

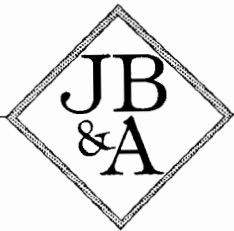
**AGING & FAMILY SERVICES OF
MINERAL COUNTY, INC.**

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

SEPTEMBER 30, 2018

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JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 418 • BUCKHANNON, WV 26201 • (304) 472-3600 • FAX (304) 472-3601

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Aging & Family Services of Mineral County, Inc.
Keyser, West Virginia

We have audited the accompanying financial statements of Aging & Family Services of Mineral County, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2018, and the related statements of activities 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. 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 Aging & Family Services of Mineral County, Inc. as of September 30, 2018, 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 schedule of revenues and support and schedule of expenditures of state awards, 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 26, 2019, on our consideration of Aging & Family Services of Mineral County, 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 Aging & Family Services of Mineral County, Inc.'s internal control over financial reporting and compliance.



Buckhannon, West Virginia
June 26, 2019

AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2018

ASSETS

Current Assets

Cash and cash equivalents	\$ 629,253
Accounts receivable, net	147,317
Grants receivable	39,994
Inventory	<u>5,073</u>

Total current assets 821,637

Property and Equipment

1,594,961

TOTAL ASSETS

\$ 2,416,598

LIABILITIES AND NET ASSETS

Current Liabilities

Current portion long-term debt	\$ 16,205
Accounts payable	17,513
Accrued wages and taxes	<u>84,679</u>

Total current liabilities 118,397

Long-Term Debt

244,760

Net Assets

Unrestricted	<u>2,053,441</u>
--------------	------------------

TOTAL NET ASSETS

2,053,441

TOTAL LIABILITIES AND NET ASSETS

\$ 2,416,598

The accompanying notes are an integral part of this statement

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Federal financial assistance	\$ 232,382	\$	\$ 232,382
State grant allocations	461,448		461,448
Other grants	2,383		2,383
Donations/match	49,860		49,860
Contractual revenues	1,876,937		1,876,937
Project income	84,652		84,652
Interest income	5,591		5,591
Other	157,991		157,991
 Net assets released from restrictions: Restrictions released with time	 _____ _____	 _____ _____	 _____ _____
Total Revenue and Support	<u>2,871,244</u>	<u>_____</u>	<u>2,871,244</u>
 EXPENSES			
Program Services			
Title III-B	65,857		65,857
Title III-E	14,778		14,778
Title III-C - congregate	126,598		126,598
Title III-C - home delivered	258,874		258,874
Personal Care	1,968,132		1,968,132
LIFE	147,140		147,140
Summer Food	34,057		34,057
Other Programs	124,047		124,047
Support Services:			
Management and general	46,034		46,034
Total Expenses	<u>2,785,517</u>	<u>_____</u>	<u>2,785,517</u>
 Change in Net Assets	 85,727		 85,727
 NET ASSETS AT BEGINNING OF YEAR	 <u>1,967,714</u>	 <u>_____</u>	 <u>1,967,714</u>
NET ASSETS AT END OF YEAR	<u>\$ 2,053,441</u>	<u>\$ _____</u>	<u>\$ 2,053,441</u>

The accompanying notes are an integral part of this statement

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Title III-B	Title III-E	Title III-C		Personal Care
			Congregate	Home Delivered	
Personnel expenses	\$ 55,349	\$ 10,962	\$ 73,248	\$ 115,405	\$ 1,797,018
Travel	1,064		688	2,421	35,770
Printing and supplies	2,896	2,642		5,134	32,558
Repairs and maintenance			370	7,046	6,581
Communications and utilities	2,872	1,066	10,348	20,325	16,818
Other	144	108	846	3,976	36,753
Depreciation					
Raw food			37,263	75,054	
Disposables			3,835	13,317	
Transportation and Trips	2,370			11,538	3,615
Licenses and permits				1,000	2,150
Professional services					4,500
Insurance	1,162			2,973	26,943
Dues and subscriptions				685	978
Advertising					4,448
Interest					
	<u>\$ 65,857</u>	<u>\$ 14,778</u>	<u>\$ 126,598</u>	<u>\$ 258,874</u>	<u>\$ 1,968,132</u>

The accompanying notes are an integral part of this statement.

