

CALHOUN COUNTY COMMITTEE ON AGING, INC.

**INDEPENDENT AUDITOR'S REPORT AND
RELATED FINANCIAL STATEMENTS**

SEPTEMBER 30, 2009

INDEX

	Page
Independent Auditor's Report	1-2
Statement of Financial Position	3-4
Statement of Activities	5-6
Statement of Functional Expenses	7
Statement of Cash Flows	8
Notes to Financial Statements	9-15
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	16-18
Schedule of Federal and State Funds	19-20
Notes to the Schedule of Federal and State Funds	21



INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Calhoun County Committee on Aging, Inc.
Grantsville, West Virginia

We have audited the accompanying statement of financial position of Calhoun County Committee on Aging, Inc. (a nonprofit organization) as of September 30, 2009 and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Calhoun County Committee on Aging, Inc. as of September 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2010, on our consideration of Calhoun County Committee on Aging, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Calhoun County Committee on Aging, Inc. taken as a whole. The accompanying schedule of federal and state awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

Detrick + Bartlett, PLLC

June 5, 2010

CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2009

ASSETS

Current Assets

Cash	\$ 50,475
Grants and contracts receivable	88,459
Interest receivable	942
Prepaid expenses	<u>22,505</u>
Total current assets	<u>162,381</u>

Property and Equipment

Property and equipment	1,386,398
Accumulated depreciation	<u>(533,879)</u>
Net property and equipment	<u>852,519</u>

Other Assets

Certificate of deposit	<u>110,810</u>
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TOTAL ASSETS	\$ <u><u>1,125,710</u></u>
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CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF FINANCIAL POSITION (CONT'D)
SEPTEMBER 30, 2009

