

Raleigh County Commission on Aging, Inc.

**Financial Statements
and
Supplementary Information**

For the Year Ended September 30, 2021

Raleigh County Commission on Aging, Inc.

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1-2
Financial Statements	
Statement of Financial Position	3
Statement of Activities.....	4
Statement of Functional Expenses	5-7
Statement of Cash Flows	8
Notes to Financial Statements.....	9-13
Supplementary Information	
Schedule of Revenue and Support	14
Schedule of Expenditures of State Awards.....	15
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 <i>Government Auditing Standards</i>	16-17



CERTIFIED PUBLIC ACCOUNTANTS

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, 2021, 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.

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

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, 2021, 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 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 16, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2020 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 May 2, 2022, 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
May 2, 2022

Raleigh County Commission on Aging, Inc.

Statement of Financial Position

**September 30, 2021, with Comparative Totals
as of September 30, 2020**

Assets	2021	2020
Current Assets		
Cash and cash equivalents	\$4,292,453	\$3,395,821
Accounts receivable, net	1,905,132	824,143
Grants receivable	118,463	140,914
Prepaid expenses and deposits	26,223	45,043
Total Current Assets	<u>6,342,271</u>	<u>4,405,921</u>
Noncurrent Assets		
Land	229,315	229,315
Buildings	4,422,050	4,422,050
Furniture, fixtures, and equipment	259,462	238,203
Vehicles	411,684	400,992
	5,322,511	5,290,560
Less accumulated depreciation	2,220,084	2,054,772
Total Noncurrent Assets	<u>3,102,427</u>	<u>3,235,788</u>
Total Assets	<u>\$9,444,698</u>	<u>\$7,641,709</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 42,182	\$ 16,333
Paycheck Protection Program	-0-	917,500
Accrued wages payable	56,363	203,124
Accrued annual leave	28,600	30,934
Payroll taxes and withholdings	42,241	7,676
Total Current Liabilities	<u>169,386</u>	<u>1,175,567</u>
Net Assets		
Without donor restrictions	<u>9,275,312</u>	<u>6,466,142</u>
Total Net Assets	<u>9,275,312</u>	<u>6,466,142</u>
Total Liabilities and Net Assets	<u>\$9,444,698</u>	<u>\$7,641,709</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Statement of Activities

**For the Year Ended September 30, 2021, with Comparative Totals
as of September 30, 2020**

	2021			2020 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Revenues, Gains and Other Support				
Grants				
Appalachian Area Agency on Aging	\$ -0-	\$ 615,750	\$ 615,750	\$ 515,127
Bureau of Senior Services	-0-	671,071	671,071	690,946
Other	-0-	33,619	33,619	37,237
Medicaid waiver	3,115,872	-0-	3,115,872	2,401,881
Personal care and case management	2,638,765	-0-	2,638,765	2,134,906
Nutrition contract - AAA	-0-	516,879	516,879	507,401
United Way of Southern WV	16,000	-0-	16,000	15,260
Program and private pay services	158,321	-0-	158,321	220,391
Contributions	28,613	-0-	28,613	66,818
Interest income	1,481	-0-	1,481	6,579
Rental income	5,800	-0-	5,800	6,501
Paycheck Protection Program loan forgiveness	917,500	-0-	917,500	-0-
Other miscellaneous	3,263	-0-	3,263	9,968
Net assets released from restrictions				
Satisfaction of grant activities	<u>1,837,319</u>	<u>(1,837,319)</u>	<u>-0-</u>	<u>-0-</u>
Total Revenues, Gains, and Other Support	<u>8,722,934</u>	<u>-0-</u>	<u>8,722,934</u>	<u>6,613,015</u>
Expenses and Losses				
Program Services:				
Title III-B	149,114	-0-	149,114	157,324
Title III-D	30,106	-0-	30,106	35,117
Title III-E	122,668	-0-	122,668	119,842
Title III-C - congregate	314,931	-0-	314,931	315,123
Title III-C - home delivered	416,191	-0-	416,191	411,701
LIFE	139,892	-0-	139,892	83,394
Waiver	2,093,223	-0-	2,093,223	2,185,471
Personal Care	1,381,245	-0-	1,381,245	1,450,647
Transportation	48,768	-0-	48,768	50,807
Fair	144,711	-0-	144,711	125,595
Lighthouse	630,724	-0-	630,724	601,888
Living Well Elder Care	30,682	-0-	30,682	29,342
Case Management	122,759	-0-	122,759	109,771
Supporting Services:				
Management and general	<u>288,750</u>	<u>-0-</u>	<u>288,750</u>	<u>331,766</u>
Total Expenses and Losses	<u>5,913,764</u>	<u>-0-</u>	<u>5,913,764</u>	<u>6,007,788</u>
Change in Net Assets	2,809,170	-0-	2,809,170	605,227
Net Assets, Beginning of Year	<u>6,466,142</u>	<u>-0-</u>	<u>6,466,142</u>	<u>5,860,915</u>
Net Assets, End of Year	<u>\$9,275,312</u>	<u>\$ -0-</u>	<u>\$9,275,312</u>	<u>\$6,466,142</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Statement of Functional Expenses

