

**Raleigh County Commission on Aging, Inc.**

**Independent Auditors' Report  
and  
Financial Statements**

**September 30, 2020**

# Raleigh County Commission on Aging, Inc.

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## **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, 2020, 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, 2020, 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**

We have previously audited the Raleigh County Commission on Aging, Inc.'s 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 10, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2019 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 as a whole. The schedule of revenue and support on page 15 and the schedule of expenditures of state awards on page 16, 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 August 16, 2021, 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 solely 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 effectiveness of Raleigh County Commission on Aging, Inc.'s 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  
August 16, 2021

**Raleigh County Commission on Aging, Inc.**

**Statement of Financial Position**

**September 30, 2020, with Comparative Totals  
as of September 30, 2019**

<b>Assets</b>	<b>2020</b>	<b>2019</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$3,395,821	\$1,781,018
Accounts receivable, net	824,143	796,539
Grants receivable	140,914	65,648
Prepaid expenses and deposits	<u>45,043</u>	<u>63,823</u>
<b>Total Current Assets</b>	<b><u>4,405,921</u></b>	<b><u>2,707,028</u></b>
<b>Noncurrent Assets</b>		
Land	229,315	229,315
Buildings	4,422,050	4,432,096
Furniture, fixtures, and equipment	238,203	286,536
Vehicles	<u>400,992</u>	<u>353,339</u>
	5,290,560	5,301,286
Less accumulated depreciation	<u>2,054,772</u>	<u>1,922,083</u>
<b>Total Noncurrent Assets</b>	<b><u>3,235,788</u></b>	<b><u>3,379,203</u></b>
<b>Total Assets</b>	<b><u>\$7,641,709</u></b>	<b><u>\$6,086,231</u></b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 16,333	\$ 19,131
Paycheck Protection Program	917,500	-0-
Accrued wages payable	203,124	175,905
Accrued annual leave	30,934	22,304
Payroll taxes and withholdings	<u>7,676</u>	<u>7,976</u>
<b>Total Current Liabilities</b>	<b><u>1,175,567</u></b>	<b><u>225,316</u></b>
<b>Net Assets</b>		
Without donor restrictions	<u>6,466,142</u>	<u>5,860,915</u>
<b>Total Net Assets</b>	<b><u>6,466,142</u></b>	<b><u>5,860,915</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$7,641,709</u></b>	<b><u>\$6,086,231</u></b>

See accompanying notes to financial statements.

## Raleigh County Commission on Aging, Inc.

### Statement of Activities

**For the Year Ended September 30, 2020, with Comparative Totals  
as of September 30, 2019**

	2020			2019 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>Revenues, Gains and Other Support</b>				
Grants				
Appalachian Area Agency on Aging	\$ -0-	\$ 515,127	\$ 515,127	\$ 355,305
Bureau of Senior Services	-0-	690,946	690,946	772,852
Other	-0-	37,237	37,237	30,185
Medicaid waiver	2,401,881	-0-	2,401,881	1,961,523
Personal care and case management	2,134,906	-0-	2,134,906	1,873,095
Nutrition contract - AAA	-0-	507,401	507,401	439,612
United Way of Southern WV	15,260	-0-	15,260	20,833
Program and private pay services	220,391	-0-	220,391	223,535
Contributions	66,818	-0-	66,818	5,138
Interest income	6,579	-0-	6,579	10,146
Rental income	6,501	-0-	6,501	15,478
Other miscellaneous	9,968	-0-	9,968	20,061
Net assets released from restrictions				
Satisfaction of grant activities	1,750,711	(1,750,711)	-0-	-0-
<b>Total Revenues, Gains, and Other Support</b>	<b>6,613,015</b>	<b>-0-</b>	<b>6,613,015</b>	<b>5,727,763</b>
<b>Expenses and Losses</b>				
Program Services:				
Title III-B	157,324	-0-	157,324	162,542
Title III-D	35,117	-0-	35,117	33,716
Title III-E	119,842	-0-	119,842	114,766
Title III-C - congregate	315,123	-0-	315,123	305,091
Title III-C - home delivered	411,701	-0-	411,701	389,970
LIFE	83,394	-0-	83,394	84,753
Waiver	2,185,471	-0-	2,185,471	1,620,740
Personal Care	1,450,647	-0-	1,450,647	1,221,739
Transportation	50,807	-0-	50,807	52,145
Fair	125,595	-0-	125,595	119,475
Lighthouse	601,888	-0-	601,888	622,487
Living Well Elder Care	29,342	-0-	29,342	33,177
Case Management	109,771	-0-	109,771	109,525
Management and general	331,766	-0-	331,766	340,957
<b>Total Expenses and Losses</b>	<b>6,007,788</b>	<b>-0-</b>	<b>6,007,788</b>	<b>5,211,083</b>
<b>Change in Net Assets</b>	605,227	-0-	605,227	516,680
<b>Net Assets, Beginning of Year</b>	5,860,915	-0-	5,860,915	5,344,235
<b>Net Assets, End of Year</b>	<b>\$6,466,142</b>	<b>\$ -0-</b>	<b>\$6,466,142</b>	<b>\$5,860,915</b>

