

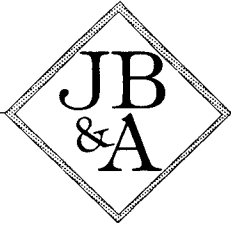
**GREENBRIER COUNTY COMMITTEE ON  
AGING, INC.**

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

**SEPTEMBER 30, 2014**

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# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Greenbrier County Committee on Aging, Inc.  
Rupert, West Virginia

We have audited the accompanying financial statements of Greenbrier County Committee on Aging, Inc. (a nonprofit organization), 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.

### **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 significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

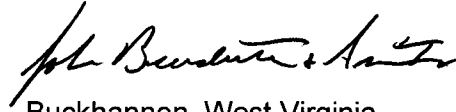
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2015, on our consideration of Greenbrier County Committee on Aging, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Greenbrier County Committee on Aging, Inc.'s internal control over financial reporting and compliance.



Buckhannon, West Virginia  
April 8, 2015

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2014**

**ASSETS**

**Current Assets**

Cash and cash equivalents	\$ 54,215
Accounts receivable, net	2,162
Grants receivable	34,467
Prepaid expenses	<u>1,279</u>

Total current assets 92,123

**Property and Equipment** 439,497

**TOTAL ASSETS** \$ 531,620

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Line of credit	\$ 79,463
Accounts payable	6,592
Accrued wages and taxes	<u>29,507</u>

Total current liabilities 115,562

**Net Assets**

Unrestricted 416,058

**TOTAL NET ASSETS** 416,058

**TOTAL LIABILITIES AND NET ASSETS** \$ 531,620

The accompanying notes are an integral part of this statement

**GREENBRIER COUNTY COMMITTEE ON AGING  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>REVENUE AND SUPPORT</b>			
Federal financial assistance	\$ 275,841	\$	\$ 275,841
State grant allocations	346,255		346,255
County commission assistance	20,000		20,000
Sliding scale fees	16,966		16,966
Contractual revenues	31,009		31,009
Project income	30,766		30,766
Interest income	63		63
Other	115,716		115,716
Net assets released from restrictions:			
Restrictions released with time	_____	_____	_____
Total Revenue and Support	836,616	_____	836,616
<b>EXPENSES</b>			
Program Services			
Title III-B	95,245		95,245
Title III-D	4,626		4,626
Title III-E	25,845		25,845
Title III-C - congregate	124,248		124,248
Title III-C - home delivered	144,185		144,185
Lighthouse	88,187		88,187
Fair	57,089		57,089
Personal Care	62,911		62,911
LIFE	157,088		157,088
Support Services:			
Management and general	63,073	_____	63,073
Total Expenses	822,497	_____	822,497
Change in Net Assets	14,119		14,119
<b>NET ASSETS AT BEGINNING OF YEAR</b>	401,939	_____	401,939
<b>NET ASSETS AT END OF YEAR</b>	\$ 416,058	\$ _____	\$ 416,058

The accompanying notes are an integral part of this statement

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Title III-B	Title III-D	Title III-E	Title III-C	
				Congregate	Home Delivered
Services and wages	\$ 39,323	\$ 759	\$ 11,677	\$ 76,333	\$ 61,521
Fringe benefits	4,344	65	1,140	8,120	6,852
Travel	382		3	184	171
Printing and supplies	1,982	310	431	322	359
Repairs and maintenance	6,904	241	742	1,568	1,653
Communications and utilities	5,857	1,290	4,515	1,794	1,794
Depreciation					
Raw food				27,408	51,882
Transportation expenses	28,539		475	4,729	14,028
Licenses and permits	365	205	196	193	202
Professional services	4,819	1,555	6,632	1,797	1,556
Insurance	1,604	201		1,389	1,389
Dues and subscriptions	531		34	38	38
Interest					
Other	595			373	2,740
	<u>\$ 95,245</u>	<u>\$ 4,626</u>	<u>\$ 25,845</u>	<u>\$ 124,248</u>	<u>\$ 144,185</u>

The accompanying notes are an integral part of this statement.

