

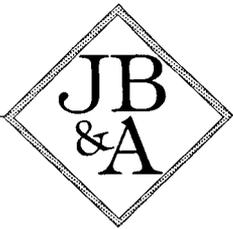
JACKSON COUNTY COMMISSION ON AGING, INC.

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

SEPTEMBER 30, 2012

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JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Jackson County Commission on Aging, Inc.
Ripley, West Virginia

We have audited the accompanying statements of financial position of Jackson County Commission on Aging, Inc. (a nonprofit organization) as of September 30, 2012, 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 audits.

We conducted our audits 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 audits 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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 Jackson County Commission on Aging, Inc. as of September 30, 2012, and the changes in its net assets and its cash flows for the year then ended, in conformity with auditing standards generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 10, 2013, on our consideration of Jackson County Commission on Aging, Inc.'s internal control over financial reporting and 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* and should be read in conjunction with this report in considering the results of our audit.

Buckhannon, West Virginia

June 10, 2013

**JACKSON COUNTY COMMISSION ON AGING, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2012**

ASSETS

Current Assets

Cash and cash equivalents	\$ 258,664
Accounts receivable, net	35,773
Grants receivable	28,608
Annuity - American Investors	63,605
Prepaid expenses	<u>7,331</u>

Total current assets 393,981

Property and Equipment

1,731,918

TOTAL ASSETS

\$ 2,125,899

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 6,622
Accrued wages payable	16,828
Accrued vacation	17,467
Payroll taxes payable	<u>1,279</u>

Total current liabilities 42,196

Net Assets

Unrestricted	351,785
Investments in fixed assets	<u>1,705,945</u>

Total unrestricted net assets 2,057,730

Temporarily restricted 25,973

Total net assets 2,083,703

TOTAL LIABILITIES AND NET ASSETS

\$ 2,125,899

The accompanying notes are an integral part of this statement

JACKSON COUNTY COMMISSION ON AGING, INC.
STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2012

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Federal financial assistance	\$ 147,759	\$	\$ 147,759
State grant allocations	545,061		545,061
Donations and match	41,193		41,193
County commission	14,777		14,777
Medicaid and waiver	87,147		87,147
Rental income	97,756		97,756
Project income	95,477		95,477
Interest income	3,280		3,280
Other	5,600		5,600
 Net assets released from restrictions:			
Restrictions released with time	19,457	(19,457)	
 Total Revenue and Support	1,057,507	(19,457)	1,038,050
 EXPENSES			
Program Services:			
Title III-B	83,194		83,194
Title III-D	2,706		2,706
Title III-E	16,473		16,473
Title III-C - congregate	140,325		140,325
Title III-C - home delivered	134,682		134,682
LIFE	120,976		120,976
Medicaid and waiver	166,663		166,663
Fair	37,887		37,887
Lighthouse	184,584		184,584
Aqua fitness	31,571		31,571
Elder abuse	469		469
Shine	4,854		4,854
Support Services:			
Management and general	125,304		125,304
 Total Expenses	1,049,688		1,049,688
 Change in Net Assets	7,819	(19,457)	(11,638)
 NET ASSETS AT BEGINNING OF YEAR	2,049,911	45,430	2,095,341
 NET ASSETS AT END OF YEAR	\$ 2,057,730	\$ 25,973	\$ 2,083,703

The accompanying notes are an integral part of this statement

**JACKSON COUNTY COMMISSION ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

	Title III-B	Title III-D	Title III-E	Title III-C		LIFE	Medicaid Waiver
				Congregate	Home Delivered		
Salaries and wages	\$ 52,811	\$ 1,176	\$11,564	\$ 52,397	\$ 49,044	\$ 59,608	\$129,421
Fringe benefits	13,450	132	1,353	11,363	8,138	10,695	18,739
Travel		265	213	1,089	749		12,536
Printing and supplies		1,133	830	947	942	5,821	86
Repairs and maintenance	5,257			6,678	549	19,764	215
Communications and utilities	1,369		2,218	23,089	6,692	5,519	2,510
Insurance			295			10,719	1,832
Professional services						4,000	
Rawfood				39,794	53,923		
Disposables				4,948	7,505		
Transportation costs	10,275				6,985	4,850	
Depreciation							
Other	32			20	155		1,324
Total Functional Expenses	\$ 83,194	\$ 2,706	\$16,473	\$ 140,325	\$ 134,682	\$120,976	\$166,663

