u>
 EXPENSES			
Program Services	\$ 2,883,915	\$ -	2,883,915
Management and General	120,537		120,537
TOTAL EXPENSES	<u>\$ 3,004,452</u>	<u>\$ -</u>	<u>\$ 3,004,452</u>
INCREASE(DECREASE) IN NET ASSETS	(1,101,999)	1,145,767	43,768
NET ASSETS RELEASED FROM RESTRICTIONS	1,113,190	(1,113,190)	-
NET ASSETS, 10/1/14	<u>2,187,217</u>	<u>76,305</u>	<u>2,263,522</u>
NET ASSETS, 9/30/15	<u>\$ 2,198,408</u>	<u>\$ 108,882</u>	<u>\$ 2,307,290</u>

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

The Committee on Aging for Randolph County, Inc.
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Increase(Decrease) in Net Assets	\$	43,768
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation		122,982
(Increase)Decrease in Operating Assets:		
Accounts Receivable		(29,921)
Grants Receivable		(10,350)
Inventory		(198)
Prepaid Expenses		2,701
Increase(Decrease) in Operating Liabilities:		
Accounts Payable		17
Accrued Compensation		(3,878)
Deferred Revenue		(10,122)
OPEB Liability		16,938
		16,938
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$	131,937
CASH FLOW FROM INVESTING ACTIVITIES		
Purchases and Sales of Property and Equipment		(53,586)
NET CASH USED IN INVESTING ACTIVITIES		(53,586)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long-Term Debt		(11,005)
Purchases and Sales of Investments		(27,274)
		(38,279)
NET CASH USED BY FINANCING ACTIVITIES		(38,279)
NET INCREASE IN CASH AND CASH EQUIVALENTS		40,072
CASH AND CASH EQUIVALENTS, 10/1/14		317,084
CASH AND CASH EQUIVALENTS, 9/30/15	\$	357,156

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

**The Committee on Aging for Randolph County, Inc.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2015**

Program Services

Community Care/ Waiver/ Case Mgt	III-C		III-B	Congregate Delivered	III-E	III-D/MM	SHIP	LH	FAIR	Transit	LIFE	Other Programs	Program Services	Management & General	TOTAL
	Care/	Home													
Personnel	\$1,020,155	\$	52,020	\$ 143,481	\$ 17,851	\$ 2,515	\$ 8,086	\$ 127,270	\$ 33,650	\$ 363,648	\$ 27,189	\$ 13,625	\$ 1,876,729	\$ 258,736	\$ 2,135,465
Travel	94,393		6,538		920			16,100	3,435	1,677	475		123,538	2,261	125,799
Printing & Supplies	6,149			93,888	74,919					1,391		27,833	35,373	27,877	63,250
Raw Food				9,487	9,368								18,855		18,855
Disposables				1,032	11,331								12,363		12,363
Transportation															
Communication & Utilities	3,434											4,850	8,284	24,621	32,905
Repairs & Maintenance										79,504			79,504	6,058	85,562
Indirect Costs	169,402		9,120	42,465	28,310	2,921	391	22,442	5,964	79,146	5,466	10,423	377,956	(377,956)	-
Other	43,742		40	25,946	18,322		5,051			14,378		19,927	127,406	50,261	177,667
Advertising	197									10,522		1,810	12,529	5,084	17,613
Insurance										19,075			19,075	613	19,688
Bad Debts	23,496												23,496		23,496
Depreciation													-	122,982	122,982
Total Functional Expenses	\$1,360,968	\$	67,718	\$ 316,299	\$ 209,489	\$ 21,692	\$ 2,906	\$ 165,812	\$ 43,049	\$ 569,341	\$ 33,130	\$ 78,468	\$ 2,883,915	\$ 120,537	\$ 3,004,452

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The Committee on Aging for Randolph County, Inc., is a nonprofit organization whose purpose is to improve the quality of life for senior citizens in Randolph County, West Virginia. The purpose of the Organization is to study and document the needs of the seniors; to encourage, promote and aid in the establishment of programs for the seniors; to conduct programs of public education on the problems of aging; to utilize opportunities to establish demonstration programs; and to implement state and local programs for the aging that no other agency is implementing.

