

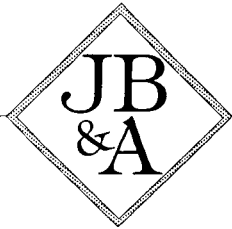
**BARBOUR COUNTY SENIOR CENTER, INC.**

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

**SEPTEMBER 30, 2013**

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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 AUDITOR'S REPORT

To the Board of Directors  
Barbour County Senior Center, Inc.  
Philippi, West Virginia

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

We have audited the accompanying financial statements of Barbour County Senior Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, functional expenses, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Barbour County Senior Center, Inc. as of September 30, 2013, 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 expenditures of federal awards, as required by Office of Management and Budget

Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 March 18, 2014, on our consideration of Barbour County Senior Center, 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 Barbour County Senior Center, Inc.'s internal control over financial reporting and compliance.



Buckhannon, West Virginia  
March 18, 2014

**BARBOUR COUNTY SENIOR CENTER, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2013**

**ASSETS**

**Current Assets**

Cash and cash equivalents	\$ 371,431
Certificate of deposit	181,833
Investments	79,346
Accounts receivable, net	49,896
Grants receivable	<u>94,925</u>
 Total current assets	 777,431

**Property and Equipment, net**

2,049,771

**TOTAL ASSETS**

\$ 2,827,202

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts payable	\$ 34,355
Accrued payroll and taxes	33,576
Accrued annual leave	19,590
Deferred revenue	<u>30</u>
 Total current liabilities	 <u>87,551</u>

**Net Assets**

Unrestricted	2,692,182
Permanently restricted	<u>47,469</u>
 Total net assets	 <u>2,739,651</u>

**TOTAL LIABILITIES AND NET ASSETS**

\$ 2,827,202

The accompanying notes are an integral part of this statement.

**BARBOUR COUNTY SENIOR CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	<b>Unrestricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
<b>REVENUE AND SUPPORT</b>			
Federal grant awards	\$ 1,715,081	\$	\$ 1,715,081
State grant	741,425		741,425
Donations	68,517		68,517
Continuum of care fees	224,944		224,944
Medicaid waiver fees	411,990		411,990
Project income	95,400		95,400
Investment income	4,737	1,797	6,534
Other income	42,056		42,056
Net assets released from restrictions:			
Restrictions satisfied with lapse of time			
<b>Total Revenue and Support</b>	<b>3,304,150</b>	<b>1,797</b>	<b>3,305,947</b>
 <b>EXPENSES</b>			
Program Services			
Title III-B	55,013		55,013
Title III-D	1,587		1,587
Title III-E	13,822		13,822
Fair	25,580		25,580
Title III-C - Congregate	98,621		98,621
Title III-C - Home Delivered	322,499		322,499
Transportation	483,244		483,244
Community Care	208,371		208,371
Medicaid waiver	408,649		408,649
Lighthouse	115,695		115,695
Other programs	122,015		122,015
Support Services			
Management and General			
<b>Total Expenses</b>	<b>1,855,096</b>		<b>1,855,096</b>
 <b>Change in Net Assets</b>	 1,449,054	 1,797	 1,450,851
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>1,243,128</b>	<b>45,672</b>	<b>1,288,800</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 2,692,182</b>	<b>\$ 47,469</b>	<b>\$ 2,739,651</b>

The accompanying notes are an integral part of this statement.

