

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

FINANCIAL STATEMENTS - MODIFIED CASH BASIS
AND ADDITIONAL INFORMATION

June 30, 2013

With Independent Auditor's Report Thereon

DAVID L. HOWELL, CPA
200 UPPER KANAWHA VALLEY WAY
CABIN CREEK, WEST VIRGINIA 25035

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Financial Statements - Modified Cash Basis

June 30, 2013

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Independent Auditor's Report

The Board of Directors
Boone County Community Organization Association, Inc.:

We have audited the accompanying financial statements of Boone County Community Organization Association, Inc. (BCCO) (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets-modified cash basis as of June 30, 2013, and the related statement of support, revenue, and expenses-modified cash basis for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we

express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of BCCO as of June 30, 2013, and its support, revenue, and expenses for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.



David L. Howell, CPA
Cabin Creek, West Virginia
December 12, 2013

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Statement of Net Assets - Modified Cash Basis

June 30, 2013

Assets

Current Assets:

Cash \$ 740,313

Restricted current assets:

Cash 261,329

Total Current Assets \$ 1,001,642

Liabilities and Net Assets

Liabilities:

Payroll taxes withheld and accrued \$ 89,953

Net Assets 911,689

\$ 1,001,642

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Statement of Support, Revenue, Expenses and Changes in Net Assets -
Modified Cash Basis

Year Ended June 30, 2013

	CSBG	Title III-B	Title III-C	Title III-D
Support and Revenue:				
Federal	\$ -	58,295	227,189	556
State	-	-	-	-
Medicaid	-	-	-	-
Medicaid waiver	-	-	-	-
Boone County Commission	-	6,500	30,000	-
County tax levy	-	-	-	-
Project income	-	6,227	51,180	-
In-kind	-	5,821	39,530	299
Interest	-	-	-	-
Other	-	300	20,897	-
Total support and revenue	-	77,143	368,796	855
Expenses:				
Salaries	-	48,030	110,270	-
Fringe benefits	-	11,072	6,636	-
Payroll taxes	-	6,251	14,392	-
In-kind	-	5,821	39,530	382
Budget digest	-	-	-	-
Accounting and audit	-	500	-	-
Contracted services	-	850	-	-
Equipment	-	-	-	-
Repairs and maintenance	-	-	-	-
Insurance	-	1,200	-	-
Materials and supplies	-	-	-	-
Utilities	-	-	1,230	-
Telephone	-	-	1,090	-
Postage	-	-	-	-
Dues and registration	-	-	-	-
Office supplies	-	1,652	26	-
Food and products	-	-	235,156	-
Health fair	-	-	-	648
Travel	-	652	243	-
Employee Training	-	-	-	-
Fuel and maintenance - vehicles	-	-	-	-
Miscellaneous	-	-	-	-
Emergency assistance	-	-	-	-
Total expenses	-	76,028	408,573	1,030
Excess of support and revenue over (under) expenses	-	1,115	(39,777)	(175)
Transfers in (out)	27,144	-	-	-
Net assets, beginning	(27,144)	(13,390)	255,864	(1,374)
Net assets, ended	\$ -	(12,275)	216,087	(1,549)

See accompanying notes to financial statements.

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Statement of Support, Revenue, Expenses and Changes in Net Assets -
Modified Cash Basis (Continued)

Year Ended June 30, 2013

	Title III-E	Title III-F	LIFE	Shine	Medicaid Waiver
Support and Revenue:					
Federal	\$ 11,075	1,693	-	4,024	-
State	-	220	176,474	-	-
Medicaid	-	-	-	-	-
Medicaid waiver	-	-	-	-	264,011
Boone County Commission	-	-	-	-	-
County tax levy	-	-	-	-	-
Project income	-	-	-	-	-
In-kind	3,825	83	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
Total support and revenue	14,900	1,996	176,474	4,024	264,011
Expenses:					
Salaries	18,476	-	86,623	3,545	248,100
Fringe benefits	2,206	-	13,347	456	19,594
Payroll taxes	2,425	-	11,485	448	32,745
In-kind	3,825	83	-	-	-
Budget digest	-	-	-	-	-
Accounting and audit	-	-	3,222	-	500
Contracted services	-	-	5,342	-	355
Equipment	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Insurance	-	-	16,060	-	2,500
Materials and supplies	-	-	-	-	633
Utilities	-	-	-	-	-
Telephone	-	-	5,802	-	873
Postage	-	-	1,410	-	-
Dues and registration	-	-	2,627	-	-
Office supplies	-	-	3,332	-	325
Food and products	-	-	-	-	-
Health fair	-	-	-	-	-
Travel	-	-	6,768	-	7,653
Employee Training	-	-	77	-	490
Fuel and maintenance - vehicles	-	-	8,169	-	-
Miscellaneous	-	-	-	-	7
Emergency assistance	-	-	-	-	-
Total expenses	26,932	83	164,264	4,449	313,775
Excess of support and revenue over (under) expenses	(12,032)	1,913	12,210	(425)	(49,764)
Transfers in (out)	-	-	-	-	-
Net assets, beginning	(12,202)	(1,365)	325	(2,664)	240,250
Net assets, ended	\$ (24,234)	548	12,535	(3,089)	190,486

