

**THE COMMITTEE ON AGING  
FOR RANDOLPH COUNTY, INC.**

**AUDITED FINANCIAL STATEMENTS**

**September 30, 2014**

**Audited by**

***Williams & Associates, AC  
204 Davis Avenue, PO Box 2727  
Elkins, West Virginia 26241***

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.  
AUDIT FOR YEAR ENDED SEPTEMBER 30, 2014**

**TABLE OF CONTENTS**

	<b>PAGE</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1-2
<b>FINANCIAL STATEMENTS</b>	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF CASH FLOWS	5
STATEMENT OF FUNCTIONAL EXPENSES	6
NOTES TO FINANCIAL STATEMENTS	7-12
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	13
<b>SUPPLEMENTAL INFORMATION</b>	
SCHEDULE OF REVENUES	14
<b>INTERNAL CONTROL AND COMPLIANCE REPORTS</b>	
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL	15-16
<b>MANAGEMENT INFORMATION</b>	
MANAGEMENT LETTER	17-18

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## INDEPENDENT AUDITOR'S REPORT

To Board of Directors  
Committee on Aging for Randolph County, Inc.  
PO Box 727  
Elkins, West Virginia 26241

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Committee on Aging for Randolph County, Inc. which comprise the statement of financial position as of September 30, 2014, and the related statements of activities, changes in net assets and cash flows 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 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 the 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 the Committee on Aging for Randolph County, Inc. as of September 30, 2014, and the results of activities and changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of revenues and support is presented for purposes of additional analysis and is 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 February 17, 2015, on our consideration of Committee on Aging for Randolph County 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 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 Committee on Aging for Randolph County Inc's internal control over financial reporting and compliance.

*Williams & Associates P.C.*

Elkins, West Virginia  
February 17, 2015

**The Committee on Aging for Randolph County, Inc.**  
**STATEMENT OF FINANCIAL POSITION**  
**September 30, 2014**

**ASSETS**

Current Assets		
Cash and Equivalents	\$	317,084
Certificates of Deposit		694,470
Investments		590,847
Accounts Receivable		84,184
Grants Receivable		44,536
Inventory		14,707
Prepaid Expenses		12,870
Total Current Assets		<u>\$ 1,758,698</u>
Fixed Assets		
Property and Equipment	1,791,052	
Less Accumulated Depreciation	<u>711,177</u>	
Net Fixed Assets		<u>1,079,875</u>

**TOTAL ASSETS**

**\$ 2,838,573**

**LIABILITIES**

Current Liabilities		
Accounts Payable	\$	2,144
Accrued Compensation		47,979
Deferred Revenue		10,122
Total Current Liabilities		<u>\$ 60,245</u>
Long-Term Liabilities		
Mortgage Payable	60,097	
OPEB Plan Liability	<u>454,709</u>	
Total Long-Term Liabilities		<u>514,806</u>

**TOTAL LIABILITIES**

**\$ 575,051**

Net Assets, Unrestricted	2,187,217
Net Assets, Temporarily Restricted	<u>76,305</u>

**TOTAL NET ASSETS**

**2,263,522**

**TOTAL LIABILITIES AND NET ASSETS**

**\$ 2,838,573**

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

**The Committee on Aging for Randolph County, Inc.**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>TOTAL</u>
<b>SUPPORT</b>			
Contributions	\$ 73,642		\$ 73,642
Grants			
Federal Monies		400,442	400,442
State Monies		1,040,617	1,040,617
Program Service Fees	970,499		970,499
Project Income		135,531	135,531
Investment Return	24,780		24,780
Other	327,760		327,760
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL SUPPORT</b>	<u>\$ 1,396,681</u>	<u>\$ 1,576,590</u>	<u>\$ 2,973,271</u>
<b>EXPENSES</b>			
Program Services	\$ 2,432,704	\$ -	2,432,704
Management and General	108,672		108,672
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL EXPENSES</b>	<u>\$ 2,541,376</u>	<u>\$ -</u>	<u>\$ 2,541,376</u>
<b>INCREASE(DECREASE) IN NET ASSETS</b>	(1,144,695)	1,576,590	431,895
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	1,546,910	(1,546,910)	-
<b>NET ASSETS, 10/1/13</b>	<u>1,785,002</u>	<u>46,625</u>	<u>1,831,627</u>
<b>NET ASSETS, 9/30/14</b>	<u>\$ 2,187,217</u>	<u>\$ 76,305</u>	<u>\$ 2,263,522</u>

