

**RITCHIE COUNTY INTEGRATED
FAMILY SERVICES, INC.**

September 30, 2018

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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INDEPENDENT AUDITOR'S REPORT

January 14, 2019

Board of Directors
Ritchie County Integrated Family Services Inc.
P.O. Box 195
Harrisville, WV 26362

Report on the Financial Statements

We have audited the accompanying financial statements of Ritchie County Integrated Family Services Inc., (a non-profit organization) which comprise the Statement of Net Assets - Income Tax Basis as of September 30, 2018, and the related Statements of Activities - Income Tax Basis, and the Changes in Net Assets – Income Tax Basis 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 to 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 to 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 opinion.

Basis for Qualified Opinion

Ritchie County Integrated Family Services, Inc. expenses the cost of long-lived property and equipment acquired by purchase, donation or capital lease. Accounting principles generally accepted in the United States of America require long-lived property and equipment to be capitalized and depreciated over their estimated useful lives. It was not practical to determine the effects of the unrecorded long-lived property and equipment and related capital lease debt on the financial statement.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Ritchie County Integrated Family Services, Inc., as of September 30, 2018, and the changes in 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 Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 12-18 are presented for purposes of additional analysis and are not 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 January 14, 2019, on our consideration of the Organizations internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement 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 the Organization's internal control over financial reporting and compliance.

Sincerely,



Dimit Accounting Corp
Parkersburg, WV

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
STATEMENT OF NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

ASSETS

Current Assets:

Cash	\$ 60,654
Accounts Receivable	80,599

Total Assets	\$ 141,253
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 7,559
Accrued Wages and Taxes	8,519
Accrued Vacation	1,936

Total Liabilities	\$ 18,014
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Net Assets:

Unrestricted	123,239
Temporarily Restricted	-
Permanently Restricted	-
Total Net Assets	\$ 123,239

TOTAL LIABILITIES AND NET ASSETS	\$ 141,253
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The accompanying notes are an integral part of the financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Unrestricted
Support and Revenue:	
Support:	
Federal Grant Awards	\$ 154,292
State Grant Awards	150,871
Donations	31,650
Revenue:	
Project Income	\$ 26,154
Medicaid	157,076
Legislative Initiative/Elderly	141,642
Veterans Income	76,533
Transfer Income	12,116
Interest	111
Other Income	38,643
	\$ 789,088
Expenses:	
Program expenses:	
Personal Care	\$ 342,792
Nutrition	134,702
Other Programs	302,301
Total program expenses	\$ 779,795
Supporting Services:	
Veterans Program	\$ 85,379
Total Expenses	\$ 865,174
Change in Net Assets	\$ (76,086)
Net Assets, Beginning of Year	\$ 98,100
Prior Period Adjustment (See Note 9)	\$ 20,000
Fiscal Year Grants Other Than Sept. 30 Year End	\$ 81,225
Net Assets, End of Year	\$ 123,239

The accompanying notes are an integral part of these financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Personal Care	Nutrition	Other Programs	Total Program Expenses	Veterans Program	Total Expenses
Personnel	\$ 292,470	\$ 67,410	\$ 129,492	\$ 489,372	\$ 71,361	\$ 560,733
Payroll Taxes and Benefits	24,831	6,759	40,512	72,102	7,091	79,193
Travel and Training	15,176	179	627	\$ 15,982	6,450	\$ 22,432
Communications and Utilities	1,616	684	24,454	\$ 26,754	254	\$ 27,008
Equipment	-	1,141	-	\$ 1,141	-	\$ 1,141
Food and Disposable Supplies	845	57,689	-	\$ 58,534	-	\$ 58,534
Fuel-Automobiles	-	-	16,831	\$ 16,831	-	\$ 16,831
Other Program Costs	3,723	550	32,735	\$ 37,008	223	\$ 37,231
Printing and Supplies	3,256	82	12,135	\$ 15,473	-	\$ 15,473
Transfer Expenses	875	-	26,116	\$ 26,991	-	\$ 26,991
Preventative Maintenance	-	208	19,399	\$ 19,607	-	\$ 19,607
Total Expenses	\$ 342,792	\$ 134,702	\$ 302,301	\$ 779,795	\$ 85,379	\$ 865,174

The accompanying notes are an integral part of the financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Cash Flows from Operating Activities:	
Increase (Decrease) in Net Assets	\$ 25,139
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities	
(Increase) Decrease in:	
Accounts Receivable	(17,286)
Increase (Decrease) in:	
Accounts Payable	(2,558)
Accrued Wages	(12,268)
Accrued Vacation	386
Net Cash Provided by Operating Activities	(6,587)
Increase in Cash and Cash Equivalents	(6,587)
Cash and Cash Equivalents, Beginning of Year	\$ 67,241
Cash and Cash Equivalents, End of Year	\$ 60,654
Supplemental Cash Flow Disclosures:	
Cash Paid for:	
Interest	\$ 17

The accompanying notes are an integral part of the financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 1 – NATURE OF ACTIVITIES

The purpose of the Ritchie County Integrated Family Services, Inc. is to study the social service needs of Ritchie County West Virginia and its contiguous counties and to take such action as are necessary to assist in meeting those needs.

NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles with the exception that the Organization does not capitalize and depreciate the cost of capital assets.

The financial Accounting Standards Board issued Financial Accounting Standards Codification (FASB ASC) No. 958-205. Under FASB ASC No. 958-205, defined nonprofits are required to report information regarding financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. There are no restrictions on the entity's assets.

B. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash equivalents include all highly liquid debt instruments with original maturities of three months or less.

C. Accounts Receivable

The organization chooses to use the direct write-off method for accounts receivable. This is not consistent with generally accepted accounting principles; however, any variance between the direct write-off method and the allowance method is believed to be immaterial.

D. Revenue Recognition

Contributions are recognized as revenue when they are received or unconditionally pledged.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor 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.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

If a restriction is fulfilled in the same fiscal year in which the contribution is received, the contribution is reported as unrestricted.

Contributions of services shall be recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

E. Capital Assets

All acquisitions of capital assets and all expenditures for repairs, maintenance, renewals and betterments are expensed during the year of purchase. This policy is not in accordance with accounting principles generally accepted in the United States of America which required that all acquisitions of capital assets be capitalized and depreciated over the estimated useful life of the assets.

F. Expense Allocation

The costs of providing various programs and other activities have been reported in the Statement of Financial Expenses and summarized on a functional basis in the Statement of Activities, Accordingly, certain costs have been allocated among the programs and supporting services benefited.

G. Tax Status

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

Accounting principles generally accepted in the United States require management to evaluate tax position taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions taken by the Organization, and has concluded that as of September 30, 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. The Organization's Federal Return of Organization Exempt from Income Tax (Federal Form 990) for fiscal year ending in 2015, 2016, 2017 are subject to examination by the IRS, generally for three years after they were filed.

H. Fair Value Measurements

As defined in FASB ASC no 825-10 fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, FASB ASC No. 825-10 establishes a fair value hierarchy that prioritized observable and unobservable inputs used to measure fair value into three levels. The Organization had no assets or liabilities requiring fair value disclosure during the year ended September 30, 2018.

I. Estimates

The preparation of financial statements in accordance with generally accepted accounting principles 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 amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

J. Donated Services

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs, fundraising activities, and various committee assignments.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 3 – ACCOUNTS AND GRANTS RECEIVABLE

The Organization operates in the Harrisville, West Virginia area and receives support from various sources, substantially all of whom are local individuals or government agencies.

Accounts and grants receivable are those for which the Organization has performed a service or for which the requirements of a grant have been met and the Organization is awaiting reimbursement.

NOTE 4 – COMPENSATED ABSENCES

The Organization provides compensated absences to certain employees in the form of paid time off. The balance of accrued vacation at September 30, 2018 was \$1,936.

NOTE 5 – CONCENTRATION OF RISK

The Organization is economically dependent on grants from various federal, state and local governments for the operation of their programs. The Organization's ability to receive these grants is somewhat dependent on the national, state, and local economy.

NOTE 6 – RISK MANAGEMENT

The Organization is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets errors and omissions; injuries to employees; employees' health and life; and natural disasters. The organization manages these risks of loss through the purchase of various insurance policies.

NOTE 7 – CONTINGENCIES

The Organization's programs are generally funded from federal, state, and local sources. Federal and state grants received for specific purposes are subject to audit and review by grantor agencies. Such audits and reviews could result in requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grants. The amount, if any, or expenditures which may be disallowed by grantor agencies cannot be determined at this time, although management believes such amounts, if any, to be immaterial.

NOTE 8 – SERVICE PROGRAMS

Senior Nutrition Program, The Senior Nutrition Program provides a hot, nutritious meal five (5) days a week at two locations in Ritchie County. Persons age 60 and older may eat on a donation basis. Under age 60 are charged a fee. Limited transportation is available. Home Delivered meals are available to homebound seniors (age 60+) who live on the established delivery routes.

