

**Barbour County Senior Center, Inc.**

**Audited Financial Statements**

**For the Year Ended  
September 30, 2017**

**Williams & Bright, AC  
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**Barbour County Senior Center, Inc.**  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Barbour County Senior Center, Inc.  
Philippi, West Virginia 26416

### Report on Financial Statements

We have audited the accompanying financial statements of the Barbour County Senior Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2017 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.

### Auditors' 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 the Barbour County Senior Center, Inc., as of September 30, 2017, 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 Matters**

### Supplemental and Other Information

The accompanying statement of activities by program and schedule of expenditures of federal (and 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 standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 21, 2018, on our consideration of the Barbour County Senior Center, 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 the Barbour County Senior Center, Inc.'s internal control over financial reporting and compliance.

*Williams & Bright A.C.*

Elkins, West Virginia  
August 21, 2018

**Barbour County Senior Center, Inc.**  
**STATEMENT OF FINANCIAL POSITION**  
**September 30, 2017**

**ASSETS**

Current Assets

Cash and cash equivalents	\$ 215,686
Certificate of deposit	172,909
Investments - endowments	156,661
Accounts receivable, net	46,973
Grants receivable	56,536
Prepaid expenses	<u>16,272</u>
Total current assets	665,037

Property and Equipment, net	<u>1,883,644</u>
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<b>TOTAL ASSETS</b>	<b><u><u>\$ 2,548,681</u></u></b>
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**LIABILITIES & NET ASSETS**

Current Liabilities

Accounts payable	\$ 19,847
Accrued payroll and taxes	51,827
Accrued annual leave	<u>16,349</u>
Total current liabilities	<u>88,023</u>

Net Assets

Net assets without restrictions	2,414,999
Net assets with restrictions	<u>45,659</u>
Total net assets	<u>2,460,658</u>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u><u>\$ 2,548,681</u></u></b>
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**The accompanying notes are an integral part of these financial statements.**

**Barbour County Senior Citizens, Inc.**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2017**

	<u>Without Restrictions</u>	<u>With Restrictions</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Federal grant awards	\$ 322,196		\$ 322,196
State grant	571,375		571,375
Donations	45,977		45,977
Medicaid contractual fees	565,068		565,068
Project income	100,615		100,615
Investment income	14,937		14,937
Other income	29,809	1,626	31,435
	<u>1,649,977</u>	<u>1,626</u>	<u>1,651,603</u>
 <b>EXPENSES</b>			
Program Services			
Title III-B	32,251		32,251
Title III-E	15,991		15,991
Fair	29,103		29,103
Title III-C - Congregate	49,319		49,319
Title III-C - Home Delivered	288,791		288,791
Transportation	538,792		538,792
Community Care	179,025		179,025
Medicaid waiver	388,630		388,630
Lighthouse	158,918		158,918
Other programs	75,371		75,371
	<u>1,756,191</u>	<u>-</u>	<u>1,756,191</u>
 <b>Change in Net Assets</b>	 (106,214)	 1,626	 (104,588)
 <b>NET ASSETS, BEGINNING OF YEAR</b>	 <u>2,521,213</u>	 <u>44,033</u>	 <u>2,565,246</u>
 <b>NET ASSETS, END OF YEAR</b>	 <u><u>\$ 2,414,999</u></u>	 <u><u>\$ 45,659</u></u>	 <u><u>\$ 2,460,658</u></u>

The notes are an integral part of these financial statements.

**Barbour County Senior Center, Inc.**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended September 30, 2017**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ (104,588)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	122,147
(Increase) decrease in operating assets:	
Accounts receivable	(299)
Grants receivable	16,932
Prepaid expenses	(2,673)
Increase (decrease) in operating liabilities:	
Accounts payable	(23,402)
Accrued payroll and taxes	1,471
Accrued annual leave	(1,967)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>7,621</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sale of vehicles	2,317
Purchase of property and equipment	<u>(65,301)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(62,984)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from sale of investments	9,300
Certificate of Deposits	1,416
Purchase of investments	(12,131)
Loss on sale of investments	215
Unrealized gain on investments	<u>(9,507)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(10,707)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(66,070)
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>281,756</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u><u>\$ 215,686</u></u>

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

**Barbour County Senior Center, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Year Ended September 30, 2017**

**Note 1. Summary of Significant Accounting Policies**

This summary of significant accounting policies of Barbour County Senior Center, Inc., is presented to assist in understanding the Organization's financial statements. These financial statements and notes are the representation of management, who is responsible for their integrity and objectivity. These accounting principles conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Organization

Barbour County Senior Center, Inc. is a nonstock corporation organized under the laws of the State of West Virginia. The Center is a nonprofit Organization formed to improve the quality of life for senior citizens in Barbour County, WV. The purpose is to study and document the needs of the seniors, to encourage, promote and aid in the establishment of programs for seniors, to conduct programs of public education in the problems of aging, to utilize opportunities to establish demonstration programs, and to implement federal, state and local programs for the aging that no other agency is implementing.