See accompanying notes to financial statements.

**Raleigh County Commission on Aging, Inc.**

**Statement of Functional Expenses**

**For the Year Ended September 30, 2020, with Comparative Totals  
as of September 30, 2019**

	<u>Title IIC</u>				
	<u>Title IIB</u>	<u>Title IID</u>	<u>Title IIE</u>	<u>Congregate</u>	<u>Home Delivered</u>
Expenses:					
Salaries and wages	\$ 67,963	\$20,111	\$ 93,656	\$ 97,901	\$139,683
Taxes and benefits	11,812	2,532	11,552	13,572	28,840
Mileage	-0-	-0-	-0-	-0-	-0-
Travel & training	2,949	174	861	1,715	2,124
Raw food	(51)	2	-0-	106,678	189,068
Medical supplies	-0-	-0-	69	-0-	-0-
Disposables	-0-	-0-	-0-	10,044	13,978
Gas and oil	7,721	-0-	-0-	1,127	3,386
Repairs & maintenance (vans)	13,660	-0-	590	1,146	5,679
Insurance	-0-	-0-	15	-0-	-0-
Maintenance contract	2,433	110	602	2,604	2,087
Office supplies	7,315	655	1,473	7,457	3,847
Postage expenses	2,306	101	550	2,382	1,870
Equipment rental and repair	2,695	919	625	4,352	928
Equipment	136	115	612	4,804	2,150
Building repair & maintenance	9,449	3,575	2,129	8,213	3,364
Telephone and utilities	14,977	5,142	2,996	30,771	4,526
Parking rent	-0-	-0-	-0-	-0-	-0-
Advertising	8,528	428	2,407	10,036	7,932
Other taxes & licenses	434	22	118	414	402
Professional services	4,521	1,189	1,040	7,515	1,145
Activities	-0-	14	79	1,205	269
Bank charges	-0-	-0-	-0-	-0-	-0-
Other	476	28	468	3,187	423
Interest	-0-	-0-	-0-	-0-	-0-
Bad debts	-0-	-0-	-0-	-0-	-0-
Depreciation expense	-0-	-0-	-0-	-0-	-0-
 Total Expenses	 <u>\$157,324</u>	 <u>\$35,117</u>	 <u>\$119,842</u>	 <u>\$315,123</u>	 <u>\$411,701</u>

See accompanying notes to financial statements.