**For the Year Ended September 30, 2021, with Comparative Totals
as of September 30, 2020**

	Program Services				
	Title IIC				
	Title IIB	Title IID	Title IIE	Congregate	Home Delivered
Expenses:					
Salaries and wages	\$ 67,309	\$ 14,542	\$ 95,857	\$ 94,613	\$ 146,455
Taxes and benefits	11,270	2,129	12,171	13,460	29,969
Mileage	-0-	-0-	-0-	-0-	-0-
Travel & training	112	20	288	161	82
Raw food	-0-	-0-	-0-	105,395	181,721
Medical supplies	-0-	-0-	-0-	-0-	-0-
Disposables	-0-	-0-	-0-	14,263	21,291
Gas and oil	8,180	-0-	-0-	1,194	3,587
Repairs & maintenance (vans)	7,142	-0-	302	627	2,791
Insurance	-0-	-0-	-0-	-0-	-0-
Maintenance contract	1,557	71	387	1,677	1,317
Office supplies	6,937	712	1,415	7,919	4,792
Postage expenses	2,334	109	592	2,561	2,011
Equipment rental and repair	4,198	1,506	969	6,914	1,319
Equipment	523	129	702	5,067	2,475
Building repair & maintenance	6,194	2,443	1,362	10,686	1,649
Telephone and utilities	15,377	5,299	3,094	23,234	4,643
Parking rent	-0-	-0-	-0-	-0-	-0-
Advertising	9,856	498	2,744	11,733	9,214
Other taxes & licenses	828	40	220	398	746
Professional services	6,962	2,592	1,518	12,062	1,846
Activities	-0-	-0-	-0-	107	-0-
Bank charges	-0-	-0-	-0-	-0-	-0-
Other	335	16	1,047	2,860	283
Bad debts	-0-	-0-	-0-	-0-	-0-
Depreciation expense	-0-	-0-	-0-	-0-	-0-
Total Expenses	<u>\$149,114</u>	<u>\$ 30,106</u>	<u>\$122,668</u>	<u>\$314,931</u>	<u>\$416,191</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.
Statement of Functional Expenses (Continued)

