

**Northeast Missouri Area  
Agency on Aging  
Kirksville, Missouri**

**Annual Financial Statements  
And Accompanying Auditors' Report**

**For the Year Ended June 30, 2008**

# Northeast Missouri Area Agency on Aging

## Table of Contents

	<u>Page</u>
<b>Section I: Financial Statements and Supplementary Information</b>	
Independent Auditors' Report	1
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7
Supplementary Information:	
Financial Statements:	
Statement of Financial Position	15
Statement of Activities	16
Grant Basis Financial Statements:	
Statement of Financial Position - Fund Accounting	17
Statement of Activities - by Funding Source - Fund Accounting	18
Statement of Activities - Budget and Actual - Fund Accounting	19
Statement of Functional Expenditures - Budget and Actual – Fund Accounting	23
Schedule of Transportation Expenditures by Funding Source	29
Schedule of Monthly DHSS Reimbursable Expenditures	30

# Northeast Missouri Area Agency on Aging

## Table of Contents

	<u>Page</u>
<b>Section II: Single Audit Reporting</b>	
Schedule of Expenditures of Federal and State Awards	31
Notes to Schedule of Expenditures of Federal and State Awards	33
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	34
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	36
Schedule of Findings and Questioned Costs	38

**Section I**

**Financial Statements and  
Supplementary Information**

Danny L. Marsh, C.P.A.  
309 West Clay  
Albany, Missouri 64402  
Phone (660) 726-3961  
Fax (660) 726-3965  
dlimmer@windstream.net

Ted Espey, C.P.A.  
Gerald A. Riggs, C.P.A.  
101 West Edwards  
Maryville, Missouri 64468  
Phone (660) 582-3181  
Fax (660) 582-4132  
espeyt@asde.net  
jriggs@asde.net

**Independent Auditors' Report**

To the Board of Directors  
Northeast Missouri Area  
Agency on Aging  
Kirksville, Missouri

To the Missouri Department  
of Health and Senior Services  
Division of Senior and Disability Services  
Jefferson City, Missouri

We have audited the accompanying statement of financial position of Northeast Missouri Area Agency on Aging (a nonprofit organization) as of June 30, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Northeast Missouri Area Agency on Aging's management. 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Missouri Department of Health and Senior Services "Mandated Audit Criteria." Those standards and the Missouri Department of Health and Senior Services "Mandated Audit Criteria" require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Northeast Missouri Area Agency on Aging's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northeast Missouri Area Agency on Aging as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2009 on our consideration of Northeast Missouri Area Agency on Aging'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Northeast Missouri Area Agency on Aging taken as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Organization. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Organization. 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.

*Marsh, Espey & Riggs, P.C.*  
Certified Public Accountants

March 8, 2009  
Maryville, Missouri

**Northeast Missouri Area Agency on Aging  
Statement of Financial Position  
June 30, 2008**

**Assets**

Cash	\$ 313,332
Grants receivable:	
Missouri Department of Health and Senior Services	65,741
Accounts receivable:	
Missouri Division of Medical Services - Meals	97,338
Prepaid expenses	2,030
Property, net of accumulated depreciation	<u>82,320</u>
 Total assets	 <u>560,761</u>

**Liabilities**

DHSS funds held in trust	43,025
Accounts payable	322,927
Accrued liabilities	14,340
Refundable advances	<u>10</u>
 Total liabilities	 <u>380,302</u>

**Net Assets**

Unrestricted	<u>180,459</u>
 Total net assets	 <u>180,459</u>
 Total liabilities and net assets	 <u>\$ 560,761</u>

See notes to financial statements

**Northeast Missouri Area Agency on Aging  
Statement of Activities  
For the Year Ended June 30, 2008**

	<b><u>Unrestricted</u></b>
<b>Revenues</b>	
Missouri Department of Health and Senior Services	\$ 2,531,926
Missouri Department of Social Services	3,535
Missouri Department of Transportation	102,104
Missouri Division of Medical Services - Meals	570,599
Program Income	1,195,463
Interest on Local Funds	3,231
Interest	11,124
Other Cash - DHSS Match	318,168
Other Cash - Non-DHSS Match	505,367
Total Revenues	<u>5,241,517</u>
<b>Expenditures</b>	
Area Agency:	
Administration	178,904
Program Services:	
Supportive	741,554
Ombudsman	45,006
Congregate	1,460,873
Home Delivered	2,581,957
Disease Prevention and Health Promotion	49,441
Family Caregivers	169,729
Special Programs	10,822
Area Agency Funds	5,759
Total Expenditures	<u>5,244,045</u>
<b>Change in net assets</b>	(2,528)
<b>Net assets, beginning of year</b>	<u>182,987</u>
<b>Net assets, end of year</b>	<u>\$ 180,459</u>

See notes to financial statements



**Northeast Missouri Area Agency on Aging**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2008**

	Program Services										Total	
	Area Agency	Administration	Supportive	Ombudsman	Congregate	Home Delivered	Disease Prev Health Prom	Family Caregivers	Special Programs	Area Agency Funds		
<b>Expenditures</b>												
Personnel & fringe	\$ 118,407	\$ 14,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,572	\$ -	\$ 2,453	\$ 139,441	
Travel	24,186	-	-	-	-	-	-	-	-	-	24,186	
Occupancy and telephone	7,438	608	-	-	-	-	-	1,310	-	-	9,356	
Printing, supplies, and office expense	9,602	785	-	-	-	-	-	1,691	-	-	12,078	
Equipment	8,538	-	-	-	-	-	10,064	-	3,837	-	22,439	
Other Costs:												
Equipment maintenance	1,314	107	-	-	-	-	-	231	-	-	1,652	
Copier rental	1,578	129	-	-	-	-	-	278	-	-	1,985	
Consultants	846	-	-	-	-	-	-	-	-	-	846	
Innov. data sys-user access	900	4,988	900	2,652	2,653	-	-	2,394	-	-	14,487	
Insurance	3,580	-	-	-	-	-	-	-	-	-	3,580	
Memberships	500	-	-	-	-	-	-	-	-	-	500	
Subscriptions & publications	1,339	-	-	-	-	-	-	-	-	-	1,339	
Dietitian services	566	-	-	-	-	-	-	-	-	-	566	
Training	110	9	-	-	-	-	-	19	-	-	138	
Brochures and health guides	-	-	-	-	-	-	5,943	-	-	-	5,943	
Medicine organizers	-	-	-	-	-	-	33,434	-	-	-	33,434	
MAIN project	-	-	-	-	-	-	-	821	-	-	821	
Donation RSVP	-	-	-	-	-	-	-	-	-	200	200	
Miscellaneous agency costs	-	-	-	-	-	-	-	-	-	603	603	
Voucher transportation	-	49	-	-	-	-	-	-	-	-	49	
Emer kits/disaster response	-	-	-	-	-	-	-	-	3,450	-	3,450	
Contracted service	-	720,870	44,106	1,458,221	2,579,304	-	-	158,413	3,535	-	4,964,449	
Depreciation	-	-	-	-	-	-	-	-	-	2,503	2,503	
<b>Total expenditures</b>	<b>\$ 178,904</b>	<b>\$ 741,554</b>	<b>\$ 45,006</b>	<b>\$ 1,460,873</b>	<b>\$ 2,581,957</b>	<b>\$ 49,441</b>	<b>\$ 169,729</b>	<b>\$ 10,822</b>	<b>\$ 5,759</b>	<b>\$ 5,244,045</b>		

See notes to financial statements

**Northeast Missouri Area Agency on Aging  
Statement of Cash Flows  
For the Year Ended June 30, 2008**

Cash flows from operating activities:

Cash received from:	
Missouri Department of Health and Senior Services	\$ 2,576,977
Missouri Department of Social Services	3,545
Missouri Highway and Transportation Department	102,104
Missouri Division of Medical Services - Meals	572,106
Program income	1,195,463
Interest on local funds	3,231
Interest	11,124
Other cash - DHSS match	318,168
Other cash - Non-DHSS match	505,367
Cash disbursed to contractors	(4,964,242)
Cash disbursed to suppliers and employees	<u>(277,196)</u>
Net increase (decrease) in cash	46,647
Cash, beginning of year	<u>266,685</u>
Cash, end of year	<u><u>313,332</u></u>