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

<u>Lighthouse</u>	<u>Fair</u>	<u>Personal Care</u>	<u>LIFE</u>	<u>Management and General</u>	<u>Totals (Memorandum Only)</u>
\$ 60,568	\$ 44,903	\$ 34,807	\$ 82,585	\$ 1,514	\$ 413,990
6,613	5,087	3,454	10,690	487	46,852
138	455	150	1,225	77	2,785
303	302	604	4,299	2,491	11,403
1,044	490	1,472	17,182	2,265	33,561
1,094	1,077	2,170	16,153		35,744
				32,868	32,868
					79,290
1,001	404	3,159	14,421		66,756
384	127	517	139	1,457	3,785
15,939	3,191	13,486	10,128	38	59,141
989	989	2,778		109	9,448
31	22	44	239		977
				5,260	5,260
83	42	270	27	16,507	20,637
<u>\$ 88,187</u>	<u>\$ 57,089</u>	<u>\$ 62,911</u>	<u>\$ 157,088</u>	<u>\$ 63,073</u>	<u>\$ 822,497</u>



**GREENBRIER COUNTY COMMITTEE ON AGING, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 14,119
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	32,868
(Increase) decrease in operating assets:	
Accounts and grants receivable	15,410
Prepaid expenses	(68)
Increase (decrease) in operating liabilities:	
Accounts payable	1,732
Accrued wages payable and taxes	<u>1,803</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u><b>65,864</b></u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of vehicle and equipment	<u>(19,198)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u><b>(19,198)</b></u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Repayment of short-term borrowing	(18,854)
Repayment of long-term borrowing	<u>(30,700)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u><b>(49,554)</b></u>

Decrease in cash and cash equivalents	(2,888)
---------------------------------------	---------

<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u><b>57,103</b></u>
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<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u><u><b>\$ 54,215</b></u></u>
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**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:**

Interest paid during the year	<u><u><b>\$ 5,260</b></u></u>
-------------------------------	-------------------------------

The accompanying notes are an integral part of this statement

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS**

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

The Greenbrier County Committee on Aging, Inc. is a nonprofit organization whose purpose is to improve the quality of life for senior citizens in Greenbrier 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 in 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 Greenbrier County Committee on Aging, 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.

**Basis of Accounting**

The financial statements of Greenbrier County Committee on Aging, 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. 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.

**Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Allowance for Doubtful Accounts**

The Organization uses the allowance method for accounting for bad debts. Management feels the accounts and grants receivable shown on the balance sheet are fully collectible.

**Inventories**

Inventories of raw food, materials and supplies are deemed immaterial and are accordingly expensed as purchased.

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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

**Property and Equipment**

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. The Organization has adopted a \$ 5,000 capitalization policy whereby all property and equipment over \$ 5,000 is depreciated using the straight-line method over its estimated useful life. In addition, all property and equipment purchased with grant monies must be used and disposed of in accordance with the grantor agency's policies. Maintenance and repairs are expensed as incurred.

**Restricted and Unrestricted Revenue and Support**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Federal grant awards are classified as refundable advances until expended for the purposes of the grants since they are conditional promises to give.

**Federal and State Grants**

Grants Monies are received on as need 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-D, Title III-E and LIFE grants. Upon completion of a grant year, any unexpected money has to be approved for carryover to the next grant year, but if approval is denied, the money has to be reimbursed to the grantor.

Title III-C monies are received on a meal reimbursement basis but not to exceed the total grant award. Upon completion of the grant year, any expended monies are restricted for future Title III-C program operating expenses. Lighthouse and Fair are received on a per unit of service basis. Total federal and state grant revenues for the year ended September 30, 2014, was \$ 275,841 and \$ 346,255 respectively.

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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

**Donated Services**

The members of the Board of Directors receive no fees for performing their duties as members, officers, or special committee members. However, no revenues or expenses have been recorded in these financial statements in related to such volunteer services.

**Expense Allocation**

Expenses are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

**Estimates**

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

**Income Taxes**

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

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

**Note 2. Insurance of Cash and Deposits**

The Organization does business with two financial institutions and deposits are insured by FDIC insurance.

