

CALHOUN COUNTY COMMITTEE ON AGING, INC.

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

SEPTEMBER 30, 2023

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Calhoun County Committee on Aging, Inc.
Grantsville, West Virginia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Calhoun County Committee on Aging, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Calhoun County Committee on Aging, Inc. as of September 30, 2023, 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.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Calhoun County Committee on Aging, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Calhoun County Committee on Aging, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Calhoun County Committee on Aging, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Calhoun County Committee on Aging, Inc.'s ability to continue as a going concern for a reasonable period of time.

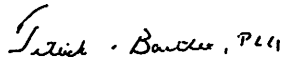
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of federal and state funds and notes to schedule of federal and state funds are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of federal and state funds and notes to schedule of federal and state funds are 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 27, 2024, on our consideration of Calhoun County Committee on Aging, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of Calhoun County Committee on Aging, Inc.'s 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 Calhoun County Committee on Aging, Inc.'s internal control over financial reporting and compliance.



Clarksburg, West Virginia
August 27, 2024

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2023**

ASSETS

CURRENT ASSETS

Cash	\$ 187,323
Grants and Contracts Receivable	92,877
Employee Retention Credit Receivable	200,911
Prepaid Expenses	<u>5,293</u>

TOTAL CURRENT ASSETS	<u><u>486,404</u></u>
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PROPERTY AND EQUIPMENT

Property and Equipment	1,587,852
Accumulated Depreciation	<u>(943,035)</u>

NET PROPERTY AND EQUIPMENT	<u><u>644,817</u></u>
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OTHER ASSETS

Certificate of Deposit	<u>78,628</u>
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TOTAL ASSETS	<u><u>\$ 1,209,849</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ 40,887
Accrued Payroll	28,414
Payroll Taxes and Withholding Payable	11,929
Accrued Vacation - Current Portion	<u>17,230</u>

TOTAL CURRENT LIABILITIES	<u><u>98,460</u></u>
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LONG-TERM LIABILITIES

Accrued Vacation - Net of Current Portion	<u>17,230</u>
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TOTAL LONG-TERM LIABILITIES	<u><u>17,230</u></u>
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TOTAL LIABILITIES	115,690
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NET ASSETS WITHOUT DONOR RESTRICTIONS	<u><u>1,094,159</u></u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,209,849</u></u>
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See accompanying notes and independent auditor's report.

CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL</u>
SUPPORT			
Medicaid	\$ 337,553	\$ -	\$ 337,553
Title IIIC	144,113	-	144,113
LIFE	210,939	-	210,939
Contributions and Fundraising	13,909	-	13,909
Lighthouse	82,310	-	82,310
Fair	12,906	-	12,906
MIPPA	3,000	-	3,000
Veterans	19,500	-	19,500
Title IIIB	-	27,742	27,742
Title IIIE	-	18,906	18,906
SHIP	4,000	-	4,000
Other	744	-	744
Net Assets Released From Donor Restrictions	<u>46,648</u>	<u>(46,648)</u>	<u>-</u>
TOTAL SUPPORT	<u>875,622</u>	<u>-</u>	<u>875,622</u>
REVENUES			
Program Income	23,328	-	23,328
Employee Retention Credit	451,916	-	451,916
Interest Income	<u>32,672</u>	<u>-</u>	<u>32,672</u>
TOTAL REVENUES	<u>507,916</u>	<u>-</u>	<u>507,916</u>
TOTAL SUPPORT AND REVENUES	<u>1,383,538</u>	<u>-</u>	<u>1,383,538</u>
EXPENSES			
Program Expense:			
Other Programs	566,808	-	566,808
LIFE	210,939	-	210,939
Lighthouse	82,310	-	82,310
Title III-B	56,737	-	56,737
Title III-E	18,906	-	18,906
Title III-C - Congregate	65,607	-	65,607
Title III-C - Home Delivered	78,506	-	78,506
Management & General	13,966	-	13,966
Fundraising	<u>183</u>	<u>-</u>	<u>183</u>
TOTAL EXPENSES	<u>1,093,962</u>	<u>-</u>	<u>1,093,962</u>
CHANGE IN NET ASSETS	289,576	-	289,576
BEGINNING NET ASSETS	<u>804,583</u>	<u>-</u>	<u>804,583</u>
ENDING NET ASSETS	\$ <u>1,094,159</u>	\$ <u>-</u>	\$ <u>1,094,159</u>

See accompanying notes and independent auditor's report.

CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Program Services				
	Other Programs	LIFE	Light- house	Title III-B	Title III-E
Wages & Taxes	\$ 375,445	\$ 124,235	\$ 82,310	\$ 52,149	\$ 18,906
Fringe Benefits	20,759	6,325	-	-	-
Supplies	462	14,996	-	-	-
Repairs & Maintenance	2,392	7,974	-	-	-
Communications & Utilities	6,462	23,814	-	-	-
Other	8,228	-	-	-	-
Depreciation	65,183	-	-	-	-
Transportation	4,206	-	-	4,588	-
Professional Services	74,034	12,850	-	-	-
Insurance	-	20,745	-	-	-
Trips & Supplies	-	-	-	-	-
Taxes & Licenses	432	-	-	-	-
Nutrition Supplies	7,598	-	-	-	-
Dues & Subscriptions	1,607	-	-	-	-
	<u>\$ 566,808</u>	<u>\$ 210,939</u>	<u>82,310</u>	<u>\$ 56,737</u>	<u>\$ 18,906</u>

See accompanying notes and independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>Title III-C</u>		<u>Management and General</u>	<u>Fundraising</u>	<u>Totals (Memorandum Only)</u>
	<u>Congregate</u>	<u>Home Delivered</u>			
Wages & Taxes	\$ 35,798	\$ 31,521	\$ 10,781	\$ -	\$ 731,145
Fringe Benefits	9,856	9,856	795	-	47,591
Supplies	-	-	-	-	15,458
Repairs & Maintenance	309	-	-	-	10,675
Communications & Utilities	-	-	-	-	30,276
Other	2,000	-	-	-	10,228
Depreciation	-	-	2,390	-	67,573
Transportation	-	5,924	-	-	14,718
Professional Services	-	-	-	-	86,884
Insurance	-	-	-	-	20,745
Trips & Supplies	-	-	-	183	183
Taxes & Licenses	-	-	-	-	432
Nutrition Supplies	17,175	31,205	-	-	55,978
Dues & Subscriptions	469	-	-	-	2,076
	<u>\$ 65,607</u>	<u>\$ 78,506</u>	<u>\$ 13,966</u>	<u>\$ 183</u>	<u>\$ 1,093,962</u>

See accompanying notes and independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 289,576
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities	
Depreciation	67,573
(Increase) Decrease In:	
Grants and Contracts Receivable	(9,310)
Employee Retention Credit Receivable	(200,911)
Prepaid Expenses and Deposits	(448)
Increase (Decrease) In:	
Accounts Payable	31,650
Accrued Vacation	509
Accrued Payroll	3,000
Payroll Taxes Payable	2,596
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>184,235</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Loan Payments	(58,039)
NET CASH (USED BY) FINANCING ACTIVITIES	<u>(58,039)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Increase in Certificates of Deposit	(470)
Cash Paid on Capital Expenditures	(17,357)
NET CASH (USED BY) INVESTING ACTIVITIES	<u>(17,827)</u>

NET INCREASE IN CASH 108,369

CASH - BEGINNING OF PERIOD 78,954

CASH - END OF PERIOD \$ 187,323

See accompanying notes and independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 1 DESCRIPTION OF ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Entity

The Calhoun County Committee on Aging, Inc. is a non-profit corporation located in Grantsville, West Virginia. The Corporation's operations consist of a variety of social services for the elderly of Calhoun County. The Organization is funded by various federal and state grants and from funds obtained through local fund-raising projects.

Financial Statement Presentation

The financial statements are prepared in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, Not-for-Profit Entities, Presentation of Financial Statements. During 2018, the Organization adopted the provisions for Accounting Standards Updated ("ASU") 2016-14, Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities, which improves the current net asset classification and the related information presented in the financial statements and notes about the Organization's liquidity, financial performance, and cash flows.

Furthermore, the financial statements of the Organization have been prepared in accordance with generally accepted accounting principles. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restriction.

Net Assets Without Donor Restriction – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets With Donor Restriction – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

See independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 1 DESCRIPTION OF ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition – Revenue from Exchange Transactions

Calhoun County Committee on Aging, Inc. recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Calhoun County Committee on Aging, Inc. recorded the following exchange transactions revenue in its statement of activities:

Contributions and Grants – The Organization receives contributions and grants from various sources to assist in its operations. This revenue is recognized by the Organization when received.