This summary of significant accounting policies of The Committee on Aging for Randolph County, Inc., is presented to assist in understanding the Organization's financial statements. The financial statements and notes are the representation of management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The financial statements of the Committee on Aging for Randolph County, Inc., have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification 958-205, formerly Statements of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Accounts Receivable

Accounts receivable represent amounts owed the Organization for services provided to clients of the Organization under contracts with the West Virginia Department of Health and Human Resources – Medicaid Waiver and Community Care Programs. In addition, the Organization uses the allowance method for accounting for bad debts whereby an allowance for doubtful accounts is established based on the realization of the accounts receivable at year end. As of September 30, 2015, all accounts receivable are deemed collectible.

The accompanying independent auditor's report is an integral part of these notes.

THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Grants Receivable

Contributions/grants are recognized when the donor/grantor makes a promise to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor/grantor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor/grantor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The Organization uses the allowance method to determine collectibility of grants receivable. As of September 30, 2015, all grants receivable are deemed collectible.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

Property and Equipment

Prior to October 1, 1990, the Organization expensed all property and equipment in the period of acquisition as directed by the grantor agencies. The Organization, effective October 1, 1990, is currently capitalizing all equipment purchases at cost and all donated equipment at fair market value and is depreciating these costs using the straight-line method over the asset's estimated useful life. All equipment/vehicles purchased with grant monies must have approval from the grantor agency to dispose of such equipment and the method of disposition. The Organization has adopted a capitalization policy in the amount of \$500.

Investments

The Organization reports investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes in net assets.

Inventory

Inventory consists primarily of raw food, disposables, and supplies purchased under the Title III-C grant and are recorded at lower of cost (first-in, first-out basis) or market.

Income Taxes

The Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3).

The accompanying independent auditor's report is an integral part of these notes.

THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Grant Monies

Grant monies are received in three ways:

- 1 – On a cost reimbursement basis for which the Organization requests reimbursement for monies already spent. This is utilized for the LIFE and Transit program grants.
- 2 – On an as needed basis in which the Organization requests monies that it feels it will need in the immediate future; this is utilized for Title III-B, Title III-E, Title III-D, SHIP and Elder Abuse grants. Upon completion of a grant year any unexpended money has to be approved for carryover to the next year, but if approval is denied, the money has to be reimbursed to the grantor.
- 3 – Title III-C are received on a meal reimbursement basis but not to exceed the total grant award. Upon completion of the grant year, any unexpended monies are restricted for future Title III-C program operating expenses.

Total federal and state grant revenues for the year ended September 30, 2015 were \$1,030,202.

Operating expenditures made against federal and state grants are subject to audit by the Grantor agency. These agencies may subsequently make adjustments to the grant as originally awarded due to their audit findings.

Donated Facilities

Several of the Committee on Aging for Randolph County, Inc.'s facilities are owned by the Randolph County Commission. These include the main senior center building in Elkins and the nutrition sites in Mill Creek and Harman. These facilities are leased to the Organization. Since recent appraisals are not available, a fair rental value could not be reasonably calculated and recorded as donated services and rent expense in these financial statements.

Advertising

Advertising costs are expensed as incurred and totaled \$17,613 for the year ended September 30, 2015.

Note 2. Receivables

Accounts receivable consisted of the following at September 30, 2015:

WV DHHR	<u>\$ 114,105</u>
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The accompanying independent auditor's report is an integral part of these notes.

THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS

Note 2. Receivables (Continued)

Grants receivable consisted of the following at September 30, 2015:

Title III-B	\$ 2,265
Title III-C	250
LIFE	10,077
Lighthouse/FAIR	22,268
Transit	<u>20,026</u>
	<u>\$54,886</u>

Note 3. Investments

The cost and estimated market value of investment securities at September 30, 2015 are as follows:

	Original Cost	Gross Unrealized Gains	Estimated Market Value
Investments, Unrestricted	<u>\$ 641,602</u>	<u>\$ 0</u>	<u>\$ 641,602</u>

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or broker price quotations. For all other financial instruments, the Organization determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instruments.

The Organization measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The accompanying independent auditor's report is an integral part of these notes.

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 3. Investments (Continued)

The Organization reports investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes in net assets.

Note 4. Property and Equipment

Property and equipment consisted of the following at September 30, 2015:

Land	\$ 336,788
Buildings	270,624
Improvements	421,765
Furniture & Equipment	160,537
Office Equipment	86,888
Vehicles	<u>568,036</u>
Total Fixed Assets	1,844,638
Less accumulated depreciation	<u>(834,159)</u>
Net property and equipment	<u>\$1,010,479</u>

Note 5. Retirement Program

Certain employees are eligible to be included in the organization's retirement program. The employee contributes 4.5% of his/her gross wages which is combined with 9.5% contributed by The Committee on Aging for Randolph County, Inc. The covered employees are eligible to draw benefits upon retirement. Service contributions to the retirement program were \$57,591 for the year. Of this amount, \$42,603 was included in salaries and fringe benefits and \$14,988 was included in indirect expenses on the respective statement of functional expenses.