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<u>LIFE</u>	<u>Summer Food</u>	<u>Other Programs</u>	<u>Management and General</u>	<u>Totals (Memorandum Only)</u>
Personnel expenses	\$ 139,229	\$ 14,435		\$	\$ 2,205,646
Travel	606	880			41,429
Printing and supplies					43,230
Repairs and maintenance					13,997
Communications and utilities	868				52,297
Other			21,340		63,167
Depreciation				34,020	34,020
Raw food		18,742			131,059
Disposables					17,152
Transportation and Trips	1,937		102,707		122,167
Licenses and permits					3,150
Professional services	4,500				9,000
Insurance					31,078
Dues and subscriptions					1,663
Advertising					4,448
Interest				12,014	12,014
	<u>\$ 147,140</u>	<u>\$ 34,057</u>	<u>\$ 124,047</u>	<u>\$ 46,034</u>	<u>\$ 2,785,517</u>

The accompanying notes are an integral part of this statement.

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 85,727
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	34,020
(Increase) decrease in operating assets:	
Accounts and grants receivable	(424)
Inventory	2,554
Increase (decrease) in operating liabilities:	
Accounts payable	3,826
Accrued wages payable and taxes	(809)
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	<u>124,894</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of capital assets	<u>(43,644)</u>
<u>NET CASH USED IN INVESTING ACTIVITIES</u>	<u>(43,644)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long-term debt	<u>(15,342)</u>
<u>NET CASH USED IN FINANCING ACTIVITIES</u>	<u>(15,342)</u>

Increase in cash and cash equivalents	65,908
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CASH AND CASH EQUIVALENTS, beginning of year	<u>563,345</u>
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CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 629,253</u></u>
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SUPPLEMENTAL DISCLOSURE:

Interest paid	<u><u>\$ 12,014</u></u>
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The accompanying notes are an integral part of this statement

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS**

Note 1. Summary of Significant Accounting Policies

The Aging & Family Services of Mineral County, Inc. is a nonprofit organization whose purpose is to improve the quality of life for senior citizens in Mineral County, West Virginia. The purpose of the Organization is to study and document the needs of the seniors, to encourage, promote and aid in the establishment of programs for the seniors, to conduct programs of public education in the problems of aging, to utilize opportunities to establish demonstration programs, and to implement state and local programs for the aging that no other agency is implementing.

This summary of significant accounting policies of the Aging Family Services of Mineral County, Inc. is presented to assist in understanding the Organization's financial statements. The financial statements and notes are the representation of management, who is responsible for their integrity and objectivity.

Basis of Accounting

The financial statements of Aging & Family Services of Mineral County, 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.

Allowance for Doubtful Accounts

The Organization uses the allowance method for accounting for bad debts. Management feels the accounts and grants receivable shown on the balance sheet are fully collectible.

Inventories

The inventory of raw food on hand at September 30, 2018 at the various nutrition sites has been recorded at cost, as determined by the first in first out method.

AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

Investment Securities

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Interest

All interest incurred during the period has been expensed in the Statement of Activities.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. The Organization has adopted a \$ 5,000 capitalization policy whereby all property and equipment over \$ 5,000 is depreciated using the straight-line method over its estimated useful life. 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.

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 reclassified to unrestricted net assets and 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.

AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. Summary of Significant Accounting Policies (Continued)

Federal Grants

Grants Monies are received on a reimbursement basis in which the Organization requests monies based upon expenditures made; this is utilized for Title III-B, Title, III-D, Title III-E grants and LIFE. Upon completion of a grant year, any unexpected money has to be approved for carryover to the next grant year, but if approval is denied, the money has to be reimbursed to the grantor.