**For the Year Ended September 30, 2021, with Comparative Totals
as of September 30, 2020**

	<u>Program Services</u>				
	<u>Living Well Elder Care</u>	<u>Case Management</u>	<u>Personal Care</u>	<u>Transportation</u>	<u>Life</u>
Expenses:					
Salaries and wages	\$14,401	\$102,961	\$1,211,186	\$ 37,033	\$ 32,775
Taxes and benefits	3,234	12,056	138,878	3,585	3,948
Mileage	-0-	-0-	-0-	-0-	-0-
Travel & training	28	14	3,111	-0-	11
Raw food	-0-	-0-	-0-	-0-	-0-
Medical supplies	-0-	-0-	4,381	-0-	-0-
Disposables	-0-	-0-	-0-	-0-	-0-
Gas and oil	-0-	-0-	-0-	4,340	-0-
Repairs & maintenance (vans)	-0-	-0-	-0-	2,757	-0-
Insurance	-0-	-0-	-0-	-0-	51,492
Maintenance contract	73	376	491	-0-	95
Office supplies	1,236	1,414	2,038	-0-	496
Postage expenses	111	574	750	-0-	144
Equipment rental and repair	1,116	331	563	-0-	539
Equipment	460	681	890	-0-	3,419
Building repair & maintenance	1,998	396	732	-0-	43,451
Telephone and utilities	3,909	832	1,554	1,053	1,831
Parking rent	-0-	-0-	-0-	-0-	-0-
Advertising	1,549	2,461	3,850	-0-	661
Other taxes & licenses	95	148	350	-0-	53
Professional services	2,328	434	856	-0-	957
Activities	-0-	-0-	-0-	-0-	-0-
Bank charges	-0-	-0-	-0-	-0-	-0-
Other	144	81	11,615	-0-	20
Bad debts	-0-	-0-	-0-	-0-	-0-
Depreciation expense	-0-	-0-	-0-	-0-	-0-
Total Expenses	<u>\$30,682</u>	<u>\$122,759</u>	<u>\$1,381,245</u>	<u>\$48,768</u>	<u>\$139,892</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.
Statement of Functional Expenses (Continued)

**For the Year Ended September 30, 2021, with Comparative Totals
as of September 30, 2020**

	<u>Program Services</u>			<u>Supporting Services Management & General</u>		<u>2020 Totals</u>
	<u>Lighthouse</u>	<u>Fair</u>	<u>Waiver</u>	<u>General</u>	<u>Totals</u>	
Expenses:						
Salaries and wages	\$532,994	\$116,214	\$1,771,893	\$ 53,747	\$4,291,980	\$4,420,040
Taxes and benefits	78,806	14,616	249,148	8,988	582,258	605,370
Mileage	-0-	-0-	5,706	-0-	5,706	6,873
Travel & training	1,352	281	2,594	38	8,092	19,932
Raw food	-0-	-0-	-0-	-0-	287,116	295,762
Medical supplies	2,957	584	5,977	67	13,966	12,395
Disposables	-0-	-0-	-0-	-0-	35,554	24,023
Gas and oil	-0-	-0-	-0-	-0-	17,301	16,331
Repairs & maintenance (vans)	-0-	-0-	-0-	206	13,825	26,361
Insurance	-0-	-0-	-0-	-0-	51,492	44,737
Maintenance contract	384	95	673	90	7,286	11,396
Office supplies	1,537	374	2,925	391	32,186	34,818
Postage expenses	587	145	1,028	81	11,027	10,572
Equipment rental and repair	420	1,356	1,074	180	20,485	13,121
Equipment	697	172	1,219	164	16,598	11,840
Building repair & maintenance	539	2,069	1,515	327	73,361	39,231
Telephone and utilities	1,143	4,743	3,204	683	70,599	76,731
Parking rent	-0-	-0-	-0-	2,600	2,600	2,250
Advertising	2,864	699	5,037	650	51,816	46,070
Other taxes & licenses	770	54	381	1,005	5,088	3,348
Professional services	616	2,308	1,724	9,732	43,935	33,564
Activities	-0-	-0-	-0-	630	737	3,132
Bank charges	-0-	-0-	-0-	3	3	1,639
Other	5,058	1,001	39,125	792	62,377	41,632
Bad debts	-0-	-0-	-0-	572	572	2,542
Depreciation expense	-0-	-0-	-0-	207,804	207,804	204,078
Total Expenses	<u>\$630,724</u>	<u>\$144,711</u>	<u>\$2,093,223</u>	<u>\$288,750</u>	<u>\$5,913,764</u>	<u>\$6,007,788</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Statement of Cash Flows

For the Year Ended September 30, 2021, with Comparative Totals
as of September 30, 2020

