

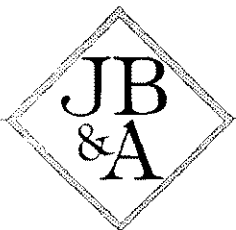
APPALACHIAN AREA AGENCY ON AGING, INC.

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

SEPTEMBER 30, 2015

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JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Appalachian Area Agency on Aging, Inc.
Princeton, West Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of Appalachian Area Agency 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Appalachian Area Agency 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and expenditures of state awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and West Virginia Department of Health and Human Services, 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 June 22, 2016, on our consideration of Appalachian Area Agency 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 Appalachian Area Agency on Aging, Inc.'s internal control over financial reporting and compliance.



Buckhannon, West Virginia
June 22, 2016

**APPALACHIAN AREA AGENCY ON AGING, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2015**

ASSETS

Current Assets

Cash	\$	465,548
Grants receivable		<u>555,464</u>
Total current assets		1,021,012

Property and Equipment, net		<u> </u>
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TOTAL ASSETS	\$	<u>1,021,012</u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accountants payable	\$	19,145
Due to sub-recipients		665,101
Payroll taxes payable		186
Accrued compensation		65,828
Deferred revenue		<u>10,652</u>
Total current liabilities		<u>760,912</u>

NET ASSETS

Unrestricted		260,100
Temporarily restricted		<u> </u>
Total net assets		<u>260,100</u>

TOTAL LIABILITIES AND NET ASSETS	\$	<u>1,021,012</u>
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The accompanying notes are an integral part of this financial statement.

APPALACHIAN AREA AGENCY ON AGING, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Unrestricted</u>	<u>Total</u>
REVENUE AND SUPPORT			
Federal financial assistance	\$ 2,807,691	\$	\$ 2,807,691
State grant awards	4,238,324		4,238,324
Other grant awards	5,010		5,010
Other income	94,642		94,642
 Net assets released from restrictions: Restrictions satisfied with payments	 _____	 _____	 _____
Total Revenue Support	7,145,667		7,145,667
 EXPENSES			
Program Services	<u>6,966,025</u>	_____	<u>6,966,025</u>
Change in Net Assets	179,642		179,642
 NET ASSETS AT BEGINNING OF YEAR	 <u>80,458</u>	 _____	 <u>80,458</u>
 NET ASSETS AT END OF YEAR	 <u>\$ 260,100</u>	 <u>\$</u>	 <u>\$ 260,100</u>

The accompanying notes are an integral part of this statement.

**APPALACHIAN AREA AGENCY ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Title III-B	Title III-C		Title III-E	Title III-D	Money Follows the Person	LIFE
		C-1	C-2				
FUNCTIONAL EXPENSES							
Personnel/manpower	\$ 181,635	\$	\$	\$	\$	\$ 111,280	\$ 24,178
Travel	12,453					11,751	
Printing and supplies	7,434					5,251	
Space	7,200					4,250	
Contract services	1,700					2,000	
Communications and utilities	7,640					4,121	
Training							
Other	235					457	
Insurance	807					1,226	
Advertising							
Passed-thru to sub-recipients:							
Federal awards	535,982	625,899	1,010,800	222,999	34,455		
State awards:							
Regular State	283,001	300,763	813,618	66,517	6,415		2,452,846
Total Expenses	<u>\$ 1,038,087</u>	<u>\$ 926,662</u>	<u>\$ 1,824,418</u>	<u>\$ 289,516</u>	<u>\$ 40,870</u>	<u>\$ 140,336</u>	<u>\$ 2,477,024</u>

APPALACHIAN AREA AGENCY ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2015

FUNCTIONAL EXPENSES	<u>MCAP</u>	<u>Elder Abuse</u>	<u>ADRC</u>	<u>LIEAP</u>	<u>SHIP</u>	<u>Budget Digest</u>	<u>Other</u>	<u>Total</u>
Personnel/manpower	\$ 50,770	\$	\$ 48,287	\$ 6,965	\$ 43,627	\$ 15,818	\$ 7,051	\$ 489,611
Travel	296		39		3,886		1,406	29,831
Printing and supplies	5,897		3,285		4,311	3,089	41	29,308
Space	3,050		1,000		800	300		16,600
Contract services			2,000					5,700
Communications and utilities	1,021		1,906		682		504	15,874
Training					334			334
Other	104		473		20	53	3,738	5,080
Insurance			211		124			2,368
Advertising								
Passed-thru to sub-recipients:								
Federal awards		2,590		15,434				2,448,159
State awards:								
Regular State								3,923,160
Total Expenses	<u>\$ 61,138</u>	<u>\$ 2,590</u>	<u>\$ 57,201</u>	<u>\$ 22,399</u>	<u>\$ 53,784</u>	<u>\$ 19,260</u>	<u>\$ 12,740</u>	<u>\$ 6,966,025</u>

The accompanying notes are an integral part of this statement.