**JACKSON COUNTY COMMISSION ON AGING, INC.
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

	<u>Fair</u>	<u>Lighthouse</u>	<u>Aqua Fitness</u>	<u>Elder Abuse</u>	<u>Shine</u>	<u>Admin General</u>	<u>Totals (Memorandum Only)</u>
Salaries and wages	\$32,445	\$141,412	\$12,608	\$	\$ 3,664	\$ 2,930	\$ 549,080
Fringe benefits	3,710	22,421	1,275		953	1,294	93,523
Travel	1,066	12,333				1,950	30,201
Printing and supplies		1,555	1,636	469		5,102	18,521
Repairs and maintenance		765	4,863			16,483	54,574
Communications and utilities	580	4,901	7,589		237	582	55,286
Insurance			3,600				16,446
Professional services						538	4,538
Rawfood							93,717
Disposables							12,453
Transportation costs							22,110
Depreciation						95,170	95,170
Other	86	1,197				1,255	4,069
Total Functional Expenses	<u>\$37,887</u>	<u>\$184,584</u>	<u>\$31,571</u>	<u>\$ 469</u>	<u>\$ 4,854</u>	<u>\$125,304</u>	<u>\$ 1,049,688</u>

The accompanying notes are an integral part of this statement.

**JACKSON COUNTY COMMISSION ON AGING, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (11,638)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	95,170
(Increase) decrease in operating assets:	
Accounts and grants receivable	(14,208)
Prepaid expenses	3,547
Increase (decrease) in operating liabilities:	
Accounts payable	(790)
Accrued wages payable	256
Accrued payroll taxes	<u>(3,675)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>68,662</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Fixed asset additions	(43,725)
Increase in annuity	<u>(2,770)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(46,495)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

	<u> </u>
NET CASH USED IN FINANCING ACTIVITIES	<u> </u>

Increase in cash and cash equivalents	22,167
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CASH AND CASH EQUIVALENTS, beginning of year	<u>236,497</u>
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CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 258,664</u></u>
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The accompanying notes are an integral part of this statement

**JACKSON COUNTY COMMISSION ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS**

NOTE 1. NATURE OF OPERATIONS

Jackson County Commission on Aging, Inc. is a non-profit organization which provides services to low income individuals and families in Jackson County, West Virginia. Jackson County Commission on Aging, Inc.'s headquarters are located in Ripley, West Virginia.

The objectives of Jackson County Commission on Aging, Inc. are to:

Establish, conduct, implement, operate, coordinate and finance programs for the benefit of the low-income, minority, elderly, disadvantaged and handicapped citizens of Jackson County in the fields of education, economics, health recreation, natural planning, transportation, industrial and business development, and other social and public welfare programs;

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 Jackson County;

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 and coordinating and financing of said programs for the benefit of low-income minority, elderly, disadvantaged and handicapped citizens of Jackson County;

Act as a "community focal point" in Jackson County for the coordination of the broadest range of services to benefit the low-income, minority, elderly, disadvantaged and handicapped citizens of Jackson County;

Develop and administer multi-purpose senior citizens and a network of satellite centers in Jackson County;

Develop and promote cooperative relationships between Jackson County Commission on Aging, 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 Jackson County; and

Develop and administer such rules, policies, procedures and guidelines as may be necessary to carry out the above objectives consistent with local, state and federal laws and grant and contract agreements entered into by the organization.

**JACKSON COUNTY COMMISSION ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Assets, liabilities, revenues and expenses are recognized on the accrual basis of accounting. Under the accrual basis of accounting, revenue is recognized when earned and expenses are recognized as they are incurred.

Property and Depreciation

It is the Organization's policy to capitalize property and equipment with cost criteria greater than \$2,500. All items below this threshold are expensed when purchased. Property and equipment are depreciated using the straight line method. The estimated useful lives of the related assets are as follows:

Building	39 years
Equipment	5 - 10 years
Vehicles	5 years

Maintenance and Repairs

Minor renewals and replacements are charged against income-major renewals and replacements are charged to appropriate asset accounts.

Income Tax

Jackson County Commission on Aging, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. However, certain activities are considered unrelated to the Organization's exempt purpose and the Organization reports those activities as unrelated business income. As such, the Organization, if necessary, will record a provision for federal income taxes.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, are generally subject to examination by the Internal Revenue Service for three years after they are filed.

Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**JACKSON COUNTY COMMISSION ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activity. Accordingly, all costs have been allocated among the programs. No Schedule of Functional Expenses is provided because substantially all cost is considered to be part of program cost.

Accrued Vacation

In accordance with the Organization's personnel policies, employees earn vacation time throughout the year. Vacation time earned but not taken at the time of an employee's termination will be paid to the employee. Therefore, all unpaid vacation expense as of the end of each fiscal year is accrued under the rules of a vested plan.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. At September 30, 2012 the Organization had unrestricted and temporarily restricted net assets and did not have any permanently restricted net assets.

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.

Inventory

In accordance with grant award budgets approved by funding sources, inventory is recorded at cost as an asset in the period during which it is purchased.

Donated Services, Space and Other

Donated hourly services are valued at the federal 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 agreements.

**JACKSON COUNTY COMMISSION ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising

The Organization uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed as incurred.

