

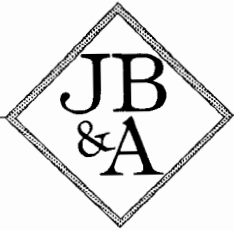
**JACKSON COUNTY COMMISSION ON AGING, INC.**

**INDEPENDENT AUDITOR'S REPORT AND  
RELATED FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2018**

## TABLE OF CONTENTS

	<b>PAGE</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1-2
Statement of financial position	3
Statement of activities	4
Statement of functional expenses	5-6
Statement of cash flows	7
Notes to financial statements	8-13
<b>SUPPLEMENTAL INFORMATION</b>	
Schedule of Revenues, Support and Expenses	14-15
Schedule of Expenditures of State Awards	16
<b>INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	17-18
<b>MANAGEMENT LETTER</b>	19



# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of Jackson County Commission on Aging, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2018, 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**

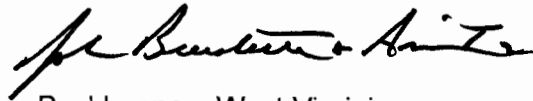
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jackson County Commission on Aging, Inc. as of September 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of revenues and support and schedule of expenditures of state awards 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 May 30, 2019 on our consideration of Jackson County Commission 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 Jackson County Commission on Aging, Inc.'s internal control over financial reporting and compliance.



Buckhannon, West Virginia  
May 30, 2019

**JACKSON COUNTY COMMISSION ON AGING, INC.  
STATEMENT OF FINANCIAL POSITION  
SEPTEMBER 30, 2018**

**ASSETS**

**Current Assets**

Cash and cash equivalents	\$ 214,927
Accounts receivable, net	4,280
Grants receivable	71,486
Annuity - American Investors	76,777
Jackson County Community Foundation	25,886
Prepaid expenses	<u>7,869</u>

Total current assets 401,225

**Property and Equipment** 1,410,490

**TOTAL ASSETS** \$ 1,811,715

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts payable	\$ 11,759
Accrued wages payable	26,160
Accrued vacation	18,303
Payroll taxes payable	<u>341</u>

Total current liabilities 56,563

**Net Assets**

Unrestricted	344,662
Investments in fixed assets	<u>1,410,490</u>

Total unrestricted net assets 1,755,152

Temporarily restricted                     

Total net assets 1,755,152

**TOTAL LIABILITIES AND NET ASSETS** \$ 1,811,715

The accompanying notes are an integral part of this statement

**JACKSON COUNTY COMMISSION ON AGING, INC.**  
**STATEMENT OF ACTIVITIES**  
**SEPTEMBER 30, 2018**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Federal financial assistance	\$ 156,204	\$	\$ 156,204
State grant allocations	557,970		557,970
Donations and match	29,843		29,843
Donations - In-Kind	10,800		10,800
County commission	15,000		15,000
Medicaid	22,279		22,279
Project income	91,249		91,249
Interest income	3,661		3,661
Fundraising	3,466		3,466
Rent	18,137		18,137
Realized Gain on Investments	74		74
Unrealized Gain on Investments	789		789
Net assets released from restrictions:			
Restrictions released with time	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Revenue and Support	<u>909,472</u>	<u>                    </u>	<u>909,472</u>
<b>EXPENSES</b>			
Program Services:			
Title III-B	77,422		77,422
Title III-E	14,611		14,611
Title III-C - congregate	141,380		141,380
Title III-C - home delivered	165,985		165,985
LIFE	102,625		102,625
Medicaid and waiver	24,113		24,113
Veterans	11,770		11,770
FAIR	49,883		49,883
Lighthouse/SAMS	205,414		205,414
Aqua fitness	38,270		38,270
Support Services:			
Management and general	<u>119,922</u>	<u>                    </u>	<u>119,922</u>
Total Expenses	<u>951,395</u>	<u>                    </u>	<u>951,395</u>
Change in Net Assets	(41,923)		(41,923)
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>1,797,075</u>	<u>                    </u>	<u>1,797,075</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 1,755,152</u>	<u>\$</u>	<u>\$ 1,755,152</u>

