

KANAWHA VALLEY SENIOR SERVICES, INC.

**FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION**

YEARS ENDED SEPTEMBER 30, 2014 AND 2013

WITH

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Kanawha Valley Senior Services, Inc.
Charleston, West Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of Kanawha Valley Senior Services, Inc. (KVSS), a nonprofit organization, which comprise the statements of financial position as of September 30, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of KVSS as of September 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Federal, State and Other Support, Expenditures and Changes in Net Assets on pages 16 – 17 and the Schedule of Direct State Grant Awards on page 18 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2015 on our consideration of KVSS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering KVSS's internal control over financial reporting and compliance.



Charleston, West Virginia
January 20, 2015

KANAWHA VALLEY SENIOR SERVICES, INC.
 STATEMENTS OF FINANCIAL POSITION
 SEPTEMBER 30, 2014 AND 2013

	2014	2013
ASSETS		
Current assets		
Cash and cash equivalents	\$ 926,916	\$ 1,048,215
Client service receivables, less allowance for uncollectable accounts	297,185	226,639
Grants receivable	126,402	126,225
Other current assets	18,217	20,144
Total current assets	1,368,720	1,421,223
Property and equipment, less accumulated depreciation	1,103,310	1,116,375
Other noncurrent assets	150,429	46,795
Total noncurrent assets	1,253,739	1,163,170
Total assets	\$ 2,622,459	\$ 2,584,393
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 42,537	\$ 88,635
Accrued liabilities	173,359	166,864
Refundable advances	111,296	124,644
Total current liabilities	327,192	380,143
Noncurrent liabilities		
Other post employment benefits	714,752	696,124
Total liabilities	1,041,944	1,076,267
Net assets		
Unrestricted	1,580,515	1,508,126
Total net assets	1,580,515	1,508,126
Total liabilities and net assets	\$ 2,622,459	\$ 2,584,393

The Accompanying Notes Are An Integral
 Part Of These Financial Statements

KANAWHA VALLEY SENIOR SERVICES, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED SEPTEMBER 30, 2014 AND 2013

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	<u>2014</u>	<u>2013</u>
Changes in unrestricted net assets		
Support and revenue		
Federal support	\$ 278,185	\$ 237,199
State support	1,522,139	1,654,579
Client service revenue	1,227,053	1,300,821
Other	<u>66,376</u>	<u>68,455</u>
Total support and revenue	<u>3,093,753</u>	<u>3,261,054</u>
Expenses		
Salaries and wages	1,958,203	1,970,393
Payroll taxes and fringes	382,571	373,463
Insurance	18,467	19,233
Office expense	125,778	115,736
Program costs	126,609	164,192
Rent	21,076	21,076
Depreciation	94,498	82,156
Printing and publications	19,615	28,675
Travel	82,527	86,578
Equipment	9,441	5,054
Repairs and maintenance	13,875	24,967
Vehicles	41,215	50,754
Contractual services	78,255	154,357
Miscellaneous expense	<u>30,606</u>	<u>36,239</u>
Total operating expenses	<u>3,002,736</u>	<u>3,132,873</u>
Operating income	91,017	128,181
Non-operating other post employment benefits (OPEB) expense	<u>18,628</u>	<u>12,881</u>
CHANGE IN UNRESTRICTED NET ASSETS	72,389	115,300
Net assets, beginning of year	<u>1,508,126</u>	<u>1,392,826</u>
Net assets, end of year	<u><u>\$ 1,580,515</u></u>	<u><u>\$ 1,508,126</u></u>

The Accompanying Notes Are An Integral
Part Of These Financial Statements

KANAWHA VALLEY SENIOR SERVICES, INC
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Cash flows from operating activities		
Change in net assets	\$ 72,389	\$ 115,300
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	94,498	82,156
Loss on disposal of assets	52	2,650
(Increase) decrease in assets		
Client service receivables	(70,546)	146,006
Grants receivable	(177)	(34,324)
Other current assets	1,927	1,276
Other noncurrent assets	(103,634)	(161)
Increase (decrease) in liabilities		
Accounts payable	(46,098)	99,976
Accrued liabilities	6,495	(7,615)
Refundable advances	(13,348)	(8,880)
Other post employment benefits	18,628	12,881
Net cash provided (used) by operating activities	(39,814)	409,265
Cash flows from investing activities		
Cash purchases of property and equipment	(81,485)	(150,337)
Net cash provided (used) by investing activities	(81,485)	(150,337)
Net increase (decrease) in cash and cash equivalents	(121,299)	258,928
Cash and cash equivalents, beginning of year	1,048,215	789,287
Cash and cash equivalents, end of year	\$ 926,916	\$ 1,048,215

The Accompanying Notes Are An Integral
Part Of These Financial Statements

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS - Kanawha Valley Senior Services, Inc. (KVSS) is a nonprofit organization located in Charleston, West Virginia created to provide programs to serve the elderly of the Kanawha Valley. The primary sources of support and revenue are fees for services provided and grants.

