

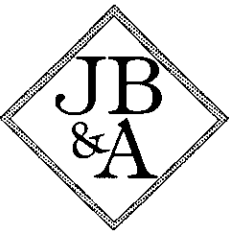
**WAYNE COUNTY COMMUNITY SERVICES
ORGANIZATION, INC.**

**INDEPENDENT AUDITORS' REPORT AND
RELATED FINANCIAL STATEMENTS**

SEPTEMBER 30, 2008

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1-2
Statement of Financial Position	3
Statement of Activities	4
Schedule of Functional Expenses	5-6
Statement of Cash Flows	7
Notes to Financial Statements	8-14
Schedule of Expenditures of Federal Awards	15
SUPPLEMENTAL INFORMATION	
INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION	16
Schedule of Revenues and Support	17-18
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	19-20
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	21-22
Schedule of Findings and Questioned Costs	23



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Wayne County Community Services Organization, Inc.
Huntington, West Virginia


We have audited the accompanying statements of financial position of Wayne County Community Services Organization, Inc. (a nonprofit organization) as of September 30, 2008, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wayne County Community Services Organization, Inc. as of September 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 29, 2009, on our consideration of Wayne County Community Services Organization, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Wayne County Community Services Organization, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office Management and Budget Circular A-133, Audits of State, Local Government, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Buckhannon, West Virginia
June 29, 2009

WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2008

ASSETS

Current Assets

Cash and cash equivalents	\$ 158,487
Certificate of deposit	254,090
Accounts receivable, net	230,922
Grants receivable	82,123
Prepaid expense	<u>22,538</u>

Total current assets	748,160
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Property and Equipment, net	<u>1,989,475</u>
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TOTAL ASSETS	<u><u>\$ 2,737,635</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Current portion of long-term debt	\$ 72,543
Note payable	239,786
Accounts payable	214,447
Accrued payroll and taxes	178,633
Accrued annual leave	32,973
Deferred revenue	<u>5,000</u>

Total current liabilities	<u>743,382</u>
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Long-Term Debt	<u>1,635,345</u>
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Net Assets

Unrestricted	358,908
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Temporarily restricted	<u> </u>
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Total net assets	<u>358,908</u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,737,635</u></u>
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The accompanying notes are an integral part of this statement.

WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE AND SUPPORT			
Federal grant awards	\$ 517,485	\$	\$ 517,485
State grant	629,163		629,163
Donations and match	44,833		44,833
Contractual revenues	2,830,149		2,830,149
Project income	75,845		75,845
Interest income	9,796		9,796
Rent	67,173		67,173
Other income	70,819		70,819
Net assets released from restrictions: Restrictions satisfied with lapse of time			
Total Revenue and Support	4,245,263		4,245,263
EXPENSES			
Program Services			
Title III-B	109,302		109,302
Title III-D	4,356		4,356
Title III-E	27,163		27,163
Title III-C - Congregate	275,696		275,696
Title III-C - Home Delivered	96,757		96,757
CSBG	35,716		35,716
Transit	856,863		856,863
Rapid Response	70,088		70,088
Personal Care	2,334,850		2,334,850
Direct LIFE	138,333		138,333
Elder Abuse	773		773
FEMA	3,825		3,825
ADTP	223,281		223,281
Rentals	74,576		74,576
Starting Points	61,261		61,261
Other programs	51,471		51,471
Support Services			
Management and General	225,502		225,502
Total Expenses	4,589,813		4,589,813
Change in Net Assets	(344,550)		(344,550)
NET ASSETS AT BEGINNING OF YEAR	703,458		703,458
NET ASSETS AT END OF YEAR	\$ 358,908	\$	\$ 358,908

The accompanying notes are an integral part of this statement.

WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2008

FUNCTIONAL EXPENSES	Program Services									
	Title III-B	Title III-D	Title III-E	Title III-C		CSBG	Transit	Rapid Response	Personal Care	
				Congregate	Home Delivered					
Salaries and wages	\$ 58,401	\$	\$ 14,699	\$ 94,970	\$ 20,287	\$ 8,269	\$ 300,695	\$ 44,639	\$ 1,587,961	
Fringe benefits	18,267		3,452	25,951	5,743	1,177	75,543	10,744	308,906	
Travel and transportation	8,002						6,175	157	73,755	
Printing and supplies	3,121	800				75	14,509	303	5,099	
Postage and shipping							727	83	2,822	
Rawfood				126,630	61,071	14,822				
Disposables				10,504	5,823					
Repairs and maintenance							29,112			5,123
Taxes, licenses and permits								498		380
Communications and utilities						1,424	8,679			6,478
Rent occupancy costs	6,000					1,650				4,500
Dues/subscriptions/training										1,872
Insurance							2,552	111		20,074
Other costs	4,715	3,556	6,283			5,731	7,308	2,471		13,641
Contractual services						1,038	357	565		8,779
Fuel and oil							142,754			
Advertising							8,642			
Interest										
Depreciation expense							176,522			
Allocated indirect costs	10,796		2,729	17,641	3,833	1,530	56,410	10,517		295,460
Total	\$ 109,302	\$ 4,356	\$ 27,163	\$ 275,696	\$ 96,757	\$ 35,716	\$ 856,863	\$ 70,088	\$ 2,334,850	

WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Program Services							Support Services		
	Direct LIFE	Elder Abuse	FEMA	ADTP	Rentals	Starting Points	Other Programs	Total Program Services	Management and General	Total
Salaries and wages	\$ 87,598	\$	\$	\$ 142,233	\$	\$ 34,055	\$ 26,869	\$ 2,420,676	\$ 218,064	\$ 2,638,740
Fringe benefits	23,546			34,561		5,344	5,346	518,580	64,321	582,901
Travel and transportation	3,236			160		825		92,310	10,026	102,336
Printing and supplies				2,958	6,554	597	38	34,054	16,994	51,048
Postage and shipping						79		3,711	4,990	8,701
Rawfood				1940	91		12,742	217,296		217,296
Disposables				939				17,266		17,266
Repairs and maintenance	2,620			4,073	3,201	2	5	44,136	13,183	57,319
Taxes, licenses and permits								380	505	885
Communications and utilities	1,450			1,819	9,187	4,056		32,141	29,543	61,684
Rent occupancy costs						3,000		16,600	19,750	36,350
Dues/subscriptions/training						50		4,585	4,103	8,688
Insurance	2,949			6,027	3,908			62,307	26,477	88,784
Other costs	1,121	773	3,825	408	4,914	5,707	1,875	59,857	1,357	61,214
Contractual services				1,665	9,112	1,245	19	22,780	72,083	94,863
Fuel and oil								142,754		142,754
Advertising					5,308		314	14,264	6,851	21,115
Interest									144,911	144,911
Depreciation expense					32,301			208,823	44,135	252,958
Allocated indirect costs	15,813			26,498		6,301	4,263	451,791	(451,791)	
Total	\$ 138,333	\$ 773	\$ 3,825	\$ 223,281	\$ 74,576	\$ 61,261	\$ 51,471	\$ 4,364,311	\$ 225,502	\$ 4,589,813

The accompanying notes are an integral part of this statement.

WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (344,550)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	252,958
Gain on sale of assets	(13,800)
(Increase) decrease in operating assets:	
Accounts receivable	(39,074)
Grants receivable	33,156
Prepaid expense	(22,538)
Increase (decrease) in operating liabilities:	
Accounts payable	87,437
Accrued payroll and taxes	(3,609)
Accrued annual leave	760
Deferred revenue	5,000
	(44,260)
NET CASH USED IN OPERATING ACTIVITIES	(44,260)

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sale of property	13,800
Certificate of deposit increase	(9,795)
Other capital asset disposal	9,916
	13,921
NET CASH PROVIDED BY INVESTING ACTIVITIES	13,921

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long-term debt	(80,699)
Proceeds from short-term borrowing	41,560
	(39,139)
NET CASH USED IN FINANCING ACTIVITIES	(39,139)

NET DECREASE IN CASH AND CASH EQUIVALENTS	(69,478)
CASH AND CASH EQUIVALENTS, beginning of year	227,965
CASH AND CASH EQUIVALENTS, end of year	\$ 158,487

The accompanying notes are an integral part of this statement.

**WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2008**

Note 1. Summary of Significant Accounting Policies

Wayne County Community Services Organization, Inc. is a non-profit organization, which provides services to low-income individuals and families in Wayne County, West Virginia. Wayne County Community Services Organization, Inc.'s headquarters are located in Huntington, West Virginia.

The objectives of the Wayne County Community Services Organization, Inc. are to:

1. Establish, conduct, implement, operate, coordinate and finance programs for the benefit of the low-income, minority, elderly, disadvantaged and handicapped citizens of Wayne County in the fields of education, economics, health recreation, natural planning, transportation, industrial and business development, and other social and public welfare programs;
2. Consult with and advise the regional agencies in the development plans as specified by grantee agency, state and federal regulation as they would affect the low-income, minority, elderly, disadvantaged and handicapped citizens of Wayne County;
3. Enter into cooperative agreements with municipal, county, Area Agency on Aging, state, federal or other public bodies and/or agencies in establishing, conducting, implementing operation, coordinating and financing of said programs for the benefit of low-income, minority, elderly, disadvantaged and handicapped citizens of Wayne County;
4. Act as a "community focal point" in Wayne County for the coordination of the broadest range of services to benefit the low-income, minority, elderly, disadvantaged and handicapped citizens of Wayne County;
5. Develop and promote cooperative relationships between Wayne County Community Services Organization, Inc., and other allied organizations, agencies and programs interested in the needs and aspirations of the low-income, minority, elderly, disadvantaged and handicapped citizens of Wayne County; and
6. Develop and administer such rules, policies, procedures and guidelines as may be necessary to carry out the above objectives consistent with local, state, federal laws and grant and contract agreements entered into by the organization.
7. Wayne County Community Services Organization, Inc. provides non-emergency medical transportation for county residents. The program transports individuals to and from medical appointments by the use of an Organization van.

WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

Note 1. Summary of Significant Accounting Policies (Continued)

Accounting Basis

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles, whereby revenues are recognized when earned and expenses are recognized when incurred.

Funds Receivable and Concentration of Credit Risk

The Organization provides various services to the elderly and low-income individuals in Wayne County, West Virginia on a third-party reimbursement basis. The Organization bills the various funding sources in accordance with contractual agreements without requiring collateral or any other security. Funds receivable have been adjusted for all known uncollectible accounts. An allowance for bad debts has not been created because the amount, if any, is not considered material.

Inventory

Inventory is charged to expense in the period during which it is purchased instead of being recognized as an asset until consumed.

Property and Equipment

In accordance with grant award budgets approved by funding sources, property and equipment is capitalized at cost in the period during which it is purchased and depreciated over its useful life using the straight-line method for financial reporting purposes. Maintenance and repairs are charged to expense when incurred. When equipment is sold or otherwise disposed of, the assets account and related accumulated depreciation account are relieved, with any gain or loss included in operations. Further, equipment lease payments are expensed when paid instead of equipment being capitalized and depreciated.

The property and equipment acquired is owned by Wayne County Community Services Organization, Inc. while used in the program for which it was purchased or in other future authorized programs. The funding sources, however, have a reversionary interest in the property and equipment purchased with grant funds; therefore, its disposition, as well as the ownership of any sale proceeds there from, is subject to funding source regulations.

Temporarily Restricted Net Assets

The Organization reports grants 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 statements of activities as net assets released from restrictions. Additionally, in past years the Organization received buses from the West Virginia Department of Transportation (DOT). These buses are received with a 20% payment by the Organization. The balance of the payment on the bus is forgiven over a 5-year period by the DOT if the buses are used in the ongoing operation of the Organization.

WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

Note 1. Summary of Significant Accounting Policies (Continued)

Functional Expenses

The Organization, allocates its expenses on a functional basis among its various programs. Expenses that can be identified with a specific program are allocated according to their natural expense classification.

Income Taxes

Wayne County Community Services Organization, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is classified by the Internal Revenue Service as an other than a private foundation.

