

Raleigh County Commission on Aging, Inc.

**Independent Auditors' Report
and
Financial Statements**

September 30, 2015

Raleigh County Commission on Aging, Inc.

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Herman & Cormany

Certified Public Accountants, A.C.

Accountants & Consultants

Independent Auditors' Report

To the Board of Directors
Raleigh County Commission on Aging, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Raleigh County Commission on Aging, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2015, and the related statements of activities, functional expenses, and cash flows 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 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 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 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.

To the Board of Directors
Raleigh County Commission on Aging, Inc.
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Opinion

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

Report on Summarized Comparative Information

The September 30, 2014 financial statements were audited by another auditor, and they expressed an unmodified opinion on those financial statements in their report dated September 10, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The statement of revenue and support on page 14 and the schedule of expenditures of state awards on page 15, are presented for purposes of additional analysis and are 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 September 29, 2016, on our consideration of Raleigh County Commission 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 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 Raleigh County Commission on Aging, Inc.'s internal control over financial reporting and compliance.



Charleston, WV
September 29, 2016

Raleigh County Commission on Aging, Inc.

Statement of Financial Position

**September 30, 2015, with Comparative Totals
as of September 30, 2014**

Assets	2015	2014
Current Assets		
Cash and cash equivalents	\$1,334,414	\$ 1,768,422
Accounts receivable, net	670,223	767,614
Grants receivable	<u>170,167</u>	<u>93,346</u>
Total Current Assets	<u>2,174,804</u>	<u>2,629,382</u>
Noncurrent Assets		
Land	179,315	179,315
Buildings	3,536,502	2,623,600
Furniture, fixtures, and equipment	220,825	223,823
Vehicles	<u>370,920</u>	<u>381,623</u>
	4,307,562	3,408,361
Less accumulated depreciation	<u>1,342,322</u>	<u>1,220,878</u>
Total Noncurrent Assets	<u>2,965,240</u>	<u>2,187,483</u>
Total Assets	<u>\$5,140,044</u>	<u>\$ 4,816,865</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 30,098	\$ 4,890
Accrued wages payable	112,380	12,243
Accrued annual leave	14,438	-0-
Payroll taxes and withholdings	<u>60,220</u>	<u>37,623</u>
Total Current Liabilities	<u>217,136</u>	<u>54,756</u>
Net Assets		
Temporarily restricted	-0-	93,346
Unrestricted	<u>4,922,908</u>	<u>4,668,764</u>
Total Net Assets	<u>4,922,908</u>	<u>4,762,109</u>
Total Liabilities and Net Assets	<u>\$5,140,044</u>	<u>\$4,816,865</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Statement of Activities

For the Year Ended September 30, 2015, with Comparative Totals
as of September 30, 2014

	2015			2014 Total
	Unrestricted	Temporarily Restricted	Total	
Revenues, Gains and Other Support				
Grants				
Appalachian Area Agency on Aging	\$ -0-	\$ 310,020	\$ 310,020	\$ 375,888
Bureau of Senior Services	-0-	810,323	810,323	794,817
Other	-0-	23,196	23,196	13,973
Medicaid waiver	1,887,311	-0-	1,887,311	1,799,876
Personal care and case management	1,553,855	-0-	1,553,855	1,423,907
Nutrition contract - AAA	-0-	418,823	418,823	409,964
United Way of Southern WV	18,750	-0-	18,750	15,000
Program and private pay services	184,473	-0-	184,473	158,137
Contributions	13,372	-0-	13,372	8,572
Interest income	552	-0-	552	721
Rental income	18,268	-0-	18,268	17,526
Other miscellaneous	22,713	-0-	22,713	25,305
Net assets released from restrictions				
Satisfaction of grant activities	<u>1,655,708</u>	<u>(1,655,708)</u>	<u>-0-</u>	<u>-0-</u>
Total Revenues, Gains, and Other Support	<u>5,355,002</u>	<u>(93,346)</u>	<u>5,261,656</u>	<u>5,043,686</u>
Expenses and Losses				
Program Services:				
Title III-B	175,933	-0-	175,933	177,112
Title III-D	39,470	-0-	39,470	9,513
Title III-E	112,233	-0-	112,233	121,349
Title III-C - congregate	356,447	-0-	356,447	348,623
Title III-C - home delivered	406,285	-0-	406,285	375,017
LIFE	65,057	-0-	65,057	60,276
Waiver	1,653,328	-0-	1,653,328	1,526,847
Personal Care	1,128,165	-0-	1,128,165	941,619
Transportation	64,343	-0-	64,343	9,071
Fair	128,370	-0-	128,370	115,543
Lighthouse	530,128	-0-	530,128	616,168
Living Well Elder Care	27,453	-0-	27,453	7,670
Case Management	110,835	-0-	110,835	109,119
Management and general	<u>302,810</u>	<u>-0-</u>	<u>302,810</u>	<u>212,756</u>
Total Expenses and Losses	<u>5,100,857</u>	<u>-0-</u>	<u>5,100,857</u>	<u>4,720,684</u>
Change in Net Assets	254,145	(93,346)	160,799	323,003
Net Assets, Beginning of Year	<u>4,668,763</u>	<u>93,346</u>	<u>4,762,109</u>	<u>4,439,107</u>
Net Assets, End of Year	<u>\$4,922,208</u>	<u>\$ -0-</u>	<u>\$4,922,208</u>	<u>\$4,762,109</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Statement of Functional Expenses