TEMPORARILY RESTRICTED NET ASSETS - The temporarily restricted category is comprised of funds whose use has been limited by donors to a specific time period and/or purpose. KVSS had no temporarily restricted net assets at September 30, 2014 or 2013.

UNRESTRICTED NET ASSETS - Unrestricted net assets are comprised of funds whose use is limited only to the extent that the organization's by-laws limit the activities of the organization. Contributions with donor-imposed restrictions that are met in the same year in which the contribution is recognized are reported as changes in unrestricted net assets.

USE OF 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.

REVENUE RECOGNITION - Contributions and grants with donor imposed conditions are reported as revenue when qualifying expenses have been incurred or other conditions have been met. Cash received but not yet expended for these conditional grants is recorded as refundable advances. Unrestricted grants and contributions are recorded as revenue in the period received.

PROPERTY AND EQUIPMENT - Property and equipment with a cost of \$1,000 or more are capitalized at cost and depreciated over the estimated useful lives of the assets. Useful lives are 3 to 7 years for office equipment and vehicles, 20 years for building improvements, and 39 years for buildings.

INCOME TAXES - KVSS is a nonprofit corporation classified under Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes derived from its nonprofit activities. The Internal Revenue Service has classified KVSS as a publicly supported organization, which is not a private foundation. Accordingly, no provision for income taxes has been recorded.

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

KVSS has adopted ASC Topic 740-10, *Accounting for Uncertainty in Income Taxes*, which prescribes a recognition threshold and measurement attribute for financial statement recognitions and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examinations by taxing authorities. For the year ended September 30, 2014, KVSS has no material uncertain tax positions to be accounted for in the financial statements under the new rules. KVSS recognizes interest and penalties, if any, related to unrecognized tax benefits in interest expense. KVSS returns for years ending on or after September 30, 2011 remain subject to examination.

CONTRIBUTED SERVICES - Contributions of services are recognized if the services received create or enhance nonfinancial assets, or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services and promises to give services that do not meet the above criteria are not recognized. Contributed services which are recognized are valued at the estimated cost that would have been incurred by KVSS to purchase similar services.

CASH AND CASH EQUIVALENTS - For purposes of the statements of cash flows, cash and cash equivalents include cash deposits in bank accounts and investments in highly liquid debt instruments with a maturity of three months or less.

CLIENT SERVICE RECEIVABLES - KVSS provides service programs for eligible seniors requiring in-home health related services and transportation to specific services. Caregiver programs are also provided to those who have a family member to whom they provide care. These services are reimbursable by Medicaid based on prospectively determined per diem rates. Services billed by KVSS are subject to adjustment by Medicaid. Adjustments, if any, are recorded when they are identified. Therefore, client service receivables are reported at estimated net realizable value. Amounts are generally written off if unresolved differences between KVSS and Medicaid exceed a twelve-month period. Receivables must have Board approval prior to charging off.

ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS - KVSS has established an allowance for uncollectible accounts based on amounts charged off subsequent to September 30, 2014, and an analysis of the likelihood of collectability of the remaining accounts. The allowance for doubtful accounts as of September 30, 2014 and 2013 was \$22,337 and \$13,880, respectively and has been netted against client service receivables and revenue.

KANAWHA VALLEY SENIOR SERVICES, INC.
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED SEPTEMBER 30, 2014 AND 2013

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ADVERTISING COSTS - Advertising costs are expensed as incurred. Total advertising costs for the years ended September 30, 2014 and 2013 were \$6,977 and \$16,017, respectively.

SUBSEQUENT EVENTS - In preparing these financial statements, KVSS has evaluated events and transactions for potential recognition or disclosure through January 20, 2015, the date the financial statements were issued.

RECLASSIFICATIONS - Certain amounts in the 2013 financial statements have been reclassified to conform with current year presentation. Such reclassifications had no effect on net assets or the change in net assets.