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Statement of Support, Revenue, Expenses and Changes in Net Assets -
Modified Cash Basis (Continued)

Year Ended June 30, 2013

	<u>Medicaid</u>	<u>Lighthouse</u>	<u>United Way</u>	<u>Neediest Cases</u>
Support and Revenue:				
Federal	\$ -	-	-	-
State	-	141,685	-	-
Medicaid	141,705	-	-	-
Medicaid waiver	-	-	-	-
Boone County Commission	-	12,000	-	-
County tax levy	-	-	-	-
Project income	-	-	-	-
In-kind	-	-	-	-
Interest	-	-	-	-
Other	-	9,691	8,390	13,104
Total support and revenue	141,705	163,376	8,390	13,104
Expenses:				
Salaries	117,470	131,877	-	-
Fringe benefits	13,068	17,610	-	-
Payroll taxes	15,591	-	-	-
In-kind	-	-	-	-
Budget digest	-	-	-	-
Accounting and audit	500	500	-	-
Contracted services	250	-	-	-
Equipment	-	-	-	-
Repairs and maintenance	-	-	-	-
Insurance	1,250	-	-	-
Materials and supplies	533	719	-	-
Utilities	-	-	-	-
Telephone	749	96	-	-
Postage	-	-	-	-
Dues and registration	-	-	-	-
Office supplies	225	-	-	-
Food and products	-	-	-	-
Health fair	-	-	-	-
Travel	1,357	666	-	-
Employee Training	347	795	-	-
Fuel and maintenance - vehicles	-	-	-	-
Miscellaneous	7	36	-	-
Emergency assistance	-	-	11,461	13,104
Total expenses	151,347	152,299	11,461	13,104
Excess of support and revenue over (under) expenses	(9,642)	11,077	(3,071)	-
Transfers in (out)	-	-	-	-
Net assets, beginning	82,127	194,835	29,610	1
Net assets, ended	\$ 72,485	205,912	26,539	1

See accompanying notes to financial statements.

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Statement of Support, Revenue, Expenses and Changes in Net Assets -
Modified Cash Basis (Continued)

Year Ended June 30, 2013

	WIA	FAIR	Elder Abuse	Transportation
Support and Revenue:				
Federal	\$ -	-	437	-
State	-	-	-	-
Medicaid	-	-	-	-
Medicaid waiver	-	-	-	-
Boone County Commission	-	-	-	-
County tax levy	-	-	-	-
Project income	-	-	-	-
In-kind	-	-	-	-
Interest	-	-	-	-
Other	-	62,820	-	-
Total support and revenue	-	62,820	437	-
Expenses:				
Salaries	-	44,001	-	8,225
Fringe benefits	-	1,876	-	1,614
Payroll taxes	-	5,950	-	1,116
In-kind	-	-	-	-
Budget digest	-	-	-	-
Accounting and audit	-	500	-	-
Contracted services	-	-	-	-
Equipment	-	-	-	-
Repairs and maintenance	-	-	-	-
Insurance	-	-	-	-
Materials and supplies	-	650	-	-
Utilities	-	-	-	-
Telephone	-	67	-	-
Postage	-	-	-	-
Dues and registration	-	-	-	-
Office supplies	-	-	-	-
Food and products	-	-	-	-
Health fair	-	-	-	-
Travel	-	403	437	-
Employee Training	-	749	-	-
Fuel and maintenance - vehicles	-	-	-	-
Miscellaneous	-	-	-	-
Emergency assistance	-	-	-	-
Total expenses	-	54,196	437	10,955
Excess of support and revenue over (under) expenses	-	8,624	-	(10,955)
Transfers in (out)	340	-	-	-
Net assets, beginning	(340)	65,571	-	(39,020)
Net assets, ended	\$ -	74,195	-	(49,975)

See accompanying notes to financial statements.