Title III-C monies are received on a meal reimbursement basis but not to exceed the total grant award. Upon completion of the grant year, any expended monies are restricted for future Title III-C program operating expenses.

Medicaid and Waiver are billed on a per unit of service basis.

Total federal and state grant revenues for the year ended September 30, 2018, was \$ 232,382 and \$ 461,448 respectively.

Donated Services

The members of the Board of Directors receive no fees for performing their duties as members, officers, or special committee members. However, no revenues or expenses have been recorded in these financial statements in related to such volunteer services.

Expense Allocation

Expenses are charged to programs and supporting services on the basis of periodic time and expense studies. 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.

Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management must make estimates based on future events that effect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 1. Summary of Significant Accounting Policies (Continued)

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

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

Note 2. Insurance of Cash and Deposits

Cash funds are deposited in institutions insured by the Federal Deposit Insurance Corporation. There were no deposits in excess of the \$250,000 FDIC insured amount at September 30, 2018.

Note 3. Retirement Plan

The Agency's Section 403(B) retirement plan is funded through the purchase of a group insurance annuity contract. Full-time and some part-time employees are eligible to participate in the plan; employee contributions are voluntary and are made on a pretax basis. Employer will match up to 6% of the employee's earnings; the employer's share of retirement payments for the year ended September 30, 2018 was \$ 24,669.

Note 4. Grants Receivable

Grants receivable at September 30, 2018, consisted of the following:

FAIR	\$ 3,391
LIFE Program	24,407
Lighthouse	12,196

Total	\$ 39,994
	=====

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 5. Property and Equipment

Property and equipment consisted of the following at September 30, 2018:

Land	\$ 418,500
Buildings	1,414,335
Vehicles and equipment	175,954
Equipment	26,168

	2,034,957
Less accumulated depreciation	(439,996)

Net property and equipment	\$1,594,961
	=====

Note 6. Long-Term Debt

Long-term debt consists of the following as of September 30, 2018

M & T Bank

4.4% installment note maturing July 2031, monthly payments of \$ 2,279.68 secured by real estate.	\$ 260,965
Less: current portion	16,205

Noncurrent portion	\$ 244,760
	=====

Scheduled maturities at September 30, 2018 are as follows:

September 30, 2019		\$ 16,205
2020		16,933
2021		17,693
2022		18,487
2023		19,063
Thereafter		172,584

Total		\$ 260,965
		=====

Note 7. Restrictions on Net Assets

There are no restricted net assets at September 30, 2018.

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Note 8. Concentration

The Organization receives about 25 percent of its total support and revenues from various grants from the Federal and State governments. The Organization also receives about 66 percent of its total support and revenues from Medicaid/Waiver for in-home care services.

Note 9. Contingent Liabilities

In the normal course of operations, the Organization receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting funds. Any liability for reimbursement, which may arise, as the result of these audits is not believed to be material.

The Center participates in the West Virginia Public Employees Insurance Agency (PEIA) for health insurance. The Center does not provide post retirement health benefits.

Note 10. Total Columns

The total columns are not required components of the financial statements and are presented for analytical purposes only.

Note 11. Subsequent Events

Management has evaluated subsequent events through June 26, 2019 the date on which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
SCHEDULE OF REVENUES AND SUPPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Title III-B	Title III-E	Title III-C	
			Congregate	Home Delivered
Federal financial assistance	\$ 33,926	\$ 12,050	\$ 62,688	\$ 90,000
State Grants:				
State grant regular	21,974			
Lighthouse grant				
Fair grant				
Community Partnership				
Senior Olympics				
State LIFE allocated			11,697	42,876
Other grants				
Donations/match	5,990	4,017	859	16,666
Personal care				
Medicaid waiver fees				
Project income	3,406	1,346	29,197	50,703
Investment income				
Other			951	10,416
Total Revenue and Support	65,296	17,413	105,392	210,661
Functional Expenses	65,857	14,778	126,598	258,874
Net Revenue (Expenditures)	\$ (561)	\$ 2,635	\$ (21,206)	\$ (48,213)