Public Transportation, The Organization's Transportation Program enables residents of Ritchie County, regardless of age, to access health care. Group Transportation is provided on a donation basis to all surrounding counties, as well as Marietta and Belpre, Ohio.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 8 – SERVICE PROGRAMS (Continued)

Medicaid Waiver Personal Care, This program provides long term care to help individuals stay in their home rather than go to a nursing home. To be eligible, participants must be Medicaid eligible and deemed by APS Health Care as eligible for nursing facility care.

Medicaid Personal Care, This program provides services needed by individuals with a physical or mental impairment as deemed necessary by their physician. To be eligible, participants must be Medicaid eligible and need assistance with their personal care such as bathing, dressing, grooming, toileting, etc.

Veterans Program, Eligibility for this program is determined by a VA doctor, and the disability making the care necessary must be at least 50% service related. The Veterans Program is an in-home care program.

Lighthouse Program, This program provides personal care services to individuals who are at least 60 years of age and are assessed as medically eligible by our Registered Nurse. There is a sliding fee for service.

Respite Services via the FAIR program and the Respite program, These programs are designed to give a break to full time caregivers. The FAIR program provides In-Home Respite services. A diagnosis of Alzheimer's or related dementia is required. The other Respite program is for individuals caring for ill or frail individuals who do not have an Alzheimer's or Dementia diagnosis. There is a sliding fee for these services.

NOTE 9 – CORRECTION OF AN ERROR

During the process of the audit, it was discovered that a mathematical error was made on the previously issued audit report dated January 22, 2018. The total from the Other Programs column on the Statement of Functional Expenses on page 5 of the audit report was carried forward with an incorrect figure onto the Statement of Activities on page 4 of that audit report. The figure on the Statement of Activities was incorrectly overstated by exactly \$20,000. This error caused Net Assets to be understated by \$20,000. The Net Assets figure on the Statement of Activities, page 4 of this audit report, and the Statement of Financial Position, page 3 of this audit report, reflect the prior period adjustment needed to correct the error made on the previous audit report.

NOTE 10 – SUBSEQUENT EVENTS

Management has evaluated events subsequent to the date of the Statement of Financial Position through January 14, 2019, the date the financial statements were available to be issued. No events have occurred subsequent to the Statement of Financial Position date through January 14, 2019, that would require adjustment or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES- PERSONAL CARE
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Title III E	Alzheimer's Program	Medicaid Waiver	Local	Schedule 1 Lighthouse Program	Totals
Support and Revenue:						
Federal Grant Awards	\$ 5,013	\$ -	\$ -	\$ -	\$ -	\$ 5,013
State Grant Awards	-	43,344	-	-	84,492	127,836
Donations	777	6,815	-	3,272	8,222	19,086
Project Income	-	-	-	-	-	-
Medicaid	-	-	89,697	67,379	-	157,076
Interest	-	-	-	111	-	111
Transfer Income	1,671	-	-	-	-	1,671
Other Income	-	-	-	1,605	5,000	6,605
Total Support and Revenue	<u>\$ 7,461</u>	<u>\$ 50,159</u>	<u>\$ 89,697</u>	<u>\$ 72,367</u>	<u>\$ 97,714</u>	<u>\$ 317,398</u>
Expenses:						
Personnel	6,003	45,663	83,703	69,253	87,848	292,470
Payroll Taxes and Benefits	543	4,604	7,125	6,276	6,283	24,831
Travel and Training	-	2,775	3,403	3,372	5,626	15,176
Communication and Utilities	690	247	254	275	150	1,616
Equipment	-	-	-	-	-	-
Food & Disposable Supplies	-	235	446	164	-	845
Fuel-Automobiles	-	-	-	-	-	-
Other Program Costs	-	20	1,481	2,222	-	3,723
Printing and Supplies	220	2,452	-	459	125	3,256
Preventive Maintenance	-	-	-	-	-	-
Total Direct Expenses	<u>7,456</u>	<u>55,996</u>	<u>96,412</u>	<u>82,021</u>	<u>100,032</u>	<u>341,918</u>
Matching Funds Transfers (In) Out	-	-	147	728	-	875
Total Expenses	<u>7,456</u>	<u>55,996</u>	<u>96,559</u>	<u>82,749</u>	<u>100,032</u>	<u>342,793</u>
Net Program Income (Loss)	<u>5</u>	<u>(5,837)</u>	<u>(6,862)</u>	<u>(10,382)</u>	<u>(2,318)</u>	<u>\$ (25,395)</u>