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Statement of Support, Revenue, Expenses and Changes in Net Assets -
Modified Cash Basis (Continued)

Year Ended June 30, 2013

	<u>General</u>	<u>Total</u>
Support and Revenue:		
Federal	\$ -	303,269
State	8,250	326,629
Medicaid	-	141,705
Medicaid waiver	-	264,011
Boone County Commission	5,550	54,050
County tax levy	178,548	178,548
Project income	-	57,407
In-kind	-	49,558
Interest	936	936
Other	5,657	120,859
Total support and revenue	<u>198,941</u>	<u>1,496,972</u>
Expenses:		
Salaries	103,721	920,338
Fringe benefits	14,666	102,145
Payroll taxes	13,621	104,024
In-kind	-	49,641
Budget digest	5,525	5,525
Accounting and audit	2,000	7,722
Contracted services	16,220	23,017
Equipment	1,012	1,012
Repairs and maintenance	1,022	1,022
Insurance	9,618	30,628
Materials and supplies	560	3,095
Utilities	-	1,230
Telephone	4,544	13,221
Postage	-	1,410
Dues and registration	881	3,508
Office supplies	1,375	6,935
Food and products	88	235,244
Health fair	-	648
Travel	213	18,392
Employee Training	-	2,458
Fuel and maintenance - vehicles	17,465	25,634
Miscellaneous	5,828	5,878
Emergency assistance	3,743	28,308
Total expenses	<u>202,102</u>	<u>1,591,035</u>
Excess of support and revenue over (under) expenses	(3,161)	(94,063)
Transfers in (out)	(27,484)	-
Net assets, beginning	<u>234,668</u>	<u>1,005,752</u>
Net assets, ended	<u>\$ 204,023</u>	<u>911,689</u>

See accompanying notes to financial statements.

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Notes to Financial Statements

Year Ended June 30, 2013

(1) Summary of Significant Accounting Policies

Organization

Boone County Community Organization Association, Inc. (the "Association") is a non-profit association organized to carry out community action programs which are generally funded by federal, state and local agencies. Grants received by the Association from funding agencies usually require compliance with prescribed grant conditions and other special requirements, including the furnishing of certain amounts of cash and noncash contributions. The Association provides services designed to combat problems of poverty and to seek elimination or reduction of conditions of poverty.

Basis of Presentation

The accounts of the Association are maintained, and the accompanying financial statements are presented on the Modified Cash Basis of accounting. The modified cash basis of accounting differs from generally accepted accounting principles since it requires support and revenue to be recorded when received rather than when earned and expenses to be recorded when paid rather than incurred, except that in-kind contributions are recorded as both support and expense in the year rendered. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

Income Tax Status

Under provisions of the Internal Revenue Code, Section 501C (3), and the applicable income tax regulations of the State of West Virginia, the Association is exempt from taxes on income other than unrelated business income. The Association had no net unrelated business income during the year ended June 30, 2013.

Property and Equipment

Property and equipment are recorded as expenses at the time of purchase.

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Notes to Financial Statements (Continued)

In-Kind Contributions

In-kind contributions for donated office space are recognized in the year rendered. Such contributions are recorded based upon estimated fair market rental rates.

(2) Cash

At June 30, 2013, Cash consisted of:

Petty cash	\$ 1,100
Checking and savings accounts	<u>1,000,542</u>
Total cash	<u>\$ 1,002,742</u>

Certain cash amounts are restricted by grantors for use in specific programs according to program purposes. At June 30, 2013, such cash balances were restricted as follows:

Title III-B	\$ 10,481
Title III-C	222,485
Title III-D	618
Title III-E	(5,944)
Title III-F	(2,914)
CSBG	(29,552)
LIFE	19,273
Respite	73,945
SHINE	(1,870)
Transportation	(49,976)
United Way	<u>24,783</u>
Total restricted cash	<u>\$ 261,329</u>

The Association had \$1,002,742 on deposit with various banks, all of which was insured by FDIC or fully collateralized at June 30, 2013.

(4) Contingent Liabilities

The Association'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 requests 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.

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Notes to Financial Statements (Continued)

(5) Concentrations of Revenue Sources

Approximately 39% of the Association's total support is provided by Medicaid programs.

**ADDITIONAL INFORMATION - MODIFIED CASH
BASIS**

Independent Auditor's Report on Additional Information

The Board of Directors
Boone County Community Organization Association, Inc.:

We have audited the financial statements - modified cash basis of Boone County Community Organization Association, Inc. (BCCO) as of and for the year ended June 30, 2013, and have issued our report thereon dated December 12, 2013, which contained an unmodified opinion on those modified cash basis financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Revenues and Expenses on page XX through XX are presented for the purposes of additional analysis and is not a required part of the modified cash basis financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

David L. Howell, CPA

David L. Howell, CPA
Cabin Creek, West Virginia
December 12, 2013

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Schedule of Revenues and Expenses - Legislative Initiative for
the Elderly

Grant Year Ended June 30, 2013

Revenues:	
LIFE revenues	\$ 176,474
Expenses:	
Salaries	86,623
Payroll taxes	6,627
Workers' compensation	3,989
Unemployment	869
Employee benefits	13,347
Accounting and auditing	3,222
Travel in community	3,753
Computer support	5,342
Dues and registrations	2,627
Telephone	5,802
Liability insurance	2,060
Office supplies	3,332
Postage	1,410
Employee training	77
Vehicle insurance	14,000
Gas and oil	8,169
Title V, mileage	<u>3,015</u>
Total expenses	<u>164,264</u>
Excess of revenues over/(under) expenses	<u>\$ 12,210</u>