**APPALACHIAN AREA AGENCY ON AGING, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 179,642
Adjustments to reconcile change in net assets to net cash used in operating activities:	
(Increase) decrease in operating assets:	
Accounts and grants receivable	(268,460)
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	15,155
Accrued compensation	(1,217)
Due to sub-recipients	50,149
Deferred revenue	<u>(77,422)</u>
NET CASH USED IN OPERATING ACTIVITIES	(102,153)
CASH AND CASH EQUIVALENTS, beginning of year	<u>567,701</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 465,548</u></u>

The accompanying notes are an integral part of this statement.

**APPALACHIAN AREA AGENCY ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 1. Summary of Significant Accounting Policies

Organization - Appalachian Area Agency on Aging, Inc. is a nonstock corporation organized under the laws of the State of West Virginia and has been determined by the Internal Revenue Service to be a tax-exempt organization under Internal Revenue Service Code Section 501(c)(3).

The Agency's purpose is to improve the quality of life for senior citizens in Southeastern West Virginia by studying and documenting their needs; encouraging, promoting and aiding in the establishment of programs for these seniors; conducting programs of public education on the problems on aging; utilizing opportunities to establish demonstration programs; and implementing and administering federal, state and local programs for the aging that no other agency is implementing.

Basis of Accounting

The financial statements of Appalachian Area Agency on Aging, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method. 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 expensed as incurred.

Income Taxes

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

The Organization's Forms 990, Return of Organization Exempt from Income Tax, are generally subject to examination by the Internal Revenue Service for three years after they are filed.

**APPALACHIAN AREA AGENCY ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 1. Summary of Significant Accounting Policies (Continued)

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reported in the Statement of Activities as net assets released from restrictions. Federal grant awards are classified as refundable advances until expended for the purposes of the grants since they are conditional promises to give.

Estimates

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

Note 2. Property and Equipment

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

Equipment, furniture and fixtures	\$ 19,352
Accumulated depreciation	19,352

Net property and equipment	\$ -0-
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Note 3. Restrictions on Net Assets

There are no restricted net assets at September 30, 2015.

**APPALACHIAN AREA AGENCY ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 4. Retirement Program

All full-time employees are eligible to be included in the Organization's retirement program. The employee contributes 4.5% of his/her gross salary, which is combined with 14% match contributed by the Organization.

The covered employees are eligible to draw benefits upon retirement. The Organization contributions to the retirement program of \$ 45,428 are included in personnel costs on the statement of functional expenses.

Note 5. Cash Deposited

The Organization routinely at various times during the course of the year will have more than the FDIC insured limit of \$ 250,000 in the bank on any given day. The bank in which all monies are deposited has pledged a \$ 1,000,000 security to the Organization in order to maintain insurance on all of the Organization's deposits.

Note 6. Subsequent Events

Management has evaluated subsequent events through June 22, 2016, the date which the financial statements were available to be issued.

ADDITIONAL INFORMATION

**APPALACHIAN AREA AGENCY ON AGING, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U. S. Department of Health and Human Services		
Low Income Energy Assistance Program	93.568	\$ 22,400
Pass-through from West Virginia Bureau of Senior Services		
Special Programs for the Aging -		
Title III, Part B	93.044	683,085
Title III, Part C	93.045	1,184,891
Title III, Part D	93.043	38,230
Title III, Part E	93.052	222,999
NSIP	93.053	451,808
Title VII Elder Abuse	93.041	2,590
Health Benefits/SHIP	93.779	131,761
Pass-through from WVSC Metro Area Agency on Aging		
Money Follows The Person	93.791	<u>69,927</u>
Total		<u>\$ 2,807,691</u>

Of the federal expenditures presented in this schedule, the Organization provided federal awards to subrecipients as follows:

<u>Program Name</u>	<u>CFDA Number</u>	<u>Amount Provided</u>
Title III-B	93.044	\$ 535,982
Title III-C	93.045	1,184,891
Title III-D	93.043	34,455
Title III-E	93.052	222,999
NSIP	93.053	451,808
Elder Abuse	93.041	2,590
LIEAP	93.568	<u>15,434</u>
Total		<u>\$ 2,448,159</u>

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards included the federal grant activity of Appalachian Area Agency on Aging, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the of, the basic financial statements.