The accompanying notes are an integral part of the financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
STATEMENT OF SUPPORT, REVENUE, AND EXPENSES- NUTRITION PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Title III C-1	Title III C-2	Totals
Support and Revenue			
Federal Grant Awards	\$ 26,029	\$ 50,528	76,557
State Grant Awards	1,221	2,369	3,590
Donations		6,330	6,330
Project Income	10,115	12,237	22,352
Transfer Income	1,917	3,722	5,639
Other Income	5,521	14,717	20,238
Total Support and Revenue	<u>44,803</u>	<u>89,903</u>	<u>134,706</u>
Expenses:			
Personnel	19,865	47,545	67,410
Payroll Taxes and Benefits	2,245	4,514	6,759
Travel and Training	30	149	179
Equipment	665	19	684
Communication and Utilities	1,016	125	1,141
Food and Disposable Supplies	20,587	37,102	57,689
Fuel -Automobiles			-
Other Program Costs	350	200	550
Printing and Supplies	41	41	82
Preventative Maintenance		208	208
Total Direct Expenses	<u>\$ 44,799</u>	<u>\$ 89,903</u>	<u>\$ 134,702</u>
Matching Funds Transfers (In) Out			<u>\$ -</u>
Total Expenses	<u>\$ 44,799</u>	<u>\$ 89,903</u>	<u>\$ 134,702</u>
Net Program Income (Loss)	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 4</u>

The accompanying notes are an integral part of the financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES- VETERANS PROGRAM
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Veterans Program	Totals
Support and Revenue:		
Veterans Program	\$ 76,533	\$ 76,533
Donations	-	-
Other		
Total Support and Revenue	\$ 76,533	\$ 76,533
Expenses:		
Personnel	71,361	71,361
Payroll Taxes and Benefits	7,091	7,091
Travel and Training	6,450	6,450
Communication and Utilities	254	254
Printing and Supplies	223	223
Total Direct Expenses	\$ 85,379	\$ 85,379
Net Program Income (Loss)	(8,846)	(8,846)

The accompanying notes are an integral part of the financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES- OTHER PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Title IIIB	General Fund	SHIP Health Benefits	Life	Pass. Trans. Service	Totals (1)
Support and Revenue						
Federal Grant Awards	\$ 27,251	\$ -	\$ -	\$ -	\$ 45,471	\$ 72,722
State Grant Awards	17,945		1,500			\$ 19,445
Legislative Initiative/Elderly	-	-	-	141,642	-	\$ 141,642
Donations	-	6,234	-	-	-	\$ 6,234
Project Income	3,246				556	\$ 3,802
Transfer Income	4,806					\$ 4,806
Other Income	-	1,800			10,000	\$ 11,800
Total Support and Revenue	\$ 53,248	\$ 8,034	\$ 1,500	\$ 141,642	\$ 56,027	\$ 260,451
Expenses						
Personnel	\$ 42,609	\$ -	\$ 3,897	\$ 55,732	\$ 27,254	\$ 129,492
Payroll Taxes and Benefits	4,128	-	298	33,001	3,085	\$ 40,512
Travel and Training	27	-	102		498	\$ 627
Communication and Utilities	917	-		20,872	2,665	\$ 24,454
Equipment	-	-		-	-	\$ -
Fuel-Automobiles	4,857	-	-	11,780	194	\$ 16,831
Other Program Costs	6	8,026		19,028	5,675	\$ 32,734
Preventive Maintenance	634			8,802	9,963	\$ 19,399
Transfer Expenses				4,000		\$ 4,000
Printing and Supplies	-	-		11,827	308	\$ 12,135
Total Direct Expenses	\$ 53,178	\$ 8,026	\$ 4,297	\$ 165,042	\$ 49,641	\$ 280,184
Matching Funds Transfers (In) Out	-	-	-	22,116		22,116
Total Expenses	\$ 53,178	\$ 8,026	\$ 4,297	\$ 187,158	\$ 49,641	\$ 302,300
Net Program Income (Loss)	\$ 70	\$ 9	\$ (2,797)	\$ (45,516)	\$ 6,386	\$ (41,849)

(1) WV Division of Public Transit provides Federal Transit Administration, Section 5310 funding to purchase transportation services from Ritchie County Intergrated Family Services, Inc. The transportation services are to be provided to seniors and individuals with disabilities.

