

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Financial and Compliance Report  
December 31, 2010**

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

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## Report of Independent Certified Public Accountants

Board of Directors  
West Central Florida Area Agency on Aging, Inc.  
Tampa, Florida

We have audited the accompanying consolidated statement of financial position of the West Central Florida Area Agency on Aging, Inc. and Affiliate (the "Agency") as of December 31, 2010 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The prior year summarized comparative information has been derived from the Agency's 2009 financial statements and, in our report dated July 22, 2010 we expressed an unqualified opinion on those financial statements.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of December 31, 2010, and the changes in its net assets and 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 a report dated August 2, 2011 on our consideration of the Agency's internal control over financial reporting and 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 consolidated financial statements of the Agency taken as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for the purpose 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 Chapter 10.650, *Rules of the Auditor General of the State of Florida*, and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

*Cherry, Bekaert & Holland, L.L.P.*

Tampa, Florida  
August 2, 2011

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Consolidated Statement of Financial Position  
December 31, 2010  
With Summarized Financial Information for 2009**

	<b>2010</b>	<b>2009</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 983,834	\$ 545,784
Due from grantors	2,199,523	1,490,314
Advances to subrecipients	73,080	9,687
Accounts receivable - other	17,412	6,810
Prepaid expenses and other assets	93,820	94,652
<b>Total current assets</b>	<b>3,367,669</b>	<b>2,147,247</b>
<b>Furniture and equipment, net</b>	<b>117,248</b>	<b>169,854</b>
<b>Total assets</b>	<b>\$ 3,484,917</b>	<b>\$ 2,317,101</b>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 222,135	\$ 181,318
Refundable advances	280,306	152,887
Due to subrecipients	2,542,600	1,476,206
<b>Total liabilities</b>	<b>3,045,041</b>	<b>1,810,411</b>
<b>Net assets</b>		
Unrestricted net assets	439,876	506,690
<b>Total net assets</b>	<b>439,876</b>	<b>506,690</b>
<b>Total liabilities and net assets</b>	<b>\$ 3,484,917</b>	<b>\$ 2,317,101</b>

See accompanying notes to financial statements.

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Consolidated Statement of Activities  
Year Ended December 31, 2010  
With Summarized Financial Information for 2009**

	<b>2010</b>	<b>2009</b>
<b>Support and revenues</b>		
Public support - grants	\$ 18,542,512	\$ 16,859,929
Donated services	-	123,735
Interest income	-	81
Other income	38,262	109,296
<b>Total support and revenues</b>	<b>18,580,774</b>	<b>17,093,041</b>
<b>Expenses</b>		
Program services:		
Older Americans Act	8,854,160	8,328,748
Nutrition Services Incentive Program	900,509	899,201
Aging Resource Center	318,237	350,561
Community Care for the Elderly	4,816,732	4,064,295
Home Care for the Elderly	560,606	411,304
Alzheimer's Disease Initiative	760,956	713,127
EHEAP	504,095	522,006
SHINE	181,872	126,367
Medicaid Waiver Specialist	141,495	137,893
Local Service Provider	135,914	92,559
Other DOEA Programs	149,883	201,611
Other Non-DOEA Programs	115,524	45,639
Total program services	17,439,983	15,893,311
Supporting services:	1,207,605	1,256,420
<b>Total expenses</b>	<b>18,647,588</b>	<b>17,149,731</b>
<b>Decrease in net assets</b>	(66,814)	(56,690)
<b>Net assets at beginning of year</b>	506,690	563,380
<b>Net assets at end of year</b>	<b>\$ 439,876</b>	<b>\$ 506,690</b>

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Consolidated Statement of Functional Expenses  
Year Ended December 31, 2010  
With Summarized Financial Information for 2009**