NOTE 2 -- CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and deposits with banking institutions in checking and savings accounts. Bank balances are insured by federal deposit insurance by the Federal Deposit Insurance Corporation (FDIC). Balances in these accounts sometimes exceed the federal deposit insurance limits; however, management believes the financial institutions to be creditworthy and believes that credit risk associated with these deposits is minimal. At September 30, 2014, the amount of cash deposits in excess of FDIC insurance was \$286,092.

NOTE 3 -- PROPERTY AND EQUIPMENT

A summary of property and equipment at September 30, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Land	\$ 55,000	\$ 55,000
Buildings and improvements	1,310,997	1,300,763
Equipment	<u>500,902</u>	<u>498,520</u>
	1,866,899	1,854,283
Less accumulated depreciation	<u>(763,589)</u>	<u>(737,908)</u>
	<u>\$ 1,103,310</u>	<u>\$ 1,116,375</u>

Depreciation expense charged to operations totaled \$94,498 and \$82,156 for the years ended September 30, 2014 and 2013, respectively.

KANAWHA VALLEY SENIOR SERVICES, INC.
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED SEPTEMBER 30, 2014 AND 2013

NOTE 4 -- FUNDRAISING

KVSS held several fundraising events during the year ended September 30, 2014. A summary of such fundraising revenue and expense for the year ended September 30, 2014 is as follows:

	<u>2014</u>
Revenue	\$ 21,517
Expense	<u>(5,685)</u>
	<u>\$ 15,832</u>

NOTE 5 -- CONCENTRATIONS OF CREDIT RISK

KVSS generates a substantial portion of its revenue from Medicaid reimbursements and Title III grants. Medicaid amounts are paid on a cost reimbursement basis and are subject to audit and disallowance of charges based on a determination of whether the charges complied with all pertinent Medicaid regulations. If amounts are required to be repaid, such amounts will be recognized if an audit is performed and an amount can be reasonably determined.

KVSS extends credit for services provided without collateral. The mix of net receivables and revenue of its total unrestricted support and revenue exclusive of investment income at September 30, 2014 and 2013 and for the years then ended was as follows:

	<u>2014</u>	<u>2013</u>
Net receivable from:		
Medicaid	26%	26%
Title III	18%	16%
Lighthouse	25%	25%
Other	<u>31%</u>	<u>33%</u>
	<u>100%</u>	<u>100%</u>
Net revenue from:		
Medicaid	33%	33%
Title III	15%	14%
Lighthouse	23%	22%
Other	<u>29%</u>	<u>31%</u>
	<u>100%</u>	<u>100%</u>

A reduction in the level of this reimbursement and support, if this were to occur, may have a significant effect on KVSS's programs and activities.

KANAWHA VALLEY SENIOR SERVICES, INC.
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED SEPTEMBER 30, 2014 AND 2013

NOTE 6 -- FUNCTIONAL EXPENSES

KVSS incurred expenses in the conduct of the following programs for the years ended September 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Community Care Program: KVSS provides an in-home care program, funded by the Medicaid program and the Veterans Administration that makes personal assistance available to eligible adults.	\$ 1,077,186	\$ 1,080,153
Title III Programs: Older Americans Act funds that cover social support activities including case management, transportation, assessments, etc. KVSS also makes caregiver training available to family members providing care.	336,979	344,091
Lighthouse: KVSS provides for in-home assistance for seniors who have functional needs in their homes who do not qualify for other programs.	645,446	681,231
Transportation: KVSS provides transportation services to seniors.	328,247	344,188
Other programs that benefit senior citizens	<u>633,506</u>	<u>696,091</u>
	<u>\$ 3,021,364</u>	<u>\$ 3,145,754</u>

The above amounts include a proportionate allocation of all management and general and indirect costs, which totaled approximately \$446,000 and \$432,000 for the years ended September 30, 2014 and 2013, respectively.

NOTE 7 -- CONTINGENT LIABILITIES

KVSS'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 reimbursement 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 8 -- PENSION PLAN

KVSS sponsors a contributory defined contribution pension plan covering qualified employees. All regular, full-time employees of KVSS with at least one full year of service are eligible to participate. Under the Plan employees are able to contribute up to 6% of their annual compensation to the Plan, which is 100% vested with the employee. KVSS matches 200% of contributions up to 2% of employee salary and 50% of contributions that exceed 2% of salary, but do not exceed 6% of salary. Employer contributions become fully vested after four years. KVSS's contributions to the Plan for the years ended September 30, 2014 and 2013, totaled \$20,272 and \$22,760, respectively.