NOTE 3. CONTINGENCIES

Jackson County Commission on Aging, Inc, receives a substantial amount of support from federal, state, and local governments. A significant reduction in the level of this support, if such were to occur, would have a material effect on the Organization's programs and activities.

NOTE 4. ACCOUNTS AND GRANTS RECEIVABLE

Accounts and grants receivable consist of the following at September 30, 2012:

Accounts receivable	\$ 35,773
Grants receivable	28,608

Total	\$ 64,381

NOTE 5. PROPERTY AND EQUIPMENT

A summary of the components of property and equipment as of September 30, 2012, is as follows:

Land	\$ 201,566
Buildings and Improvements	2,257,802
Equipment	92,306
Vehicles	224,209

Total	2,775,883
Less: Accumulated Depreciation	(1,043,965)

Total property and equipment	\$ 1,731,918

Depreciation expense for the year ended September 30, 2012 was \$95,170.

**JACKSON COUNTY COMMISSION ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

NOTE 6. OPERATING LEASE

The Organization leases the building and land associated with the Sandyville senior center. This lease was entered into on January 1, 1995, and is for a period of fifty (50) years ending December 31, 2044. Intent to terminate the lease must be made known at least 30 days prior to the first day of each calendar year. The base rent for the premises is set at \$1 per year. Lease expense was \$1 for the year ended September 30, 2012.

The following is a schedule of future minimum lease payments required under the Organization's operating lease:

2013	\$ 1
2014	1
2015	1
2016	1
2017	1
Thereafter	27
Total	----- \$ 32 =====

NOTE 7. CONCENTRATIONS OF CREDIT RISK

Cash

The Organization maintains cash balances in checking and savings accounts at various banks throughout the region in which it operates. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At September 30, 2012, deposits in any one financial institution did not exceed \$250,000.

Funds Receivable

The Organization provides various services to the elderly and low-income individuals in Jackson 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.

**JACKSON COUNTY COMMISSION ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

NOTE 8. CONTINGENT LIABILITIES

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

NOTE 9. MATCHING FUNDS

During the year ended September 30, 2012, the Organization received unrestricted monies from the County Commission that were used as matching funds for the Title IIIB & Title IIIE grant awards. These matching funds are as follows:

Title IIIB	\$ 2,485
Title IIID	183
Title IIIE	4,118

Total	\$ 6,786
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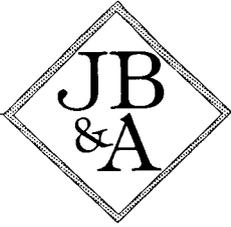
NOTE 10. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at September 30, 2012, consist of vehicles acquired with grant funds whose title will revert to the grantor unless the vehicles are used for 5 years or 100,000 miles. Amount so restricted at September 30, 2012, was \$25,973.

NOTE 11. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 10, 2013 the date on which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION



JOHN BURDETTE & ASSOCIATES

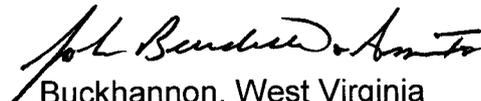
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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors
Jackson County Commission on Aging, Inc.
Ripley, West Virginia

Our report on our audit of the basic financial statements of the Jackson County Commission on Aging, Inc. for the year ended September 30, 2012 appears on page 1. 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 10, 2013

**JACKSON COUNTY COMMISSION ON AGING, INC.
SCHEDULE OF REVENUES AND SUPPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

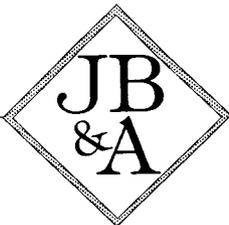
	Title III-B	Title III-D	Title III-E	Title III-C		LIFE
				Congregate	Home Delivered	
Federal financial assistance	\$ 41,862	\$ 2,025	\$ 12,355	\$ 38,844	\$ 47,350	\$
State grant	29,834	174		39,423	39,423	201,981
State LIFE allocated	5,973			30,009	26,703	(80,637)
State Governor's Partnership Donations and match		183	4,118			
County Commission Medicaid Waiver	2,485					
Project income	3,042	323		31,651	18,910	
Interest income						
Rent income						
Total Revenue and Support	83,196	2,705	16,473	139,927	132,386	121,344
Functional Expenses	83,194	2,706	16,473	140,325	134,682	120,976
Less: Depreciation						
Add: Capital Expenditures						
Total Expenditures	83,194	2,706	16,473	140,325	134,682	120,976
Net Revenue (Expenditures)	\$ 2	\$ (1)	\$	\$ (398)	\$ (2,296)	\$ 368

**JACKSON COUNTY COMMISSION ON AGING, INC.
SCHEDULE OF REVENUES AND SUPPORT (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