**For the Year Ended September 30, 2015, with Comparative Totals
as of September 30, 2014**

	<u>Title III C</u>				
	<u>Title IIIB</u>	<u>Title IIID</u>	<u>Title IIIE</u>	<u>Congregate</u>	<u>Home Delivered</u>
Expenses:					
Salaries and wages	\$ 74,969	\$17,501	\$ 86,515	\$105,772	\$153,438
Taxes and benefits	13,485	2,991	12,653	17,137	23,665
Contract services	166	67	39	292	44
Mileage	-0-	-0-	-0-	-0-	-0-
Travel & training	1,377	189	630	1,648	1,036
Raw food	540	6	41	131,510	172,855
Medical supplies	-0-	-0-	-0-	-0-	-0-
Disposables	492	197	115	13,994	17,723
Gas and oil	15,058	-0-	-0-	2,198	6,603
Repairs & maintenance (vans)	12,492	1	293	1,523	5,277
Insurance	-0-	-0-	-0-	-0-	-0-
Maintenance contract	1,624	98	328	1,749	1,355
Office supplies	6,555	686	1,345	7,494	4,573
Postage expenses	1,712	78	426	1,845	1,448
Equipment rental and repair	325	91	144	1,386	1,305
Equipment	10,200	4,597	460	3,735	1,800
Building repair & maintenance	12,140	5,138	2,623	22,347	3,757
Utilities	13,888	4,729	2,962	21,353	3,859
Parking rent	-0-	-0-	-0-	-0-	-0-
Advertising	4,999	246	1,804	5,567	4,542
Other taxes & licenses	152	8	48	191	150
Professional services	2,879	1,188	862	5,053	784
Activities	2,555	88	587	7,571	1,790
Bank charges	-0-	-0-	-0-	-0-	-0-
Other	324	1,571	358	4,082	281
Bad debts	-0-	-0-	-0-	-0-	-0-
Depreciation expense	-0-	-0-	-0-	-0-	-0-
Total Expenses	<u>\$175,933</u>	<u>\$39,470</u>	<u>\$112,233</u>	<u>\$356,447</u>	<u>\$406,285</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Statement of Functional Expenses (Continued)