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts payable	\$ 25,430
Accrued payroll	29,270
Payroll taxes payable	5,925
Deferred revenue - grants	1,505
Accrued vacation	11,051
Deferred revenues - other	9,000
Current portion of lease payable	768
Total current liabilities	<u>82,949</u>
Long-Term Liabilites	
Accrued vacation	11,050
Lease payable (net of current portion)	1,984
Total long-term liabilites	<u>13,034</u>
Total liabilities	95,983
Unrestricted net assets	<u>1,029,727</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,125,710</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>Unrestricted</u>	<u>Temporarily Unrestricted</u>	<u>Total</u>
Support			
Medicaid	\$ 538,378	\$ -0-	\$ 538,378
N S I P	11,430	-0-	11,430
Title IIIC	51,874	-0-	51,874
Legislative digest	20,000	-0-	20,000
LIFE	173,469	-0-	173,469
Contributions and fundraising	99,597	-0-	99,597
Lighthouse	65,951	-0-	65,951
Fair	15,551	-0-	15,551
Veterans	24,769	-0-	24,769
Title IIIB	-0-	38,863	38,863
Title IIID	-0-	973	973
Title IIIE	-0-	5,542	5,542
Transportation	15,315	-0-	15,315
Health benefits/SHIP	5,000	-0-	5,000
Other	1,295	-0-	1,295
Net assets released from donor restrictions	45,378	(45,378)	-0-
Total support	<u>1,068,007</u>	<u>-0-</u>	<u>1,068,007</u>
Revenues			
Program income	29,605	-0-	29,605
Interest income	5,693	-0-	5,693
Gain on sale	1,671	-0-	1,671
Rent	1,475	-0-	1,475
Total revenues	<u>38,444</u>	<u>-0-</u>	<u>38,444</u>
Total support and revenues	<u>1,106,451</u>	<u>-0-</u>	<u>1,106,451</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF ACTIVITIES (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>Unrestricted</u>	<u>Temporarily Unrestricted</u>	<u>Total</u>
Expenses			
Program expense:			
Other programs	\$ 588,556	\$ -0-	\$ 588,556
Health benefits	4,104	-0-	4,104
LIFE	173,469	-0-	173,469
Lighthouse	65,951	-0-	65,951
Title III-B	83,933	-0-	83,933
Title III-D	973	-0-	973
Title III-E	5,542	-0-	5,542
Title III-C - congregate	77,921	-0-	77,921
Title III-C - home delivered	56,899	-0-	56,899
Management and general	16,873	-0-	16,873
Fundraising	85,699	-0-	85,699
Total expenses	<u>1,159,920</u>	<u>-0-</u>	<u>1,159,920</u>
Change in net assets	(53,469)	-0-	(53,469)
Beginning unrestricted net assets	<u>1,083,196</u>	<u>-0-</u>	<u>1,083,196</u>
Ending unrestricted net assets	<u>\$ 1,029,727</u>	<u>\$ -0-</u>	<u>\$ 1,029,727</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Program Services							Title III-C		Management and	Fundraising	Totals
	Other Programs	Health Benefits	LIFE	Light- house	Title III-B	Title III-D	Title III-E	Congregate	Home Delivered	General		
Wages and taxes	\$ 416,410	\$ 4,058	\$ 130,682	\$ 61,688	\$ 48,903	\$ 973	\$ 5,518	\$ 40,727	\$ 27,673	\$ 11,218	\$ -0-	\$ 747,850
Fringe benefits	15,806	-0-	20,590	-0-	8,446	-0-	-0-	6,425	5,253	-0-	-0-	56,520
Supplies	18,280	11	-0-	7	41	-0-	-0-	1,074	-0-	-0-	-0-	19,413
Repairs and maintenance	8,455	-0-	1,689	-0-	661	-0-	-0-	498	-0-	-0-	-0-	11,303
Communications and utilities	10,617	-0-	-0-	-0-	7,037	-0-	-0-	5,508	4,442	-0-	-0-	27,604
Other	3,773	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,773
Depreciation	50,888	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	5,655	-0-	56,543
Transportation	19,256	35	-0-	4,256	18,716	-0-	24	-0-	3,441	-0-	-0-	45,728
Professional services	14,803	-0-	16,300	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	31,103
Insurance	16,086	-0-	1,994	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	18,080
Trips and supplies	-0-	-0-	1,977	-0-	-0-	-0-	-0-	-0-	-0-	-0-	85,699	87,676
Taxes and licenses	153	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	153
Nutrition supplies	4,211	-0-	-0-	-0-	129	-0-	-0-	23,425	16,090	-0-	-0-	43,855
Rent	6,513	-0-	237	-0-	-0-	-0-	-0-	20	-0-	-0-	-0-	6,770
Dues and subscriptions	3,305	-0-	-0-	-0-	-0-	-0-	-0-	244	-0-	-0-	-0-	3,549
	<u>\$ 588,556</u>	<u>\$ 4,104</u>	<u>\$ 173,469</u>	<u>\$ 65,951</u>	<u>\$ 83,933</u>	<u>\$ 973</u>	<u>\$ 5,542</u>	<u>\$ 77,921</u>	<u>\$ 56,899</u>	<u>\$ 16,873</u>	<u>\$ 85,699</u>	<u>\$ 1,159,920</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Cash Flows From Operating Activities	
Change in net assets	\$ (53,469)
Adjustments to reconcile change in net assets to net cash (used) in operating activities	
Depreciation	56,543
(Gain) on sale	(1,671)
(Increase) decrease in:	
Grants and contracts receivable	(14,942)
Interest receivable	(47)
Prepaid expenses and deposits	(3,449)
Increase (decrease) in:	
Accounts payable	(2,217)
Accrued vacation	1,680
Deferred revenues - other	1,687
Payroll taxes payable	4,679
Deferred revenue - grants	(7,767)
Net cash (used) in operating activities	<u>(18,973)</u>
Cash Flows From Investing Activities	
Increase in certificates of deposit	(5,471)
Acquisition of property and equipment	(24,685)
Sale of property and equipment	50,724
Net cash provided by investing activities	<u>20,568</u>
Cash Flows From Financing Activities	
Lease payments	(704)
Net cash (used) in financing activities	<u>(704)</u>
Net increase in cash	891
Cash - beginning of period	<u>49,584</u>
Cash - end of period	<u>\$ 50,475</u>
Supplementary Information	
In kind contributions	<u>\$ 10,313</u>
In kind services	<u>\$ (10,313)</u>

The accompanying independent auditor's report and notes are integral parts of this statement.

CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Note 1 Description of Entity, Financial Statement Presentation and Summary of Significant Accounting Policies

Description of Entity

The Calhoun County Committee on Aging, Inc. is a non-profit corporation located in Grantsville, West Virginia. The Organization's operations consist of a variety of social services for the elderly of Calhoun County. The Organization is funded by various federal and state grants and from funds obtained through local fund raising projects.

Financial Statement Presentation

The Organization has adopted FASB Standards Codification 958, Not-for-Profit Entities. There are no permanently restricted assets as of September 30, 2009.

Grants and contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions would be 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 would be reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Summary of Significant Accounting Policies

Basis of Accounting and Reporting

Calhoun County Committee on Aging, Inc. uses the cash basis of accounting throughout the program year but prepares its annual financial statements on the accrual basis.

Cash

Cash is on deposit with institutions which are insured by the F.D.I.C. During the fiscal year ended September 30, 2009, the Organization had various amounts in excess of F.D.I.C. coverage throughout the year. This represents a risk for potential loss.

For the purpose of the statement of cash flows, the Organization considers both restricted and unrestricted cash as well as certificates of deposit with original maturity of three months or less to be cash and cash equivalents.

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

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Cash and equivalents consist of the following:

Unrestricted cash		\$ <u>50,475</u>
Total cash		\$ <u>50,475</u>

Other long-term assets consist of the following:

	<u>Amount</u>	<u>Maturity Date</u>
Certificate of Deposit	\$ <u>110,810</u>	10/31/10

Inventories

The Organization does not maintain an inventory. Supplies are purchased on an as needed basis.

Property, Plant and Equipment

Property, plant and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the account and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to expense as incurred; all fixed assets are capitalized with an original cost of \$500 or more.

Revenue Recognition

Unconditional grants and promises to give are recorded when the grant or promise is made. Conditional grants and promises to give are recorded when the related condition is met. Project income is recognized in the period received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Accrued Annual Leave

Accrued compensated absences are included in these financial statements at the employees current hourly rate for September 30, 2009.

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

CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Functional Expenses

The operating expenses of the Organization have been classified in the Statement of Functional Expenses on a direct basis whenever possible. Other expenses have been allocated based on personnel time worked, space utilized or some other rational allocation method.

Donated Services

Donated services are recognized as contributions in accordance with FASB Standards Codification 958-605, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization received services that met this criteria during the year of \$10,313.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Calhoun County Committee on Aging, Inc. is a not-for-profit organization and is exempt from income taxes under Section 501(C) (3) of the Internal Revenue Code of 1986. The Organization owed \$0 in unrelated business income taxes as of September 30, 2009.

Risks and Uncertainties

The majority of the funding for the operation of Calhoun County Committee on Aging, Inc. comes from Medicaid and the Northwestern Area Agency on Aging. A loss of or decrease in this funding could adversely affect the operation of the Organization.

Note 2 Property and Equipment

Property and equipment are recorded at cost if purchased or fair market value at the date of donation.

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

CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Property and equipment consisted of the following at September 30, 2009:

Land and land improvements	\$	192,072
Buildings and additions		781,762
Vehicles		301,993
Equipment and furniture		<u>110,571</u>
		1,386,398
 Total property and equipment		
Less, accumulated depreciation		<u>(533,879)</u>
 Net property and equipment	 \$	 <u>852,519</u>

Property and equipment are depreciated over their useful lives:

Buildings and additions	7 – 39 Years
Vehicles	5 Years
Equipment and furniture	5 – 7 Years

Note 3 Concentration

The Organization receives a majority of its monies from third party reimbursements. Any loss or decrease in this funding could be detrimental to the Organization's ongoing activities.