**BARBOUR COUNTY SENIOR CENTER, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

FUNCTIONAL EXPENSES	Program Services						
	Title III-B	Title III-D	Title III-E	Fair	Title III-C		
					Congregate	Home Delivered	Transportation
Salaries and wages	\$ 36,417	\$ 835	\$ 9,941	\$ 17,241	\$ 37,914	\$ 102,510	\$ 190,391
Fringe benefits	5,334	255	1,179	2,186	4,593	12,416	53,938
Travel	6,872	320	958	3,128			2,318
Printing and supplies					449	219	2,172
Other operating supplies							51,671
Rawfood					30,468	102,003	
Disposables					1,188	20,993	
Repairs and maintenance					4,941	10,975	13,907
Communications and utilities					8,734	27,323	16,732
Rent occupancy costs							2,750
Dues/subscriptions/training					33	89	640
Insurance					342	597	8,541
Other costs		30					17,941
Professional fees							443
Transportation						19,706	
Depreciation expense					3,390	7,909	88,525
Allocated indirect costs	6,390	147	1,744	3,025	6,569	17,759	33,275
<b>Total</b>	<b>\$ 55,013</b>	<b>\$ 1,587</b>	<b>\$ 13,822</b>	<b>\$ 25,580</b>	<b>\$ 98,621</b>	<b>\$ 322,499</b>	<b>\$ 483,244</b>

**BARBOUR COUNTY SENIOR CENTER, INC.  
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	<u>Program Services</u>				<u>Support Services</u>		<u>Total</u>
	<u>Community Care</u>	<u>Medicaid Waiver</u>	<u>Lighthouse</u>	<u>Other Programs</u>	<u>Total Program Services</u>	<u>Management and General</u>	
Salaries and wages	\$ 133,122	\$ 269,415	\$ 74,110	\$ 24,738	\$ 896,634	\$ 94,017	\$ 990,651
Fringe benefits	14,199	47,244	9,391	2,750	153,485	35,297	188,782
Travel	16,347	43,910	19,190	4,180	97,223		97,223
Printing and supplies	2,589			1,431	6,860	2,269	9,129
Other operating supplies					51,671	5,725	57,396
Rawfood					132,471		132,471
Disposables					22,181		22,181
Repairs and maintenance				1,691	31,514		31,514
Communications and utilities	3,612			1,719	58,120	13,295	71,415
Rent occupancy costs	2,430	930		16,740	22,850		22,850
Dues/subscriptions/training	1,695				2,457	240	2,697
Insurance	1,916			1,392	12,788		12,788
Other costs	9,117			32,955	60,043		60,043
Professional fees					443	5,848	6,291
Transportation					19,706		19,706
Depreciation expense				30,135	129,959		129,959
Allocated indirect costs	<u>23,344</u>	<u>47,150</u>	<u>13,004</u>	<u>4,284</u>	<u>156,691</u>	<u>(156,691)</u>	
<b>Total</b>	<u><u>\$ 208,371</u></u>	<u><u>\$ 408,649</u></u>	<u><u>\$ 115,695</u></u>	<u><u>\$ 122,015</u></u>	<u><u>\$ 1,855,096</u></u>	<u><u>\$</u></u>	<u><u>\$ 1,855,096</u></u>



**BARBOUR COUNTY SENIOR CENTER, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 1,450,851
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	129,959
Unrealized gain on investments	(1,466)
(Increase) decrease in operating assets:	
Accounts receivable	8,265
Grants receivable	55,363
Increase (decrease) in operating liabilities:	
Accounts payable	(9,859)
Accrued payroll and taxes	2,169
Accrued annual leave	3,558
Deferred revenue	(1,584)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>1,637,256</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Investments	(2,364)
Certificate of Deposits	(2,319)
Capital expenditures	(1,617,429)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,622,112)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

**NET CASH USED IN FINANCING ACTIVITIES**

<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	15,144
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	356,287
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 371,431</b>

The accompanying notes are an integral part of this statement.

**BARBOUR COUNTY SENIOR CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS**

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

Organization - The Barbour County Senior Center, Inc. is a nonstock corporation organized under the laws of the State of West Virginia and has been determined by the Internal Revenue Service to be a tax exempt organization under Internal Revenue Code Section 501(c)(3). In addition, the Center has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for 2013.

**Nature of Activities**

The Center was developed to improve the quality of life for senior citizens in Barbour County, West Virginia. The purpose is to study and document the needs of the seniors, to encourage, promote and aid in the establishment of programs for seniors, to conduct programs of public education in the problems of aging, to utilize opportunities to establish demonstration programs, and to implement federal, state and local programs for the aging that no other agency is implementing.