**For the Year Ended September 30, 2015, with Comparative Totals
as of September 30, 2014**

	<u>Living Well Elder Care</u>	<u>Case Management</u>	<u>Personal Care</u>	<u>Transportation</u>	<u>Life</u>
Expenses:					
Salaries and wages	\$13,251	\$ 91,766	\$ 947,014	\$44,376	\$28,636
Taxes and benefits	2,692	12,484	146,958	5,482	4,406
Contract services	49	11	20	-0-	23
Mileage	-0-	-0-	-0-	-0-	-0-
Travel & training	137	332	4,386	-0-	102
Raw food	-0-	15	-0-	-0-	-0-
Medical supplies	-0-	-0-	1,917	-0-	-0-
Disposables	145	31	58	-0-	68
Gas and oil	-0-	-0-	-0-	8,126	-0-
Repairs & maintenance (vans)	-0-	11	26	5,539	-0-
Insurance	-0-	-0-	-0-	-0-	27,130
Maintenance contract	67	345	484	-0-	100
Office supplies	1,036	1,288	2,498	12	454
Postage expenses	80	413	574	-0-	104
Equipment rental and repair	64	140	194	-0-	35
Equipment	350	446	620	-0-	112
Building repair & maintenance	3,759	809	1,337	2	1,627
Utilities	3,659	764	1,599	806	1,384
Parking rent	-0-	-0-	927	-0-	-0-
Advertising	811	1,297	7,442	-0-	326
Other taxes & licenses	34	22	693	-0-	11
Professional services	856	147	2,575	-0-	400
Activities	99	457	709	-0-	121
Bank charges	-0-	-0-	-0-	-0-	-0-
Other	364	57	8,134	-0-	18
Bad debts	-0-	-0-	-0-	-0-	-0-
Depreciation expense	-0-	-0-	-0-	-0-	-0-
Total Expenses	<u>\$27,453</u>	<u>\$110,835</u>	<u>\$1,128,165</u>	<u>\$64,343</u>	<u>\$65,057</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Statement of Functional Expenses (Continued)

**For the Year Ended September 30, 2015, with Comparative Totals
as of September 30, 2014**

	<u>Lighthouse</u>	<u>Fair</u>	<u>Waiver</u>	<u>Admn. & General</u>	<u>Totals</u>	<u>2014 Totals</u>
Expenses:						
Salaries and wages	\$433,715	\$ 99,827	\$1,309,699	\$ 66,698	\$3,473,177	\$3,216,338
Taxes and benefits	80,151	15,902	228,207	12,752	578,965	573,353
Contract services	14	60	41	832	1,658	1,707
Mileage	-0-	-0-	51,964	-0-	51,964	53,478
Travel & training	1,983	485	4,411	53	16,769	25,150
Raw food	-0-	-0-	121	-0-	305,088	307,401
Medical supplies	1,279	251	2,571	-0-	6,018	4,145
Disposables	42	176	97	12	33,150	27,319
Gas and oil	-0-	-0-	-0-	-0-	31,985	32,285
Repairs & maintenance (vans)	84	2	21	2	25,271	15,102
Insurance	-0-	-0-	-0-	-0-	27,130	22,083
Maintenance contract	396	88	621	55	7,310	8,507
Office supplies	1,608	386	3,086	435	31,456	43,222
Postage expenses	423	104	740	65	8,013	8,000
Equipment rental and repair	143	35	251	22	4,135	2,063
Equipment	457	113	799	70	23,759	22,621
Building repair & maintenance	1,076	3,965	3,014	676	62,270	43,345
Utilities	1,066	4,207	3,000	924	64,200	57,225
Parking rent	617	122	1,246	-0-	2,912	3,173
Advertising	3,743	835	6,926	241	38,779	29,816
Other taxes & licenses	44	11	77	7	1,448	642
Professional services	1,195	1,219	2,996	8,723	28,877	46,896
Activities	523	129	915	6,931	22,475	15,663
Bank charges	-0-	-0-	-0-	6,068	6,068	2,284
Other	1,569	453	32,525	31,896	81,632	5,171
Bad debts	-0-	-0-	-0-	23,944	23,944	4,952
Depreciation expense	-0-	-0-	-0-	142,404	142,404	148,743
Total Expenses	<u>\$530,128</u>	<u>\$128,370</u>	<u>\$1,653,328</u>	<u>\$302,810</u>	<u>\$5,100,857</u>	<u>\$4,720,684</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Statement of Cash Flows

For the Year Ended September 30, 2015, with Comparative Totals
as of September 30, 2014