Donated Services, Space and Other

Donated hourly services are valued at the federally established minimum wage or the fair value of skilled services. Donated space is valued at the estimated fair rental value. Donated other is valued at the estimated fair market value at the date of receipt. The Organization does not record donated services, space and other in excess of the amount required to meet grant-matching requirements.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, 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. At September 30, 2008, the Organization had no temporarily restricted net assets and no permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, money market funds, and highly liquid debt instruments with maturities of three months or less.

Deferred Revenue

Deferred revenue represents unexpended grant award funds received as of September 30, 2008. Deferred revenue is funds owed to funding sources or are approved for use in ongoing or future programs.

Use of Estimates

The preparation of financial statements in conformity with the requirements of various funding sources requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008**

Note 2. Land, Buildings, and Equipment

Major categories of land, building and equipment are as follows:

Land	\$	54,500
Land improvements		3,043
Buildings and improvements		1,853,861
Furniture/fixtures/equipment		247,860
Vehicles		288,588
Wayne X-Press Vehicle		1,010,908
		3,458,760
Less accumulated depreciation		1,469,285
		\$ 1,989,475

Depreciation expenses for the year ended September 30, 2008 totaled \$252,958

Note 3. Certificate of Deposit

The Organization holds one certificate of deposit totaling \$254,090 at September 30, 2008. This certificate bears interest at 3.77, maturing in August 2009, with a penalty for early withdrawal. Management has no intentions of early withdrawal and any penalty for early withdrawal would not have a material effect on the financial statements.

Note 4. Cost Allocation

Wayne County Community Services Organization, Inc. has adopted a cost allocation plan whereby each program is charged its fair share of the general administration costs of the Organization. Administrative staff time, space costs, copy costs, office supplies, and maintenance fees on specific equipment are allocated to the programs based on usage. The Organization has developed an indirect cost plan in accordance with the requirements of OMB Circular A-122

Note 5. Retirement Plan

The Organization sponsors a 403(b) deferred compensation plan for its employees. Employee may elect to defer 4.5% of their yearly compensation. The Organization elected to contribute 9.5% of the employees' salary to the plan. Contributions by the Organization to the plan for the year ended September 30, 2007 amounted to \$98,578.

**WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008**

Note 6. Grants Receivable

Grants receivable at September 30, 2008, consisted of the following:

WV Dept. of Transportation	\$	29,372
Rapid Response		3,570
Title IIIC		8,127
FAIR/Alzheimer's		3,808
CSBG		8,041
Title IIID		3,695
Elder Abuse		773
Life		8,411
Lighthouse		11,056
Youth Empowerment		4,270
Other		1,000

Total	\$	82,123
		=====

Note 7. Accounts Receivable

Accounts receivable at September 30, 2008, consisted of the following:

Contractual Revenues \$230,922

Note 8. Related Party Transactions

The Organization purchased gasoline and vehicle maintenance services from an entity that is related to the Executive Director. Following is a summary of transactions with the related entity for the year ended September 30, 2008:

Gasoline purchases, vehicle service and maintenance \$39,034

The Organization is related through common board members with Westmoreland Apartments, Inc. This Organization was created to renovate the Westmoreland Middle School into a senior living facility. This facility is owned by the Organization.

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 this audit is not believed to be material.

**WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008**

Note 10. Reserve Account Fund

In December 1992, the Organization's Board of Directors approved the obligation of funds to be reserved for the future purchase of land and/or buildings for the Organization. At September 30, 2008, the balance in the Reserve Account Fund was \$254,090. These monies are invested in an certificate of deposit account. Earnings from these funds are reinvested.

NOTE 11 – Operating Leases

The Organization is the lessee of facilities for offices and Senior Citizens Centers, a postage machine, and a copier under operating leases expiring in various years through 2018.

Minimum future rental payments under cancelable operating leases having remaining terms in excess of one year as of September 30, 2008, for each of the next five years and in the aggregate are:

September 30, 2009	\$ 17,400
2010	17,400
2011	17,400
2012	15,400
2013	11,400
Thereafter	25,900

	\$ 104,900
	=====

For the year ended September 30, 2008, total occupancy expenses amounted to \$61,684 reported in the accompanying financial statement in accordance with the Program's budgets.