**Basis of Accounting**

The financial statements of Barbour County Senior Center, 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.

The financial statement presentation also follows the recommendations of the Financial Accounting Standards Board. Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. In addition, Barbour County Senior Center, Inc. has not received any contributions with donor-imposed restrictions that would result in temporarily or 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.

**Inventories**

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

**BARBOUR COUNTY SENIOR CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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

**Allowance for Doubtful Accounts**

The Organization uses an allowance method of accounting for bad debts. Management feels the accounts and grants receivable shown on the statement of financial position are fully collectible.

**Property and Equipment**

Fixed assets acquired by the Center are considered to be owned by the Center. However, Federal and State funding sources may maintain equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The Federal and State Funding sources have a reversionary interest in those assets purchased with its funds for the estimated useful life of the asset.

Property and equipment are carried at Cost or, if donated, at the approximate fair value at the date of donation. The Center follows the practice of capitalizing such assets over their estimated useful life if the recorded cost or fair value exceeds \$ 5,000.

Depreciation is computed using the straight-line method. In addition, all property and equipment purchased with grant monies must be used in accordance with the grantor agency's policies. Maintenance and repairs are expensed as incurred.

The West Virginia Department of Transportation – Division of Public Transit retains a reversionary interest in property and equipment acquired with its grant funds.

**Federal Grants**

Grant Monies are received on a reimbursement basis in which the Center requests monies based on expenditures made; this is utilized for Title III-B, Title III-D, Title III-E, LIFE, Transit and Title VII grants. Upon completion of a grant year, any unexpended money has to be approved for carryover to the next grant year.

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.

Total federal and state grant revenues for the year ended September 30, 2013, were \$ 1,715,081 and \$ 741,425, respectively.

**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 recognized in these financial statements in relation to such volunteer services.

**BARBOUR COUNTY SENIOR CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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

**Donated Facilities**

The Center's administrative facilities are owned by the City of Philippi, Barbour County, West Virginia. The Nestorville, Union, and Mt. Liberty Satellite sites are owned by other nonprofit organizations. The Center has recorded \$37,200 for in kind rent for the year ended September 30, 2013.

**Leased Facilities**

On May 1, 1980, the Center signed a 99 year lease on the Belington Satellite Center. The Center must pay all property taxes, insurance and maintenance on this facility. Since a recent appraisal is not available, a fair rental value was unable to be calculated and recorded as donated services in these financial statements.

**Revenue and Support**

Barbour County Senior Center, Inc. receives its grant support primarily from the Upper Potomac Area Agency on Aging, Inc. Support received from those grants is recognized on a "net funded" basis whereby the Federal and State Grant funding is recognized on a last-dollar-in basis. When using this basis, related expenses incurred are "netted" first by project income and local match in determining grant funds to be recognized. Barbour County Senior Center, Inc. receives client fee, Medicaid (Continuum of Care) income, and Medicaid Waiver income for billable client in home services and recognized these fees and income when earned.

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**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.

**BARBOUR COUNTY SENIOR CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**Note 2. Certificates of Deposit**

Three certificates of deposit totaling \$ 181,833 are included in the accompanying financial statements. The certificates have a maturity of one year, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

**Note 3. Investments**

The Cost and estimated market value of investment securities at September 30, 2013, are as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value
BCCF-Barbour	\$ 17,417	\$ 3,097	\$ -0-	\$ 20,514
BCCF-Tenney	9,602	1,761	-0-	11,363
BCCF-Shaffer	40,150	7,319	-0-	47,469
	-----	-----	-----	-----
	\$ 67,169	\$ 12,177	\$ -0-	\$ 79,346
	=====	=====	=====	=====

**Note 4. Accounts Receivable**

Accounts receivable at September 30, 2013, were as follows:

Medicaid Waiver/Continuum of Care	\$ 48,827
Project income	1,669
	-----
	49,896
Less: Allowance for uncollectible accounts	0
	-----
Total accounts receivable	\$ 49,896
	=====

**BARBOUR COUNTY SENIOR CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**Note 5. Grants Receivable**

Grants receivable at September 30, 2013, were as follows:

Title III-C	\$	7,145
Life		55,647
Transportation		19,488
FAIR		2,933
Lighthouse		9,712
		-----
Total grants receivable	\$	94,925
		=====

**Note 6. Property and Equipment**

Property and equipment consisted of the following at September 30, 2013:

Land	\$	153,511
Building		1,550,935
Equipment, furniture and fixtures		245,230
Vehicles		638,545
Leasehold improvements		235,939
		-----
Total		2,824,160
Accumulated depreciation		(774,389)
		-----
Net property and equipment	\$	2,049,771
		=====

**Note 7. Restrictions on Net Assets**

Permanently restricted net assets at September 30, 2013, consist of the BCCF Shaffer Trust which is an endowment fund.

**Note 8. Retirement Program**

The Center sponsors a defined contribution retirement plan whereby certain employees are eligible to be included in the Center's retirement program. The employee contributes 4.5% of his/her gross wages which is combined with 9.5% contributed by the Barbour County Senior Center, Inc.

The covered employees are eligible to draw benefits upon retirement. Service contributions to the retirement program of \$ 21,015 are included in fringe benefits costs on the statement of functional expenses.

**BARBOUR COUNTY SENIOR CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**Note 9. Concentrations**

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

In addition, the Center also receives about 20 percent of its total support and revenue from the West Virginia Department of Health and Human Services under billing for services provided under the Continuum of Care and Medicaid Waiver programs.

The Center maintains its cash balances with four financial institutions. The balance in these institutions at September 30, 2013 were covered by FDIC insurance.

**Note 10. Contingent Liabilities**

In the normal course of operations, the Center 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 relevant to the grant. 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, and therefore there is no liability for such benefits.

**Note 11. Subsequent Events**

Management has evaluated subsequent event through March 18, 2014, the date on which the financial statements were available to be issued.

**SUPPLEMENTAL INFORMATION**



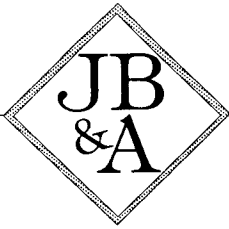
**BARBOUR COUNTY SENIOR CENTER, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Expenditures</u>
<b>U.S. Department of Transportation</b>		
Pass-through from WV Department of Transportation		
Public Transportation in Nonurban Area - 49 USC Sec. 5311	20.509	\$ 1,466,501
<b>U.S. Department of Health and Human Services</b>		
Pass-through from Upper Potomac Area Agency on Aging, Inc.		
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	25,330
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	213,508
Special Programs for the Aging - Title III, Part E - Cargiver	93.052	8,408
Special Programs for the Aging - Title III, Part D - Preventive Health Services/Medical Management	93.043	<u>1,334</u>
<b>Total Expenditures of Federal Awards</b>		<u><u>\$ 1,715,081</u></u>

**BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards included in the federal grant activity of Barbour County Senior Center, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The accompanying notes are an integral part of this schedule.



# JOHN BURDETTE & ASSOCIATES

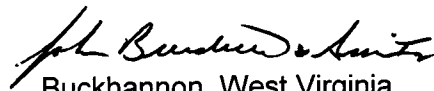
CERTIFIED PUBLIC ACCOUNTANTS

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

## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors  
Barbour County Senior Center, Inc.  
Philippi, West Virginia

Our report on our audit of the basic financial statements of the Barbour County Senior Center, Inc. for the year ended September 30, 2013 appears on page 1 and 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 of the purpose of forming an opinion of the basic financial statements taken as a whole. The schedule of revenues and support, is presented for purpose of additional analysis and is not a required part 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  
March 18, 2014