**Raleigh County Commission on Aging, Inc.**

**Statement of Functional Expenses (Continued)**

**For the Year Ended September 30, 2020, with Comparative Totals  
as of September 30, 2019**

	<u>Living Well Elder Care</u>	<u>Case Management</u>	<u>Personal Care</u>	<u>Transportation</u>	<u>Life</u>
Expenses:					
Salaries and wages	\$12,667	\$ 89,729	\$1,278,983	\$36,304	\$28,205
Taxes and benefits	2,970	11,161	146,246	3,663	3,578
Mileage	-0-	-0-	-0-	-0-	-0-
Travel & training	218	572	4,137	-0-	1,233
Raw food	-0-	65	-0-	-0-	-0-
Medical supplies	-0-	-0-	4,073	-0-	-0-
Disposables	-0-	-0-	-0-	-0-	-0-
Gas and oil	-0-	-0-	-0-	4,097	-0-
Repairs & maintenance (vans)	-0-	153	-0-	5,048	-0-
Insurance	-0-	-0-	-0-	-0-	44,722
Maintenance contract	115	596	774	-0-	147
Office supplies	1,867	1,996	2,660	656	686
Postage expenses	103	534	697	-0-	134
Equipment rental and repair	683	237	389	-0-	335
Equipment	458	608	794	-0-	153
Building repair & maintenance	2,885	592	1,185	-0-	1,098
Telephone and utilities	3,808	777	1,509	1,039	1,767
Parking rent	-0-	-0-	-0-	-0-	-0-
Advertising	1,190	2,264	3,842	-0-	659
Other taxes & licenses	88	33	240	-0-	27
Professional services	2,045	273	524	-0-	600
Activities	15	77	-0-	-0-	19
Bank charges	-0-	-0-	-0-	-0-	-0-
Other	230	104	4,594	-0-	31
Interest	-0-	-0-	-0-	-0-	-0-
Bad debts	-0-	-0-	-0-	-0-	-0-
Depreciation expense	-0-	-0-	-0-	-0-	-0-
	<u>\$29,342</u>	<u>\$109,771</u>	<u>\$1,450,647</u>	<u>\$50,807</u>	<u>\$83,394</u>
Total Expenses					

See accompanying notes to financial statements.



**Raleigh County Commission on Aging, Inc.**

**Statement of Functional Expenses (Continued)**

**For the Year Ended September 30, 2020, with Comparative Totals  
as of September 30, 2019**

	<u>Lighthouse</u>	<u>Fair</u>	<u>Waiver</u>	<u>Admin. &amp; General</u>	<u>Totals</u>	<u>2019 Totals</u>
Expenses:						
Salaries and wages	\$507,954	\$ 98,780	\$1,861,772	\$ 86,332	\$4,420,040	\$3,838,603
Taxes and benefits	78,502	14,301	261,039	15,602	605,370	448,623
Mileage	-0-	-0-	6,863	10	6,873	24,695
Travel & training	1,917	461	3,532	39	19,932	13,064
Raw food	-0-	-0-	-0-	-0-	295,762	285,225
Medical supplies	2,549	503	5,117	84	12,395	5,938
Disposables	-0-	-0-	-0-	1	24,023	22,100
Gas and oil	-0-	-0-	-0-	-0-	16,331	24,009
Repairs & maintenance (vans)	-0-	-0-	-0-	85	26,361	17,219
Insurance	-0-	-0-	-0-	-0-	44,737	42,524
Maintenance contract	597	147	1,044	140	11,396	9,107
Office supplies	1,809	425	3,324	648	34,818	23,215
Postage expenses	546	135	955	259	10,572	9,866
Equipment rental and repair	292	831	717	118	13,121	8,391
Equipment	622	154	1,088	146	11,840	9,177
Building repair & maintenance	804	3,104	2,279	554	39,231	35,276
Telephone and utilities	1,044	4,594	3,116	665	76,731	67,910
Parking rent	-0-	-0-	-0-	2,250	2,250	2,489
Advertising	2,733	619	4,793	639	46,070	42,288
Other taxes & licenses	117	29	205	1,219	3,348	2,154
Professional services	380	1,089	1,050	12,193	33,564	34,660
Activities	78	19	137	1,220	3,132	5,861
Bank charges	-0-	-0-	-0-	1,639	1,639	3,343
Other	1,944	404	28,440	1,303	41,632	37,865
Interest	-0-	-0-	-0-	-0-	-0-	39
Bad debts	-0-	-0-	-0-	2,542	2,542	4,741
Depreciation expense	-0-	-0-	-0-	204,078	204,078	197,701
<b>Total Expenses</b>	<u>\$601,888</u>	<u>\$125,595</u>	<u>\$2,185,471</u>	<u>\$331,766</u>	<u>\$6,007,788</u>	<u>\$5,211,083</u>

See accompanying notes to financial statements.