Basis of Accounting

The financial statements of Barbour County Senior Center, 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 in its Statements of Accounting Standards Codification 958-205, *Not-for-Profit Entities: Presentation of Financial Statements*. Under ASC 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions (both permanent and temporary).

Under these provisions, net assets and revenues, expenses, gains and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* - These are resources over which the Board of Directors has discretionary control.



**Barbour County Senior Center, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Year Ended September 30, 2017**

**Note 1. Summary of Significant Accounting Principles (Continued)**

*Net Assets With Donor Restrictions –*

*Temporarily Restricted* – Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Organization and/or with the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to net assets without restrictions and reported in the statement of activities as net assets released from restrictions.

*Permanently Restricted* – Resources subject to a donor restriction that they be maintained permanently by the Organization.

Income Taxes

The Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3). The Organization's returns for the last three years remain open to examination by the Internal Revenue Service.

Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

Accounts and Grants Receivable

Accounts receivable represent amounts owed the Organization for services provided to clients of the Organization under contracts with the West Virginia Department of Health and Human Resources – Medicaid Waiver and Community Care Programs, the Veterans Administration, as well as amounts due from private pay clients. As of September 30, 2017, all accounts receivable are deemed collectible.

Grants receivable represent amounts invoiced by the Organization to grantor agencies under the terms of their grant agreements. As of September 30, 2017, all grants receivable are deemed collectible.

**Barbour County Senior Center, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Year Ended September 30, 2017**

**Note 1. Summary of Significant Accounting Principles (Continued)**

Accounts and Grants Receivable (Continued)

The Organization uses the direct write-off method for accounting for bad debts wherein accounts are written off in the period management determines that collection is not probable. Management feels the accounts and grants receivable shown on the statement of financial position are fully collectible.

Inventory

The purchased inventories of raw food, materials and supplies are deemed immaterial and are accordingly expensed as purchased.

Property and Equipment

The Organization is currently capitalizing all equipment purchases at cost and all donated equipment at fair market value and is depreciating these costs using the straight-line method over the asset's estimated useful life. The Organization has adopted a capitalization policy in the amount of \$5,000. Maintenance and repairs are expensed when incurred.

All equipment/vehicles purchased with grant monies must be disposed of in accordance with the grantor agency's policies. In addition, federal and state funding sources may maintain equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The federal and state funding sources, including the WV Department of Transportation – Division of Public Transit, have a reversionary interest in assets purchased with its funds for the estimated useful life of the asset.

Revenue Recognition

Contributions/grants are recognized when the donor/grantor makes a promise to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor/grantor are reported as increases in net assets without restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor/grantor-restricted contributions are reported as increases in net assets with restrictions. Net assets with restrictions consist of the BCCF Shaffer Trust which is an endowment fund and totaled \$45,659 on September 30, 2017.

**Barbour County Senior Center, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Year Ended September 30, 2017**

**Note 1. Summary of Significant Accounting Principles (Continued)**

Grant Monies

Grant monies are received in three ways:

- 1 – On a cost reimbursement basis for which the Organization requests reimbursement for monies already spent. This is utilized for the LIFE program grant.
- 2 – On an as needed basis in which the Organization requests monies that it feels it will need in the immediate future; this is utilized for Title III-B, Title III-E, and Title III-D/MM grants. Upon completion of a grant year any unexpended money has to be approved for carryover to the next year. If approval is denied, the money has to be reimbursed to the grantor.
- 3 – Title III-C grant funds are received on a meal reimbursement basis but not to exceed the total grant award. Upon completion of the grant year, any unexpended monies are restricted for future Title III-C program operating expenses.

Operating expenditures made against federal and state grants are subject to audit by the Grantor agency. These agencies may subsequently make adjustments to the grant as originally awarded due to their audit findings. Grant revenues for the year ended September 30, 2017 totaled \$893,571. Federal grant revenues were \$322,196 and state grant revenues were \$571,375.

**Note 2. Cash Deposits**

Cash consists of interest and noninterest-bearing checking and savings accounts on deposit in institutions insured by the Federal Deposit Insurance Corporation. Deposit accounts, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk. All deposits were covered by FDIC insurance as of September 30, 2017.