	<u>2015</u>	<u>2014</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 160,799	\$ 323,003
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	142,404	148,743
(Increase) decrease in operating assets:		
Accounts receivable	94,391	(119,929)
Grants receivable	(73,821)	51,814
Increase (decrease) in operating liabilities:		
Accounts payable	25,208	3,349
Accrued wage payable	100,137	-0-
Accrued annual leave	14,438	-0-
Accrued payroll taxes and withholdings	<u>22,597</u>	<u>29,775</u>
Net Cash Provided By Operating Activities	<u>486,153</u>	<u>436,754</u>
Cash Flows From Investing Activities		
Purchase of buildings and equipment	<u>(920,161)</u>	<u>(48,854)</u>
Net Cash Used In Investing Activities	<u>(920,161)</u>	<u>(48,854)</u>
Cash Flows From Financing Activities	<u>-0-</u>	<u>-0-</u>
Net (Decrease) Increase in Cash and Cash Equivalents	(434,008)	387,900
Cash and Cash Equivalents - Beginning of Year	<u>1,768,422</u>	<u>1,380,522</u>
Cash and Cash Equivalents - End of Year	<u>\$1,334,414</u>	<u>\$1,768,422</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Notes to Financial Statements

September 30, 2015, with Comparative Totals
as of September 30, 2014

Note A – Summary of Significant Accounting Policies

Nature of Activities - Raleigh County Commission on Aging, Inc. is a nonprofit corporation, created by an act of the Raleigh County Commission on October 1, 1980. The organization was formed to provide a governing and management body for a senior citizens program in Raleigh County, WV, and to set up the necessary organizations, committees, and functions to further all possible interest and participation in benefits and programs for the senior population of Raleigh County. Funding for the organization consists of Medicaid revenues received for services performed and federal and state grant programs which are utilized to enhance the mission of the Organization.

Basis of Accounting and Financial Statement Presentation – The financial statements of Raleigh County Commission on Aging, Inc. are prepared in accordance with generally accepted accounting principles (GAAP); using the accrual basis of accounting. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants are recognized when grantor eligibility requirements are met.

Source of Revenue - Raleigh County Commission on Aging, Inc. receives revenues in the form of grants from Title IIB, Title IID, Title IIIE, Title IIIC, Title VII (Elder Abuse), the Life Plan Grant, the Lighthouse Grant, the Fair Grant, the Healthy Benefit/SHIP Grant, a Community Partnership Grant, a Transportation Grant, and other various grants from organizations when approved. Grants are recognized when grantor eligibility requirements are met. Raleigh County Commission on Aging, Inc. also receives revenue from personal care services, serviced billed through the Medicaid/Waiver program, case management services, private pay services, day care services, catering services, rents paid on short term rentals of conference rooms and dining facilities, transportation services, and donations.

Net Asset Recognition - The organization is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets: Net assets that are not subject to any donor-imposed stipulations.

Temporarily restricted net assets: Net assets subject to donor-imposed restriction on their use that may be met either by actions of the Organization or the passage of time.

Permanently restricted net assets: Net assets subject to donor-imposed or other legal restrictions requiring that principal be maintained permanently by the Organization.

At September 30, 2015, the Organization did not have activities that created net assets that would be recorded as temporarily or permanently restricted at September 30, 2015.

Raleigh County Commission on Aging, Inc.

Notes to Financial Statements

September 30, 2015, with Comparative Totals
as of September 30, 2014

Note A – Summary of Significant Accounting Policies (Continued)

Expense Allocation - Expenses are charged to programs and supporting services based on grant stipulations. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Income Taxes - Raleigh County Commission on Aging, Inc. has been granted an exemption from income taxes under Section 501(c)(3) of the Internal Revenue Code and is not considered a private foundation.

As of September 30, 2015, the tax years that remain subject to examination by taxing authorities begin with 2012. Tax returns for 2012, 2013 and 2014 remain open to examination by taxing authorities. Management believes that all positions taken in those returns would be sustained if examined by taxing authorities.

Use of Estimates - Raleigh County Commission on Aging, Inc. as do all entities, relies on management's estimates in the preparation of their financial statements. Actual results could differ from those estimates.

Cash Equivalents - For purposes of the statement of cash flows, the organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Accounts/Grants Receivable - Receivables are stated at the amount management expects to collect from outstanding balances. Management utilizes a bad debt expense account to track uncollectible amounts. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. The determination of uncollectability is based on historical bad debt experience and an evaluation of the periodic aging of accountings.

Advertising - Advertising costs are expensed as incurred. The total advertising expense for the years ended September 30, 2015 and 2014 is \$38,779 and \$29,816, respectively.

Comparative Totals - The financial statements include certain prior year summarized comparative information in total but not by net class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2014, from which the summarized information was derived.