Program Income – The Organization receives revenue from providing various services to senior citizens under Title III-B, III-D, Title III-E, Life programs, Lighthouse programs and other federal and state programs. This revenue is recognized by the Organization when received.

Fundraising Income – The Organization receives revenue from various fundraising activities. This revenue is recognized by the Organization when received.

Summary of Significant Accounting Policies:

Basis of Accounting and Reporting

Calhoun County Committee on Aging, Inc. uses the cash basis of accounting throughout the program year but prepares its annual financial statements on the accrual basis.

Cash

All cash accounts are with F.D.I.C. insured institutions. For the purpose of the statement of cash flows, the Organization considers both restricted and unrestricted cash as well as short-term, highly liquid investments which are convertible into cash within ninety (90) days of purchase to be cash and cash equivalents. The Organization does not have a policy regarding collateralization with regards to their repurchase agreements, although it is a treasury management agreement.

Cash and equivalents consist of the following:

	Unrestricted Cash	\$	<u>187,323</u>	
	Total Cash	\$	<u>187,323</u>	
<u>Other Assets</u>	<u>Amount</u>		<u>Maturity Date</u>	
Certificate of Deposit	\$ <u>78,628</u>		<u>11/01/25</u>	

Inventories

The Organization does not maintain an inventory. Supplies are purchased on an as needed basis.

See independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 1 **DESCRIPTION OF ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Property, Plant and Equipment

Property, plant and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the account and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to expense as incurred; all fixed assets are capitalized with an original cost of \$500 or more.

Revenue Recognition

Unconditional grants and promises to give are recorded when the grant or promise is made. Conditional grants and promises to give are recorded when the related condition is met. Project income is recognized in the period received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donor-imposed restrictions that are fulfilled in the same period they are received are recorded as unrestricted support.

Grants and Contracts

Support received under grants and contracts with the State of West Virginia and other government agencies that require revenues to be billed down is recorded as public support when the related direct costs are incurred. Grants and contracts receivable represent amounts due for expenditures incurred prior to year-end.

Accrued Annual Leave

Accrued compensated absences are included in these financial statements at the employees' current hourly rate for September 30, 2023.

Functional Expenses

The operating expenses of the Organization have been classified in the Statement of Functional Expenses on a direct basis whenever possible. Other expenses have been allocated based on personnel time worked, space utilized or some other rational allocation method.

Donated Services

Donated services are recognized as contributions in accordance with FASB Standards Codification 958-605, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Estimates

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

See independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 1 DESCRIPTION OF ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax – Exempt Status

The Calhoun County Committee on Aging, Inc. has been determined to be an organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization's Forms 990 US income tax returns for the years ending 2021, 2022 and 2023 are subject to examination by the IRS, generally for three years after they are filed.

Income Taxes

The Calhoun County Committee on Aging, Inc. is a not-for-profit organization and is exempt from income taxes under Section 501(C) (3) of the Internal Revenue Code of 1986. The Organization owed \$0 in unrelated business income taxes as of September 30, 2023.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Unrealized gains and losses are included in the change in net assets.

Estimated fair values of investments are based on quoted market prices. If quoted prices are not available, estimated fair values are based on quoted market prices of comparable investments.

Risks and Uncertainties

The majority of the funding for the operation of Calhoun County Committee on Aging, Inc. comes from Medicaid and the Northwestern Area Agency on Aging. A loss of or decrease in this funding could adversely affect the operation of the Organization.

Subsequent Events – Subsequent events have been evaluated through August 27, 2024, which is the date the financial statements were available to be issued.

NOTE 2 PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost if purchased or fair market value at date of donation.

Property and equipment consisted of the following at September 30, 2023:

Land & Land Improvements	\$	192,072
Buildings and Additions		895,707
Vehicles		314,280
Equipment & Furniture		<u>185,793</u>
 TOTAL PROPERTY AND EQUIPMENT		 1,587,852
Less, Accumulated Depreciation		<u>(943,035)</u>
 NET PROPERTY AND EQUIPMENT	\$	 <u>644,817</u>

See independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 2 PROPERTY AND EQUIPMENT (CONTINUED)

Property and equipment are depreciated over their useful lives:

			<u>Depreciation Expense</u>
Buildings & Additions	7 – 39 Years	\$	26,736
Vehicles	5 Years		33,669
Equipment & Furniture	5 – 7 Years		7,168
		\$	<u>67,573</u>

NOTE 3 CONCENTRATIONS

The Center receives a majority of their monies from third party reimbursements. Any loss or decrease in this funding could be detrimental to the Organization's ongoing activities.