**Reconciliation of Change in Net Assets to  
Net Cash Flows from Operating Activities**

Change in net assets	(2,528)
Adjustments:	
Depreciation	2,503
(Increase) decrease in:	
Grants receivable:	
Missouri Department of Health and Senior Services	63,933
Missouri Department of Social Services	-
Accounts receivable:	
Missouri Division of Medical Services - Meals	1,507
Prepaid expenses	1,538
Increase (decrease) in:	
DHSS funds held in trust	(18,882)
Accounts payable	(3,695)
Accrued liabilities	2,261
Refundable advances	10
Net cash provided by (used for) operating activities	<u><u>\$ 46,647</u></u>

See notes to financial statements

**Northeast Missouri Area Agency on Aging**  
**Notes to Financial Statements**  
**June 30, 2008**

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

**Nature of Organization and Activities**

Northeast Missouri Area Agency on Aging (the Organization) is a community-based organization governed by a local Board of Directors. The primary purpose of the Organization is the establishment of the priorities and development of overall plans for programs on aging in the Multi-County Area of Northeast Missouri. The Organization receives funds under Title III and other Titles of the Older Americans Act (OAA), as amended, and such other sources as may become available. The Organization is mandated by the OAA to use subgrants or contracts with service providers to provide all services under OAA funding sources. The Organization may request a waiver, from the Missouri Department of Health and Senior Services, to provide a service directly. The level of services provided is dependent upon the amount of funding provided under contract from the Missouri Department of Health and Senior Services. The accompanying financial statements include all funds that are directly controlled by the Organization.

This summary of significant accounting policies of the Organization is presented to assist in understanding the accompanying financial statements. The following is a summary of the more significant policies.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, 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.

Assets are sequenced according to their nearness of conversion to cash, and liabilities are sequenced according to the nearness of their maturity and resulting use of cash.

**Northeast Missouri Area Agency on Aging**  
**Notes to Financial Statements**  
**June 30, 2008**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Basis of Accounting**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. The accompanying financial statements have been prepared on the accrual basis of accounting.

**Fund Accounting**

To facilitate observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts of the Organization are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, for financial reporting purposes the funds have been combined.

**Revenue Recognition**

Cost reimbursement grants (federal grants and state general revenues) are recognized as revenue when allowable expenditures are incurred and all other grant related requirements have been met. Cash entitlement in lieu of commodities is earned when received or receivable and the Organization has served enough eligible meals to qualify for the cash entitlement in lieu of commodities. Program income is recognized when received. Unconditional promises to give are recognized as revenue in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Interest income is recognized in the period earned. Other cash is recognized when earned consistent with the terms and conditions that govern the funding.

**Description of Program and Supporting Services**

The following program and supporting services are included in the accompanying financial statements:

*Supportive* – provides transportation, homemaker, personal care, legal, and information and assistance services to older individuals.

*Ombudsman* – provides services of an ombudsman to receive, investigate, and act on complaints by older individuals who are residents of long-term care facilities and to advocate for the well being of those older individuals.

**Northeast Missouri Area Agency on Aging**  
**Notes to Financial Statements**  
**June 30, 2008**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Description of Program and Supporting Services (continued)**

*Congregate* – provides a daily meal and other appropriate nutrition services in a congregate setting primarily to older individuals and other eligible recipients.

*Home Delivered* – provides a home delivered meal daily primarily to older individuals and other eligible recipients.

*Disease Prevention and Health Promotion* – provides health education, heat assistance equipment, and medication management services to older individuals.

*Family Caregivers* – provides in-home respite and information and assistance services to assist family caregivers in providing extended care to older persons.

*Special Programs* – assist the Missouri Rx Plan with dissemination of information to prospective members and caregivers regarding the State Pharmaceutical Assistance Program and purchase of emergency disaster kits for nutrition centers to use during a disaster.

*Area Agency Administration* – includes the functions necessary to ensure an adequate working environment; provide coordination and articulation of the Area Agency's programs; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of the Area Agency.

**Budgetary Accounting**

Budgets are adopted for each service provided based on an Area Plan approved by the Missouri Department of Health and Senior Services. Budget revisions are determined in accordance with applicable Missouri Department of Health and Senior Services regulations on grant administration.

**Cash equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments and certificates of deposit purchased with an initial maturity of three months or less to be cash equivalents. The Organization has no cash equivalents at June 30, 2008.

**Accounts Receivable**

The Organization classifies its trade receivables as *not held for sale*. Trade receivables are reported at outstanding principle adjusted for any charge offs. Past due accounts are not assessed a finance charge.

**Northeast Missouri Area Agency on Aging**  
**Notes to Financial Statements**  
**June 30, 2008**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Allowance for Doubtful Accounts**

The Organization has not established an allowance for doubtful accounts as the majority of the Organization's receivables are due from governmental agencies and experience has shown that the Organization is able to collect all amounts due.

**Property and Equipment**

Acquisitions of property and equipment, and expenditures of \$500 or more for major improvements and betterments that materially prolong the useful lives of property and equipment are capitalized. Expenditures for repairs and maintenance are expensed as incurred. Property and equipment are carried at cost.

Property and equipment acquired with grant award funds is owned by the Organization while used in the program for which it was purchased or in other future authorized programs. The funding sources, however, have a reversionary interest in the property and equipment purchased with grant funds. The disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations.

Equipment acquired with grant award funds is charged to expense in the period of purchase instead of being depreciated over its useful life. Generally accepted accounting principles require that equipment acquired with grant award funds be depreciated. If the equipment were capitalized and depreciated, the cost of equipment, net of depreciation, at June 30, 2008 would be \$16,414. This practice does not represent a material departure from generally accepted accounting principles.

Property is being depreciated on the straight-line basis over the estimated useful lives of the assets as follows:

Building and improvements	40 years
Parking lot	10 years

**DHSS funds held in trust**

The Organization records Missouri Department of Health and Senior Services (DHSS) unearned grant allotment balances as a refundable advance until they are expended for the purpose of the grant, at which time they are recognized as revenue.

**Compensated Absences**

Employees of the Organization are entitled to paid vacation and paid sick days, depending on job classification, length of service, and other factors. The Organization's policy is to recognize the costs of compensated absences when incurred. Total vested leave at June 30, 2008 amounted to \$9,319 and is reported as "accrued liabilities" in the Statement of Financial Position.

**Northeast Missouri Area Agency on Aging**  
**Notes to Financial Statements**  
**June 30, 2008**

**Note 1 – Summary of Significant Accounting Policies** (continued)

**Limitations on Unrestricted Net Assets**

Grantor agencies impose significant limitations on the use of grant resources. Therefore, unrestricted net assets derived from grant resources are limited in use to those activities which are allowed under the terms of the grant awards and related grant program rules and regulations. Funds not used for purposes specified in the grant award document or the related grant program rules and regulations may be required to be repaid by the grantor agency.

**Contributions**

All 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.

**Donated Facilities, Materials and Services**

Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated.

Other services, which have not been included in the financial statements because they do not meet the criteria for recognition under generally accepted accounting principles, were contributed by various individuals and organizations. The total amount of donated services that are not recognized in the financial statements is \$376,698 for 2008. Donated facilities, materials and services are used to meet non-Federal share matching requirements of the grant programs.

**Concentration of Cash**

The Organization maintains its cash deposits in a financial institution located in Kirksville, Missouri. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000. At June 30, 2008, the Organization's uninsured cash balance totals \$245,472. U.S. Treasury Notes with a market value of \$496,734 are pledged as collateral for cash balances in excess of federally insured limits. The Organization has not experienced any losses in bank deposit accounts. The Organization believes it is not exposed to any significant credit risk on cash balances.

**Northeast Missouri Area Agency on Aging**  
**Notes to Financial Statements**  
**June 30, 2008**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Concentration of Credit Risk**

The Organization receives support from various federal and state agencies. At June 30, 2008, 100% of the grants and contracts receivable balances were due from state governmental agencies.