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

**The Committee on Aging for Randolph County, Inc.**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended September 30, 2014**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Increase(Decrease) in Net Assets	\$	431,895
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation		114,778
(Increase)Decrease in Operating Assets:		
Accounts Receivable		(10,908)
Grants Receivable		(23,600)
Inventory		(643)
Prepaid Expenses		697
Increase(Decrease) in Operating Liabilities:		
Accounts Payable		(869)
Accrued Compensation		(14,319)
Deferred Revenue		(30,836)
OPEB Liability		10,912
		10,912
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$</b>	<b>477,107</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases and Sales of Property and Equipment		(393,121)
		(393,121)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(393,121)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long-Term Debt		(110,746)
Purchases and Sales of Investments		62,663
		(48,083)
<b>NET CASH USED BY FINANCING ACTIVITIES</b>		<b>(48,083)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>35,903</b>
<b>CASH AND CASH EQUIVALENTS, 10/1/13</b>		<b>281,181</b>
		<b>281,181</b>
<b>CASH AND CASH EQUIVALENTS, 9/30/14</b>	<b>\$</b>	<b>317,084</b>
		<b>317,084</b>

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

**The Committee on Aging for Randolph County, Inc.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended September 30, 2014**

Program Services															
Community Care/ Waiver/ Case Mgt	III-C										Other Programs	Total Program Services	Management & General	TOTAL	
	III-B	Home		III-E	III-D/MM	SHIP	LH	FAIR	Transit	LIFE					Congregate
<b>FUNCTIONAL EXPENSES</b>															
Personnel	\$ 699,969	\$ 51,994	\$ 137,408	\$ 70,647	\$ 15,748	\$ 1,872	\$ 7,175	\$ 114,255	\$ 38,861	\$ 312,099	\$ 29,232	\$ 19,933	\$ 1,499,193	\$ 267,676	\$ 1,766,869
Travel	53,762	7,491			726			21,335	5,257	2,956	837		92,364	2,940	95,304
Printing & Supplies	8,758									1,607		6,055	16,420	27,823	44,243
Raw Food			95,972	71,837								26,754	194,563		194,563
Disposables			8,797	9,140									17,937		17,937
Transportation			5,609	12,857									18,466		18,466
Communication & Utilities	2,555									2,023		8,690	13,268	28,515	41,783
Repairs & Maintenance										29,323			29,323	7,324	36,647
Indirect Costs	137,992	11,910	45,656	45,584	3,322	530	2,751	25,717	7,686	82,320	8,470	11,078	383,016	(383,016)	-
Other	17,376	117	25,268	13,971		206	6,464	460	38	91,755		6,486	162,141	42,285	204,426
Advertising										3,344		2,669	6,013	347	6,360
Depreciation													-	114,778	114,778
<b>Total Functional Expenses</b>	<b>\$ 920,412</b>	<b>\$ 71,512</b>	<b>\$ 318,710</b>	<b>\$ 224,036</b>	<b>\$ 19,796</b>	<b>\$ 2,608</b>	<b>\$ 16,390</b>	<b>\$ 161,767</b>	<b>\$ 51,842</b>	<b>\$ 525,427</b>	<b>\$ 38,539</b>	<b>\$ 81,665</b>	<b>\$ 2,432,704</b>	<b>\$ 108,672</b>	<b>\$ 2,541,376</b>

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.



**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1. Summary of Significant Accounting Policies**

The Committee on Aging for Randolph County, Inc., is a nonprofit organization whose purpose is to improve the quality of life for senior citizens in Randolph County, West Virginia. The purpose of the Organization is to study and document the needs of the seniors; to encourage, promote and aid in the establishment of programs for the seniors; to conduct programs of public education on the problems of aging; to utilize opportunities to establish demonstration programs; and to implement state and local programs for the aging that no other agency is implementing.

This summary of significant accounting policies of The Committee on Aging for Randolph County, Inc., is presented to assist in understanding the Organization's financial statements. The financial statements and notes are the representation of management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

**Basis of Accounting**

The financial statements of the Committee on Aging for Randolph County, Inc., have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification 958-205, formerly Statements of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Estimates**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures 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.

**Accounts Receivable**

Accounts receivable represent amounts owed the Organization for services provided to clients of the Organization under contracts with the West Virginia Department of Health and Human Resources – Medicaid Waiver and Community Care Programs. In addition, the Organization uses the allowance method for accounting for bad debts whereby an allowance for doubtful accounts is established based on the realization of the accounts receivable at year end. As of September 30, 2014, all accounts receivable are deemed collectible.