Note 12. Notes Payable Line Of Credit

As of September 30, 2008 the organization had a business revolving line of credit account with a total credit limit of \$250,000 at Chase Bank. The interest rate on the account is 4.00%. The balance on the account as of September 30, 2008 was \$239,786 with \$10,214 available to be drawn on this line of credit.

**WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008**

Note 13. Long-Term Debt

2008

Community Trust Bank, interest at 7.75% per annum. Monthly payments of \$ 12,314.23 through August, 2027. Secured by real estate and certificate of deposit.	\$ 1,464,336
Chase Bank, interest at 6.85% per annum. Monthly payments of \$ 3,314.47 through May, 2012. Secured by real estate.	128,163
City National Bank, interest at 5.0% per annum. Monthly payments of \$ 890.22 through May, 2014. Secured by real estate.	115,389
Total	1,707,888
Less current portion	72,543
Noncurrent portion	\$ 1,635,345

The following is a schedule of maturities as of September 30, 2008.

Year ending September 30, 2009	\$ 72,543
2010	77,915
2011	83,689
2012	75,895
2013	54,531
Later years	1,343,315
Total	\$ 1,707,888

**WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

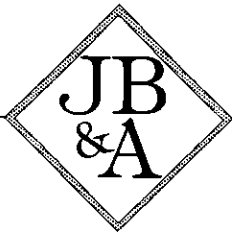
<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Expenditures</u>
U.S. Department of Transportation		
Pass-through from WV Department of Transportation		
Public Transportation in Nonurban Area - 49 USC Section 5311	20.509	\$ 254,807
U.S. Department of Health and Human Services		
Pass-through from Metro Area Agency on Aging, Inc.		
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	41,312
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	92,581
Special Programs for the Aging - Title III, Part E - Caregiver	93.052	20,250
Special Programs for the Aging - Title III, Part D - Preventive Health Services/Medical Management	93.043	3,695
Special Programs for the Aging - NSIP	93.053	41,783
Special Programs for the Aging - Title VII, Elder Abuse Prevention	93.041	773
Pass-through from Community Action Partnership		
CSBG	93.569	35,716
U.S. Department of Homeland Security		
Emergency Food and Shelter Program	97.024	<u>3,825</u>
Total Expenditures of Federal Awards		<u><u>\$ 494,742</u></u>

BASIS OF PRESENTATION

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

The accompanying notes are an integral part of this schedule.

SUPPLEMENTAL INFORMATION



JOHN BURDETTE & ASSOCIATES

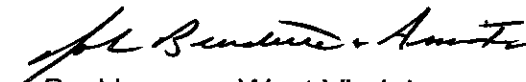
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors
Wayne County Community Services Organization, Inc.
Huntington, West Virginia

Our report on our audit of the basic financial statements of the Wayne County Community Services Organization, Inc. for the year ended September 30, 2008 appears on pages 1 and 2. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of the purpose of forming an opinion of the basic financial statements taken as a whole. The schedule of revenues and support, is presented for purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Buckhannon, West Virginia
June 29, 2009

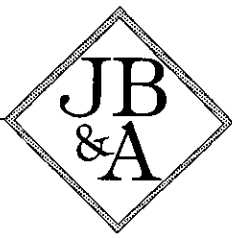
**WAYNE COUNTY COMMUNITY SERVICES ORGANIZATIONS, INC.
SCHEDULE OF REVENUES AND SUPPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	Title III-B	Title III-D	Title III-E	Title III-C			Transit	Rapid Response	Personal Care
				Congregate	Home Delivered	CSBG			
Federal financial assistance	\$ 41,312	\$ 3,695	\$ 20,250	\$ 71,243	\$ 21,338	\$ 55,284	\$ 254,807	\$	\$
NSIP				32,173	9,610				
State grant	51,842	226					70,928		
State LIFE allocated				17,743	35,310				
State Supplement				23,176	10,907				
State enhancement				11,127					
State raw food				16,068					
State fuel				911	7,302				
State legislative digest									
State lighthouse									180,273
State fair									61,643
Donations and match	4,860	435	6,750	8,408	2,574		21,106		
Contractual revenues							200,399	84,879	2,195,130
Project income	6,134		175	47,356	9,486		8,095		
Interest income									
Rent income								800	
Gain on sale of assets									
Other				47,491	230				
Total Revenue and Support	104,148	4,356	27,175	275,696	96,757	55,284	555,335	85,679	2,437,046