Note 6. Other Post-Employment Benefits (Defined Benefit OPEB Plan)

The Committee on Aging for Randolph County, Inc. participates in the West Virginia Public Employee Insurance Agency's health insurance plan. In order to comply with GASB Statement No. 43 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, effective July 1, 2007 the Organization began recording annual required contributions (ARC) as a liability. The balance of the liability as of September 30, 2014 was \$471,647.

Note 7. Support Concentration

The Committee on Aging for Randolph County, Inc., receives approximately 30% of its support from the West Virginia Department of Health and Human Services for providing services under the Medicaid Waiver and Community Care programs. Any significant reduction in the level of support from these sources could have a material effect on the Organization's programs and activities.

The accompanying independent auditor's report is an integral part of these notes.

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 8. Split-Interest Agreement (Trust)

The Committee on Aging for Randolph County, Inc., is the beneficiary of a perpetual trust created on March 1, 1984 and held by Davis Trust Company. The Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. The income is restricted to pay for “recurring expenses” incurred by the Organization. The funds held in trust are owned by the Organization and are therefore reflected on the Statement of Financial Position as Investments.

The Organization is also the beneficiary of a perpetual trust created on August 13, 1984 by the Randolph County Commission and held by Citizens National Bank. The Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. The income is restricted to pay for “general operating expenses,” but cannot be used to pay salaries. The funds held in trust remain the property of the Randolph County Commission; therefore they are not reflected on the Statement of Financial Position.

Note 9. Transportation Grants

As a Section 5310/5311 Public Transit agency, the Committee on Aging for Randolph County, Inc., is the recipient of grants from the WV Department of Transportation, Division of Public Transit. These grants provide funds for the Organization for operating assistance and to purchase vehicles. The Organization received no vehicles during the fiscal year.

Note 10. Long-Term Liabilities

The Committee on Aging for Randolph County, Inc. has a mortgage at Davis Trust Company on their new home care building. The initial amount of the mortgage was \$209,900 with annual payments of \$13,993 at a variable interest rate based on the lender’s 30-month CD rate plus 3%, currently 4.6% for a term of 15 years. The balance on this mortgage at September 30, 2015 was \$49,092.

Note 11. Subsequent Events

The Committee on Aging for Randolph County, Inc.’s management has evaluated subsequent events through the date of the audit report.

Note 12. Contingent Liability

The Committee on Aging for Randolph County, Inc. is the defendant in a civil lawsuit with two former employees. The Organization believes it will be successful in their defense of the allegations and does not believe any liability will result from it. Therefore, no liability has been recognized in these financial statements.

The accompanying independent auditor’s report is an integral part of these notes.

The Committee on Aging for Randolph County, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Pass-Through Programs from Upper Potomac Area Agency on Aging:			
U.S. Department of Health & Human Services:			
Administration of Aging	93.044		\$ 41,629
Special Programs for the Aging Title III Part B Grants for Supportive Services and Senior Centers			
Administration on Aging	93.043		\$ 2,043
Special Programs for the Aging Title III Part D Disease Prevention and Health Promotion Services			
Administration on Aging	93.052		\$ 12,661
Special Programs for the Aging Title III Part E National Family Caregiver Support			
Administration on Aging	93.045		\$ 65,486
Special Programs for the Aging Title III Part C Nutrition Services			
Centers for Medicare & Medicaid Services	93.779		\$ 12,500
CMS Research, Demonstration & Evaluations State Health Insurance Assistance Program (SHIP)			
<i>Total US Department of Health & Human Services</i>			<u>\$ 134,319</u>
Pass-Through Program from WV Department of Transportation:			
United States Department of Transportation:			
Federal Transit Administration	20.509		\$ 252,696
Formula Grants for Other than Urbanized Areas			
<i>Total US Department of Transportation</i>			<u>\$ 252,696</u>
<i>Total Expenditures of Federal Awards</i>			<u><u>\$ 387,015</u></u>

The accompanying notes are an integral part of this schedule.