**BARBOUR COUNTY SENIOR CENTER, INC.  
SCHEDULE OF REVENUES, SUPPORT AND EXPENDITURES  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Title III-B	Title III-D	Title III-E	Fair	Title III-C	
					Congregate	Home Delivered
Federal financial assistance	\$ 25,330	\$ 1,334	\$ 8,408	\$	\$ 44,618	\$ 168,890
State grant	19,768	62		28,438		
State LIFE allocated	1,469	191	2,982		20,139	52,903
Donations						29,596
Continuum of care						
Medicaid waiver fees						
Project income	1,684			1,006	15,742	37,667
Investment income						
Other						
<b>Total Revenue and Support</b>	<b><u>48,251</u></b>	<b><u>1,587</u></b>	<b><u>11,390</u></b>	<b><u>29,444</u></b>	<b><u>80,499</u></b>	<b><u>289,056</u></b>
<b>Functional Expenses</b>	<b><u>55,013</u></b>	<b><u>1,587</u></b>	<b><u>13,822</u></b>	<b><u>25,580</u></b>	<b><u>98,621</u></b>	<b><u>322,499</u></b>
<b>Net Revenue (Expenditures)</b>	<b><u><u>\$ (6,762)</u></u></b>	<b><u><u>\$</u></u></b>	<b><u><u>\$ (2,432)</u></u></b>	<b><u><u>\$ 3,864</u></u></b>	<b><u><u>\$ (18,122)</u></u></b>	<b><u><u>\$ (33,443)</u></u></b>

**BARBOUR COUNTY SENIOR CENTER, INC.**  
**SCHEDULE OF REVENUES, SUPPORT AND EXPENDITURES (CONTINUED)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

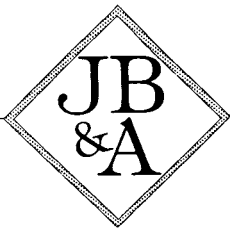
<u>Transportation</u>	<u>Personal Care</u>	<u>Lighthouse</u>	<u>Direct LIFE</u>	<u>Other</u>	<u>Total (Memorandum Only)</u>
\$ 1,466,501	\$	\$	\$	\$	\$ 1,715,081
374,755		129,876	168,526	20,000	741,425
84,842			(168,526)	6,000	
	3,118			35,803	68,517
	224,944				224,944
	411,990				411,990
31,459		7,842			95,400
				6,534	6,534
888				41,168	42,056
<u>1,958,445</u>	<u>640,052</u>	<u>137,718</u>		<u>109,505</u>	<u>3,305,947</u>
<u>483,244</u>	<u>617,020</u>	<u>115,695</u>		<u>122,015</u>	<u>1,855,096</u>
<u>\$ 1,475,201</u>	<u>\$ 23,032</u>	<u>\$ 22,023</u>	<u>\$</u>	<u>\$ (12,510)</u>	<u>\$ 1,450,851</u>

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

**BARBOUR COUNTY SENIOR CENTER, INC.  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013**

	<u>Grant Period</u>	<u>Grant Identificaiton Number</u>	<u>State Expenditures</u>
Direct Programs:			
WV Bureau of Senior Services			
			\$ 20,000
			<u>20,000</u>
Total Direct Programs			
Pass through Awards			
Upper Potomac Area Agency on Aging			
IIIB State	June 30, 2013	21337	19,768
IIID	June 30, 2013	21337	62
LIFE	June 30, 2014	21404	89,614
LIFE	June 30, 2013	21304	78,912
Lighthouse	June 30, 2014	IH1432	27,076
Lighthouse	June 30, 2013	21351	97,800
SAMS Data Entry	June 30, 2012	12351	5,000
FAIR	June 30, 2014	IH1432	8,680
FAIR	June 30, 2013	21351	19,758
Transit	June 30, 2014	S531112	17,000
Transit	June 30, 2013	S531111	35,000
Transit Equip/Cap	June 30, 2013	Facility	<u>322,755</u>
			721,425
Total pass-through awards			
TOTAL EXPENDITURES OF STATE AWARDS			<u><u>\$ 741,425</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 AUDITORS' 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  
Barbour County Senior Center, Inc.  
Philippi, 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 Barbour County Senior Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, 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 March 18, 2014.