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**Note 3. Grants Receivable**

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

LIFE Program	\$ 28,760
Lighthouse	3,534
Client Tracking	367
Federal Title III-D	207
Federal Title III-E	1,599
	-----
Total	\$ 34,467
	=====

**Note 4. Property and Equipment**

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

Land	\$ 100,000
Buildings	452,662
Vehicles	223,967
Equipment, furniture and fixtures	204,796
	-----
	981,425
Less accumulated depreciation	(541,928)
	-----
Net property and equipment	\$ 439,497
	=====

**Note 5. Restrictions on Net Assets**

There are no restricted net assets at September 30, 2014.

**Note 6. Concentration**

The Organization receives about 75 percent of its total support and revenues from various grants from the Federal and State governments.

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**Note 7. Line of Credit**

The Organization had executed an agreement with Summit Community Bank, Rupert, West Virginia providing up to \$100,000 under a line of credit secured by real estate. As of September 30, 2014 the Organization had drawn \$79,463 on this line of credit.

**Note 8. Contingent Liabilities**

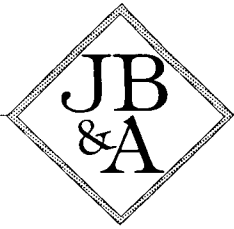
In the normal course of operations, the Organization receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting funds. Any liability for reimbursement, which may arise, as the result of these audits is not believed to be material.

The Center participates in the West Virginia Public Employees Insurance Agency (PEIA) for health insurance. The Center does not provide post retirement health benefits. However, PEIA shows a liability of \$106,251 at September 30, 2014 for post retirement benefits. The Center does not expect to have to pay this liability.

**Note 9. Subsequent Events**

Management has evaluated subsequent event through April 8, 2015, the date on which the financial statements were available to be issued.

**SUPPLEMENTAL INFORMATION**



# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors  
Greenbrier County Committee on Aging, Inc.  
Rupert, West Virginia

Our report on our audit of the basic financial statements of Greenbrier County Committee on Aging, Inc., for the year ended September 30, 2014 appears on pages one and two (1-2). We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Revenues and Support and Schedule of Expenditures of State Awards are presented for the purpose of additional analysis and are not required parts of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

Buckhannon, West Virginia  
April 8, 2015



**GREENBRIER COUNTY COMMITTEE ON AGING, INC.  
 SCHEDULE OF REVENUES AND SUPPORT  
 FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	Title III-B	Title III-D	Title III-E	Title III-C	
				Congregate	Home Delivered
Federal financial assistance	\$ 52,256	\$ 3,575	\$ 21,817	\$ 67,087	\$ 124,590
State Grant	34,559	631	7,273		
County assistance					
Sliding scale fees			1,553		
Personal care					
Medicaid waiver fees					
Project income	2,694			13,680	14,392
Interest income					
Other					
<b>Total Revenue and Support</b>	<u>89,509</u>	<u>4,206</u>	<u>30,643</u>	<u>80,767</u>	<u>138,982</u>

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.  
SCHEDULE OF REVENUES AND SUPPORT (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

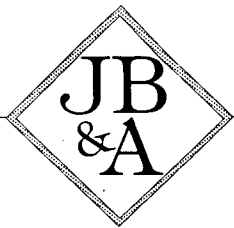
<u>Lighthouse</u>	<u>Fair</u>	<u>Personal Care</u>	<u>Direct LIFE</u>	<u>Other</u>	<u>Total (Memorandum Only)</u>
\$	\$	\$	\$	\$ 6,516	\$ 275,841
56,284	46,883		195,675	4,950	346,255
				20,000	20,000
4,984	4,287	6,142			16,966
		3,944			3,944
		27,065			27,065
					30,766
				63	63
				115,716	115,716
<u>61,268</u>	<u>51,170</u>	<u>37,151</u>	<u>195,675</u>	<u>147,245</u>	<u>836,616</u>

The independent auditors' report on supplemental information is an integral part of this schedule.