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Grants Receivable**

Contributions/grants are recognized when the donor/grantor makes a promise to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor/grantor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor/grantor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The Organization uses the allowance method to determine collectibility of grants receivable. As of September 30, 2014, all grants receivable are deemed collectible.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

**Property and Equipment**

Prior to October 1, 1990, the Organization expensed all property and equipment in the period of acquisition as directed by the grantor agencies. The Organization, effective October 1, 1990, is currently capitalizing all equipment purchases at cost and all donated equipment at fair market value and is depreciating these costs using the straight-line method over the asset's estimated useful life. All equipment/vehicles purchased with grant monies must have approval from the grantor agency to dispose of such equipment and the method of disposition. The Organization has adopted a capitalization policy in the amount of \$500.

**Investments**

The Organization reports investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes in net assets.

**Inventory**

Inventory consists primarily of raw food, disposables, and supplies purchased under the Title III-C grant and are recorded at lower of cost (first-in, first-out basis) or market.

**Income Taxes**

The Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3).

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Grant Monies

Grant monies are received in three ways:

- 1 – On a cost reimbursement basis for which the Organization requests reimbursement for monies already spent. This is utilized for the LIFE and Transit program grants.
- 2 – On an as needed basis in which the Organization requests monies that it feels it will need in the immediate future; this is utilized for Title III-B, Title III-E, Title III-D, SHIP and Elder Abuse grants. Upon completion of a grant year any unexpended money has to be approved for carryover to the next year, but if approval is denied, the money has to be reimbursed to the grantor.
- 3 – Title III-C are received on a meal reimbursement basis but not to exceed the total grant award. Upon completion of the grant year, any unexpended monies are restricted for future Title III-C program operating expenses.

Total federal and state grant revenues for the year ended September 30, 2014 was \$1,441,059.

Operating expenditures made against federal and state grants are subject to audit by the Grantor agency. These agencies may subsequently make adjustments to the grant as originally awarded due to their audit findings.

Donated Facilities

Several of the Committee on Aging for Randolph County, Inc.'s facilities are owned by the Randolph County Commission. These include the main senior center building in Elkins and the nutrition sites in Mill Creek and Harman. These facilities are leased to the Organization. Since recent appraisals are not available, a fair rental value could not be reasonably calculated and recorded as donated services and rent expense in these financial statements.

Advertising

Advertising costs are expensed as incurred and totaled \$6,360 for the year ended September 30, 2014.

**Note 2. Receivables**

Accounts receivable consisted of the following at September 30, 2014:

WV DHHR	\$ 84,184
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**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 2. Receivables (Continued)**

Grants receivable consisted of the following at September 30, 2014:

Title III-B	\$ 2,461
Title III-C	10,880
Transit	<u>31,195</u>
	<u>\$44,536</u>

**Note 3. Investments**

The cost and estimated market value of investment securities at September 30, 2014 are as follows:

	Original Cost	Gross Unrealized Gains	Estimated Market Value
Investments, Unrestricted	<u>\$ 590,847</u>	<u>\$ 0</u>	<u>\$ 590,847</u>

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or broker price quotations. For all other financial instruments, the Organization determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instruments.

The Organization measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 3. Investments (Continued)**

The Organization reports investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes in net assets.

**Note 4. Property and Equipment**

Property and equipment consisted of the following at September 30, 2014:

Land	\$ 336,788
Buildings	270,624
Improvements	368,179
Furniture & Equipment	158,103
Office Equipment	86,888
Vehicles	<u>570,470</u>
Total Fixed Assets	1,791,052
Less accumulated depreciation	<u>(711,177)</u>
Net property and equipment	<u>\$1,079,875</u>

**Note 5. Retirement Program**

Certain employees are eligible to be included in the organization's retirement program. The employee contributes 4.5% of his/her gross wages which is combined with 9.5% contributed by The Committee on Aging for Randolph County, Inc. The covered employees are eligible to draw benefits upon retirement. Service contributions to the retirement program were \$27,616 for the year. Of this amount, \$14,325 was included in salaries and fringe benefits and \$13,291 was included in indirect expenses on the respective statement of functional expenses.

**Note 6. Other Post-Employment Benefits (Defined Benefit OPEB Plan)**

The Committee on Aging for Randolph County, Inc. participates in the West Virginia Public Employee Insurance Agency's health insurance plan. In order to comply with GASB Statement No. 43 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, effective July 1, 2007 the Organization began recording annual required contributions (ARC) as a liability. The balance of the liability as of September 30, 2014 was \$454,709.