NOTE 9 -- OTHER POST EMPLOYMENT BENEFITS

KVSS is part of the State of West Virginia's Other Post Employment Benefits (OPEB) plan. OPEB costs are accrued based upon invoices received from the West Virginia Retiree Health Benefits Trust Fund (RHBT) based upon actuarially determined amounts. At September 30, 2014 and 2013, the noncurrent liability related to OPEB costs was \$714,752 and \$696,124, respectively. This represents amounts billed by RHBT but not currently required to be paid by KVSS consistent with RHBT guidance. The total OPEB expense incurred for the years ending June 30, 2014 and 2013 was \$52,540 and \$44,080, respectively.

The West Virginia Legislature passed legislation to provide alternate funding sources for the RHBT OPEB unfunded liability. In addition the PEIA Finance Board imposed limits on the retiree subsidy currently provided for PEIA premiums for retirees. Future increases in the subsidy will be limited to no more than 3% per year. These actions are expected to have a material impact on the amounts billed by the RHBT to KVSS in the future, resulting in credits being issued to reduce the recorded OPEB liability.

KANAWHA VALLEY SENIOR SERVICES, INC.
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED SEPTEMBER 30, 2014 AND 2013

NOTE 10 -- RELATED ENTITY

KVSS has an independent auxiliary called Kanawha Valley Senior Services Auxiliary, Inc. This entity is used to facilitate programs and fundraising activities for the benefit of KVSS. Currently KVSS handles all accounting functions for this entity. The following summarizes the transactions within the account during September 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Cash	\$ <u>1,106</u>	\$ <u>378</u>
Revenues	\$ 1,728	\$ 71
Expenses	<u>1,000</u>	<u>1,050</u>
Change in Cash	<u>\$ 728</u>	<u>\$ (979)</u>

These transactions have not been incorporated into the transactions of KVSS due to the independent nature of the Board.

NOTE 11 -- OPERATING LEASES

The Corporation leases certain equipment under an operating lease agreement. Aggregate payments under this agreement for September 30, 2014 and 2013 were \$6,372 and \$6,372, respectively. Future minimum rental commitments are as follows as of September 30, 2014:

<u>Year ended September 30</u>	
2015	\$ 6,372
2016	<u>6,372</u>
Total future minimum required payments	<u>\$ 12,744</u>

Additionally, the Corporation leases out certain facilities under operating lease agreements. Occupancy revenue for September 30, 2014 and 2013 was \$0 and \$4,502, respectively.

SUPPLEMENTAL INFORMATION

KANAWHA VALLEY SENIOR SERVICES, INC.
 Schedule of Federal, State and Other Support, Expenditures and Changes in Net Assets
 Year Ended September 30, 2014