**Concentration of Revenue**

The Organization receives approximately 61% of its revenues from federal and state governmental agencies. Of this amount, approximately 79% is received from the Missouri Department of Health and Senior Services. Approximately 38% of the Organization's revenues are from program income and other cash generated through awards to various organizations for the delivery of services to eligible recipients.

**Cost Allocation**

Shared costs are allocated to benefiting programs using various allocation methods, depending on the type of shared cost being allocated. Shared costs are those costs incurred for the common benefit of all Organization programs, but which cannot be readily identified with a final cost objective. Cost allocation methods are as follows:

*Personnel and fringe* – Salaries and wages, leave, and fringe benefits are allocated to each grant or activity in accordance with job descriptions and time analysis for various functions.

*Travel, memberships, equipment, subscriptions and publications, medicine chests, senior health guides, medicine chests, brochures, emergency kits, naps user access and main project* – Costs are billed directly to the applicable program.

*Occupancy, telephone base charges, printing and supplies, office expense, equipment maintenance, training and copier rental* – Costs are allocated to each program based on square footage occupied.

*Consultants, insurance and dietitian services* – Costs are charged to administration.

**Income Tax Status**

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation within the meaning of Section 509(a). It is also exempt from state income taxes under the Missouri Not-for-Profit Corporation Act.



**Northeast Missouri Area Agency on Aging**  
**Notes to Financial Statements**  
**June 30, 2008**

**Note 2 – Cash**

The Organization must comply with various restrictions on deposits which are imposed by state and federal regulations as follows:

Deposits: All deposits with financial institutions must be held in depositories insured by the FDIC and deposits in excess of FDIC coverage limits must be collateralized. Also, Federal regulations require that all advances of Federal funds shall be deposited and maintained in insured accounts whenever possible.

**Note 3 – Property and Equipment**

The following is a summary of property at June 30, 2008:

Land	\$ 25,000
Building and improvements	72,140
Parking lot	<u>7,000</u>
Total	104,140
Less accumulated depreciation	<u>( 21,820)</u>
Net	\$ <u>82,320</u>

The aggregate depreciation charged to operations for 2008 was \$2,503. The depreciation policies are described in Note 1.

The following is a summary of changes in property and equipment acquired with grant award funds for the fiscal year ended June 30, 2008:

	<u>Property</u>	<u>Equipment</u>	<u>Total</u>
Balance, July 1, 2007	\$104,140	\$ 25,332	\$ 129,472
Additions:			
Equipment purchases	--	22,439	22,439
Deletions:			
Heat assistance equipment transferred to participants	--	(10,064)	( 10,064)
Dispositions	<u>--</u>	<u>( 7,099)</u>	<u>( 7,099)</u>
Balance, June 30, 2008	<u>\$104,140</u>	<u>\$ 30,608</u>	<u>\$ 134,748</u>

**Northeast Missouri Area Agency on Aging**  
**Notes to Financial Statements**  
**June 30, 2008**

**Note 4– Employee Benefit Plan**

The Organization has a Simplified Employee Pension plan under section 408k of the Internal Revenue Code. Plan contributions are made to individual retirement accounts of all eligible employees. The Organization contributed 15% per month for the year ended June 30, 2008, for total plan contributions of \$15,353.

**Note 5 – Commitments and Contingencies**

**Grant Awards**

Financial awards from Federal and state governmental entities in the form of grants are subject to audit by the appropriate grantor agency. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. The Organization believes that disallowed costs, if any, based upon subsequent audits by the grantor agencies will not have a material effect on the overall financial position of the Organization.

**Grants Payable to Others**

The Organization is mandated by the Older Americans Act (OAA) to use subgrants or contracts with service providers to provide all services under OAA funding sources, unless the Organization is granted a waiver to provide services directly. The Organization has entered into subgrants with service providers for the provision of supportive, ombudsman, congregate, home delivered, and family caregivers services for fiscal year 2008 – 2009.

**Note 6 – Special Events**

During 2008, the Organization did not conduct any special events that were peripheral or incidental to the Organization's central activities.

## **Supplementary Information**

**Northeast Missouri Area Agency on Aging  
Supplementary Information  
Statement of Financial Position  
June 30, 2008**

	<b>Grant Basis</b>	<b>GAAP Adjustments</b>	<b>GAAP Basis</b>
<b>Assets</b>			
Cash	\$ 313,332	-	\$ 313,332
Grants receivable:			
MO Department of Health and Senior Services	65,741	-	65,741
Accounts receivable:			
Missouri Division of Medical Services - Meals	97,338	-	97,338
Prepaid expenses	2,030	-	2,030
Property, net of accumulated depreciation	-	82,320	82,320
 Total assets	 478,441	 82,320	 560,761
<b>Liabilities</b>			
DHSS funds held in trust	43,025	-	43,025
Accounts payable	322,927	-	322,927
Accrued liabilities	14,340	-	14,340
Refundable advances	10	-	10
 Total liabilities	 380,302	 -	 380,302
<b>Net Assets</b>			
Unrestricted	98,139	82,320	180,459
 Total net assets	 98,139	 82,320	 180,459
 Total liabilities and net assets	 \$ 478,441	 \$ 82,320	 \$ 560,761

**Northeast Missouri Area Agency on Aging  
Supplementary Information  
Statement of Activities  
For the Year Ended June 30, 2008**

	<b>Unrestricted</b>		
	<b>Budget Basis</b>	<b>GAAP Adjustments</b>	<b>GAAP Basis</b>
<b>Revenues</b>			
Missouri Department of Health and Senior Services	\$ 2,531,926	\$ -	\$ 2,531,926
Missouri Department of Social Services	3,535	-	3,535
Missouri Department of Transportation	102,104	-	102,104
Missouri Division of Medical Services - Meals	570,599	-	570,599
Program Income	1,195,463	-	1,195,463
Interest on local funds	3,231	-	3,231
Interest	11,124	-	11,124
Other Cash - DHSS match	318,168	-	318,168
Other Cash - Non-DHSS match	505,367	-	505,367
Total Revenues	<u>5,241,517</u>	<u>-</u>	<u>5,241,517</u>
<b>Expenditures</b>			
Personnel & fringe	139,441	-	139,441
Travel	24,186	-	24,186
Occupancy and telephone	9,356	-	9,356
Printing, supplies, office expense	12,078	-	12,078
Equipment	22,439	-	22,439
Other Costs:			
Equipment maintenance	1,652	-	1,652
Copier rental	1,985	-	1,985
Consultants	846	-	846
Innov. data sys-user access	14,487	-	14,487
Insurance	3,580	-	3,580
Memberships	500	-	500
Subscriptions & publications	1,339	-	1,339
Dietitian services	566	-	566
Training	138	-	138
Brochures and senior health guides	5,943	-	5,943
Medicine organizers	33,434	-	33,434
MAIN project	821	-	821
Donation RSVP	200	-	200
Miscellaneous agency costs	603	-	603
Voucher transportation	49	-	49
Emergency kits/disaster response	3,450	-	3,450
Contracted service	4,964,449	-	4,964,449
Depreciation	-	2,503	2,503
Total expenditures	<u>5,241,542</u>	<u>2,503</u>	<u>5,244,045</u>
<b>Change in net assets</b>	(25)	(2,503)	(2,528)
<b>Net assets, beginning of year</b>	<u>98,164</u>	<u>84,823</u>	<u>182,987</u>
<b>Net assets, end of year</b>	<u>\$ 98,139</u>	<u>\$ 82,320</u>	<u>\$ 180,459</u>

**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Statement of Financial Position - Fund Accounting**  
**June 30, 2008**