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Change in net assets	\$2,809,170	\$ 605,227
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	207,804	204,078
Gain on sale of vehicles	(1,501)	-0-
Forgiveness of Paycheck Protection Program Loan	(917,500)	-0-
(Increase) decrease in operating assets:		
Accounts receivable	(1,080,989)	(27,604)
Grants receivable	22,451	(75,266)
Prepaid expenses and deposits	18,820	18,780
Increase (decrease) in operating liabilities:		
Accounts payable	25,849	(2,798)
Accrued wage payable	(146,761)	27,219
Accrued annual leave	(2,334)	8,630
Accrued payroll taxes and withholdings	34,565	(299)
Net Cash Provided By Operating Activities	<u>969,574</u>	<u>757,967</u>
Cash Flows From Investing Activities		
Purchase of buildings and equipment	(74,443)	(60,664)
Proceeds from sale of property and equipment	1,501	-0-
Net Cash Used In Investing Activities	<u>(72,942)</u>	<u>(60,664)</u>
Cash Flows From Financing Activities		
Proceeds from Paycheck Protection Program	-0-	917,500
Net Cash Used in Financing Activities	<u>-0-</u>	<u>917,500</u>
Net Increase in Cash and Cash Equivalents	896,632	1,614,803
Cash and Cash Equivalents - Beginning of Year	<u>3,395,821</u>	<u>1,781,018</u>
Cash and Cash Equivalents - End of Year	<u>\$4,292,453</u>	<u>\$3,395,821</u>
Noncash operating transaction:		
Forgiveness of Paycheck Protection Program Loan	<u>\$ 917,500</u>	<u>\$3,395,821</u>

See accompanying notes to financial statements.

Raleigh County Commission on Aging, Inc.

Notes to Financial Statements

September 30, 2021, with Comparative Totals
as of September 30, 2020

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, services 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, 2021, 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, 2021, with Comparative Totals
as of September 30, 2020

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, 2021, the tax years that remain subject to examination by taxing authorities begin with 2018. Tax returns for 2018, 2019, 2020 and 2021 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 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, 2021 and 2020 is \$51,816 and \$46,070, 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, 2020, from which the summarized information was derived.

Raleigh County Commission on Aging, Inc.

Notes to Financial Statements

September 30, 2021, with Comparative Totals
as of September 30, 2020

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, 2021 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, 2021 and 2020, the Organization directly wrote off uncollectible accounts receivable of \$572 and \$2,542, respectively.

Additionally, the Organization has an allowance for losses on additional accounts receivable of \$60 and \$60 for the years ended September 30, 2021 and 2020, respectively, for potentially uncollectible receivables. The amount is recorded in the accompanying financial statements as follows:

	<u>2021</u>	<u>2020</u>
Accounts receivable	\$1,905,192	\$824,203
Allowance for doubtful accounts	(60)	(60)
	<u>\$1,905,132</u>	<u>\$824,143</u>

Raleigh County Commission on Aging, Inc.

Notes to Financial Statements

September 30, 2021, with Comparative Totals
as of September 30, 2020

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, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Title IIIB	\$19,547	\$ 19,238
Title IIID	1,343	958
Life	36,911	10,614
Title IIIE	9,061	5,471
III C - Congregate	15,526	-0-
III C – Home Delivered	<u>36,075</u>	<u>104,633</u>
	<u>\$118,463</u>	<u>\$140,914</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, 2021 and 2020 was \$3,442 and \$2,959, respectively.

Raleigh County Commission on Aging, Inc.

Notes to Financial Statements

September 30, 2021, with Comparative Totals
as of September 30, 2020

Note G – Debt

On May 1, 2021, 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. Raleigh County Commission on Aging, Inc. initially recorded the loan as a liability and subsequently recognized grant revenue in accordance with guidance for conditional contributions; that is, once the measurable performance or other barrier and right of return of the PPP loan no longer existed. The Organization has recognized \$917,500 as revenue for the year ended September 30, 2021. The Small Business Administration has fully forgiven Raleigh County Commission on Aging, Inc.’s PPP loan as of September 30, 2021.

Note H - Subsequent Events

Subsequent events were evaluated through May 2, 2022, which is the date the financial statements were available to be issued, and it was determined that there are no subsequent events that require disclosure.

Note I – Liquidity and Availability of Financial Assets

The following table reflects the Organization’s financial assets as of September 30, 2021 and 2020, 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>2021</u>	<u>2020</u>
Financial assets:		
Cash and cash equivalents	\$4,292,453	\$3,395,821
Accounts receivable, net	1,905,132	824,143
Grants receivable	<u>118,463</u>	<u>140,914</u>
Financial assets, at year-end	6,316,048	4,360,878
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>\$6,316,048</u>	 <u>\$4,360,878</u>

Supplementary Information

Raleigh County Commission on Aging, Inc.