Federal Agency	U.S. Department of Health and Human Services (USDHHS)				N/A	USDHHS	N/A	N/A
	Title IIB	Title IID	Title IIE	Title IIE				
State Agency	WV Bureau of Senior Services (WVBOSS)				N/A	N/A	N/A	WVBOSS & WVDHHR
Pass-Thru Grantor	WVSC Metro Area Agency on Aging				N/A	N/A	N/A	N/A
Program Title	Senior Citizens	Title IID Preventative Health	Title IIE Caregiver	LIFE	F AIR	State Health Insurance Assistance	Community Partnership	Transportation
Program Year	10/01/13 - 09/30/14	10/01/13 - 09/30/14	10/01/13 - 09/30/14	07/01/13 - 06/30/14	07/01/13 - 06/30/14	04/01/13 - 03/31/14		10/01/13 - 09/30/14
Federal CFDA Number	93.044	93.043	93.052			93.626		
	\$ 148,328	\$ 10,546	\$ 109,325	\$ -	\$ -	\$ 9,986	\$ -	\$ -
Federal support	195,111	1,969	-	265,525	702,261	-	118,977	-
State support	-	-	-	-	-	-	-	-
Client service revenue	-	-	-	-	-	-	-	-
Other	1,326	-	6,950	-	-	-	-	16,667
Total support and revenue	344,765	12,515	116,275	265,525	702,261	9,986	118,977	2,569
	102,713	8,437	81,479	-	448,212	-	-	122,958
Salary and wages	39,467	1,771	18,873	-	58,120	-	-	49,449
Payroll taxes and benefits	260	6	310	-	1,651	-	-	8,138
Insurance	1,688	96	1,479	9,739	1,857	-	-	10,131
Office expense	457	445	778	7,447	2,130	-	92,807	11,497
Program costs	-	-	5,389	-	-	-	-	8,063
Rent	1,994	12	21	9,972	266	-	-	824
Printing and publications	7,043	315	346	-	33,021	-	-	418
Travel	188	-	264	-	264	-	-	-
Non-capitalized equipment	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	4,318	-	-	3,708	-
Vehicle costs	-	-	-	1,622	-	-	1,813	119
Consultant/Contractual	-	-	-	-	-	-	-	40,653
Miscellaneous	1,629	-	360	8,753	788	-	-	360
Total expenses	155,439	11,082	113,052	42,834	546,045	-	348	602
Allocation of indirect costs	28,716	2,025	20,855	6,786	98,348	-	98,676	253,212
Total expenditures	184,155	13,107	133,907	49,620	644,393	-	98,676	50,024
Support and revenue over (under) expenditures	160,610	(592)	(17,632)	215,905	57,868	(825)	20,301	(284,000)
Depreciation expense under GAAP	(627)	(90)	(423)	-	(84)	-	-	(21,408)
Other post employment benefits	(3,525)	(239)	(906)	(208,831)	(969)	(1,171)	-	(3,603)
Transfer in/(out)	(157,574)	-	37,712	-	-	(9,986)	(20,301)	303,161
CHANGE IN NET ASSETS	\$ (1,116)	\$ (921)	\$ 18,751	\$ 7,074	\$ 56,815	\$ (1,996)	\$ -	\$ (5,850)

KANAWHA VALLEY SENIOR SERVICES, INC.
 Schedule of Federal, State and Other Support, Expenditures and Changes in Net Assets
 (Continued)
 Year Ended September 30, 2014

Federal Agency	USDHHS		Veterans Administration		N/A		N/A		N/A		N/A		Totals
	West Virginia Department of Health and Human Resources (WVDHHR)												
State Agency	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Pass-Thru Grantor	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Program Title	Community Care Program (CCP)	Medicaid Waiver	Veterans Homemaker	Creative Care Program	Private Pay Respite	Management and General	Property & Building	Tiskelwah	Indirect	Totals			
Program Year	10/01/13 - 09/30/14					10/01/13 - 09/30/14	10/01/13 - 09/30/14	10/01/13 - 09/30/14	10/01/13 - 09/30/14				
Federal CFDA Number													
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 278,185
Federal support	-	-	-	-	-	-	-	-	-	-	-	-	1,522,139
State support	923,534	77,796	203,678	2,000	3,378	-	-	-	-	-	-	-	1,227,053
Client service revenue	20	-	30	-	-	32,417	-	23,064	-	-	-	-	66,376
Other	923,554	77,796	203,708	2,000	3,378	32,417	-	23,064	-	-	-	-	3,093,753
Total support and revenue	560,615	55,527	129,227	3,583	1,464	-	-	37,830	247,107	-	-	-	1,958,203
	77,043	8,309	26,604	708	338	-	-	11,281	60,274	-	-	-	382,571
Salary and wages	2,484	236	379	43	-	-	-	1,376	3,048	-	-	-	18,467
Payroll taxes and benefits	2,500	225	600	18	-	-	-	48,022	47,937	-	-	-	125,778
Insurance	3,225	245	467	15	-	5,685	-	102	546	-	-	-	126,609
Office expense	-	-	-	-	153	-	-	-	-	-	-	-	21,076
Program costs	399	31	163	2	-	1,645	-	-	4,258	-	-	-	19,615
Rent	25,409	4,824	8,511	333	-	-	-	418	1,629	-	-	-	82,527
Printing and publications	-	-	-	-	-	-	-	-	699	-	-	-	9,441
Travel	-	-	-	-	-	-	-	-	3,659	-	-	-	13,875
Non-capitalized equipment	-	-	-	-	-	-	-	-	562	-	-	-	41,215
Repairs and maintenance	-	-	-	-	-	-	-	-	62,337	-	-	-	78,255
Vehicle costs	992	106	142	13	-	7,906	-	4,404	9,883	-	-	-	30,606
Repairs and maintenance	-	565	323	15	-	-	-	2,326	-	-	-	-	78,255
Vehicle costs	672,667	70,068	166,416	4,730	1,955	15,236	-	112,421	441,939	-	-	-	2,908,238
Consultant/Contractual	122,583	12,675	30,283	911	349	3,991	6,174	25,921	(446,296)	-	-	-	-
Miscellaneous	795,250	82,743	196,699	5,641	2,304	19,227	6,174	138,342	(4,357)	-	-	-	-
Total expenses	128,304	(4,947)	7,009	(3,641)	1,074	13,190	(6,174)	(115,278)	4,357	-	-	-	185,515
Allocation of indirect costs	(635)	-	-	-	-	(2,766)	(34,200)	(30,074)	(4,191)	-	-	-	(94,498)
Total expenditures	(659)	(165)	(1,035)	(24)	(31)	(5,409)	22,994	32,825	-	-	-	-	(18,628)
Support and revenue over (under) expenditures	\$ 127,010	\$ (5,112)	\$ 5,974	\$ (3,665)	\$ 1,043	\$ 5,015	\$ (17,380)	\$ (113,419)	\$ 166	\$	\$	\$	72,389
Depreciation expense under GAAP	-	-	-	-	-	-	-	-	-	-	-	-	-
Other post employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in/(out)	-	-	-	-	-	-	-	-	-	-	-	-	-
CHANGE IN NET ASSETS													