Note 4 Advertising Costs

The Organization expenses advertising costs as they are incurred.

Note 5 Deposits and Prepaid Expenses

Deposits and prepaid expenses consist of the following at September 30, 2009:

Prepaid service agreement	\$	18,000
Prepaid insurance		<u>4,505</u>
 Total	 \$	 <u>22,505</u>

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

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Note 6 Retirement System

The Calhoun County Committee on Aging, Inc. is not a member of any retirement system.

Note 7 Operating Leases

The Organization had the following leases during the year:

<u>Description</u>	<u>Monthly Payment</u>	<u>Term (in years)</u>	<u>Expires</u>
Copier	\$313.00	4	10/01/12

Future payments are as follows:

<u>Year</u>	<u>Amount</u>
2010	\$ 3,756
2011	3,756
2012	3,756
2013	<u>313</u>
	<u>\$ 11,581</u>

Note 8 Capital Leases

The Organization has a capital lease for a copier. The lease requires sixty monthly payments of \$64 with a \$1 buyout at the end.

<u>Beginning Balance</u>	<u>Advances</u>	<u>Payments</u>	<u>Balance 9/30/09</u>
\$ <u>3,456</u>	\$ <u>-0-</u>	\$ <u>704</u>	\$ <u>2,752</u>

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

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Future payments are as follows:

<u>Year</u>	<u>Amount</u>
2010	\$ 768
2011	768
2012	768
2013	<u>448</u>
Total	<u>\$ 2,752</u>

Note 9 Fair Value Measurement

FASB Standards Codification 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB Accounting Standards Codifications 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- i. Quoted prices for similar assets or liabilities in active markets;
- ii. Quoted prices for identical or similar assets or liabilities in inactive markets;
- iii. Inputs other than quoted prices that are observable for the asset or liability;
- iv. Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2009.

Certificates of Deposit: The fair value of certificates of deposits are estimated using third-party quotations.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's financial assets at fair value on a recurring basis as of September 30, 2009:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of Deposit	\$ <u>-0-</u>	\$ <u>110,810</u>	\$ <u>-0-</u>	\$ <u>110,810</u>
Total assets at fair value	\$ <u>-0-</u>	\$ <u>110,810</u>	\$ <u>-0-</u>	\$ <u>110,810</u>

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



**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Board of Directors
Calhoun County Committee on Aging, Inc.
Grantsville, West Virginia

We have audited the financial statements of Calhoun County Committee on Aging, Inc. (a nonprofit organization) as of and for the year ended September 30, 2009, and have issued our report thereon dated June 5, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Calhoun County Committee on Aging, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Calhoun County Committee on Aging, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Calhoun County Committee on Aging, Inc.'s internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Calhoun County Committee on Aging, Inc.'s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is no more than a remote likelihood that a misstatement of Calhoun County Committee on Aging, Inc.'s financial statements that is more than inconsequential will not be prevented or detected by Marion County Senior Citizens, Inc.'s internal control. We consider the following deficiencies to be significant deficiencies in internal control over financial reporting.

09-1 Segregation of Duties

Criteria: Responsibility for approving executing, and recording transactions and custody of the resulting asset arising from the transaction is not assigned to separate individuals.

Condition: Analysis of the internal control system indicated a lack of segregation of duties.

Cause: Responsibility for approval, execution, recording and custody are not distributed among the office staff to the best degree possible. However, complete segregation of duties is not economically feasible.

Effect: Because of the lack of segregated duties, internal control elements do not reduce to a relatively low level the risk that irregularities in amounts 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.

Recommendation: Responsibilities of approval, executing, recording and custody should be distributed among the accounting staff to the degree possible. However, we recognize that complete segregation of duties is not economically feasible.