Raleigh County Commission on Aging, Inc.

Notes to Financial Statements

September 30, 2015, with Comparative Totals
as of September 30, 2014

Note A – Summary of Significant Accounting Policies (Continued)

Reclassifications - Certain amounts in the 2014 comparative financial statements have been reclassified to conform to the classifications reported in the financial statements for the year ended September 30, 2015.

Property and Equipment and Depreciation - Property and equipment are stated at cost or, if donated, at fair market value at date of donation less accumulated depreciation. Depreciation is computed using the straight line method over the estimated useful lives of the assets. The Organization's policy is to capitalize assets costing greater than \$1,000. In addition, all property and equipment purchased with grant monies must be used and disposed of in accordance with the grantor agency's policies. Maintenance and repairs are expenses as incurred.

Major classifications of capital assets of Raleigh County Commission on Aging, Inc. along with their respective useful lives at September 30, 2015 are summarized below:

<u>Classification</u>	<u>Useful Lives</u>
Building	5-30 years
Furniture, fixtures and equipment	3-7 years
Vehicles	5 years

Inventories - Inventories of raw food, materials, and supplies are deemed immaterial and are accordingly expenses as purchased.

Note B – Allowance for Uncollectible

The Organization uses the direct write-off method and the allowance method to record uncollectible accounts receivable. The determination of uncollectability is based on historical bad debt experience and an evaluation of the periodic aging of accounts. During the years ended September 30, 2015 and 2014, the Organization directly wrote off uncollectible accounts receivable of \$23,944 and \$4,952, respectively.

Additionally, during the year ended September 30, 2014, the Organization set up an allowance for losses on additional accounts receivable of \$23,932 for potentially uncollectible receivables at year end.

Raleigh County Commission on Aging, Inc.

Notes to Financial Statements

September 30, 2015, with Comparative Totals
as of September 30, 2014

Note C – Business and Credit Concentration

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization's bank accounts are collateralized by U.S. Treasury notes held with the federal reserve in New York.

Additionally, the Organization receives a majority of its revenues from services rendered and federal and state grant funds. A material reduction in those services or grant support would have a significant impact on the Organization's programs and activities.

Note D - Grants Receivable

The total grants receivable by program at September 30, 2015 is as follows:

Title IIIB	\$ 6,237
Title IIID	605
Life	32,239
Title IIIE	11,192
Lighthouse and FAIR	88,402
Nonmedicaid services	26,968
Elder Abuse	2,024
MIPPA	2,500
	<u>\$170,167</u>

All grants receivable are considered fully collectible at September 30, 2015.

Note E - Donated Services

The value of donated volunteer services is not reflected in the accompanying financial statements, since there is no objective basis available by which to measure the value of such services. However, a substantial number of volunteers, including the Board of Directors (who receive no fees for performing their duties as members, officers, or special committee members) have donated their time, which has not been recorded as revenue and an offsetting expense in the financial statements..

Note F - Tax Deferred Annuity Plan

The Organization has a defined contribution retirement plan for its employees which is authorized under Internal Revenue Code Section 403(b). Employees are eligible to participate once they are 18 years old and have been employed for six months. The Organization make contributions to the plan at an amount equal to 8% of the contributions made by each eligible employee. The Organization's expense related to this plan for the years ended September 30, 2015 and 2014 was \$1,739 and \$1,807, respectively.

Raleigh County Commission on Aging, Inc.

Notes to Financial Statements

**September 30, 2015, with Comparative Totals
as of September 30, 2014**

Note G - Subsequent Events

Subsequent events were evaluated through September 29, 2016, which is the date the financial statements were available to be issued, and determined that there are no subsequent events that require disclosure.

Supplementary Information

Raleigh County Commission on Aging, Inc.