Schedule of Revenue and Support

For the Year Ended September 30, 2021

	<u>Title IIC</u>				
	<u>Title IIB</u>	<u>Title IID</u>	<u>Title IIE</u>	<u>Congregate</u>	<u>Home Delivered</u>
Revenue					
Federal monies	\$62,721	\$7,620	\$39,104	\$38,220	\$496,288
State monies	31,496	1,344	17,579	165,816	-0-
Donations/other grants	-0-	8,490	-0-	28,709	16,000
Personal Care Services	-0-	-0-	-0-	-0-	-0-
Program income	-0-	-0-	-0-	9,611	47,486
Private pay in home services	-0-	-0-	1,031	-0-	-0-
Building space revenue	-0-	-0-	-0-	-0-	-0-
Daycare Revenue	-0-	-0-	-0-	-0-	-0-
Miscellaneous revenue	-0-	-0-	-0-	-0-	-0-
Total Revenue	<u>\$94,217</u>	<u>\$17,454</u>	<u>\$57,714</u>	<u>\$242,356</u>	<u>\$559,774</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-	237,604
Donations/other grants	-0-	-0-	-0-	3,494	-0-
Personal care services	-0-	-0-	-0-	-0-	-0-
Program income	-0-	169,410	2,469,355	-0-	-0-
Private pay in home services	-0-	-0-	-0-	-0-	-0-
Building space revenue	-0-	-0-	-0-	-0-	-0-
Day care revenue	1,910	-0-	-0-	-0-	-0-
Miscellaneous revenue	-0-	-0-	-0-	-0-	-0-
Total Revenue	<u>\$1,910</u>	<u>\$169,410</u>	<u>\$2,469,355</u>	<u>\$3,494</u>	<u>\$237,604</u>

	<u>Lighthouse</u>	<u>Fair</u>	<u>Waiver</u>	<u>Admin. & General</u>	<u>Totals</u>
Revenue					
Federal monies	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 643,953
State monies	597,958	73,112	-0-	-0-	1,124,909
Donations/other grants	-0-	-0-	-0-	58,004	114,697
Personal care services	-0-	-0-	3,110,760	-0-	3,110,760
Program income	-0-	-0-	-0-	-0-	2,695,862
Private pay in home services	57,740	5,358	-0-	31,691	95,820
Building space revenue	-0-	-0-	-0-	5,800	5,800
Day Care Revenue	-0-	-0-	-0-	-0-	1,910
Miscellaneous revenue	-0-	-0-	5,112	924,111	929,223
Total Revenue	<u>\$655,698</u>	<u>\$78,470</u>	<u>\$3,115,872</u>	<u>\$1,019,606</u>	<u>\$8,722,934</u>

See independent auditor's report.

Raleigh County Commission on Aging, Inc.
Schedule of Expenditures of State Awards
For the Year Ended September 30, 2021

	<u>Grant Period</u>	<u>State Expenditure</u>
Direct Programs		
WV Bureau of Senior Services		
Lighthouse	June 30, 2021	\$458,088
Lighthouse	June 30, 2022	139,870
FAIR	June 30, 2021	<u>73,112</u>
		<u>671,070</u>
Total Direct Programs		
Pass-through Awards		
Appalachian Area Agency on Aging		
IIIB State	September 30, 2021	31,496
IIIC-1	September 30, 2021	165,816
IIIC-2	September 30, 2021	-0-
IIID	September 30, 2021	1,344
IIIE	September 30, 2021	17,579
LIFE	June 30, 2021	197,309
LIFE	June 30, 2022	<u>40,295</u>
		<u>453,839</u>
Total pass-through awards		
		<u>\$1,124,909</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, 2021, 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 May 2, 2022.

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

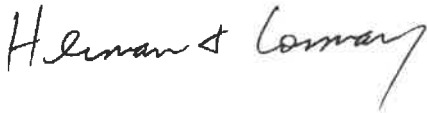
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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
May 2, 2022