	<u>Administration</u>	<u>Supportive</u>	<u>Ombudsman</u>	<u>Congregate</u>	<u>Home</u>	<u>Disease Prev</u>	<u>Family</u>	<u>Special</u>	<u>Area</u>	<u>Eliminations</u>	<u>Total</u>
	<u>Program</u>	<u>Program</u>	<u>Program</u>	<u>Program</u>	<u>Delivered</u>	<u>&amp; Health Prom</u>	<u>Caregivers</u>	<u>Programs</u>	<u>Funds</u>	<u>(Due to/From)</u>	
					<u>Program</u>	<u>Program</u>	<u>Program</u>				
<b>ASSETS:</b>											
Cash	\$ 8,445	\$ 88,137	\$ 3,799	\$ 26,226	\$ 52,734	\$ -	\$ 21,182	\$ 14,670	\$ 98,139	\$ -	\$ 313,332
Grants receivable:											
Mo Dept of Health and Senior Services	3,386	(14,411)	133	4,235	33,295	21,719	17,384	-	-	-	65,741
Mo Dept of Social Services	-	-	-	-	-	-	-	-	-	-	-
Mo Depart of Transp	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable:											
Mo Division of Medical Services - Meals	-	-	-	-	97,338	-	-	-	-	-	97,338
Prepaid Expense	2,030	-	-	-	-	-	-	-	-	-	2,030
Due from other funds	-	-	-	21,486	-	-	-	-	-	(21,486)	-
<b>Total assets</b>	<b>13,861</b>	<b>73,726</b>	<b>3,932</b>	<b>51,947</b>	<b>183,367</b>	<b>21,719</b>	<b>38,566</b>	<b>14,670</b>	<b>98,139</b>	<b>(21,486)</b>	<b>478,441</b>
<b>LIABILITIES:</b>											
DHSS funds held in trust	-	5,411	-	4,916	1,074	233	19,391	12,000	-	-	43,025
Accounts payable	1,085	66,751	3,932	47,031	182,293	-	19,175	2,660	-	-	322,927
Accrued liabilities	12,776	1,564	-	-	-	-	-	-	-	-	14,340
Refundable advances	-	-	-	-	-	-	-	10	-	-	10
Due to other funds	-	-	-	-	-	21,486	-	-	-	(21,486)	-
<b>Total liabilities</b>	<b>13,861</b>	<b>73,726</b>	<b>3,932</b>	<b>51,947</b>	<b>183,367</b>	<b>21,719</b>	<b>38,566</b>	<b>14,670</b>	<b>-</b>	<b>(21,486)</b>	<b>380,302</b>
<b>NET ASSETS:</b>											
Unrestricted	-	-	-	-	-	-	-	-	98,139	-	98,139
Temporarily restricted	-	-	-	-	-	-	-	-	-	-	-
<b>Total net assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98,139</b>	<b>-</b>	<b>98,139</b>
<b>Total liabilities and net assets</b>	<b>\$ 13,861</b>	<b>\$ 73,726</b>	<b>\$ 3,932</b>	<b>\$ 51,947</b>	<b>\$ 183,367</b>	<b>\$ 21,719</b>	<b>\$ 38,566</b>	<b>\$ 14,670</b>	<b>\$ 98,139</b>	<b>\$ (21,486)</b>	<b>\$ 478,441</b>

**Northeast Missouri Area Agency on Aging  
Supplementary Information  
Statement of Activities - by Funding Source - Fund Accounting  
For the Year Ended June 30, 2008**

	Administration	Supportive Program	Ombudsman Program	Congregate Program	Home Delivered Program	Disease Prev & Health Prom Program	Family Caregivers Program	Special Programs	Area Agency Funds	Eliminations (Other In-Kind)	Total
<b>REVENUES</b>											
MO Dept of Health & Senior Services	\$ 177,654	\$ 518,322	\$ 41,838	\$ 564,151	\$ 1,017,137	\$ 49,441	\$ 159,933	\$ 3,450	\$ -	\$ -	\$ 2,531,926
MO Dept of Social Services	-	-	-	-	-	-	-	3,535	-	-	3,535
MO Department of Transportation	-	102,104	-	-	-	-	-	-	-	-	102,104
MO Div. of Medical Services - Meals	-	-	-	-	570,599	-	-	-	-	-	570,599
Program Income	-	66,003	-	681,596	443,160	-	4,704	-	-	-	1,195,463
Interest on local funds	-	-	-	-	-	-	-	-	3,231	-	3,231
Interest	-	2,378	198	2,876	4,977	-	695	-	-	-	11,124
Other Cash - DHSS match	-	-	2,970	65,575	249,623	-	-	-	-	-	318,168
Other Cash - Non-DHSS match	1,250	52,747	-	146,675	296,461	-	4,397	3,837	-	-	505,367
Other In-Kind - DHSS Match	14,000	58,360	100	94,548	137,585	5,988	66,117	-	-	(376,698)	-
<b>Total Revenues</b>	<b>192,904</b>	<b>799,914</b>	<b>45,106</b>	<b>1,555,421</b>	<b>2,719,542</b>	<b>55,429</b>	<b>235,946</b>	<b>10,822</b>	<b>3,231</b>	<b>(376,698)</b>	<b>5,241,517</b>
<b>EXPENDITURES</b>											
MO Dept of Health & Senior Services	177,654	518,322	41,838	564,151	1,017,137	49,441	159,933	3,450	-	-	2,531,926
MO Dept of Social Services	-	-	-	-	-	-	-	3,535	-	-	3,535
MO Highway and Transportation	-	102,104	-	-	-	-	-	-	-	-	102,104
MO Div. of Medical Services - Meals	-	-	-	-	570,599	-	-	-	-	-	570,599
Program Income	-	66,003	-	681,596	443,160	-	4,704	-	-	-	1,195,463
Interest on local funds	-	-	-	-	-	-	-	-	3,256	-	3,256
Interest	-	2,378	198	2,876	4,977	-	695	-	-	-	11,124
Other Cash - DHSS match	-	-	2,970	65,575	249,623	-	-	-	-	-	318,168
Other Cash - Non-DHSS match	1,250	52,747	-	146,675	296,461	-	4,397	3,837	-	-	505,367
Other In-Kind - DHSS match	14,000	58,360	100	94,548	137,585	5,988	66,117	-	-	(376,698)	-
<b>Total Expenditures</b>	<b>192,904</b>	<b>799,914</b>	<b>45,106</b>	<b>1,555,421</b>	<b>2,719,542</b>	<b>55,429</b>	<b>235,946</b>	<b>10,822</b>	<b>3,256</b>	<b>(376,698)</b>	<b>5,241,542</b>
<b>CHANGE IN NET ASSETS</b>											
<b>NET ASSETS, BEGINNING OF YEAR</b>											
Other Cash - DHSS match	-	-	-	-	-	-	-	-	(25)	-	(25)
Other Cash - Non-DHSS match	-	-	-	-	-	-	-	-	98,164	-	98,164
<b>Total net assets, beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98,164</b>	<b>-</b>	<b>98,164</b>
<b>NET ASSETS, END OF YEAR</b>											
Other Cash - DHSS match	-	-	-	-	-	-	-	-	-	-	-
Other Cash - Non-DHSS match	-	-	-	-	-	-	-	-	98,139	-	98,139
<b>Total net assets, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 98,139</b>	<b>\$ -</b>	<b>\$ 98,139</b>

**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Statement of Activities - Budget and Actual - Fund Accounting**  
**For the Year Ended June 30, 2008**