**Note 3. Certificate of Deposit**

The Organization has a certificate of deposit at Freedom Bank with an interest rate of 0.4% maturing on September 4, 2019. The balance on this CD at September 30, 2017 was \$67,546. There would be a penalty for early withdrawal but it would not have a material effect on the financial statements.

**Note 4. Annuity**

The Organization has a non-qualified, single premium deferred annuity issued on April 17, 2014 with a current rate of 1.00% through Erie Family Life Insurance. This annuity had a balance of \$105,363 on September 30, 2017.

**Barbour County Senior Center, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Year Ended September 30, 2017**

**Note 5. Investments**

The cost and estimated market value of investment securities at September 30, 2017:

	<u>Original Cost</u>	<u>Gross Unrealized Gains(Losses)</u>	<u>Estimated Market Value</u>
BCCF-Barbour	\$ 90,311	\$ 9,384	\$ 99,695
BCCF-Tenney	8,815	2,492	11,307
BCCF-Shaffer	<u>35,277</u>	<u>10,382</u>	<u>45,659</u>
	<u>\$134,403</u>	<u>\$ 22,258</u>	<u>\$156,661</u>

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or broker price quotations. For all other financial instruments, the Organization determines fair values using other valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instruments.

The Organization measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Organization reports investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes in net assets. As of September 30, 2017, all of the organization's investments are Level 1 investments

**Barbour County Senior Center, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Year Ended September 30, 2017**

**Note 6. Accounts Receivable**

Accounts receivable consisted of the following as of September 30, 2017:

Medicaid Waiver/Continuum of Care	\$	38,428
Medical Transportation		7,297
Veterans Administration		<u>1,248</u>
	\$	<u>46,973</u>

**Note 7. Grants Receivable**

Grants receivable consisted of the following as of September 30, 2017:

LIFE	\$	11,597
Title IIIB		1,931
Title IIIC		4,966
Transportation		23,796
FAIR/Lighthouse/Data Entry		<u>14,246</u>
	\$	<u>56,536</u>

**Note 8. Property and Equipment**

Property and equipment consisted of the following as of September 30, 2017:

Land	\$	153,511
Leasehold Improvements		235,921
Buildings		1,550,935
Equipment		<u>238,368</u>
Total Fixed Assets		2,789,130
Less accumulated depreciation		<u>(905,486)</u>
Net property and equipment	\$	<u>1,883,644</u>

Depreciation expense for the year ended September 30, 2017 was \$122,147.

**Note 9. Donated Services**

The Organization has a number of volunteers who have donated time and services in carrying out its programs and activities. These donated services are not reflected in the financial statements since they do not meet the criteria for recognition as contributed services as defined by FASB ASC 958-605 *Not-for-Profit Entities: Recognition Principles*.

**Barbour County Senior Center, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Year Ended September 30, 2017**

**Note 10. Donated Facilities**

The Organization's administrative facilities are owned by the City of Philippi. The Nestorville, Union and Mt Liberty satellite sites are owned by other nonprofit organizations. The Organization has recorded \$37,200 for in-kind rent in the year ended September 30, 2017.

**Note 11. Leased Facilities**

On May 1, 1980, the Organization signed a 99-year lease on the Belington satellite center requiring payment of all property taxes, insurance and maintenance of the facility. Since a recent appraisal is not available, a fair rental value was unable to be calculated and recorded as in-kind rent in these financial statements.

**Note 12. Retirement Plan**

The Organization sponsors a defined contribution retirement plan under Section 403(b) of the Internal Revenue Code. Employee contributions are 4.5% and are made on a pretax basis. Currently employer contributions are 9.5% of the employee's earnings. The employer's share of retirement payments was \$35,131 for the year ended September 30, 2017 and is included in fringe benefits on the statement of activities by program.

**Note 13. Advertising**

Advertising costs are expensed as incurred. Advertising costs for the year ended September 30, 2017 were \$5,813 and are included in Other Costs in the Statement of Activities.

**Note 14. Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets.

**Note 15. Compensated Absences**

Amounts owed to employees for earned but unused vacation time are accrued as a liability in the statement of financial position. As of September 30, 2017, the Organization had \$16,349 in accrued compensated absences.

**Note 16. Subsequent Events**

Management has evaluated events subsequent to the balance sheet date through the date of the independent accountants' report, the date on which the financial statements were available to be issued, for items requiring adjustment or disclosure in these financial statements.