**Raleigh County Commission on Aging, Inc.**

**Statement of Cash Flows**

**For the Year Ended September 30, 2020, with Comparative Totals  
as of September 30, 2019**

	<u>2020</u>	<u>2019</u>
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ 605,227	\$ 516,680
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	204,078	192,701
Gain on sale of vehicles	-0-	432
(Increase) decrease in operating assets:		
Accounts receivable	(27,604)	(158,118)
Grants receivable	(75,266)	1,048
Prepaid expenses and deposits	18,780	(51,520)
Increase (decrease) in operating liabilities:		
Accounts payable	(2,798)	9,731
Accrued wage payable	27,219	34,736
Accrued annual leave	8,630	-0-
Accrued payroll taxes and withholdings	(299)	(54,018)
<b>Net Cash Provided By Operating Activities</b>	<u>757,967</u>	<u>491,672</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of buildings and equipment	(60,664)	(268,867)
Proceeds from sale of property and equipment	-0-	1,226
<b>Net Cash Used In Investing Activities</b>	<u>(60,664)</u>	<u>(267,641)</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from Paycheck Protection Program	917,500	-0-
Principal payments on long-term debt	-0-	(10,541)
<b>Net Cash Used in Financing Activities</b>	<u>917,500</u>	<u>(10,541)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	1,614,803	213,490
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>1,781,018</u>	<u>1,567,528</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$3,395,821</u>	<u>\$1,781,018</u>
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Interest paid	<u>\$ -0-</u>	<u>\$ 39</u>

See accompanying notes to financial statements.

# Raleigh County Commission on Aging, Inc.

## Notes to Financial Statements

September 30, 2020, with Comparative Totals  
as of September 30, 2019

### 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.

Classes of Net Assets – The financial statements report amounts by class of net assets.

*Net assets without donor restrictions* are currently available for operating purposes under the direction of the board, designated by the board for specific use, donor-advised funds, or invested in property and equipment.

*Net assets with donor restrictions* are stipulated by donors for specific operating purposes or for the acquisition of property and equipment or are time restricted.

At September 30, 2020, the Organization did not have activities that created net assets that would be recorded as net assets with donor restrictions.

# **Raleigh County Commission on Aging, Inc.**

## **Notes to Financial Statements**

**September 30, 2020, with Comparative Totals  
as of September 30, 2019**

### **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, 2020, the tax years that remain subject to examination by taxing authorities begin with 2018. Tax returns for 2018, 2019 and 2020 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 – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. 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, 2020 and 2019 is \$46,070 and \$42,288, 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, 2019, from which the summarized information was derived.

**Raleigh County Commission on Aging, Inc.**

**Notes to Financial Statements**

**September 30, 2020, with Comparative Totals  
as of September 30, 2019**

**Note A – Summary of Significant Accounting Policies (Continued)**

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, 2020 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 expensed as purchased.

**Note B – Allowance for Uncollectible Accounts Receivable**

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, 2020 and 2019, the Organization directly wrote off uncollectible accounts receivable of \$2,542 and \$4,741, respectively.