The accompanying notes are an integral part of this statement

**JACKSON COUNTY COMMISSION ON AGING, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Title III-B	Title III-E	Title III-C			Medicaid Waiver	Veterans
			Congregate	Home Delivered	LIFE		
Salaries and wages	\$49,358	\$12,517	\$ 56,823	\$ 72,466	\$ 48,380	\$20,043	\$ 8,716
Fringe benefits	10,103	1,539	11,847	10,713	7,627	2,406	2,049
Travel	49	28	763	428		1,664	264
Printing and supplies		510	1,383	960	3,918		433
Repairs and maintenance	9,243		8,905	2,769	16,093		
Communications and utilities	1,088	17	24,716	10,038	6,555		308
Insurance	224				12,241		
Professional services					4,500		
Rawfood			33,672	54,371			
Disposables			3,081	12,023			
Transportation costs	7,257			2,117	3,311		
Rent							
Depreciation							
Other	100		190	100			
<b>Total Functional Expenses</b>	<b>\$77,422</b>	<b>\$14,611</b>	<b>\$ 141,380</b>	<b>\$165,985</b>	<b>\$102,625</b>	<b>\$24,113</b>	<b>\$ 11,770</b>

**JACKSON COUNTY COMMISSION ON AGING, INC.  
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	FAIR	Lighthouse/ SAMS	Aqua Fitness	Admin General	Totals (Memorandum Only)
Salaries and wages	\$ 41,207	\$ 160,985	\$ 20,773	\$ 11,227	\$ 502,495
Fringe benefits	6,871	27,768	2,203	1,176	84,302
Travel	683	7,924		811	12,614
Printing and supplies		715	915	1,115	9,949
Repairs and maintenance	500	3,047	4,128	5,519	50,204
Communications and utilities	622	2,823	6,651	6,360	59,178
Insurance		755	3,600		16,820
Professional services		315		2,500	7,315
Rawfood					88,043
Disposables					15,104
Transportation costs					12,685
Rent				10,800	10,800
Depreciation				78,435	78,435
Other		1,082		1,979	3,451
<b>Total Functional Expenses</b>	<b>\$ 49,883</b>	<b>\$ 205,414</b>	<b>\$ 38,270</b>	<b>\$ 119,922</b>	<b>\$ 951,395</b>

The accompanying notes are an integral part of this statement.



**JACKSON COUNTY COMMISSION ON AGING, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ (41,923)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	78,435
Unrealized gain on investment	(789)
Realized Gain on Investment	(74)
(Increase) decrease in operating assets:	
Accounts and grants receivable	(15,043)
Prepaid expenses	(1,566)
Increase (decrease) in operating liabilities:	
Accounts payable	4,031
Accrued wages payable	(2)
Accrued payroll taxes	(289)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>22,780</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of property and equipment	(8,800)
Increase in annuity	(2,601)
Investment in Jackson Community Foundation	(25,000)
NET CASH USED IN INVESTING ACTIVITIES	<u>(36,401)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

NET CASH USED IN FINANCING ACTIVITIES

Decrease in cash and cash equivalents	(13,621)
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>228,548</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 214,927</u>

The accompanying notes are an integral part of this statement

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

**NOTE 1. NATURE OF OPERATIONS**

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

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

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

Consult with and advise the regional agencies in the development plans as specified by grantee agency, state and federal regulation as they would affect the low-income, minority, elderly, disadvantaged and handicapped citizens of Jackson County;

Enter into cooperative agreements with municipal, county, Area Agency on Aging, state, federal or other public bodies and/or agencies in establishing, conducting, implementing operation and coordinating and financing of said programs for the benefit of low-income minority, elderly, disadvantaged and handicapped citizens of Jackson County;

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

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

Develop and promote cooperative relationships between Jackson County Commission on Aging, Inc. and other allied organizations, agencies and programs interested in the needs and aspirations of the low-income, minority, elderly, disadvantaged and handicapped citizens of Jackson County; and

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

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

**NOTE 1. NATURE OF OPERATIONS**

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

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

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

Consult with and advise the regional agencies in the development plans as specified by grantee agency, state and federal regulation as they would affect the low-income, minority, elderly, disadvantaged and handicapped citizens of Jackson County;

Enter into cooperative agreements with municipal, county, Area Agency on Aging, state, federal or other public bodies and/or agencies in establishing, conducting, implementing operation and coordinating and financing of said programs for the benefit of low-income minority, elderly, disadvantaged and handicapped citizens of Jackson County;

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

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

Develop and promote cooperative relationships between Jackson County Commission on Aging, Inc. and other allied organizations, agencies and programs interested in the needs and aspirations of the low-income, minority, elderly, disadvantaged and handicapped citizens of Jackson County; and

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

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

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

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

**Property and Depreciation**

It is the Organization's policy to capitalize property and equipment with cost criteria greater than \$5,000. All items below this threshold are expensed when purchased. Property and equipment are depreciated using the straight-line method. The estimated useful lives of the related assets are as follows:

Building	39 years
Equipment	5 - 10 years
Vehicles	5 years

**Maintenance and Repairs**

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

**Income Tax**

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

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

**Estimates**

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

**Cash and Cash Equivalents**

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

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

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Expense Allocation**

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

**Accrued Vacation**

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

**Financial Statement Presentation**

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. At September 30, 2018, the Organization had unrestricted and temporarily restricted net assets and did not have any permanently restricted net assets.