Medicaid Waiver	Fair	Lighthouse	Aqua Fitness	Elder Abuse	Shine	Other	Total (Memorandum Only)
\$	\$	\$	\$	\$ 469	\$ 4,854	\$	\$ 147,759
	34,419	165,871 17,952					511,125
			19,801			33,936	33,936
						17,091	41,193
						12,292	14,777
87,147							87,147
97,756							97,756
	3,905	15,091	22,555				95,477
						3,280	3,280
						5,600	5,600
<u>184,903</u>	<u>38,324</u>	<u>198,914</u>	<u>42,356</u>	<u>469</u>	<u>4,854</u>	<u>72,199</u>	<u>1,038,050</u>
166,663	37,887	184,584	31,571	469	4,854	125,304	1,049,688
						(95,170)	(95,170)
						43,725	43,725
<u>166,663</u>	<u>37,887</u>	<u>184,584</u>	<u>31,571</u>	<u>469</u>	<u>4,854</u>	<u>73,859</u>	<u>998,243</u>
<u>\$ 18,240</u>	<u>\$ 437</u>	<u>\$ 14,330</u>	<u>\$ 10,785</u>	<u>\$</u>	<u>\$</u>	<u>\$ (1,660)</u>	<u>\$ 39,807</u>

**JACKSON COUNTY COMMISSION ON AGING, INC.
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012**

	<u>Grant Period</u>	<u>Grant Identificaiton Number</u>	<u>State Expenditures</u>
Direct Programs:			
WV Bureau of Senior Services			
Community Partnership Grants	June 30, 2012	SC21236	\$ 16,062
Community Partnership Grants	June 30, 2012	SC21293	1,200
Community Partnership Grants	June 30, 2012	SC21236A	15,000
Community Partnership Grants	June 30, 2012	SC21290	<u>1,674</u>
Total Direct Programs			<u>33,936</u>
Pass through Awards			
WVSC Metro Area Agency on Aging			
IIIB State	June 30, 2012	21236	29,834
IIIC-1	June 30, 2012	2913	39,423
IIIC-2	June 30, 2012	2913	39,423
IIID	June 30, 2012	21236	174
LIFE	June 30, 2012	21203	187,915
LIFE	June 30, 2013	21303	14,066
Lighthouse	June 30, 2012	21250	128,464
Lighthouse - Data Entry	June 30, 2012	21250	4,017
Lighthouse	June 30, 2013	21350	32,128
Lighthouse - Data Entry	June 30, 2013	21350	1,262
FAIR	June 30, 2012	21250	25,718
FAIR	June 30, 2013	21350	<u>8,701</u>
Total pass-through awards			<u>511,125</u>
TOTAL EXPENDITURES OF STATE AWARDS			<u><u>\$ 545,061</u></u>



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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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
Jackson County Commission on Aging, Inc.
Ripley, West Virginia

We have audited the financial statements of Jackson County Commission on Aging, Inc. (a nonprofit organization) as of and for the year ended September 30, 2012, and have issued our report thereon dated June 10, 2013. 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 Jackson County Commission on Aging, 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 Jackson County Commission on Aging, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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.

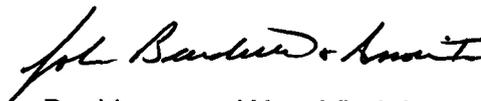
Our *consideration of internal control over financial reporting* was for the limited purpose described in the first paragraph of this section and was not designated to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material 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

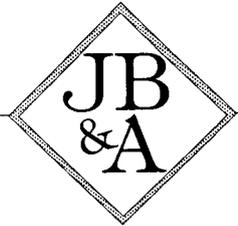
As part of obtaining reasonable assurance about whether Jackson County Commission on Aging, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could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

We noted certain other matters that we reported to management of Jackson County Commission on Aging, Inc. in a separate letter dated June 10, 2013.

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-thru entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "John Bandura".

Buckhannon, West Virginia
June 10, 2013



JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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

MANAGEMENT LETTER

To the Board of Directors
and Senior Management
Jackson County Commission on Aging, Inc.
Ripley, West Virginia

In planning and performing our audit of the financial statements of Jackson County Commission on Aging, Inc. for the year ended September 30, 2012, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

However, during our audit we became aware of some matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. A separate letter dated June 10, 2013 contains our communication of significant deficiencies or material weaknesses in the Organization's internal control. This letter does not affect our report dated June 10, 2013, on the financial statements of Jackson County Commission on Aging, Inc.

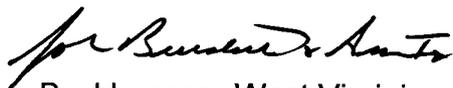
We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various Organization personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or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

Organizational Structure

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

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

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

A handwritten signature in black ink, appearing to read "for Buckhannon, West Virginia".

Buckhannon, West Virginia
June 10, 2013