Additionally, the Organization has an allowance for losses on additional accounts receivable of \$60 and \$60 for the years ended September 30, 2020 and 2019, respectively, for potentially uncollectible receivables. The amount is recorded in the accompanying financial statements as follows:

	<u>2020</u>	<u>2019</u>
Accounts receivable	\$824,203	\$796,599
Allowance for doubtful accounts	(60)	(60)
	<u>\$824,143</u>	<u>\$796,539</u>

**Raleigh County Commission on Aging, Inc.**

**Notes to Financial Statements**

**September 30, 2020, with Comparative Totals  
as of September 30, 2019**

**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, 2020 and 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Title IIIB	\$ 19,238	\$ 7,687
Title IIID	958	1,216
Life	10,614	8,080
Title IIIE	5,471	6,635
III C - Congregate	-0-	14,863
III C – Home Delivered	<u>104,633</u>	<u>27,167</u>
	<u>\$140,914</u>	<u>\$65,648</u>

**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 twelve 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, 2020 and 2019 was \$2,959 and \$1,413, respectively.

## **Raleigh County Commission on Aging, Inc.**

### **Notes to Financial Statements**

**September 30, 2020, with Comparative Totals  
as of September 30, 2019**

#### **Note G – Debt**

On May 1, 2020, Raleigh County Commission on Aging, Inc. received loan proceeds in the amount of \$917,500 under the Paycheck Protection Program (“PPP”). Established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), the PPP provides for loans to qualifying businesses in amounts up to 2.5 times the business’s average monthly payroll expenses. PPP loans and accrued interest are forgivable after a “covered period” (eight or 24 weeks) as long as the borrowers maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries during the covered period. Any unforgiven portion of a PPP loan is payable over two or five years at an interest rate of 0.98%, with a deferral of payments for 10 months after the end of the covered period. Raleigh County Commission on Aging, Inc. intends to use PPP loan proceeds for purposes consistent with the PPP and apply for forgiveness within 10 months of the end of the covered period.

To the extent Raleigh County Commission on Aging, Inc. is not granted forgiveness, the Organization will be required to pay interest on the PPP loan at a rate of 0.98% per annum. If the application for forgiveness is not made within 10 months of the end of the covered period, payments of principal and interest will be required through the maturity date to be determined. The terms of the loan provide for customary events of default, including payment defaults, breach of representation of warranties, and insolvency events. The PPP loan may be accelerated upon the occurrence of a default event.

#### **Note H - Subsequent Events**

Subsequent events were evaluated through August 16, 2021, which is the date the financial statements were available to be issued.

The COVID-19 pandemic has developed rapidly in 2020, with a significant number of cases. Measures taken by the United States government and the State of West Virginia have affected economic activity and the Organization’s business in various ways:

- The Organization has re-opened but there are still some impacts to on-site services provided to seniors.
- Meals to seniors are now being served via on-site pick-up or thru delivery and on-site.

The Organization anticipates to maintain normal revenue during the pandemic since most services have been rendered.

**Raleigh County Commission on Aging, Inc.**

**Notes to Financial Statements**

**September 30, 2020, with Comparative Totals  
as of September 30, 2019**

**Note I – Liquidity and Availability of Financial Assets**

The following table reflects the Organization’s financial assets as of September 30, 2020 and 2019, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year or because they have been set aside for a specific program.

	<u>2020</u>	<u>2019</u>
Financial assets:		
Cash and cash equivalents	\$3,395,821	\$1,781,018
Accounts receivable, net	824,143	796,539
Grants receivable	<u>140,914</u>	<u>65,648</u>
Financial assets, at year-end	4,360,878	2,643,205
Less: Assets unavailable for general expenditures within one year due to restrictions	<u>-0-</u>	<u>-0-</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$4,360,878</u>	<u>\$2,643,205</u>