**Note 7. Support Concentration**

The Committee on Aging for Randolph County, Inc., receives approximately 30% of its support from the West Virginia Department of Health and Human Services for providing services under the Medicaid Waiver and Community Care programs. Any significant reduction in the level of support from these sources could have a material effect on the Organization's programs and activities.

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS**

**Note 8. Split-Interest Agreement (Trust)**

The Committee on Aging for Randolph County, Inc., is the beneficiary of a perpetual trust created on March 1, 1984 and held by Davis Trust Company. The Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. The income is restricted to pay for "recurring expenses" incurred by the Organization. The funds held in trust are owned by the Organization and are therefore reflected on the Statement of Financial Position as Investments.

The Organization is also the beneficiary of a perpetual trust created on August 13, 1984 by the Randolph County Commission and held by Citizens National Bank. The Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. The income is restricted to pay for "general operating expenses," but cannot be used to pay salaries. The funds held in trust remain the property of the Randolph County Commission; therefore they are not reflected on the Statement of Financial Position.

**Note 9. Transportation Grants**

As a Section 5310/5311 Public Transit agency, the Committee on Aging for Randolph County, Inc., is the recipient of grants from the WV Department of Transportation, Division of Public Transit. These grants provide funds for the Organization to purchase vehicles. The Organization received five vehicles totaling \$266,897 during the fiscal year.

**Note 10. Long-Term Liabilities**

The Committee on Aging for Randolph County, Inc. has a mortgage at Davis Trust Company on their new home care building. The initial amount of the mortgage was \$209,900 with annual payments of \$13,993 at a variable interest rate based on the lender's 30-month CD rate plus 3%, currently 4.6% for a term of 15 years. The balance on this mortgage at September 30, 2014 was \$60,097.

**Note 11. Subsequent Events**

The Committee on Aging for Randolph County, Inc.'s management has evaluated subsequent events through the date of the audit report.

**The accompanying independent auditor's report is an integral part of these notes.**

**The Committee on Aging for Randolph County, Inc.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended September 30, 2013**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<i>Pass-Through Programs from Upper Potomac Area Agency on Aging:</i>			
<i>U.S. Department of Health &amp; Human Services:</i>			
Administration of Aging	93.044		\$ 41,561
Special Programs for the Aging Title III Part B Grants for Supportive Services and Senior Centers			
Administration on Aging	93.043		\$ 2,043
Special Programs for the Aging Title III Part D Disease Prevention and Health Promotion Services			
Administration on Aging	93.052		\$ 15,626
Special Programs for the Aging Title III Part E National Family Caregiver Support			
Administration on Aging	93.045		\$ 75,587
Special Programs for the Aging Title III Part C Nutrition Services			
Centers for Medicare & Medicaid Services	93.779		<u>\$ 16,532</u>
CMS Research, Demonstration & Evaluations State Health Insurance Assistance Program (SHIP)			
<i>Total US Department of Health &amp; Human Services</i>			<u>\$ 151,349</u>
<i>Pass-Through Program from WV Department of Transportation:</i>			
<i>United States Department of Transportation:</i>			
Federal Transit Administration	20.509		<u>\$ 249,093</u>
Formula Grants for Other than Urbanized Areas			
<i>Total US Department of Transportation</i>			<u>\$ 249,093</u>
<i>Total Expenditures of Federal Awards</i>			<u><u>\$ 400,442</u></u>

**The accompanying notes are an integral part of this schedule.**

**The Committee on Aging for Randolph County, Inc.**  
**SCHEDULE OF REVENUES**  
**For the Year Ended September 30, 2014**