**Temporarily Restricted Net Assets**

The Organization reports grants and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

**Inventory**

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

**Donated Services, Space and Other**

Donated hourly services are valued at the federal established minimum wage or the fair value of skilled services. Donated space is valued at the estimated fair rental value. Donated other is valued at the estimated fair market value at the date of receipt. The Organization does not record donated services, space and other in excess of the amount required to meet grant matching agreements.

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

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Advertising**

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

**NOTE 3. CONTINGENCIES**

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

**NOTE 4. ACCOUNTS AND GRANTS RECEIVABLE**

Accounts and grants receivable consist of the following at September 30, 2018:

Accounts receivable	\$ 4,280
Grants receivable	71,486
	-----
Total	\$ 75,766
	=====

**NOTE 5. INVESTMENTS**

The Cost and estimated market value of investment securities at September 30, 2018, are as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value
American Investors annuity	\$ 76,777	\$ -0-	\$ -0-	\$ 76,777
Jackson County Community Foundation	25,097	789	-0-	25,886
	-----	-----	-----	-----
Total	\$ 139,110	\$ 8,260	\$ -0-	\$ 102,663
	=====	=====	=====	=====

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

**NOTE 6. PROPERTY AND EQUIPMENT**

A summary of the components of property and equipment as of September 30, 2018, is as follows:

Land	\$	201,566
Buildings and Improvements		2,326,952
Equipment		134,177
Vehicles		169,852
		-----
Total		2,832,547
Less: Accumulated Depreciation		(1,422,057)
		-----
Total property and equipment	\$	1,410,490
		=====

Depreciation expense for the year ended September 30, 2018 was \$78,435.

**NOTE 7. OPERATING LEASE**

The Organization leases the building and land associated with the Sandyville senior center. This lease was entered into on January 1, 1995, and is for a period of fifty (50) years ending December 31, 2044. Intent to terminate the lease must be made known at least 30 days prior to the first day of each calendar year. The base rent for the premises is set at \$1 per year. Lease expense was \$1 for the year ended September 30, 2018.

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

2019	\$	1
2020		1
2021		1
2022		1
2023		1
Thereafter		21
		-----
Total	\$	26
		=====

The Organization recognized the fair market rental value of \$10,800 as in-kind donation and \$10,800 as in-kind rent expense for the year ended September 30, 2018.

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

**NOTE 8. CONCENTRATIONS OF CREDIT RISK**

**Cash**

The Organization maintains cash balances in checking and savings accounts at various banks throughout the region in which it operates. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At September 30, 2018, deposits in any one financial institution did not exceed \$250,000.

**Funds Receivable**

The Organization provides various services to the elderly and low-income individuals in Jackson County, West Virginia, on a third-party reimbursement basis. The Organization bills the various funding sources in accordance with contractual agreements without requiring collateral or any other security. Funds receivable have been adjusted for all known uncollectible accounts. An allowance for bad debts has not been created because the amount, if any, is not considered material.

**NOTE 9. CONTINGENT LIABILITIES**

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

**NOTE 10. MATCHING FUNDS**

During the year ended September 30, 2018, the Organization received \$15,000 unrestricted monies from the County Commission of which \$3,653 was used as matching funds for the Title III E grant awards.

**NOTE 11. TEMPORARILY RESTRICTED NET ASSETS**

There were no restricted net assets at September 30, 2018.

**NOTE 12. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through May 30, 2019 the date on which the financial statements were available to be issued.



**SUPPLEMENTAL INFORMATION**

**JACKSON COUNTY COMMISSION ON AGING, INC.**  
**SCHEDULE OF REVENUES, SUPPORT AND EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Title III-B	Title III-E	Title III-C		LIFE
			Congregate	Home Delivered	
Federal financial assistance	\$ 50,777	\$ 10,959	\$ 35,112	\$ 47,516	\$
State grant	29,397		43,701	60,322	203,368
State LIFE allocated	6,000		36,759	38,698	(98,268)
Donations and match					
Donations - In-Kind					
County Commission		3,653			
Medicaid					
Project income	1,790		24,744	19,448	
Interest income					
Fundraising					
Rent income					
Unrealized gain on investment					
Realized gain on investment					
<b>Total Revenue and Support</b>	<u>87,964</u>	<u>14,612</u>	<u>140,316</u>	<u>165,984</u>	<u>105,100</u>
Functional Expenses	77,422	14,611	141,380	165,985	102,625
Less: Depreciation					
Add: Capital Expenditures					
<b>Total Expenditures</b>	<u>77,422</u>	<u>14,611</u>	<u>141,380</u>	<u>165,985</u>	<u>102,625</u>
<b>Net Revenue (Expenditures)</b>	<u>\$ 10,542</u>	<u>\$ 1</u>	<u>\$ (1,064)</u>	<u>\$ (1)</u>	<u>\$ 2,475</u>