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

In planning and performing our audit of the financial statements, we considered Barbour County Senior Center, 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 Barbour County Senior Center, 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.

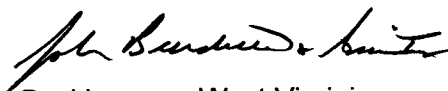
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Barbour County Senior Center, 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*.

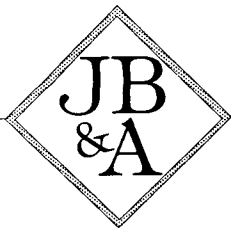
We noted certain other matters that we reported to management of Barbour County Senior Center, Inc. in a separate letter dated March 18, 2014.

**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  
March 18, 2014



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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors  
Barbour County Senior Center, Inc.  
Philippi, West Virginia

### Report on Compliance for Each Major Federal Program

We have audited Barbour County Senior Center, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Barbour County Senior Center, Inc.'s major federal programs for the year ended September 30, 2013. Barbour County Senior Center, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Barbour County Senior Center, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Barbour County Senior Center, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Barbour County Senior Center, Inc.'s compliance.

### Opinion on Each Major Federal Program

In our opinion, Barbour County Senior Center, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.



## **Report on Internal Control Over Compliance**

Management of Barbour County Senior Center, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Barbour County Senior Center, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Barbour County Senior Center, Inc.'s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose



Buckhannon, West Virginia  
March 18, 2014

**BARBOUR COUNTY SENIOR CENTER, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

**SECTION I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued Unqualified

Internal control over financial reporting:

Material weakness identified?	___ yes	_X_ no
Significant deficiencies identified that are not considered to be material weaknesses?	___ yes	_X_ none reported
Noncompliance material to financial statements noted?	___ yes	_X_ no

**Federal Awards**

Internal control over major programs?

Material weakness identified?	___ yes	_X_ no
Significant deficiencies identified that are not considered to be material weaknesses?	___ yes	_X_ none reported

Type of auditors' report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_ yes      \_X\_ no

Identification of major programs

CFDA Number	Name of Federal Program Cluster
20.509	Public Transportation in Nonurban Area

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

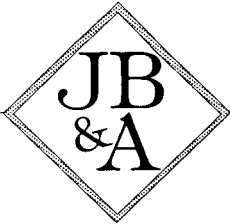
Auditee qualified as low-risk auditee? \_\_\_ yes      \_x\_ no

**SECTION II - Financial Statements Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None



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## MANAGEMENT LETTER

To the Senior Management and  
The Board of Directors  
Barbour County Senior Center, Inc.  
Philippi, West Virginia

In planning and performing our audit of the financial statements of Barbour County Senior Center, Inc. for the year ended September 30, 2013 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 the internal control structure.

However, during our audit, we noted a certain matter involving the internal control structure and other operational matters that are presented for your consideration. This letter does not affect our report dated March 18, 2014, on the financial statements of Barbour County Senior Center, Inc.


We will review the status of these comments during our next audit engagement. Our comments and recommendation, 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 as follows:

### **Segregation of Duties**

We noted that two employees are responsible for most accounting and financial duties. As a result, many aspects of the internal control which rely upon an adequate segregation of duties are, for all practical purposes, missing in Barbour County Senior Center, Inc. We recognize that the Organization has segregated financial duties as much as possible among its present staff and is not large enough to make the employment of additional people for the purpose of segregating duties practicable from a financial standpoint, but we are required, under our professional responsibilities to describe the situation.

We wish to thank the Director and her 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 with the Organization.

  
Buckhannon, West Virginia  
March 18, 2014