WAYNE COUNTY COMMUNITY SERVICES ORGANIZATIONS, INC.
SCHEDULE OF REVENUES AND SUPPORT (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Direct LIFE	Elder Abuse	FEMA	ADTP	Rentals	Starting Points	Other	Total (Memorandum Only)
Federal financial assistance	\$	773	\$ 6,500				\$ 500	\$ 475,702
NSIP								41,783
State grant	179,122					11,250	2,388	315,756
State LIFE allocated	(53,053)							
State Supplement								34,083
State enhancement								11,127
State raw food								16,068
State fuel								8,213
State legislative digest							2,000	2,000
State lighthouse								180,273
State fair								61,643
Donations and match							700	44,833
Contractual revenues				170,818		45,000	133,923	2,830,149
Project income				3,291	1,308			75,845
Interest income							9,796	9,796
Rent income					66,373			67,173
Gain on sale of assets							13,800	13,800
Other							9,298	57,019
Total Revenue and Support	126,069	773	6,500	174,109	67,681	56,250	172,405	4,245,263

The independent auditors' report on supplemental information 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 AUDITORS' 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
Wayne County Community Services Organization, Inc.
Huntington, West Virginia

We have audited the financial statements of Wayne County Community Services Organization, Inc. (a nonprofit organization) as of and for the year ended September 30, 2008, and have issued our report thereon dated June 29, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United State of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Wayne County Community Services Organization, Inc.'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 Wayne County Community Services Organization, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Wayne County Community Services Organization, Inc.'s internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.


A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

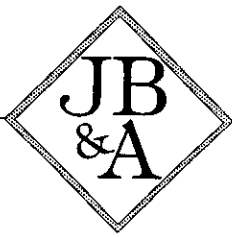
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wayne County Community Services, Inc.'s financial statements are free of 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*.

This report is intended solely for the information and use of the management, the audit committee, Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Buckhannon, West Virginia
June 29, 2009



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
Wayne County Community Services Organization, Inc.
Huntington, West Virginia

Compliance

We have audited the compliance of Wayne County Community Services Organization, Inc. (a nonprofit organization) with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2008. Wayne County Community Services Organization, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Wayne County Community Services Organization, Inc.'s management. Our responsibility is to express an opinion on Wayne County Community Services Organization, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, "*Audits of States, Local Governments, and Non-Profit Organizations*". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Wayne County Community Services Organization, Inc.'s compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Wayne County Community Services Organization, Inc.'s compliance with those requirements.

In our opinion, Wayne County Community Services Organization, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2008.

Internal Control Over Compliance


The management of Wayne County Community Services Organization, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Wayne County Community Services Organization, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Wayne County Community Services Organization, Inc.'s internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


Buckhannon, West Virginia
June 29, 2009

**WAYNE COUNTY COMMUNITY SERVICES ORGANIZATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

Section 1 - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness identified? ___ yes _X_ no

Significant deficiencies identified that are not considered to be material weaknesses? ___ yes _X_ no

Noncompliance material to financial statements noted? ___ yes _X_ no

Federal Awards

Internal control over major programs?

Material weakness identified? ___ yes _X_ no

Significant deficiencies identified that are not considered to be material weaknesses? ___ yes _X_ none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ___ yes _X_ none reported

Identification of major programs?

<u>CFDA Number</u>	<u>Name of Federal Program Cluster</u>
20.509	Public Transportation
93.045	Title III, Part C-Nutrition

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? ___ yes _X_ no

Section II - Financial Statement Findings

None

Section III - Federal Awards Findings and Questioned Costs

None

The accompanying notes are an integral part of this schedule.