**GREENBRIER COUNTY COMMITTEE ON AGING, INC.  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

	<u>Grant Period</u>	<u>Grant Identificaiton Number</u>	<u>State Expenditures</u>
Direct Programs:			
WV Bureau of Senior Services			
Lighthouse	June 30, 2014	IH1451	\$ 41,362
Lighthouse	June 30, 2015	IH1546	14,922
FAIR	June 30, 2014	IH1451	41,986
FAIR	June 30, 2015	IH1546	4,897
Data Entry	June 30, 2014	IH1451	3,921
Data Entry	June 30, 2015	IH1546	<u>1,029</u>
Total Direct Programs			<u>108,117</u>
Pass through Awards			
Appalachain Area Agency on Aging			
IIIB State	June 30, 2014	21438-04	34,559
IIID	June 30, 2014	21438-04	631
IIIE	June 30, 2014	21438-04	7,273
LIFE	June 30, 2014	21405	119,416
LIFE	June 30, 2015	21505	<u>76,259</u>
Total pass-through awards			<u>238,138</u>
<b>TOTAL EXPENDITURES OF STATE AWARDS</b>			<u><u>\$ 346,255</u></u>

The independent auditors' report on supplemental information is an integral part of this schedule.



# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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## 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*

To the Board of Directors  
Greenbrier County Committee on Aging, Inc.  
Rupert, West Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Greenbrier County Committee on Aging, Inc. (a nonprofit organization), 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 April 8, 2015.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Greenbrier County Committee on Aging, Inc.'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 Greenbrier County Committee on Aging, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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.

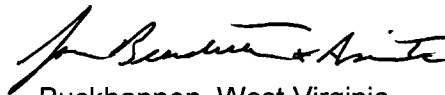
**Compliance and Other Matters**

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

We noted certain other matters that we reported to management of Greenbrier County Committee on Aging, Inc. in a separate letter dated April 8, 2015.

**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.



Buckhannon, West Virginia

April 8, 2015

**GREENBRIER COUNTY COMMISSION ON AGING, INC.  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

**Section 1 - Summary of Prior Audit Findings**

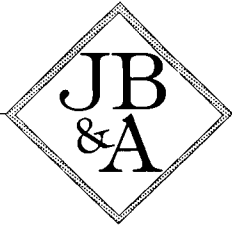
2013-1 Internal Controls

Condition: An employee misappropriated assets by using the Organization's credit card and other charge accounts to pay personal expenses. Employee also made ATM withdrawals and wrote checks for personal use. Employee paid personal utilities and fuel with Organization's funds.

Recommendation: Internal controls in place should be followed or better designed to provide reasonable assurance that credit card and charge account transactions are approved and have proper documentation. Controls also need to be in place to insure that all ATM and checking transactions are approved and have proper documentation. All expenditures should be approved by someone other than the person writing checks and the bank accounts should be reconciled by someone other than the person writing checks. Someone without accounting duties should open the mail and particularly review items clearing the checking and credit card accounts.

Current Status: Resolved

The accompanying notes are an integral part of this schedule.



# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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## MANAGEMENT LETTER

To the Senior Management and  
The Board of Directors of  
Greenbrier County Committee on Aging, Inc.  
Rupert, West Virginia

In planning and performing our audit of the financial statements of Greenbrier County Committee on Aging, Inc. for the year ended September 30, 2014, we considered the Organization's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control structure.

However, during our audit, we noted certain matters involving internal control structure and other operational matters that are presented for your consideration. This letter does not affect our report dated April 8, 2015, on the financial statements of Greenbrier County Committee on Aging, Inc.

We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

### **Organizational Structure**

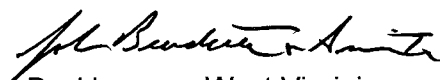
The size of the Organization's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This situation dictates that the Board of Directors remain involved in the financial affairs of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

### **Budget**

An Organization-wide budget should be developed and monitored on a continuous basis. Actual income and expenses should be compared to their budget to ensure that spending is in line with revenues. Budgets help identify misappropriation of funds by identifying unusual gaps between planned spending and actual expenses.

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

This report is intended solely for the information and use of the Board of Directors, management, and others within the Organization.

  
Buckhannon, West Virginia  
April 8, 2015