NOTE 4 ADVERTISING COSTS

The Center expenses advertising costs as they are incurred. Advertising costs totaled \$4,814 for the year ended September 30, 2023.

NOTE 5 DEPOSITS AND PREPAID EXPENSES

Deposits and prepaid expenses consist of the following at September 30, 2023:

Prepaid Workers Compensation	\$	444
Prepaid Insurance		4,849
TOTAL	\$	<u>5,293</u>

NOTE 6 RETIREMENT SYSTEM

Calhoun County Committee of Aging, Inc. is a member of a 403(b) plan offered by Principal Financial Group. Retirement benefits are available to all employees who have been employed longer than 3 months and are above the age of 18. The plan requires 3% to be withheld out of the employees' wages and the Company will match the contribution. During the September 30, 2023 fiscal year, the Committee had \$11,567 in retirement expense.

NOTE 7 OPERATING LEASES

During the 2023 fiscal year, the Organization's copier lease expired. However, as defined within the lease agreement, the Organization lease terms converted to a month-to-month basis in June 2023 with termination requiring a 60-day written notice or the return or replacement of the copier. The monthly payment for the operating lease is \$385. The Organization paid \$5,629 (\$4,620 lease fee and \$649 operating costs) during the 2023 fiscal year.

See independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 8 GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable consist of the following:

LIFE	\$ 23,333
MIPPA	3,000
FAIR	1,656
Title III B	2,347
Title III C	2,581
SMP	4,000
Lighthouse	9,099
Veterans Administration	1,008
Medicaid Waiver	16,256
Case Management	<u>29,597</u>
Total grants and contracts	<u>\$ 92,877</u>

NOTE 9 FAIR VALUE MEASUREMENTS

FASB Standards Codification 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB Accounting Standards Codifications 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 - Inputs to the valuation methodology include

- i. Quoted prices for similar assets or liabilities in active markets;
- ii. Quoted prices for identical or similar assets or liabilities in inactive markets;
- iii. Inputs other than quoted prices that are observable for the asset or liability;
- iii. Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

See independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 9 FAIR VALUE MEASUREMENTS (CONTINUED)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2023.

Money Market Funds: Valued using the amortized cost, in accordance with rules under the Investment Company Act of 1940.

Common Stock: Valued at the most recent repurchase of outstanding shares as treasury stock.

Mutual Funds: Valued at the net asset value (NAV) of shares held by the plan at year end.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's financial assets at fair value on a recurring basis as of September 30, 2023:

	Level 1	Level 2	Level 3	Total
Checking Accounts	\$ 187,323	\$ -	\$ -	\$ 187,323
Certificates of Deposit	78,628	-	-	78,628
Total Assets at Fair Value	\$ 265,951	\$ -	\$ -	\$ 265,951

NOTE 10 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date. The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	2023
Cash	\$ 187,323
Grants Receivable	92,877
Employee Retention Credit Receivable	200,911
Total financial assets available within one year	\$ 481,111

See independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 11 SUBSEQUENT EVENTS - COVID-19

The spread of the novel coronavirus (COVID-19) has severely impacted many local economies around the world. In many countries, businesses and organizations are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and financial institutions have responded with monetary and fiscal interventions to try to stabilize economic conditions. The organization has determined that these events are non-adjusting subsequent events. Accordingly, the financial net position and changes in net position as of and for the year ended September 30, 2023 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and financial responses remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial net position and results of the organization for future periods.

NOTE 12 EMPLOYEE RETENTION CREDIT

During the 2023 fiscal year, the Organization contracted with a processing company to amend their June 2020 through March 2021 941 Quarterly Reports to receive the Employee Retention Credit that was available during the COVID-19 Crisis. The processing company charges a 15% fee based on the credit amount received. As of September 30, 2023, the Organization filed for a credit of \$451,915. Of this amount, \$200,911 is receivable by the Organization and \$30,137 is payable to the processing company.

NOTE 13 LOAN PAYABLE

In September 2022, the Organization received \$58,039 for the purchase of trucks. The loan bears a fixed interest rate of 5% and requires monthly interest only payments until the loan matures on September 16, 2023 at which time the Organization will pay off the balance.