	III-B	III-D/MM	III-E	III-C		FAIR	COC/ Waiver	Lighthouse	Transit	Other	TOTALS
				Congregate	Home-Delivered						
<b>GRANT REVENUES</b>											
Federal	\$ 41,561	\$ 2,043	\$ 15,626	\$ 37,794	\$ 37,793				\$ 249,093	\$ 16,532	\$ 400,442
State	14,993	127		89,414	96,010	48,600			62,000	313,233	624,377
LIFE 2013-14				22,936	10,937			174,677	122,259	50,257	381,066
LIFE 2014-15											
State & LIFE Match	3,078	360	1,736						30,000		35,174
<b>Total Grant Revenues</b>	<b>59,632</b>	<b>2,530</b>	<b>17,362</b>	<b>150,144</b>	<b>144,740</b>	<b>48,600</b>	<b>-</b>	<b>174,677</b>	<b>463,352</b>	<b>380,022</b>	<b>1,441,059</b>
<b>OTHER REVENUES</b>											
Contributions	\$ 112			\$ 3,027		\$ 3,044			\$ 2,856	\$ 64,603	\$ 73,642
Program Service Fees							890,855	10,630	69,014		970,499
Project Income	10,539	190	575	85,521	38,706						135,531
Investment Return							16		702	24,061	24,780
Local Match	4,263		3,473	70,750					28,375	63,143	170,004
Other	75						4,000		9,105	144,576	157,756
<b>Total Other Revenues</b>	<b>14,989</b>	<b>190</b>	<b>4,048</b>	<b>159,299</b>	<b>38,706</b>	<b>3,044</b>	<b>894,871</b>	<b>10,630</b>	<b>110,052</b>	<b>296,383</b>	<b>1,532,212</b>
<b>TOTAL REVENUES</b>	<b>\$ 74,621</b>	<b>\$ 2,720</b>	<b>\$ 21,410</b>	<b>\$ 309,443</b>	<b>\$ 183,446</b>	<b>\$ 51,644</b>	<b>\$ 894,871</b>	<b>\$ 185,307</b>	<b>\$ 573,404</b>	<b>\$ 676,405</b>	<b>\$ 2,973,271</b>

The accompanying independent auditor's report and notes are integral parts of these financial statements.



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## INDEPENDENT AUDITOR'S 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  
The Committee on Aging for Randolph County, Inc.  
Elkins, West Virginia 26241

We have audited the financial statements of the Committee on Aging for Randolph County, Inc. (a non-profit organization) as of and for the year ended September 30, 2014, and have issued a report thereon dated February 17, 2015. 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.

### Compliance

As part of obtaining reasonable assurance about whether the Committee on Aging for Randolph County, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of law, regulations, contracts, and grants, 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 is not an object of my audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance, which we have reported to management of the Committee on Aging for Randolph County, Inc., in a separate letter dated February 17, 2015, and included in this audit report on page 17.

### Internal Control Over Financial Reporting

In planning and performing my audit, we considered the Committee on Aging for Randolph County, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one

or more of the internal control components does not reduce to a relatively low level the risk that misstatements in an amount 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. We noted no matters involving the internal control over financial reporting that its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the Committee on Aging for Randolph County, Inc., in a separate letter dated February 17, 2015, and included in this audit report on page 17.

This report is intended solely for the information and use of the board of directors, management, and West Virginia Bureau of Senior Services and is not intended to be and should not be used by anyone other than these specified parties.

*William & Associates, A.C.*  
Elkins, West Virginia  
February 17, 2015

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February 17, 2015

The Committee on Aging for Randolph County Inc  
PO Box 727  
Elkins, West Virginia 26241

Our audit on the financial statements of Committee on Aging for Randolph County Center, Inc., for the year ended September 30, 2014, highlighted areas where we would like to make recommendations which would improve the internal control, accounting procedures, and internal financial information of the Organization. Since our audit was not designed to include a complete review of all systems, procedures and controls, the following comments and recommendations should not be considered to be all inclusive of the areas where improvements may be necessary.

## **SIGNIFICANT DEFICIENCIES**

### **2014-1 LACK OF SEGREGATION OF DUTIES**

**Criteria:** Internal control should be implemented to the degree possible to assign to different individuals the responsibility for approving, executing and recording transactions and custody of the resulting asset arising from the transaction.

**Condition:** The same employee is responsible for recording accounts receivable, reconciling the bank statements and posting journal entries.

**Cause:** The organization has limited staff and responsibilities for approving, executing, and recording transactions and custody of the resulting assets arising from financial transactions are not assigned to different individuals because the organization does not employ enough administrative staff members to make the necessary segregation possible.

**Effect:** More than a remote likelihood exists that a material misstatement of the financial statements will not be prevented or detected by the organization's internal controls.

**Recommendation:** We recommend responsibilities of approval, execution, recording and custody should be distributed among employees, management and the board of directors to the degree possible. However, we recognize that full and complete segregation of duties is not economically feasible.

**Response:** We concur with the finding and recommendation.

**2014-2 ADJUSTING ENTRIES**

**Criteria:** Adjusting entries must be recorded.

**Condition:** Currently adjusting entries are not recorded.

**Cause:** The Organization does not record adjusting entries.

**Effect:** The books of record do not concur with the audited financial statements.

**Recommendation:** We recommend that adjusting entries be recorded.

**Response:** We concur with the finding and recommendation.

*Williams & Associates, AC*  
Williams & Associates, AC  
Elkins, West Virginia