	Administration			Supportive Program			Ombudsman Program		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues</b>									
MO Dept of Health & Senior Services	\$ 181,803	\$ 177,654	\$ (4,149)	\$ 523,115	\$ 518,322	\$ (4,793)	\$ 42,457	\$ 41,838	\$ (619)
MO Dept of Social Services	-	-	-	-	-	-	-	-	-
MO Department of Transportation	-	-	-	110,000	102,104	(7,896)	-	-	-
MO Division of Medical Services - Meals	-	-	-	-	-	-	-	-	-
Program Income	-	-	-	62,219	66,003	3,784	-	-	-
Interest on Local Funds	-	-	-	-	-	-	-	-	-
Interest	-	-	-	2,031	2,378	347	-	198	29
Other Cash - DHSS Match	-	-	-	-	-	-	-	2,970	-
Other Cash - Non-DHSS Match	1,250	1,250	-	75,997	52,747	(23,250)	-	-	-
Other In-Kind - DHSS Match	14,000	14,000	-	58,360	58,360	-	100	100	-
Total Revenues	197,053	192,904	(4,149)	831,722	799,914	(31,808)	45,696	45,106	(590)
<b>Expenditures</b>									
Personnel & fringe	112,998	118,407	(5,409)	13,391	14,009	(618)	-	-	-
Travel	27,000	24,186	2,814	-	-	-	-	-	-
Occupancy and telephone	9,142	7,438	1,704	748	608	140	-	-	-
Printing, supplies, and office expense	10,335	9,602	733	845	785	60	-	-	-
Equipment	9,000	8,538	462	-	-	-	-	-	-
Other Costs:									
Equipment maintenance	1,590	1,314	276	130	107	23	-	-	-
Copier rental	1,590	1,578	12	130	129	1	-	-	-
Consultants	2,000	846	1,154	-	-	-	-	-	-
Innov. data sys-user access	1,000	900	100	4,988	4,988	-	900	900	-
Insurance	4,000	3,580	420	-	-	-	-	-	-
Memberships	1,000	500	500	-	-	-	-	-	-
Subscriptions & publications	2,000	1,339	661	-	-	-	-	-	-
Dietitian services	1,000	566	434	-	-	-	-	-	-
Training	398	110	288	33	9	24	-	-	-
Brochures and senior health guides	-	-	-	-	-	-	-	-	-
Medicine organizers	-	-	-	-	-	-	-	-	-
MAIN project	-	-	-	-	-	-	-	-	-
Donation RSVP	-	-	-	-	-	-	-	-	-
Miscellaneous agency costs	-	-	-	-	-	-	-	-	-
Voucher transportation	-	-	-	6,000	49	5,951	-	-	-
Emergency kits/disaster response	-	-	-	-	-	-	-	-	-
Contracted service	-	-	-	747,097	720,870	26,227	44,696	44,106	590
Other In-Kind - DHSS Match	14,000	14,000	-	58,360	58,360	-	100	100	-
Total expenditures	197,053	192,904	4,149	831,722	799,914	31,808	45,696	45,106	590
<b>Change in net assets</b>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**Northeast Missouri Area Agency on Aging  
Supplementary Information  
Statement of Activities - Budget and Actual - Fund Accounting  
For the Year Ended June 30, 2008**

	Congregate Program			Home Delivered Program			Disease Prevention and Health Promotions Program		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues</b>									
MO Dept of Health & Senior Services	\$ 564,918	\$ 564,151	\$ (767)	\$ 1,018,211	\$ 1,017,137	\$ (1,074)	\$ 49,674	\$ 49,441	\$ (233)
MO Dept of Social Services	-	-	-	-	-	-	-	-	-
MO Department of Transportation	-	-	-	-	-	-	-	-	-
MO Division of Medical Services - Meals	-	-	-	575,922	570,599	(5,323)	-	-	-
Program Income	689,142	681,596	(7,546)	442,233	443,160	927	-	-	-
Interest on Local Funds	-	-	-	-	-	-	-	-	-
Interest	2,456	2,876	420	4,250	4,977	727	-	-	-
Other Cash - DHSS Match	68,141	65,575	(2,566)	250,080	249,623	(457)	-	-	-
Other Cash - Non-DHSS Match	161,478	146,675	(14,803)	305,851	296,461	(9,390)	-	-	-
Other In-Kind - DHSS Match	94,548	94,548	-	137,585	137,585	-	5,988	5,988	-
<b>Total Revenues</b>	<b>1,580,683</b>	<b>1,555,421</b>	<b>(25,262)</b>	<b>2,734,132</b>	<b>2,719,542</b>	<b>(14,590)</b>	<b>55,662</b>	<b>55,429</b>	<b>(233)</b>
<b>Expenditures</b>									
Personnel & fringe	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-
Occupancy and telephone	-	-	-	-	-	-	-	-	-
Printing, supplies, and office expense	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Other Costs:							10,064	10,064	-
Equipment maintenance	-	-	-	-	-	-	-	-	-
Copier rental	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-
Innov. data sys-user access	3,000	2,652	348	3,000	2,653	347	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Memberships	-	-	-	-	-	-	-	-	-
Subscriptions & publications	-	-	-	-	-	-	-	-	-
Dietitian services	-	-	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-	-	-
Brochures and senior health guides	-	-	-	-	-	-	-	-	-
Medicine organizers	-	-	-	-	-	-	5,936	5,943	(7)
MAIN project	-	-	-	-	-	-	33,674	33,434	240
Donation RSVP	-	-	-	-	-	-	-	-	-
Miscellaneous agency costs	-	-	-	-	-	-	-	-	-
Voucher transportation	-	-	-	-	-	-	-	-	-
Emergency kits/disaster response	-	-	-	-	-	-	-	-	-
Contracted service	1,483,135	1,458,221	24,914	2,593,547	2,579,304	14,243	-	-	-
Other In-Kind - DHSS Match	94,548	94,548	-	137,585	137,585	-	5,988	5,988	-
<b>Total expenditures</b>	<b>1,580,683</b>	<b>1,555,421</b>	<b>25,262</b>	<b>2,734,132</b>	<b>2,719,542</b>	<b>14,590</b>	<b>55,662</b>	<b>55,429</b>	<b>233</b>
<b>Change in net assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Statement of Activities - Budget and Actual - Fund Accounting**  
**For the Year Ended June 30, 2008**

	Family Caregivers Program			Special Programs			Area Agency Funds		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues</b>									
MO Dept of Health & Senior Services	\$ 179,324	\$ 159,933	\$ (19,391)	\$ 15,450	\$ 3,450	\$ (12,000)	\$ -	\$ -	\$ -
MO Dept of Social Services	-	-	-	2,600	3,535	935	-	-	-
MO Department of Transportation	-	-	-	-	-	-	-	-	-
MO Division of Medical Services - Meals	-	-	-	-	-	-	-	-	-
Program Income	3,853	4,704	851	-	-	-	-	3,231	3,231
Interest on Local Funds	-	-	-	-	-	-	-	-	-
Interest	594	695	101	-	-	-	-	-	-
Other Cash - DHSS Match	-	-	-	-	-	-	-	-	-
Other Cash - Non-DHSS Match	1,487	4,397	2,910	3,837	3,837	-	-	-	-
Other In-Kind - DHSS Match	66,117	66,117	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>251,375</b>	<b>235,846</b>	<b>(15,529)</b>	<b>21,887</b>	<b>10,822</b>	<b>(11,065)</b>	<b>-</b>	<b>3,231</b>	<b>3,231</b>
<b>Expenditures</b>									
Personnel & fringe	4,619	4,572	47	-	-	-	-	2,453	(2,453)
Travel	-	-	-	-	-	-	-	-	-
Occupancy and telephone	1,610	1,310	300	-	-	-	-	-	-
Printing, supplies, and office expense	1,820	1,691	129	-	-	-	-	-	-
Equipment	-	-	-	3,837	3,837	-	-	-	-
Other Costs:									
Equipment maintenance	280	231	49	-	-	-	-	-	-
Copier rental	280	278	2	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-
Innov. data sys-user access	2,394	2,394	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Memberships	-	-	-	-	-	-	-	-	-
Subscriptions & publications	-	-	-	-	-	-	-	-	-
Dietitian services	-	-	-	-	-	-	-	-	-
Training	69	19	50	-	-	-	-	-	-
Brochures and senior health guides	-	-	-	-	-	-	-	-	-
Medicine organizers	-	-	-	-	-	-	-	-	-
MAIN project	900	821	79	-	-	-	-	-	-
Donation RSVP	-	-	-	-	-	-	-	200	(200)
Miscellaneous agency costs	-	-	-	-	-	-	-	603	(603)
Voucher transportation	-	-	-	-	-	-	-	-	-
Emergency kits/disaster response	-	-	-	15,450	3,450	12,000	-	-	-
Contracted service	173,286	158,413	14,873	2,600	3,535	(935)	-	-	-
Other In-Kind - DHSS Match	66,117	66,117	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>251,375</b>	<b>235,846</b>	<b>15,529</b>	<b>21,887</b>	<b>10,822</b>	<b>11,065</b>	<b>-</b>	<b>3,256</b>	<b>(3,256)</b>
<b>Change in net assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (25)</b>	<b>\$ (25)</b>

**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Statement of Activities - Budget and Actual - Fund Accounting**  
**For the Year Ended June 30, 2008**