	9/30/2023 Balance	Additions	Payments	9/30/2023 Balance
Calhoun County	\$ 58,039	\$ -	\$ (58,039)	\$ -

NOTE 14 CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets consist of grants and contracts receivable as follows:

Grants and contracts receivable:	
Beginning of year	\$ 83,567
End of year	\$ 92,877
Employee retention credit receivable:	
Beginning of year	\$ -
End of year	\$ 200,911

See independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 14 CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

Contract liabilities consist of accounts payable and notes payable as follows:

Accounts payable:	
Beginning of year	\$ 9,237
End of year	\$ 40,887
Notes payable:	
Beginning of year	\$ 58,039
End of year	\$ -

See independent auditor's report.

SCHEDULE OF FEDERAL AND STATE FUNDS

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
SCHEDULE OF FEDERAL AND STATE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

GRANTOR AGENCY	PROGRAM TITLE	CFDA NUMBER	GRANT NUMBER	FINANCIAL AWARDS RECOGNIZED
<u>FEDERAL AWARDS</u>				
U.S. Department of Health and Human Services, Administration for Community Living				
Passed through the WV Bureau of Senior Services and Bel-O-Mar Regional Council:				
	Title III-B - Special Programs for the Aging	93.044	22335	\$ 13,830
	Title III-E - National Family Caregiver Support	93.052	22335	18,906
	Title IIIC - Special Programs for the Aging - Nutrition Services	93.045	22335	132,073
	SHIP	93.626	N/A	<u>4,000</u>
	TOTAL FEDERAL FUNDS			\$ <u>168,809</u>

See accompanying notes to schedule of federal and state funds and independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
SCHEDULE OF FEDERAL AND STATE FUNDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

<u>GRANTOR AGENCY</u>	<u>PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>GRANT NUMBER</u>	<u>FINANCIAL AWARDS RECOGNIZED</u>
<u>STATE AWARDS</u>				
WV Bureau of Senior Services through the Bel-O-Mar Regional Council:				
	Title III-B - State	N/A	22335	\$ 13,912
	LIFE	N/A	22402	210,939
	Lighthouse In-Home Services	N/A	IH2401	82,310
	MIPPA	N/A	MIPPA2301	3,000
	Alzheimer's Respite/ Fair	N/A	IH2401	12,906
	Title IIIC - State	N/A	N/A	<u>12,040</u>
		TOTAL STATE FUNDS	\$	<u><u>335,107</u></u>

See accompanying notes to schedule of federal and state funds and independent auditor's report.

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
NOTES TO THE SCHEDULE OF FEDERAL AND STATE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Federal and State Funds is prepared on the accrual basis of accounting which is the same basis used in the preparation of the financial statements.

See independent auditor's report.

**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
GOVERNMENT AUDITING STANDARDS**

The Board of Directors
Calhoun County Committee on Aging, Inc.
Grantsville, West Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Calhoun County Committee on Aging, Inc. (a nonprofit organization), which comprise the statement of financial position as of **September 30, 2023**, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 27, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Calhoun County Committee on Aging, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Calhoun County Committee on Aging, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Calhoun County Committee on Aging, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item #2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

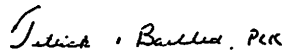
As part of obtaining reasonable assurance about whether Calhoun County Committee on Aging, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

Calhoun County Committee on Aging, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Calhoun County Committee on Aging, Inc.'s response to the finding identified in our audit and described in the accompanying schedule of findings and responses. Calhoun County Committee on Aging, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Clarksburg, West Virginia
August 27, 2024

**CALHOUN COUNTY COMMITTEE ON AGING, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

#2023-001 Segregation of Duties

Criteria: Analysis of the internal control system indicated a lack of segregation of duties.

Condition: Responsibilities of approval, execution, recording and custody associated with all financial transactions should be distributed among the accounting staff to the highest degree possible.

Cause: The Organization has a limited number of employees who are responsible for the approval, execution, recording and custody associated with all financial transactions. This limits the degree to which these responsibilities can be segregated.

Effect: Because of the lack of segregation of duties, internal control elements do not reduce to a relatively low level the risk that irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Recommendation: Responsibilities of approval, execution, recording and custody should be distributed among the office staff to the best degree possible. We recommend that management and the Board of Directors provide oversight and independent review functions and to continue exercising due diligence and professional skepticism in relation to the Committee's financial operations.

View of Responsible Officials and Planned Corrective Action: To the extent possible, the Organization has segregated the responsibilities of approval, execution, recording and custody associated with all financial transactions. Any further segregation of duties would not be economically feasible.

Status: This condition was reported as finding #2022-001 in the September 30, 2022 audit report.