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

**APPALACHIAN AREA AGENCY ON AGING, INC.
 SCHEDULE OF EXPENDITURES OF STATE AWARDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	<u>Grant Period</u>	<u>Grant Identificaiton Number</u>	<u>State Expenditures</u>
Direct Programs:			
WV Bureau of Senior Services			
Community Partnership	June 30, 2015	SC21555	\$ 8,000
Community Partnership	June 30, 2016	SC21555A	15,000
IIIB State	June 30, 2015	21538	363,001
IIIC-1	June 30, 2015	21538	306,238
IIIC-2	June 30, 2015	21538	812,894
IIID	June 30, 2015	21538	6,415
IIIE	June 30, 2015	21538	66,517
LIFE	June 30, 2015	21505	1,886,551
LIFE	June 30, 2016	21605	590,473
ADRC	June 30, 2015	21568	49,559
ADRC	June 30, 2016	21668	21,763
MCAP	December 31, 2015	MCAP1401	51,613
MIPPA	September 30, 2015	MIPPA1558	<u>60,300</u>
TOTAL EXPENDITURES OF STATE AWARDS			<u>\$ 4,238,324</u>

The independent auditors' report on supplemental information is an integral part of this schedule.

**APPALACHIAN AREA AGENCY ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

SECTION I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness identified?	_____ yes	___X___ no
Significant deficiencies identified that are not considered to be material weaknesses?	_____ yes	___X___ none reported
Noncompliance material to financial statements noted?	_____ yes	___X___ no

Federal Awards

Internal control over major programs?

Material weakness identified?	_____ yes	___X___ no
Significant deficiencies identified that are not considered to be material weaknesses?	_____ yes	___X___ none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	_____ yes	___X___ no
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Identification of major programs:

CFDA Number	Name of Federal Program Cluster
93.044	Title III, Part B
93.045	Title III, Part C
93.053	NSIP

Dollar threshold used to distinguish between type A and type B programs:	\$ <u>300,000</u>
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Auditee qualified as low-risk auditee?	_____ yes	___X___ no
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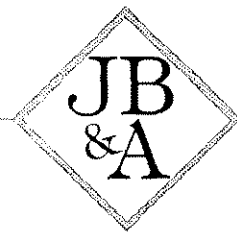
Section II - Financial Statements Findings

None

Section III - Federal Award Findings and Questions Costs

None

The accompanying notes are an integral part of this schedule.



JOHN BURDETTE & ASSOCIATES

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

To the Board of Directors
Appalachian Area Agency on Aging, Inc.
Princeton, West Virginia

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 Appalachian Area Agency on Aging, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2015, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 22, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Appalachian Area Agency 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 Appalachian Area Agency on Aging, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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.

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

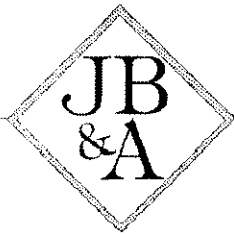
As part of obtaining reasonable assurance about whether Appalachian Area Agency on Aging, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could 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.



Buckhannon, West Virginia
June 22, 2016



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors
Appalachian Area Agency on Aging, Inc.
Princeton, West Virginia

Report on Compliance for Each Major Federal Program

We have audited Appalachian Area Agency on Aging, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Appalachian Area Agency on Aging, Inc.'s major federal programs for the year ended September 30, 2015. Appalachian Area Agency on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Appalachian Area Agency on Aging, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Appalachian Area Agency on Aging, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Appalachian Area Agency on Aging, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Appalachian Area Agency on Aging, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2015.

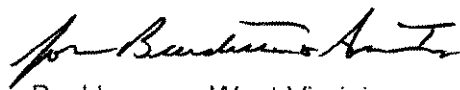
Report on Internal Control Over Compliance

Management of Appalachian Area Agency on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Appalachian Area Agency on Aging, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Appalachian Area Agency on Aging, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Buckhannon, West Virginia
June 22, 2016