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
SCHEDULE OF REVENUES AND SUPPORT (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Personal Care	LIFE	Summer Food	Other Programs	Management & General	Total (Memorandum Only)
\$	\$	\$ 32,718	\$ 1,000		\$ 232,382
5,000	201,714				228,688
154,920					154,920
61,840					61,840
			11,000		11,000
			5,000		5,000
	(54,573)				
			2,383		2,383
20,201		2,127			49,860
815,244					815,244
1,061,693					1,061,693
				84,652	84,652
6,597		89	139,938	5,591	157,991
<u>2,125,495</u>	<u>147,141</u>	<u>34,934</u>	<u>159,321</u>	<u>5,591</u>	<u>2,871,244</u>
<u>1,968,132</u>	<u>147,140</u>	<u>34,057</u>	<u>124,047</u>	<u>46,034</u>	<u>2,785,517</u>
<u>\$ 157,363</u>	<u>\$ 1</u>	<u>\$ 877</u>	<u>\$ 35,274</u>	<u>\$ (40,443)</u>	<u>\$ 85,727</u>

The accompanying independent auditor's report is an integral part of this schedule.

**AGING & FAMILY SERVICES OF MINERAL COUNTY, INC.
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Grant Period	Grant Identificaiton Number	State Expenditures
Direct Programs:			
WV Bureau of Senior Services			
Senior Olympics	June 30, 2018	21883	\$ 5,000
Lighthouse	June 30, 2018	IH1834	118,540
Lighthouse	June 30, 2019	IH1934	36,380
FAIR	June 30, 2018	IH1834	49,541
FAIR	June 30, 2019	IH1934	12,299
Client Tracking	June 30, 2019	IH1934	5,000
Community Partnership	June 30, 2018	SC21351A	11,000
Total Direct Programs			237,760
Pass through Awards			
Upper Potomac Area Agency on Aging			
IIIB State	June 30, 2018	21837	21,974
LIFE	June 30, 2018	21804	148,210
LIFE	June 30, 2019	21904	53,504
Total pass-through awards			223,688
TOTAL EXPENDITURES OF STATE AWARDS			\$ 461,448

The accompanying independent auditor's report is an integral part of this schedule.



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 418 • BUCKHANNON, WV 26201 • (304) 472-3600 • FAX (304) 472-3601

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
Aging & Family Services of Mineral County, Inc.
Keyser, 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 Aging & Family Services of Mineral County, Inc. a nonprofit organization), which comprise the statement of financial position as of September 30, 2018, 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 26, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Aging & Family Services of Mineral County, 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 Aging & Family Services of Mineral County, 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 Aging & Family Services of Mineral County, 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*.

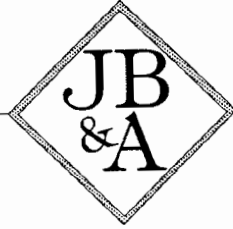
We noted certain other matters that we reported to management of Aging & Family Services of Mineral County, Inc. in a separate letter dated June 26, 2019 on page 19.

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 26, 2019



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 418 • BUCKHANNON, WV 26201 • (304) 472-3600 • FAX (304) 472-3601

MANAGEMENT LETTER

To the Board of Directors
and Senior Management
Aging & Family Services of Mineral County, Inc.
Keyser, West Virginia

In planning and performing our audit of the financial statements of Aging & Family Services of Mineral County, Inc. for the year ended September 30, 2018, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

However, during our audit we became aware of some matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. A separate letter on pages 17 and 18, dated June 26, 2019 contains our communication of significant deficiencies or material weaknesses in the Organization's internal control. This letter does not affect our report dated June 26, 2019, on the financial statements of Aging & Family Services of Mineral County, Inc.

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

Organizational Structure

The size of the Organization's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This situation dictates that the Board of Directors remain involved in the financial affairs of the Organization to provide oversight and independent review functions.

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

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

Buckhannon, West Virginia
June 26, 2019