Entity's Response: To the extent possible, the Organization has segregated its duties. Any further segregation of duties would not be economically feasible

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Calhoun County Committee on Aging, Inc.'s internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 09-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Calhoun County Committee on Aging, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Calhoun County Committee on Aging, Inc. in a separate letter dated June 5, 2010.

The Calhoun County Committee on Aging, Inc.'s response to the finding identified in our audit is described above. We did not audit the Calhoun County Committee on Aging, Inc.'s response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Directors of the Calhoun County Committee on Aging, Inc., others within the entity, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Detrick + Bartlett, PLLC

June 5, 2010

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
SCHEDULE OF FEDERAL AND STATE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Grantor Agency	<u>Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Financial Awards Recognized</u>
Federal Awards				
U.S. Department of Health and Human Services				
Passed through the WV Bureau of Senior Services and Bel-O-Mar Regional Council:				
	CMS Research, Demonstrations and Evaluaitons	93.779	SH21006	\$ 5,000
	Title III-B - Special Progress for the Aging	93.044	T3 B/D/E 03-09	26,838
	Title III-D - Special Progress for the Aging	93.043	T3 B/D/E 03-09	956
	Title III-E - National Family Caregiver Support	93.052	T3 B/D/E 03-09	5,542
	Title IIIC - Special Programs for the Aging - Nutrition Services	93.045	N/A	18,436
	Nutritional Services Incentive	93.052	N/A	11,430
	Aging Congregate Nutrition Services for States	93.707	N/A	4,900
	Aging Home - Delivered Nutrition Services for States	93.705	N/A	<u>1,197</u>
	TOTAL FEDERAL FUNDS			\$ <u>74,299</u>

The accompanying independent auditor's report and notes are integral parts of this schedule.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
SCHEDULE OF FEDERAL AND STATE FUNDS (CONT'D)
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Grantor Agency	<u>Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Financial Awards Recognized</u>
State Awards				
WV Bureau of Senior Services through the Bel-O-Mar Regional Council:				
	Title III-B - State	N/A	T3 B/D/E 03-09	\$ 12,025
	Title III-D - State	N/A	T3 B/D/E 03-09	17
	LIFE	N/A	21002A 03-09	173,469
	Lighthouse In-Home Services	N/A	21049	65,951
	Alzheimer's Respite/Fair	N/A	21049	15,551
	Transportation Grant	N/A	21049	15,315
	Title IIIC-State	N/A	N/A	27,341
	Legislative Digest	N/A	SC2909	<u>20,000</u>
			TOTAL STATE FUNDS	\$ <u>329,669</u>

The accompanying independent auditor's report and notes are integral parts of this schedule.

CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO THE SCHEDULE OF FEDERAL AND STATE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Note 1 Basis of Presentation:

The accompanying Schedule of Federal and State Funds is prepared on the accrual basis of accounting which is the same basis used in the preparation of the financial statements.



Tetrick & Bartlett, PLLC
Certified Public Accountants
Consultants

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To the Management and
The Board of Directors of
Calhoun County Committee on Aging, Inc.

In planning and performing our audit of the financial statements of Calhoun County Committee on Aging, Inc. for the year ended September 30, 2009, we considered the Organization's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

However, during our audit, we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. (We previously reported on the Organization's internal control in our report dated June 5, 2010.) This letter does not affect our report dated June 5, 2010, on the financial statements of Calhoun County Committee on Aging, Inc.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Organization personnel, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

Checks Made Payable To "Cash"

It was noted that the checks in the Senior Account were made payable to cash for purposes of petty cash for trips.

We recommend that checks to be made payable to the individual responsible for maintaining that cash.

We wish to thank the Director and his department for their support and assistance during our audit.

This report is intended solely for the information and use of the Board of Directors, management, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Tetrick & Bartlett, PLLC

June 5, 2010