	<b>Program Services</b>							
	Older Americans Act	Nutrition Services Incentive Program	Aging Resource Center	Community Care for the Elderly	Home Care for the Elderly	Alzheimer's Disease Initiative	EHEAP	
<b>Expenses</b>								
Salaries	\$ 384,816	\$ -	\$ 215,639	\$ 13,334	\$ -	\$ -	\$ -	\$ 73,629
Payroll taxes and benefits	85,924	-	63,483	3,009	-	-	-	13,514
Payroll leasing	8,430	-	4,912	282	-	-	-	1,428
Travel expense	3,861	-	2,598	-	-	-	-	18,407
Equipment rental	1,924	-	-	-	-	-	-	153
Occupancy costs	54,872	-	19,369	22	-	-	-	2,548
Printing and supplies	7,257	-	395	2	-	-	-	7,865
Communications and postage	9,915	-	4,154	-	-	-	-	8,974
Equipment	9,931	-	-	1,614	-	-	-	349
Sub-contractors:								
Transfers to subrecipients	8,169,654	900,509	-	4,797,240	560,606	760,956	504,095	-
Other sub-contractors	66,131	-	-	-	-	-	-	-
Program supplies	10,555	-	-	-	-	-	-	-
Insurance	1,609	-	2,768	-	-	-	-	166
Advertising	3,015	-	-	1,092	-	-	-	22,786
Professional fees	2,615	-	3,141	-	-	-	-	11,524
Other expenses	33,651	-	1,778	137	-	-	-	20,529
Depreciation	-	-	-	-	-	-	-	-
<b>Total expenses before allocation</b>	<b>8,854,160</b>	<b>900,509</b>	<b>318,237</b>	<b>4,816,732</b>	<b>560,606</b>	<b>760,956</b>	<b>504,095</b>	<b>181,872</b>
Allocation of management and general	540,227	54,944	19,417	293,888	34,205	46,429	30,757	11,097
<b>Total expenses</b>	<b>\$ 9,394,387</b>	<b>\$ 955,453</b>	<b>\$ 337,654</b>	<b>\$ 5,110,620</b>	<b>\$ 594,811</b>	<b>\$ 807,385</b>	<b>\$ 534,852</b>	<b>\$192,969</b>

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Consolidated Statement of Functional Expenses (continued)  
Year Ended December 31, 2010  
With Summarized Financial Information for 2009**

	Program Services				Supporting Services					
	Medicaid Waiver Specialist	Local Service Provider	Other DOEA Programs	Other Non-DOEA Programs	Total Program Services	Board Operations	Management and General	Total Supporting Services	Total Program and Support Services	2009
<b>Expenses</b>										
Salaries	\$ 85,871	\$ -	\$ 62,908	\$ 17,684	\$ 853,881	\$ 20,366	\$ 617,296	\$ 637,662	\$ 1,491,543	\$ 1,358,792
Payroll taxes and benefits	20,220	-	12,356	4,860	203,366	1,938	145,465	147,403	350,769	340,235
Payroll leasing	1,804	-	1,144	401	18,401	143	8,700	8,843	27,244	24,797
Travel expense	3,252	-	10,419	147	38,684	1,310	13,454	14,764	53,448	42,371
Equipment rental	242	-	-	-	2,319	1,100	3,482	4,582	6,901	10,158
Occupancy costs	16,329	-	4,417	150	97,707	4,976	128,163	133,139	230,846	243,132
Printing and supplies	5,431	-	2,356	6	23,312	844	15,518	16,362	39,674	32,577
Communications and postage	2,797	-	2,103	326	28,269	135	26,315	26,450	54,719	59,509
Equipment	274	-	1,714	-	13,882	5,287	3,429	8,716	22,598	18,071
Sub-contractors:										
Transfers to subrecipients	-	135,914	-	-	15,828,974	-	-	-	15,828,974	14,468,647
Other sub-contractors	-	-	23,321	15,967	105,419	-	-	-	105,419	167,424
Program supplies	-	-	1,790	-	12,345	-	-	-	12,345	1,800
Insurance	820	-	161	9,696	15,220	-	8,960	8,960	24,180	8,772
Advertising	1,056	-	3,950	29	31,928	-	4,166	4,166	36,094	136,333
Professional fees	914	-	-	63,332	81,526	8,638	43,213	51,851	133,377	92,518
Other expenses	2,485	-	23,244	2,926	84,750	37,402	45,921	83,323	168,073	79,242
Depreciation	-	-	-	-	-	61,384	-	61,384	61,384	65,353
<b>Total expenses before allocation</b>	<b>141,495</b>	<b>135,914</b>	<b>149,883</b>	<b>115,524</b>	<b>17,439,983</b>	<b>143,523</b>	<b>1,064,082</b>	<b>1,207,605</b>	<b>18,647,588</b>	<b>17,149,731</b>
Allocation of management and general	8,633	8,293	9,145	7,049	1,064,082	-	(1,064,082)	(1,064,082)	-	-
<b>Total expenses</b>	<b>\$ 150,128</b>	<b>\$ 144,207</b>	<b>\$ 159,028</b>	<b>\$ 122,573</b>	<b>\$ 18,504,065</b>	<b>\$ 143,523</b>	<b>\$ -</b>	<b>\$ 143,523</b>	<b>\$ 18,647,588</b>	<b>\$ 17,149,731</b>

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Consolidated Statement of Cash Flows  
Year Ended December 31, 2010  
With Summarized Financial Information for 2009**