Statement of Revenue and Support

For the Year Ended September 30, 2015

	<u>Title III C</u>				
	<u>Title IIIB</u>	<u>Title IIID</u>	<u>Title IIIE</u>	<u>Congregate</u>	<u>Home Delivered</u>
Revenue					
Federal monies	\$ 71,218	\$ 4,860	\$43,124	\$111,286	\$139,125
State monies	33,484	1,100	15,800	74,832	93,580
Donations	-0-	-0-	-0-	4,432	-0-
Personal Care Services	-0-	-0-	-0-	-0-	-0-
Program income	231	445	-0-	87,980	13,233
Private pay in home services	-0-	-0-	-0-	-0-	-0-
Building space revenue	-0-	-0-	-0-	-0-	-0-
Miscellaneous revenue	-0-	4,396	-0-	-0-	24,550
Total Revenue	<u>\$104,933</u>	<u>\$10,801</u>	<u>\$58,924</u>	<u>\$278,530</u>	<u>\$270,488</u>

	<u>Living Well Elder Care</u>	<u>Case Management</u>	<u>Personal Care</u>	<u>Transportation</u>	<u>Life</u>
Revenue					
Federal monies	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
State monies	-0-	-0-	-0-	-0-	138,410
Donations	-0-	-0-	-0-	-0-	-0-
Personal care services	-0-	-0-	1,463,530	-0-	-0-
Program income	-0-	90,325	-0-	12,260	-0-
Private pay in home services	-0-	-0-	-0-	-0-	-0-
Day care revenue	7,230	-0-	-0-	-0-	-0-
Miscellaneous revenue	-0-	-0-	-0-	-0-	-0-
Total Revenue	<u>\$7,230</u>	<u>\$90,325</u>	<u>\$1,463,530</u>	<u>\$12,260</u>	<u>\$138,410</u>

	<u>Lighthouse</u>	<u>Fair</u>	<u>Waiver</u>	<u>Admin. & General</u>	<u>Totals</u>
Revenue					
Federal monies	-0-	-0-	-0-	2,024	371,637
State monies	521,246	93,417	-0-	195,660	1,167,529
Donations	-0-	-0-	-0-	8,939	13,371
Personal care services	-0-	-0-	1,845,538	-0-	3,309,068
Program income	-0-	-0-	-0-	-0-	204,474
Private pay in home services	41,206	3,773	-0-	12,700	57,679
Building space revenue	-0-	-0-	-0-	23,682	23,682
Day Care Revenue	-0-	-0-	-0-	-0-	7,230
Miscellaneous revenue	-0-	-0-	41,772	36,268	106,986
Total Revenue	<u>\$562,452</u>	<u>\$97,190</u>	<u>\$1,887,310</u>	<u>\$279,273</u>	<u>\$5,261,656</u>

See independent auditor's report.

Raleigh County Commission on Aging, Inc.
Schedule of Expenditures of State Awards
For the Year Ended September 30, 2015

	<u>Grant Period</u>	<u>State Expenditure</u>
Direct Programs		
WV Bureau of Senior Services		
SHIP	June 30, 2015	\$ 5,750
Community Partnership Grants	June 30, 2015	189,910
Lighthouse	June 30, 2015	374,334
Lighthouse	June 30, 2016	146,912
FAIR	June 30, 2015	68,993
FAIR	June 30, 2016	<u>24,424</u>
Total Direct Programs		<u>810,323</u>
Pass-through Awards		
Appalachian Area Agency on Aging		
IIIB State	September 30, 2015	33,484
IIIC-1	September 30, 2015	74,832
IIIC-2	September 30, 2015	93,580
IIID	September 30, 2015	1,100
IIIE	September 30, 2015	15,800
LIFE	June 30, 2015	106,171
LIFE	June 30, 2016	<u>32,239</u>
Total pass-through awards		<u>357,206</u>
Total Expenditures of State Awards		<u>\$1,167,529</u>

See independent auditor's report.

Herman & Cormany

Certified Public Accountants, A.C.

Accountants & Consultants

**Independent Auditors' 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***

To the Board of Directors
Raleigh County Commission on Aging, Inc.

We have audited, in accordance with the 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, the financial statements of Raleigh County Commission on Aging, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 29, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Raleigh County Commission on Aging, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Raleigh County Commission on Aging, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Raleigh County Commission on Aging, Inc.'s internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

To the Board of Directors
Raleigh County Commission on Aging, Inc.
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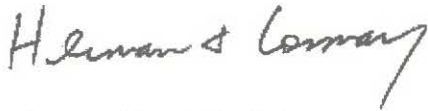
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Raleigh County Commission on Aging, Inc.'s financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charleston, West Virginia
September 29, 2016