**The Committee on Aging for Randolph County, Inc.
SCHEDULE OF REVENUES
For the Year Ended September 30, 2015**

	III-C						COC/ Waiver	Lighthouse	Transit	Other	TOTALS
	III-B	III-D/MM	III-E	Congregate	Home-Delivered	FAIR					
GRANT REVENUES											
Federal	\$ 41,629	\$ 2,043	\$ 12,661	\$ 32,733	\$ 32,753			\$ 252,696	\$ 12,500	\$ 387,015	
State	14,348	127		85,458	82,247	38,647	146,728	75,000	21,122	463,677	
LIFE 2014-15		360	1,736	3,108	5,066		6,784	75,438	21,989	114,481	
LIFE 2015-16				20,013	14,785			30,231		65,029	
State & LIFE Match										-	
Total Grant Revenues	55,977	2,530	14,397	141,312	134,851	38,647	153,512	433,365	55,611	1,030,202	
OTHER REVENUES											
Contributions	\$ 260			\$ 3,500				\$ 104	\$ 58,795	\$ 62,659	
Program Service Fees								54,952		1,363,421	
Project Income	10,665			91,308	13,592					115,565	
Investment Return	23							548	27,199	27,798	
Local Match	7,341			72,500				73,000	40,000	192,841	
Other	225		3,568		19,604	3,378		22,270	122,859	255,734	
Total Other Revenues	18,514	-	3,568	167,308	33,196	3,378	1,381,576	150,874	248,853	2,018,018	
TOTAL REVENUES	\$ 74,491	\$ 2,530	\$ 17,965	\$ 308,620	\$ 168,047	\$ 42,025	\$ 1,381,576	\$ 584,239	\$ 304,464	\$ 3,048,220	

The accompanying independent auditor's report and notes are integral parts of these financial statements.

Williams & Associates, A.C.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
The Committee on Aging for Randolph County, Inc.
Elkins, West Virginia 26241

We have audited the financial statements of the Committee on Aging for Randolph County, Inc. (a non-profit organization) as of and for the year ended September 30, 2015, and have issued a report thereon dated May 13, 2016. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Committee on Aging for Randolph County, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of law, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an object of my audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance, which we have reported to management of the Committee on Aging for Randolph County, Inc., in a separate letter dated May 13, 2016, and included in this audit report on page 17.

Internal Control Over Financial Reporting

In planning and performing my audit, we considered the Committee on Aging for Randolph County, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one

or more of the internal control components does not reduce to a relatively low level the risk that misstatements in an amount that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting that its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the Committee on Aging for Randolph County, Inc., in a separate letter dated May 13, 2016, and included in this audit report on page 17.

This report is intended solely for the information and use of the board of directors, management, and West Virginia Bureau of Senior Services and is not intended to be and should not be used by anyone other than these specified parties.

Williams & Associates, A.C.

Elkins, West Virginia
May 13, 2016

Williams & Associates, A.C.

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May 13, 2016

The Committee on Aging for Randolph County Inc
PO Box 727
Elkins, West Virginia 26241

Our audit on the financial statements of Committee on Aging for Randolph County Center, Inc., for the year ended September 30, 2015, highlighted areas where we would like to make recommendations which would improve the internal control, accounting procedures, and internal financial information of the Organization. Since our audit was not designed to include a complete review of all systems, procedures and controls, the following comments and recommendations should not be considered to be all inclusive of the areas where improvements may be necessary.

SIGNIFICANT DEFICIENCIES

2014-1 LACK OF SEGREGATION OF DUTIES

Criteria: Internal control should be implemented to the degree possible to assign to different individuals the responsibility for approving, executing and recording transactions and custody of the resulting asset arising from the transaction.

Condition: The same employee is responsible for recording accounts receivable, reconciling the bank statements and posting journal entries.

Cause: The organization has limited staff and responsibilities for approving, executing, and recording transactions and custody of the resulting assets arising from financial transactions are not assigned to different individuals because the organization does not employ enough administrative staff members to make the necessary segregation possible.

Effect: More than a remote likelihood exists that a material misstatement of the financial statements will not be prevented or detected by the organization's internal controls.

Recommendation: We recommend responsibilities of approval, execution, recording and custody should be distributed among employees, management and the board of directors to the degree possible. However, we recognize that full and complete segregation of duties is not economically feasible.

Response: We concur with the finding and recommendation.

2014-2 ADJUSTING ENTRIES

Criteria: Adjusting entries must be recorded.

Condition: Currently not all adjusting entries are being recorded.

Cause: The Organization does not record all adjusting entries.

Effect: The books of record do not concur with the audited financial statements.

Recommendation: We recommend that adjusting entries be recorded.

Response: We concur with the finding and recommendation.

Williams & Associates, AC

Elkins, West Virginia