	<b>2010</b>	<b>2009</b>
<b>Cash flows from operating activities</b>		
Decrease in net assets	\$ (66,814)	\$ (56,690)
Adjustments to reconcile decrease in net assets to net cash flows provided by operating activities:		
Depreciation	61,384	65,353
Loss on sale of furniture and equipment	100	-
(Increase) decrease in:		
Due from grantors	(709,209)	(334,106)
Advances to subrecipients	(63,393)	(7,170)
Accounts receivable - other	(10,602)	(4,380)
Prepaid expenses and other assets	832	(19,639)
Increase (decrease) in:		
Accounts payable and accrued expenses	40,817	12,966
Refundable advances	127,419	59,036
Due to subrecipients	1,066,394	417,156
	<b>446,928</b>	<b>132,526</b>
<b>Net cash flows provided by operating activities</b>		
<b>Cash flows from investing activities</b>		
Purchase of furniture and equipment	(8,878)	(55,399)
	<b>(8,878)</b>	<b>(55,399)</b>
<b>Net cash flows used in investing activities</b>		
<b>Net increase in cash</b>	438,050	77,127
<b>Cash at beginning of year</b>	545,784	468,657
<b>Cash at end of year</b>	\$ 983,834	\$ 545,784



**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Notes to Consolidated Financial Statements  
Year Ended December 31, 2010**

**Note 1 – Nature of Activities and Summary of Significant Accounting Policies**

*Principles of Consolidation* - The consolidated financial statements include the accounts of West Central Florida Area Agency on Aging, Inc. and Care Connections, Inc. (collectively, the “Agency”). These entities are related through an economic interest and the direct ability to determine the direction of management. All significant intercompany balances and transactions have been eliminated in the consolidation.

*Nature of Activities* - West Central Florida Area Agency on Aging, Inc. (WCFAAA) is a not-for-profit organization incorporated under the laws of the State of Florida on February 2, 1981. WCFAAA administers a network of services for the 60+ population in Hillsborough, Manatee, Polk, Highland and Hardee counties. WCFAAA exists to promote the independence, dignity, health, and well-being of the elder citizens; to plan, fund and administer a coordinated system of services for seniors; to facilitate and enhance service delivery; and to advocate for the needs and concerns of older Americans. Care Connections, Inc., a not-for-profit organization, was established in 2006 to provide educational seminars, to provide community events, and to raise public awareness to benefit older adults and assist them with unmet health and social service needs. All programs of the Agency relate to assisting the elderly. Financial resources for accomplishment of the activities of the Agency are principally in the form of federal and state government grants. The Agency awards contracts to service providers who directly provide the service to the aging population.

*Basis of Presentation* - The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor imposed restrictions. Because there are no donor imposed restrictions the net assets of the Agency and the changes therein are classified and reported as unrestricted net assets.

*Due from Grantors* – Amounts due from grantors represent amounts receivable from grantor agencies for allowable expenses incurred on or before December 31, 2010. Management believes all expenses are allowable under the grant requirements and are fully collectible. As such, no allowance for doubtful accounts is considered necessary.

*Furniture and Equipment* - Furniture and equipment are stated at cost, if purchased, or at estimated fair market value at the date of receipt if acquired by gift. The Agency capitalizes expenditures for furniture and equipment in excess of \$1,000, in accordance with policies established by the Florida Department of Elder Affairs. Depreciation is provided on a straight-line method over the estimated useful lives of the respective assets, generally 5 years. Maintenance and repair costs are expensed as incurred. The Agency has restrictions on disposals of fixed assets pursuant to grantor contracts. The Agency can gift fixed assets to its provider or dispose of assets with the permission of the grantor. During 2010, the Agency disposed of assets acquired under grantor contracts in the amount of \$21,497.

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Notes to Consolidated Financial Statements  
Year Ended December 31, 2010**

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

*Due to Subrecipients* – Amounts due to subrecipients represent amounts requested for reimbursement from the Agency for allowable expenses incurred by the subrecipients on or before December 31, 2010.

*Revenue Recognition* – Grant funds are deemed to be earned and reported as revenues when expenditures are incurred in compliance with specific grant requirements (reimbursable expenditures).

*In-kind Contributions* – Contributions of non-cash assets are recorded at estimated fair value in the period received. In accordance with Accounting Standards Codification (“ASC”) topic on *Not-for-Profit Entities*, the Agency records contributed services if the services received create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Many volunteers have contributed significant amounts of time to activities of the Agency without compensation. The financial statements do not reflect the value of those contributed services because they do not meet the above recognition criteria.

*Federal Income Tax* – The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Accordingly no provision for income taxes has been made.