KANAWHA VALLEY SENIOR SERVICES
SCHEDULE OF DIRECT STATE GRANT AWARDS
YEAR ENDED SEPTEMBER 30, 2014

AWARDING AGENCY: Bureau of Senior Services

GRANT NAME	GRANT IDENTIFICATION	PERIOD OF AWARD	TOTAL AWARD	FUNDS RECEIVED	FUNDS EXPENDED	UNEXPENDED FUNDS RECEIVED	AVAILABLE GRANT BALANCE
In-Home Service Funds - Kanawha County	1H1519	7/1/14-6/30/15	\$785,060	\$ 209,272	\$ 209,272	\$ -	\$ 575,788
In-Home Service Funds - Kanawha County	1H1422	7/1/13-6/30/14	729,502	729,502	729,502	-	-
In-Home Service Funds - Putnam County	1H1559	7/1/14-6/30/15	62,000	13,272	13,272	-	48,728
Rand Community Center	SC21272A	7/1/13-6/30/15	15,000	15,000	15,000	-	-
Town of Pratt Seniors Meal Program	SC21491A	7/1/14-6/30/15	3,000	1,145	1,145	-	1,855
Town of Pratt Seniors Meal Program	SC21491	7/1/13-6/30/14	3,000	3,000	3,000	-	-
Tiskelwah Center	SC21489	7/1/13-6/30/14	98,000	12,800	12,800	-	85,200
Nitro Senior Center	SC21491	7/1/13-6/30/14	15,000	15,000	15,000	-	-
Nitro Senior Center	SC21381	7/1/12-6/30/14	5,000	5,000	5,000	-	-
Tiskelwah Center	SC21392A	7/1/12-6/30/14	50,000	50,000	50,000	-	-
Tiskelwah Center	SC21392A	7/1/12-6/30/14	35,000	35,000	35,000	-	-
Booker T Washington Community Center	SC21374	7/1/12-6/30/13	24,500	24,500	24,500	-	-
East End Family Resource Center	SC21354	7/1/12-6/30/13	21,400	21,400	21,400	-	-
East End Family Resource Center	SC21354	7/1/12-6/30/13	5,000	5,000	5,000	-	-
Senior Center Exercise Equipment	SC21377	7/1/12-6/30/13	41,600	41,600	41,470	(130)	-
East End Family Resource Center	SC21254	7/1/11-6/30/13	20,500	20,500	20,500	-	-
Rand Community Center	SC21267	7/1/11-6/30/12	25,000	25,000	25,000	-	-
Rand Community Center	SC21267A	7/1/11-6/30/12	33,600	29,749	29,749	-	3,851

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
Kanawha Valley Senior Services, Inc.
Charleston, 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 *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Kanawha Valley Senior Services, Inc. (KVSS), which comprise the statement of financial position as of September 30, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 20, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered KVSS'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 KVSS's internal control. Accordingly, we do not express an opinion on the effectiveness of KVSS'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 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 KVSS'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 KVSS's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering KVSS's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charleston, West Virginia
January 20, 2015