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Schedule of Revenues and Expenses - Title III-B

Grant Year Ended September 30, 2012

Revenues:	
Federal	\$ 60,937
Project income	7,828
In-kind	<u>5,821</u>
Total revenues	74,586
Expenses:	
Salaries	46,072
Payroll taxes	3,525
Worker's compensation	2,127
Unemployment	361
Employee benefits	12,204
Accounting and auditing	500
Travel in community	906
Computer support	2,050
Liability insurance	1,200
Office supplies	1,888
In-kind space	<u>5,821</u>
Total expenses	<u>76,654</u>
Excess of revenues over/(under) expenses	<u>\$ (2,068)</u>

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Schedule of Revenues and Expenses - Title III-C

Grant Year Ended September 30, 2012

	C-1 Congregate	C-2 Home Delivered	<u>Total</u>
Revenues:			
Federal and state	\$ 87,413	136,724	224,137
Project income	<u>31,067</u>	<u>17,831</u>	<u>48,898</u>
Total revenues	118,480	154,555	273,035
Total expenses:			
Salaries	43,042	51,095	94,137
Payroll taxes	3,293	3,909	7,202
Workers'			
compensation	1,963	2,335	4,298
Unemployment	368	520	888
Employee benefits	3,649	3,649	7,298
Travel in community	91	224	315
Utilities	1,232		1,232
Raw food	77,814	88,061	165,875
Disposable products	3,063	5,953	9,016
Telephone	423	661	1,084
Office supplies	13	13	26
Supplies	1,692	2,752	4,444
Equipment purchases	<u>-</u>	<u>224</u>	<u>224</u>
Total expenses	<u>134,643</u>	<u>159,396</u>	<u>296,039</u>
Excess of revenues over /(under) expenses	<u>\$ (16,163)</u>	<u>(4,841)</u>	<u>(23,004)</u>

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Schedule of Revenues and Expenses - Title III-D

Grant Year Ended September 30, 2012

Revenues:	
Federal	\$ 1,693
State	220
In-kind	<u>299</u>
Total revenues	2,212
Expenses:	
Health fair	1,913
In-kind space	<u>299</u>
Total expenses	<u>2,212</u>
Excess of revenues over/(under) expenses	<u>\$ -</u>

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Schedule of Revenues and Expenses - Title III-E

Grant Year Ended September 30, 2012

Revenues:	
Federal	\$ 11,474
In-kind	<u>3,825</u>
Total revenues	15,299
Expenses:	
Salaries	15,797
Payroll taxes	1,208
Worker's compensation	719
Unemployment	137
Employee benefits	2,356
In-kind space	<u>3,825</u>
Total expenses	<u>24,042</u>
Excess of revenues over/(under) expenses	<u>\$ (8,743)</u>

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Schedule of Revenues and Expenses - Medication Management

Grant Year Ended September 30, 2012

Revenues:	\$ 473
Federal	<u>83</u>
In-kind	
Total revenues	556
Expenses:	
Health fair	473
In-kind space	<u>83</u>
Total expenses	<u>556</u>
Excess of revenues over/(under) expenses	<u>\$ -</u>

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Schedule of Revenues and Expenses - Elder Abuse

Grant Year Ended September 30, 2012

Revenues:	
Federal	\$ 437
Expenses:	
Travel in community	<u>437</u>
Excess of revenues over/(under) expenses	<u>\$ -</u>

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Schedule of Revenues and Expenses - Health Benefit Counseling

Grant Year Ended March 31, 2013

Revenue:	
Federal	\$ 4,000
Expenses:	
Salaries	3,545
Payroll taxes	271
Worker's compensation	161
Unemployment	16
Employee benefits	<u>456</u>
Total expenses	<u>4,449</u>
Excess of revenues over/(under) expenses	<u>\$ (449)</u>

**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
Boone County Community Organization Association, Inc.:

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 Boone County Community Organization Association, Inc. (BCCO) (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets-modified cash basis as of June 30, 2013, and the related statement of support, revenue, and expenses-modified cash basis for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 12, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered BCCO's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of BCCO's internal control. Accordingly, we do not express an opinion on the effectiveness of BCCO's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether BCCO's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing 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.



David L. Howell, CPA
Cabin Creek, West Virginia
December 12, 2013

BOONE COUNTY COMMUNITY ORGANIZATION ASSOCIATION, INC.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2013

COMPLIANCE WITH LAWS AND REGULATIONS

NONE

QUESTIONED COSTS

NONE