**JACKSON COUNTY COMMISSION ON AGING, INC.**  
**SCHEDULE OF REVENUES, SUPPORT AND EXPENSES (CONTINUED)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

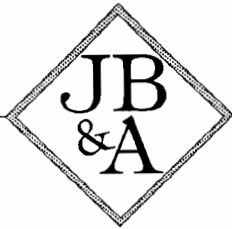
Medicaid Waiver	Veterans	Fair	Lighthouse/ SAMS	Aqua Fitness	Admin/ General	Total (Memorandum Only)
\$	\$ 11,840	\$	\$	\$	\$	\$ 156,204
		43,670	177,512			557,970
		2,871	13,940			
				26,631	3,212	29,843
					10,800	10,800
					11,347	15,000
22,279						22,279
		3,457	15,540	24,670	1,600	91,249
					3,661	3,661
					3,466	3,466
				975	17,162	18,137
					789	789
					74	74
<u>22,279</u>	<u>11,840</u>	<u>49,998</u>	<u>206,992</u>	<u>52,276</u>	<u>52,111</u>	<u>909,472</u>
24,113	11,770	49,883	205,414	38,270	119,922	951,395
					(78,435)	(78,435)
					8,800	8,800
<u>24,113</u>	<u>11,770</u>	<u>49,883</u>	<u>205,414</u>	<u>38,270</u>	<u>50,287</u>	<u>881,760</u>
<u>\$ (1,834)</u>	<u>\$ 70</u>	<u>\$ 115</u>	<u>\$ 1,578</u>	<u>\$ 14,006</u>	<u>1,824</u>	<u>\$ 27,712</u>

The accompanying independent auditor's report and notes are integral parts of this schedule.

**JACKSON COUNTY COMMISSION ON AGING, INC.  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Grant Period	Grant Identificaiton Number	State Expenditures
Direct Programs:			
WV Bureau of Senior Services			
Lighthouse	June 30, 2018	IH1818	140,108
Lighthouse	June 30, 2019	IH1918	32,344
FAIR	June 30, 2018	IH1818	31,364
FAIR	June 30, 2019	IH1918	12,306
In-Home - Data Entry	June 30, 2018	IH1818	3,862
In-Home - Data Entry	June 30, 2019	IH1918	1,198
Total Direct Programs			221,182
Pass through Awards			
WVSC Metro Area Agency on Aging			
IIIB State	June 30, 2018	21836	29,397
IIIC-1	June 30, 2018	2918	43,701
IIIC-2	June 30, 2018	2918	60,322
LIFE	June 30, 2018	21803	182,056
LIFE	June 30, 2019	21903	21,312
Total pass-through awards			336,788
TOTAL EXPENDITURES OF STATE AWARDS			\$ 557,970

The accompanying independent auditor's report and notes are integral parts of this schedule.



# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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

## 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  
Jackson County Commission on Aging, Inc.  
Ripley, 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 Jackson County Commission on Aging, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2018, 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 May 30, 2019.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jackson County Commission 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 Jackson County Commission 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.

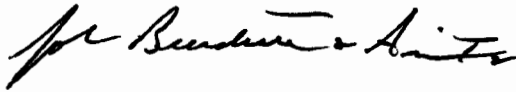
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Jackson County Commission 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*.

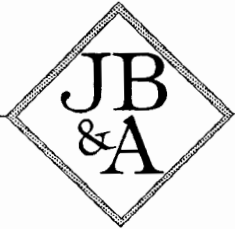
We noted certain other matters that we reported to management of Jackson County Commission on Aging, Inc. in a separate letter dated May 30, 2019 on page 19.

**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  
May 30, 2019



# JOHN BURDETTE & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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

## MANAGEMENT LETTER

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

In planning and performing our audit of the financial statements of Jackson County Commission on Aging, Inc. for the year ended September 30, 2018, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

However, during our audit we became aware of some matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. A separate letter on pages 17 and 18, dated May 30, 2019 contains our communication of significant deficiencies or material weaknesses in the Organization's internal control. This letter does not affect our report dated May 30, 2019, on the financial statements of Jackson County Commission on Aging, Inc.

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

### Organizational Structure

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

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

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

Buckhannon, West Virginia  
May 30, 2019