The accompanying notes are an integral part of the financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
SCHEDULE OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

<u>Federal Grantor/Pass-Through/Program</u>	<u>Term of Grant</u>	<u>CFDA Number</u>	<u>Award Amount</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services				
<i>Passed through Bel-O-Mar Regional Council Planning Commissions</i>				
Title III B	10/1/17-9/30/18	93.044	\$ 27,251	\$ 27,251
Title III C-1	10/1/17-9/30/18	93.045	26,029	26,029
Title III C-2	10/1/17-9/30/18	93.045	50,528	50,528
Title III E	10/1/17-9/30/18	93.052	5,013	5,013
Total U.S. Department of Health and Human Services				<u>108,821</u>
WV Division of Public Transit				
Passenger Transportation Service	07/1/17-6/30/18		50,000	<u>50,000</u>
Total Federal Expenditures				<u><u>\$ 158,821</u></u>

The accompanying notes are an integral part of the financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC
SCHEDULE OF STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

<u>State Grantor/Program</u>	<u>Term of Grant</u>	<u>Award Amount</u>	<u>State Expenditures</u>
Bel-O-Mar Regional Planning Commission			
Title III B	10/1/17-9/30/18	\$ 17,945	\$ 17,945
Legislative Initiative for the Elderly	07/1/17-6/30/18	180,711	180,711
Title C-1	10/1/17-9/30/18	1,221	1,221
Title C-2	10/1/17-9/30/18	2,369	2,369
WV Bureau of Senior Services			
Alzheimers Respite (FAIR)	07/1/17-6/30/18	44,956	44,956
Lighthouse PCA Program	07/1/17-6/30/18	98,130	98,130
Ship Grant	04/1/17-03/31/18	3,500	<u>3,500</u>
Total State Expenditures			<u>\$ 348,832</u>

The accompanying notes are an integral part of the financial statements.

RITCHIE COUNTY INTEGRATED FAMILY SERVICES, INC.
NOTES TO THE SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedules of Support, Revenue, and Expenses – Personal Care, Support, Revenue, and Expenses – Nutrition Programs, Support, Revenue, and Expenses – Transportation Program and Support, Revenue, and Expenses – Other Programs include the activity of Ritchie County Integrated Family Services, Inc. and are presented on the basis of accounting prescribed by West Virginia Bureau of Senior Services' Region I Area Agency on Aging. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

The accompanying Schedule of Federal Awards and Schedule of State Awards are presented on the accrual basis.

The Division of Public Transit provides Federal Transit Administration, Section 5310 funding to purchase transportation services from Ritchie County Integrated Family Services, Inc. The transportation services are to be provided to seniors and individuals with disabilities.

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

January 14, 2019
Ritchie County Integrated Family Services, Inc.
P.O. Box 195
Harrisville, WV 26362

To the Board of Directors:

We have audited the financial statements of the Ritchie County Integrated Family Services, Inc., for the ended September 30, 2018, and have issued our report there on dated January 14, 2019 which was qualified for not capitalizing fixed assets purchased with grant funds. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under United States Generally Accepted Auditing Standards

As stated in the engagement letter dated July 9, 2018 our responsibility as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute assurance that the financial statements are free of material misstatement and are fairly presented in accordance with accounting principles generally accepted in the United States of America. Because an audit is designed to provide reasonable, but not absolute, assurance and because I did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts may exist and not be detected by me.

As part of our audit, we consider the internal control of the Ritchie County Integrated Family Services, Inc. Such considerations were solely for the purpose of determining our audit procedures and are not to provide any assurance concerning such internal control.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Ritchie County Integrated Family Services, Inc., are described in the footnotes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2018. We noted no transactions entered into by the Organization during the year that were both significant and unusual, and of which, under professional standards, I am required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We reviewed management's estimates of the net book value of property and equipment and accrued liabilities, and the process used to estimate these asset and liabilities, and the process used to estimate these asset and liability accounts appear reasonable in relation to the financial statements as a whole.

Audit Adjustments

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Organization's financial reporting process (that is, cause future financial statements to be materially misstated). In our judgement, none of the adjustments we proposed whether recorded or unrecorded by the Organization, either individually or in the aggregate, indicate matters that could have a significant effect on the Organization's financial reporting process.

In addition, the attached schedule summarizes corrected and uncorrected misstatement of the financial statements. Management has determined that any uncorrected misstatements, whether reported or not reported on the schedule, would be immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting or auditing matter that could be a significant statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of the audit.

Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion", on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require that consulting accountant to check with me to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultation with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditor. However, these discussions occurred in the normal course of our professional relationship and our response was not a condition to our retention.

Difficulties Encountered in Performing the Audit

We encounter no difficulties in dealing with management in performing and completing our audit.

This information is intended solely for the use of the Board of Directors and management of the Ritchie County Integrated Family Services, Inc., as is not intended to be and should not be used by anyone other than these specified parties.



Dimit Accounting
Parkersburg, WV