	Eliminations			Total		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues</b>						
MO Dept of Health & Senior Services	\$ -	\$ -	\$ -	\$ 2,574,952	\$ 2,531,926	\$ (43,026)
MO Dept of Social Services	-	-	-	2,600	3,535	935
MO Department of Transportation	-	-	-	110,000	102,104	(7,896)
MO Division of Medical Services - Meals	-	-	-	575,922	570,599	(5,323)
Program Income	-	-	-	1,197,447	1,195,463	(1,984)
Interest on Local Funds	-	-	-	-	3,231	3,231
Interest	-	-	-	9,500	11,124	1,624
Other Cash - DHSS Match	-	-	-	321,191	318,168	(3,023)
Other Cash - Non-DHSS Match	-	-	-	549,900	505,367	(44,533)
Other In-Kind - DHSS Match	-	-	(376,698)	-	-	-
Other In-Kind - DHSS Match	-	-	(376,698)	-	-	-
<b>Total Revenues</b>	-	-	-	<b>5,341,512</b>	<b>5,241,517</b>	<b>(99,995)</b>
<b>Expenditures</b>						
Personnel & fringe	-	-	-	131,008	139,441	(8,433)
Travel	-	-	-	27,000	24,186	2,814
Occupancy and telephone	-	-	-	11,500	9,356	2,144
Printing, supplies, and office expense	-	-	-	13,000	12,078	922
Equipment	-	-	-	22,901	22,439	462
Other Costs:						
Equipment maintenance	-	-	-	2,000	1,652	348
Copier rental	-	-	-	2,000	1,985	15
Consultants	-	-	-	2,000	846	1,154
Innov. data sys-user access	-	-	-	15,282	14,487	795
Insurance	-	-	-	4,000	3,580	420
Memberships	-	-	-	1,000	500	500
Subscriptions & publications	-	-	-	2,000	1,339	661
Dietitian services	-	-	-	1,000	566	434
Brochures and senior health guides	-	-	-	500	138	362
Training	-	-	-	5,936	5,943	(7)
Medicine organizers	-	-	-	33,674	33,434	240
MAIN project	-	-	-	900	821	79
Donation RSVP	-	-	-	-	200	(200)
Miscellaneous agency costs	-	-	-	-	603	(603)
Voucher transportation	-	-	-	6,000	49	5,951
Emergency kits/disaster response	-	-	-	15,450	3,450	12,000
Contracted service	-	-	-	5,044,361	4,964,449	79,912
Other In-Kind - DHSS Match	-	-	(376,698)	-	-	-
Other In-Kind - DHSS Match	-	-	(376,698)	-	-	-
<b>Total expenditures</b>	-	-	-	<b>5,341,512</b>	<b>5,241,542</b>	<b>99,970</b>
<b>Change in net assets</b>	\$ -	\$ -	\$ -	\$ -	\$ (25)	\$ (25)

**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Statement of Functional Expenses - Budget and Actual - Fund Accounting**  
**Supportive Program**  
**For the Year Ended June 30, 2008**

	Transportation			Information and Assistance			Homemaker		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES</b>									
Personnel & fringe	\$ -	\$ -	\$ -	\$ 13,391	\$ 14,009	\$ (618)	\$ -	\$ -	\$ -
Travel	-	-	-	-	-	-	-	-	-
Occupancy and telephone	-	-	-	748	608	140	-	-	-
Printing, supplies, office expense	-	-	-	845	785	60	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Other Costs:									
Equipment maintenance	-	-	-	130	107	23	-	-	-
Copier rental	-	-	-	130	129	1	-	-	-
Consultants	-	-	-	-	-	-	-	-	-
Innov. data sys-user access	-	-	-	-	-	-	2,394	2,394	-
Insurance	-	-	-	-	-	-	-	-	-
Memberships	-	-	-	-	-	-	-	-	-
Subscriptions & publications	-	-	-	-	-	-	-	-	-
Dietitian services	-	-	-	-	-	-	-	-	-
Training	-	-	-	33	9	24	-	-	-
Brochures and health guides	-	-	-	-	-	-	-	-	-
Medicine organizers	-	-	-	-	-	-	-	-	-
Senior health calendar/guides	-	-	-	-	-	-	-	-	-
MAIN project	-	-	-	-	-	-	-	-	-
Donation RSVP	-	-	-	-	-	-	-	-	-
Miscellaneous agency costs	-	-	-	-	-	-	-	-	-
Voucher transportation	6,000	49	5,951	-	-	-	-	-	-
Emer kits/disaster response	-	-	-	-	-	-	-	-	-
Contracted service	338,569	312,665	25,904	-	-	-	276,670	276,016	654
Other In-Kind - DHSS Match	17,647	17,647	-	1,930	1,930	-	25,000	25,000	-
<b>Total expenditures</b>	<b>\$ 362,216</b>	<b>\$ 330,361</b>	<b>\$ 31,855</b>	<b>\$ 17,207</b>	<b>\$ 17,577</b>	<b>\$ (370)</b>	<b>\$ 304,064</b>	<b>\$ 303,410</b>	<b>\$ 654</b>

**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Statement of Functional Expenses - Budget and Actual - Fund Accounting**  
**Supportive Program**  
**For the Year Ended June 30, 2008**

	Personal Care			Legal			Total		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES</b>									
Personnel & fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,391	\$ 14,009	\$ (618)
Travel	-	-	-	-	-	-	-	-	-
Occupancy and telephone	-	-	-	-	-	-	748	608	140
Printing, supplies, office expense	-	-	-	-	-	-	845	785	60
Equipment	-	-	-	-	-	-	-	-	-
Other Costs:									
Equipment maintenance	-	-	-	-	-	-	130	107	23
Copier rental	-	-	-	-	-	-	130	129	1
Consultants	-	-	-	-	-	-	-	-	-
Innov. data sys-user access	2,394	2,394	-	200	200	-	4,988	4,988	-
Insurance	-	-	-	-	-	-	-	-	-
Memberships	-	-	-	-	-	-	-	-	-
Subscriptions & publications	-	-	-	-	-	-	-	-	-
Dietitian services	-	-	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	33	9	24
Brochures and health guides	-	-	-	-	-	-	-	-	-
Medicine organizers	-	-	-	-	-	-	-	-	-
Senior health calendar/guides	-	-	-	-	-	-	-	-	-
MAIN project	-	-	-	-	-	-	-	-	-
Donation RSVP	-	-	-	-	-	-	-	-	-
Miscellaneous agency costs	-	-	-	-	-	-	6,000	49	5,951
Voucher transportation	-	-	-	-	-	-	-	-	-
Emer kits/disaster response	-	-	-	-	-	-	-	-	-
Contracted service	79,358	79,539	(181)	52,500	52,650	(150)	747,097	720,870	26,227
Other In-Kind - DHSS Match	8,329	8,329	-	5,454	5,454	-	58,360	58,360	-
<b>Total expenditures</b>	<u>\$ 90,081</u>	<u>\$ 90,262</u>	<u>\$ (181)</u>	<u>\$ 58,154</u>	<u>\$ 58,304</u>	<u>\$ (150)</u>	<u>\$ 831,722</u>	<u>\$ 799,914</u>	<u>\$ 31,808</u>

**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Statement of Functional Expenses - Budget and Actual - Fund Accounting**  
**Disease Prevention & Health Promotion Program**  
**For the Year Ended June 30, 2008**

	Heat Assistance Equipment		Medication Management Information		Total	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>EXPENDITURES</b>						
Personnel & fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	-	-	-	-	-	-
Occupancy and telephone	-	-	-	-	-	-
Printing, supplies, office expense	-	-	-	-	-	-
Equipment	10,064	10,064	-	-	10,064	10,064
Other Costs:						
Equipment maintenance	-	-	-	-	-	-
Copier rental	-	-	-	-	-	-
Consultants	-	-	-	-	-	-
Innov. data sys-user access	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Memberships	-	-	-	-	-	-
Subscriptions & publications	-	-	-	-	-	-
Dietitian services	-	-	-	-	-	-
Training	-	-	-	-	-	-
Brochures and health guides	-	-	5,936	5,943	5,936	5,943
Medicine organizers	-	-	33,674	33,434	33,674	33,434
MAIN project	-	-	-	-	-	-
Donation RSVP	-	-	-	-	-	-
Miscellaneous agency costs	-	-	-	-	-	-
Voucher transportation	-	-	-	-	-	-
Emer kits/disaster response	-	-	-	-	-	-
Contracted service	-	-	-	-	-	-
Other In-Kind - DHSS Match	1,587	1,587	4,401	4,401	5,988	5,988
<b>Total expenditures</b>	<b>\$ 11,651</b>	<b>\$ 11,651</b>	<b>\$ 44,011</b>	<b>\$ 43,778</b>	<b>\$ 55,662</b>	<b>\$ 55,429</b>
						<b>\$ 233</b>