**Barbour County Senior Center, Inc.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For Year Ended September 30, 2017**

**Note 17. Support Concentration**

The Organization receives about 54% of its total support and revenue from various grants from the federal and state governments. In addition, the Organization also receives about 34% of its total support and revenue from the West Virginia Department of Health and Human Resources for providing services to the community under the Medicaid Waiver (Title XIX) and personal care programs. Any significant decrease in the level of support received from these programs could have a material effect on the Agency's programs and activities.

**Note 18. Other Post Employment Benefits (OPEB)**

The Organization has elected out of the West Virginia Retiree Health Care Health Benefit Trust Fund (Trust), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the West Virginia Public Employees Insurance Agency (PEIA). The Trust provides medical benefits to retired employees.

**Note 19. Contingencies**

The Organization receives grant funding from federal and state agencies. The grant expenditures are subject to audit by the granting agencies. These audits are conducted to insure compliance with conditions of the grant award. Instances of noncompliance could result in grant awards being repaid. Any potential adjustments are believed to be immaterial.

The Organization is at risk of loss from various torts and lawsuits. These risks are mitigated by maintaining insurance with the West Virginia Board of Risk.

**Barbour County Senior Center, Inc.**  
**STATEMENT OF ACTIVITIES BY PROGRAM**  
**For the Year Ended September 30, 2017**

	Program Services							Support Services			
	Title III-B	Title III-E	Title III-C		Trans- portation	Waiver/ COC	FAIR/ Lighthouse	Other Programs	Total Program Services	Management and General	Total
			Congregate	Home Delivered							
<b>Revenue &amp; Support</b>											
Federal financial assistance	\$ 6,471	\$ 8,181	\$ 12,824	\$ 69,680	\$ 225,040				\$ 322,196		\$ 322,196
State grant	16,750	2,727	12,985	68,173	91,319		182,243	197,178	571,375		571,375
State LIFE allocated			5,629	40,728	81,000			(127,357)	-		-
Donations	4,493	2,727	2,976	15,624				20,157	45,977		45,977
Medicaid contractual fees						565,068			565,068		565,068
Project income	608		12,385	33,347	33,303	1,622	19,350		100,615		100,615
Investment income								14,937	14,937		14,937
Other	5					1,579		29,851	31,435		31,435
<b>Total Revenue and Support</b>	<b>28,327</b>	<b>13,635</b>	<b>46,799</b>	<b>227,552</b>	<b>430,662</b>	<b>568,269</b>	<b>201,593</b>	<b>134,766</b>	<b>1,651,603</b>	<b>-</b>	<b>1,651,603</b>
<b>Functional Expenses</b>											
Salaries and wages	18,324	8,290	20,110	113,957	223,950	366,861	123,864	12,791	888,147	81,129	969,276
Fringe benefits	2,087	1,013	2,135	12,280	60,047	74,431	12,661	1,624	166,278	35,775	202,053
Travel	3,366	1,866			2,054	37,279	26,731	3,481	74,777	1,387	76,164
Printing and supplies			906	52	1,359	3,627		5,969	11,913	4,951	16,864
Other operating supplies			118	570	2,917				3,605	2,796	6,401
Rawfood			11,479	66,545					78,024		78,024
Disposables			1,468	11,989					13,457		13,457
Repairs and maintenance			2,350	4,184	28,944	3,777		464	39,719	4,209	43,928
Communications and utilities			3,559	9,386	18,146	5,266		5,175	41,532	4,093	45,625
Rent/occupancy costs	4,493	2,727	2,976	15,624		3,000		11,380	40,200		40,200
Dues/subscriptions/training			66	115	3,166	1,871			5,218	2,075	7,293
Insurance			315	1,785				1,573	3,673	17,622	21,295
Other costs	485	162			8,422	1,543	1,131	5,702	17,445		17,445
Professional fees					5,155			7,500	12,655	15,204	27,859
Transportation				11,567	56,593				68,160		68,160
Depreciation expense				18,993	85,308			17,846	122,147		122,147
Allocated indirect costs	3,496	1,933	3,837	21,744	42,731	70,000	23,634	1,866	169,241	(169,241)	-
<b>Total Functional Expenses</b>	<b>\$ 32,251</b>	<b>\$ 15,991</b>	<b>\$ 49,319</b>	<b>\$ 288,791</b>	<b>\$ 538,792</b>	<b>\$ 567,655</b>	<b>\$ 188,021</b>	<b>\$ 75,371</b>	<b>\$ 1,756,191</b>	<b>\$ -</b>	<b>\$ 1,756,191</b>
<b>Increase(Decrease) in Net Assets</b>	<b>\$ (3,924)</b>	<b>\$ (2,356)</b>	<b>\$ (2,520)</b>	<b>\$ (61,239)</b>	<b>\$ (108,130)</b>	<b>\$ 614</b>	<b>\$ 13,572</b>	<b>\$ 59,395</b>	<b>\$ (104,588)</b>	<b>\$ -</b>	<b>\$ (104,588)</b>

The notes are an integral part of these financial statements.