## **Supplementary Information**

**Raleigh County Commission on Aging, Inc.**

**Schedule of Revenue and Support**

**For the Year Ended September 30, 2020**

	<u>Title IIC</u>				
	<u>Title IIB</u>	<u>Title IID</u>	<u>Title IIE</u>	<u>Congregate</u>	<u>Home Delivered</u>
<b>Revenue</b>					
Federal monies	\$111,902	\$7,620	\$51,644	\$86,814	\$436,024
State monies	31,462	1,344	20,320	21,710	83,625
Donations/other grants	-0-	3,800	-0-	68,970	15,260
Personal Care Services	-0-	-0-	-0-	-0-	-0-
Program income	-0-	-0-	-0-	32,571	29,086
Private pay in home services	-0-	-0-	933	-0-	-0-
Building space revenue	-0-	-0-	-0-	-0-	-0-
Daycare Revenue	-0-	-0-	-0-	-0-	-0-
Miscellaneous revenue	-0-	-0-	-0-	-0-	-0-
<b>Total Revenue</b>	<u>\$143,364</u>	<u>\$12,764</u>	<u>\$72,897</u>	<u>\$210,065</u>	<u>\$563,995</u>

	<u>Living Well Elder Care</u>	<u>Case Management</u>	<u>Personal Care</u>	<u>Transportation</u>	<u>Life</u>
<b>Revenue</b>					
Federal monies	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
State monies	-0-	-0-	-0-	-0-	185,500
Donations/other grants	-0-	-0-	-0-	2,918	-0-
Personal care services	-0-	-0-	-0-	-0-	-0-
Program income	-0-	112,880	2,022,025	-0-	-0-
Private pay in home services	-0-	-0-	-0-	-0-	-0-
Building space revenue	-0-	-0-	-0-	-0-	-0-
Day care revenue	840	-0-	-0-	-0-	-0-
Miscellaneous revenue	-0-	-0-	-0-	-0-	-0-
<b>Total Revenue</b>	<u>\$ 840</u>	<u>\$112,880</u>	<u>\$2,022,025</u>	<u>\$2,918</u>	<u>\$185,500</u>

	<u>Lighthouse</u>	<u>Fair</u>	<u>Waiver</u>	<u>Admin. &amp; General</u>	<u>Totals</u>
<b>Revenue</b>					
Federal monies	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 694,004
State monies	615,485	75,461	-0-	-0-	1,034,907
Donations/other grants	-0-	-0-	-0-	14,162	105,110
Personal care services	-0-	-0-	2,394,751	-0-	2,394,751
Program income	-0-	-0-	-0-	-0-	2,196,562
Private pay in home services	59,664	9,163	-0-	82,931	152,691
Building space revenue	-0-	-0-	-0-	6,501	6,501
Day Care Revenue	-0-	-0-	-0-	-0-	840
Miscellaneous revenue	-0-	-0-	7,130	20,519	27,649
<b>Total Revenue</b>	<u>\$675,149</u>	<u>\$84,624</u>	<u>\$2,401,881</u>	<u>\$124,113</u>	<u>\$6,613,015</u>

See independent auditor's report.

**Raleigh County Commission on Aging, Inc.**  
**Schedule of Expenditures of State Awards**  
**For the Year Ended September 30, 2020**

	<u>Grant Period</u>	<u>State Expenditure</u>
<b>Direct Programs</b>		
WV Bureau of Senior Services		
Lighthouse	June 30, 2020	\$ 475,841
Lighthouse	June 30, 2021	139,644
FAIR	June 30, 2020	<u>75,461</u>
		<u>690,946</u>
<b>Total Direct Programs</b>		
<b>Pass-through Awards</b>		
Appalachian Area Agency on Aging		
IIIB State	September 30, 2020	31,462
IIIC-1	September 30, 2020	21,710
IIIC-2	September 30, 2020	83,625
IIID	September 30, 2020	1,344
IIIE	September 30, 2020	20,320
LIFE	June 30, 2020	171,691
LIFE	June 30, 2021	<u>13,809</u>
		<u>343,961</u>
<b>Total pass-through awards</b>		
<b>Total Expenditures of State Awards</b>		<u>\$1,034,907</u>

See independent auditor's report.

**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, 2020, 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 August 16, 2021.

**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) as a basis for designing 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.  
Page two

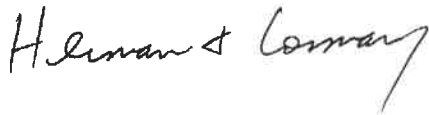
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 financial statements. 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  
August 16, 2021