**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Statement of Functional Expenses - Budget and Actual - Fund Accounting**  
**Family Caregivers Program**  
**For the Year Ended June 30, 2008**

	In-Home Respite		Information and Assistance		Total	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>EXPENDITURES</b>						
Personnel & fringe	\$ -	\$ -	\$ 4,619	\$ 4,572	\$ 4,619	\$ 4,572
Travel	-	-	-	-	-	-
Occupancy and telephone	-	-	1,610	1,310	1,610	1,310
Printing, supplies, office expense	-	-	1,820	1,691	1,820	1,691
Equipment	-	-	-	-	-	-
Other Costs:						
Equipment maintenance	-	-	280	231	280	231
Copier rental	-	-	280	278	280	278
Consultants	-	-	-	-	-	-
Innov. data sys-user access	2,394	2,394	-	-	2,394	2,394
Insurance	-	-	-	-	-	-
Memberships	-	-	-	-	-	-
Subscriptions & publications	-	-	-	-	-	-
Dietitian services	-	-	-	-	-	-
Training	-	-	69	19	69	19
Brochures and health guides	-	-	-	-	-	-
Medicine organizers	-	-	-	-	-	-
MAIN project	-	-	900	821	900	821
Donation RSVP	-	-	-	-	-	-
Miscellaneous agency costs	-	-	-	-	-	-
Voucher transportation	-	-	-	-	-	-
Emer kits/disaster response	-	-	-	-	-	-
Contracted service	173,286	158,413	-	-	173,286	158,413
Other In-Kind - DHSS Match	56,780	56,780	9,337	9,337	66,117	66,117
<b>Total expenditures</b>	<b>\$ 232,460</b>	<b>\$ 217,587</b>	<b>\$ 18,915</b>	<b>\$ 18,259</b>	<b>\$ 251,375</b>	<b>\$ 235,846</b>
						<b>\$ 15,529</b>





**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Statement of Functional Expenses - Budget and Actual - Fund Accounting**  
**Special Programs**  
**For the Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
									Total
<b>EXPENDITURES</b>									
Personnel & fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	-	-	-	-	-	-	-	-	-
Occupancy and telephone	-	-	-	-	-	-	-	-	-
Printing, supplies, office expense	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	3,837	3,837	-
Other Costs:									
Equipment maintenance	-	-	-	-	-	-	-	-	-
Copier rental	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-
Innov. data sys-user access	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Memberships	-	-	-	-	-	-	-	-	-
Subscriptions & publications	-	-	-	-	-	-	-	-	-
Dietitian services	-	-	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-	-	-
Brochures and health guides	-	-	-	-	-	-	-	-	-
Medicine organizers	-	-	-	-	-	-	-	-	-
MAIN project	-	-	-	-	-	-	-	-	-
Donation RSVP	-	-	-	-	-	-	-	-	-
Miscellaneous agency costs	-	-	-	-	-	-	-	-	-
Miscellaneous agency costs	-	-	-	-	-	-	-	-	-
Voucher transportation	-	-	-	-	-	-	-	-	-
Emer kits/disaster response	-	-	-	-	-	-	15,450	3,450	12,000
Contracted service	-	-	-	-	-	-	2,600	3,535	(935)
Other In-Kind - DHSS Match	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,887</b>	<b>\$ 10,822</b>	<b>\$ 11,065</b>

**Northeast Missouri Area Agency on Aging  
Supplementary Information  
Schedule of Transportation  
Expenditures by Funding Source  
For the Year Ended June 30, 2008**

<b>Funding Source</b>	<b>Regular</b>
Missouri Department of Health and Senior Services	\$ 158,734
MO Highway & Transportation Department	102,104
Program Income	51,135
Interest	741
In-Kind match - DHSS	<u>17,647</u>
 Total	 <u>\$ 330,361</u>

**Northeast Missouri Area Agency on Aging**  
**Supplementary Information**  
**Schedule of Monthly DHSS Reimbursable Expenditures**  
**For the Year Ended June 30, 2008**

<u>Month</u>	<u>DHSS Reimbursable Expenditures</u>
July	\$ 332,239
August	356,962
September	318,200
October	350,389
November	331,888
December	296,862
January	335,744
February	319,607
March	332,121
April	366,723
May	356,964
June	<u>358,982</u>
 Total	 <u>\$ 4,056,681</u>

## **Section II**

### **Single Audit Reporting**

**Northeast Missouri Area Agency on Aging  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended June 30, 2008**

Federal CFDA Number	Pass- Through Entity Identifying Number	Carryover From Prior Year	Current Year Grant Award/ P.I. Received	Expended	Unexpended Balance at 6/30/2008	
					Unbudgeted Funds Unremitted	Budgeted Funds Unremitted
93.041	ERS 105-08005	-	6,257	6,257	-	-
93.042	ERS 105-08005	-	4,040	4,040	-	-
93.043	ERS 105-08005	21,094	28,580	49,441	-	233
93.044	ERS 105-08005	79,239	449,692	431,454	92,065	5,412
93.044	ERS 105-08005	-	66,003	66,003	-	-
	Program total (Aging Cluster)			497,457		
93.045	ERS 105-08005	217,186	458,068	397,218	273,120	4,916
93.045	ERS 105-08005	-	681,596	681,596	-	-
93.045	ERS 105-08005	183,060	221,056	239,910	163,132	1,074
93.045	ERS 105-08005	-	443,160	443,160	-	-
	Program total (Aging Cluster)			1,761,884		
93.052	ERS 105-08005	37,977	178,983	177,831	19,738	19,391
93.052	ERS 105-08005	-	4,704	4,704	-	-
	Program total			182,535		
93.053	ERS 105-08005	-	313,644	313,644	-	-
93.667	ERS 105-08005	-	110,701	98,701	-	12,000
	Social Services Block Grant			2,913,959		
	Total Department of Health and Human Services			2,913,959		
	<b>Total Federal Awards</b>	538,556	2,966,484	2,913,959	548,055	43,026

Federal Grantor/Pass-through Grantor/Program Title

**U.S. Department of Health and Human Services**

**Administration on Aging:**

Passed Through Missouri Department of Health and Senior Services

Special Programs for the Aging:

Title VII, Chapter 3 - Elder Abuse

Title VII, Chapter 2 - Long Term Care

Ombudsman Services

Title III, Part D - Disease Prevention and Health Promotion

Title III, Part B - Grants for Supportive Services and Senior Centers

Title III, Part B - Program Income

Program total (Aging Cluster)

Title III, Part C, Subpart 1 - Nutrition Services

Title III, Part C, Subpart 1 - Program Income

Title III, Part C, Subpart 2 - Nutrition Services

Title III, Part C, Subpart 2 - Program Income

Program total (Aging Cluster)

Title III, Part E - National Family Caregiver Support

Title III, Part E - Program Income

Program total

Nutrition Services Incentive Program (Aging Cluster)

**Administration for Children and Families:**

Social Services Block Grant

Total Department of Health and Human Services

**Total Federal Awards**

**Northeast Missouri Area Agency on Aging  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended June 30, 2008**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Carryover From Prior Year</u>	<u>Current Year Grant Award/ P.I. Received</u>	<u>Expended</u>	<u>Unexpended Balance at 6/30/2008</u>			
						<u>Unremitted</u>	<u>Remitted</u>	<u>Unremitted</u>	<u>Remitted</u>
<b>Missouri State Funds</b>									
<b>Missouri Department of Health and Senior Services:</b>									
General Revenue	N/A	ERS 105-08005	-	811,213	811,213	-	-	-	
Elderly Home Delivered Meals Trust Fund	N/A	ERS 105-08005	-	2,217	2,217	-	-	-	
<b>Missouri Department of Social Services:</b>									
State Pharmaceutical Assistance Program	N/A	ERS215-024	-	7,800	3,535	-	-	4,265	
<b>Missouri Department of Transportation:</b>									
MoDOT Grant	N/A	TMEHTP08NA1	-	110,000	102,104	-	-	7,896	
<b>Total State Awards</b>									
			-	931,230	919,069	-	-	12,161	
<b>Total Federal and State Awards</b>						<b>\$538,556</b>	<b>\$3,897,714</b>	<b>\$3,833,028</b>	<b>\$0</b>
						<b>\$548,055</b>	<b>\$12,161</b>	<b>\$43,026</b>	

See accompanying notes to the schedule of expenditures of federal and state awards.