**Barbour County Senior Center, Inc.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL & STATE AWARDS**  
**For the Fiscal Year Ended September 30, 2017**

<b>FEDERAL:</b>	<u>CFDA Number</u>	<u>Expenditures</u>
U.S. Department of Health and Human Services: Administration for Community Living Special Programs for the Aging Title III Part B Grants for Supportive Services and Senior Centers	93.044	\$ 6,471
 Administration for Community Living Special Programs for the Aging Title III Part E National Family Caregiver Support	93.052	8,181
U.S. Department of Transportation: Federal Transit Administration Formula Grants for Rural Areas	20.509	225,040
<i>Total Expenditures of Federal Awards</i>		<u>\$ 322,196</u>
 <b>STATE:</b>	<u>Grant Period</u>	<u>Grant Number</u>
Direct Programs		
WV Bureau of Senior Services		
Lighthouse	7/1/16-6/30/17	IH1827
Lighthouse	7/1/17-6/30/18	IH1727
FAIR	7/1/16-6/30/17	IH1827
FAIR	7/1/17-6/30/18	IH1727
Data Entry	7/1/17-6/30/18	IH1827
Total Direct Programs		<u>187,243</u>
Pass through Awards		
Upper Potomac Area Agency on Aging		
IIIB State	10/1/16-9/30/17	21737
IIIC State	10/1/16-9/30/17	21737
IIIE State	10/1/16-9/30/17	21737
LIFE	7/1/16-6/30/17	21704
LIFE	7/1/17-6/30/18	21804
WV Department of Transportation		
Transit	7/1/16-6/30/17	WV-18X031
Transit	7/1/16-6/30/17	WV-340004
Transit	7/1/16-6/30/17	S531116
Transit	7/1/17-6/30/18	S531117
Total Pass through Awards		<u>384,132</u>
<i>Total Expenditures of State Awards</i>		<u>\$ 571,375</u>
 <b>TOTAL EXPENDITURES OF FEDERAL &amp; STATE AWARDS</b>		<u><u>\$ 893,571</u></u>

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

**Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements performed in Accordance with *Government Auditing Standards***

To the Board of Directors of  
Barbour County Senior Center, Inc.

We have audited, 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, the financial statements of the Barbour County Senior Center, Inc (a nonprofit organization), which comprise the statement of financial position as of September 30, 2017, 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 August 21, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Barbour County Senior Center, 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 the Barbour County Senior Center, Inc's internal control. Accordingly, we do not express an opinion on the effectiveness of the Barbour County Senior Center, Inc's internal control.

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

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 the Barbour County Senior Center 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 on 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.

*Williams & Bright A.C.*

Elkins, West Virginia  
August 21, 2018

# Williams & Bright, A.C.

CERTIFIED PUBLIC ACCOUNTANTS

## MANAGEMENT LETTER

To the Board of Directors  
Barbour County Senior Center, Inc.  
Philippi, West Virginia 26416

Our audit on the financial statements of Barbour County Senior Center, Inc., for the year ended September 30, 2017, highlighted areas where we would like to make recommendations which would improve the internal control, accounting procedures, and internal financial information of the Organization. Since our audit was not designed to include a complete review of all systems, procedures and controls, the following comments and recommendations should not be considered to be all inclusive of the areas where improvements may be necessary.

### Segregations of Duties

During our audit we noted that two people perform most of the accounting and financial duties. As a result, many aspects of internal accounting control which rely upon an adequate segregation of duties are for all practical purposes missing in the Barbour County Senior Center, Inc. We recognize that the Organization is not large enough to make the employment of additional staff for the purpose of segregating duties practicable from a financial standpoint, but we are required, under our professional responsibilities, to describe the situation.

After you have had the opportunity to review these comments and recommendations, we would be pleased to discuss those points that you desire. We would like to thank your staff for their assistance in performing the audit and the Board of Directors for the opportunity to serve Barbour County Senior Center, Inc.

*Williams & Bright A.C.*

Elkins, West Virginia  
August 21, 2018