**Northeast Missouri Area Agency on Aging  
Notes to Schedule of Expenditures of  
Federal and State Awards  
For the Year Ended June 30, 2008**

**Note A: Significant Accounting Policies**

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant programs, direct and pass-through, of Northeast Missouri Area Agency on Aging 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*.

**Note B: Grants to Subrecipients**

The Area Agency on Aging uses subgrants with various service providers to provide many of the services under Title III of the Older Americans Act. Also, in accordance with terms of these subgrants, the service providers must spend program income to further the program. The federal and state expenditures passed through to service providers, and the program income expended by service providers, are as follows:

<u>CFDA# or State Award</u>	<u>Federal Awards</u>	<u>State Awards</u>	<u>Program Income</u>
93.044	\$ 410,770	\$ -	\$ 66,003
93.045	627,374	-	1,124,756
93.042	3,140	-	-
93.041	6,257	-	-
93.052	148,617	-	4,704
93.053	313,644	-	-
17.235	30,901	-	-
State General Revenue – DHSS	-	720,255	-
State Pharmaceutical Assistance – DSS	-	3,535	-
Elderly HD Meals Trust Fund	-	2,217	-
MEHTAP Grant	-	<u>102,104</u>	-
Totals	<u>\$1,540,703</u>	<u>\$828,111</u>	<u>\$1,195,463</u>

**Note C: Reconciliation of Schedule to Financial Statements**

Expenditures of federal and state sources per page 18 of supplementary information:

MO Department of Health and Senior Services	\$ 2,531,926
MO Department of Social Services	3,535
MO Department of Transportation	102,104
Program income	<u>1,195,463</u>
Total expenditures of Federal and State Awards	<u>\$ 3,833,028</u>

Danny L. Marsh, C.P.A.  
309 West Clay  
Albany, Missouri 64402  
Phone (660) 726-3961  
Fax (660) 726-3965  
dlmmer@windstream.net

Ted Espey, C.P.A.  
Gerald A. Riggs, C.P.A.  
101 West Edwards  
Maryville, Missouri 64468  
Phone (660) 582-3181  
Fax (660) 582-4132  
espeyt@asde.net  
jriggs@asde.net

**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  
Northeast Missouri Area  
Agency on Aging  
Kirksville, Missouri

To the Missouri Department  
of Health and Senior Services  
Division of Senior and Disability Services  
Jefferson City, Missouri

We have audited the financial statements of Northeast Missouri Area Agency on Aging as of and for the year ended June 30, 2008, and have issued our report thereon dated March 8, 2009. We conducted our audit 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 the Missouri Department of Health and Senior Services "Mandated Audit Criteria".

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Northeast Missouri Area Agency on Aging'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 of the effectiveness of Northeast Missouri Area Agency on Aging's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Organization's financial statements that is more than inconsequential will not be prevented or detected by the Organization's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Organization's internal control.



Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Northeast Missouri Area Agency on Aging's financial statements are free of 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 matters that we reported to management of Northeast Missouri Area Agency on Aging in a separate letter dated March 8, 2009.

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

*Marsh, Espey & Riggs, P.C.*  
Certified Public Accountants

March 8, 2009  
Maryville, Missouri

Danny L. Marsh, C.P.A.  
309 West Clay  
Albany, Missouri 64402  
Phone (660) 726-3961  
Fax (660) 726-3965  
dlimmer@windstream.net

Ted Espey, C.P.A.  
Gerald A. Riggs, C.P.A.  
101 West Edwards  
Maryville, Missouri 64468  
Phone (660) 582-3181  
Fax (660) 582-4132  
espeyt@asde.net  
jriggs@asde.net

**Report on Compliance with Requirements Applicable To Each Major Program and  
on Internal Control Over Compliance in Accordance With OMB Circular A-133**

To the Board of Directors  
Northeast Missouri Area  
Agency on Aging  
Kirksville, Missouri

To the Missouri Department of  
Health and Senior Services  
Division of Senior and Disability Services  
Jefferson City, Missouri

**Compliance**

We have audited the compliance of Northeast Missouri Area Agency on Aging (a nonprofit organization) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Northeast Missouri Area Agency on Aging's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Northeast Missouri Area Agency on Aging's management. Our responsibility is to express an opinion on Northeast Missouri Area Agency on Aging's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the Missouri Department of Health and Senior Services "Mandated Audit Criteria". Those standards; OMB Circular A-133; and the "Mandated Audit Criteria" 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 Northeast Missouri Area Agency on Aging'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. Our audit does not provide a legal determination on Northeast Missouri Area Agency on Aging's compliance with those requirements.

In our opinion, Northeast Missouri Area Agency on Aging complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

## **Internal Control Over Compliance**

The management of Northeast Missouri Area Agency on Aging is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Northeast Missouri Area Agency on Aging's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 the Organization's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the Organization's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Organization's internal control.


A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Organization's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

## **Missouri Department of Health and Senior Services Assurances**

The Missouri Department of Health and Senior Services "Mandated Audit Criteria" requires assurances regarding multipurpose senior centers (MSC). With respect to items tested, the results of our procedures disclosed that the AAA's records include all MSC information referenced in the Missouri Department of Health and Senior Services "Mandated Audit Criteria" Section III.H.3. for all centers in existence at any time during the period July 1, 2007 through June 30, 2008. Further, no MSC, acquired or constructed with AAA resources received from the Department of Health and Senior Services, ceased operations as a MSC or ceased to be owned by a public or nonprofit private agency or organization between July 1, 2007 and June 30, 2008.

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

  
Certified Public Accountants

March 8, 2009  
Maryville, Missouri

**Northeast Missouri Area Agency on Aging  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2008**

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

Financial Statements

- |  |                               |
|--|-------------------------------|
| 1. Type of auditors' report issued:  | <u>Unqualified</u>            |
| 2. Internal control over financial reporting:  |                               |
| Material weaknesses identified?  | __ Yes <u>X</u> No            |
| Significant deficiencies identified that are not considered to be material weaknesses? | __ Yes <u>X</u> None reported |
| 3. Noncompliance material to financial statements noted?                               | __ Yes <u>X</u> No            |

Federal Awards

- |   |  |
|---|--|
| 4. Internal control over major programs:  |  |
| Material weaknesses identified?   | __ Yes <u>X</u> No   |
| Significant deficiencies identified that are not considered to be material weaknesses?                                    | __ Yes <u>X</u> None reported                              |
| 5. Type of auditors' report issued on compliance for major programs:  | <u>Unqualified</u>   |
| 6. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? | __ Yes <u>X</u> No   |
| 7. Identification of major programs:  |  |
| <u>CFDA Number</u><br>93.044; 93.045 & 93.053   | <u>Name of Federal Program or Cluster</u><br>Aging Cluster |
| 8. Dollar threshold used to distinguish between type A and type B programs:   | <u>\$300,000</u>   |
| 9. Auditee qualified as low-risk auditee?   | <u>X</u> Yes __ No   |

**Section II - Financial Statement Findings**

There were no matters reported.

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

There were no matters reported.

**Prior Audit Findings**

There were no federal audit findings or questioned costs reported in Section III of the prior year's Schedule of Findings and Questioned Costs.