The Agency has evaluated the effect of the guidance provided by ASC Topic on *Accounting for Uncertainty in Income Taxes* that became effective in 2009. The Agency is exempt under Section 501(c)(3) of the Internal Revenue Code. Management believes that the Agency continues to satisfy the requirements of a tax-exempt organization and therefore had no uncertain income tax positions at December 31, 2010.

*Statement of Functional Expenses* – The costs of providing the various programs and other activities have been detailed in the statement of functional expenses. Salaries and other expenses that are associated with a specific program are charged directly to that program. Salaries and other expenses that benefit more than one program are allocated to the various programs based on the relative benefit provided.

For grant purposes, general and administrative expenses were allocated to program services based on the total of the individual program service to total program services.

*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 disclosures, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Notes to Consolidated Financial Statements  
Year Ended December 31, 2010**

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

*Summarized Financial Information for 2009* – The financial statements include certain prior-year summarized comparative information in total but not by functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Agency’s financial statements for the year ended December 31, 2009, from which the summarized information was derived.

*Refundable Advances* – Refundable advances represent advances from grantors that require the Agency to achieve certain objectives. Should the Agency not achieve these objectives, the funds would be returned to the grantor.

*Advertising Costs* – The Agency uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense for the year ended December 31, 2010 was \$36,065.

*Subsequent Events* – The Agency has considered subsequent events through August 2, 2011, which represents the date the financial statements were issued.

**Note 2 – Concentrations**

The Agency places its cash on deposit with financial institutions in the United States. On November 9, 2010, the Federal Deposit Insurance Corporation (“FDIC”) issued a Final Rule implementing section 343 of the Dodd-Frank Wall Street Reform and Consumer Protection Act that provides for unlimited insurance coverage of noninterest-bearing transaction accounts. Beginning December 31, 2010, through December 31, 2012, all noninterest-bearing transaction accounts are fully insured, regardless of the balance of the account, at all FDIC-insured institutions. The unlimited insurance coverage is available to all depositors, including consumers, businesses, and government entities. This unlimited coverage is separate from the \$250,000 insurance coverage provided to a depositor’s other deposit accounts held at an FDIC-insured institution.

The Agency’s bank deposits were fully insured by the FDIC at December 31, 2010, based on specified coverage.

The Agency’s activities are conducted primarily in Hillsborough County, Florida and are supported by funding provided by government agencies. The Agency is dependent upon grants from federal and state agencies for its principal source of revenue. A significant decline in funding to the Agency could adversely affect the operating results of the Agency.

**Note 3 – Furniture and Equipment**

A summary of furniture and equipment at December 31, 2010 is as follows:

Furniture and equipment	\$ 446,411
Less accumulated depreciation	(329,163)
	<u>\$ 117,248</u>

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Notes to Consolidated Financial Statements  
Year Ended December 31, 2010**

**Note 4 – Lease Commitments**

The Agency leases office space under an operating lease, which expires on November 30, 2014. Total rent expense for the year ended December 31, 2010 was \$198,491. Base rent consisted of \$141,656 for the year ended December 31, 2010.

The Agency also leases certain office equipment under operating leases, which expire from 2012 to 2013.

The total minimum future lease commitments at December 31, 2010 are due as follows:

During the year ended December 31,

2011	\$ 163,222
2012	164,687
2013	163,493
2014	150,035
	<u>\$ 641,437</u>

**Note 5 – Line of Credit**

The Agency has unused lines of credit, one with Bank of Tampa for \$150,000 and one with SunTrust Bank for \$50,000.

**Note 6 – Employee Benefit Plan**

The Agency has established a 401(k) Profit Sharing Plan for eligible employees. An employee is eligible to participate in the Plan after twelve months of continuous service and becomes fully vested after six years of continuous service. Annual contributions by the Agency are voluntary and are made at the discretion of the board of directors. For 2010, the board of directors approved a contribution of 3% of eligible salaries plus an employer match of up to 4% of employee contribution. The Agency's contribution for the year ended December 31, 2010 was \$77,551.

**Note 7 – Contingencies**

Expenditures incurred by the Agency and subrecipients are subject to audit and possible disallowances by the federal and state agencies. The Agency would be responsible for recovery (reimbursement to the grantor agency) of disallowed amounts incurred by subrecipients if they were not able to repay the amounts disallowed. It is the opinion of management that no grant expenditures would be disallowed.

## **Accompanying Information**

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended December 31, 2010**

FEDERAL AWARDS:	Federal CFDA Number	Contract Number	Federal Expenditures	Transfers to Subrecipients
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed through the State of Florida - Department of Elder Affairs</i>				
<b>Supplemental Nutrition Assistance Program</b>				
SNAP Grant Pilot Project, 04/15/2010 - 06/30/2011	10.580	XQ009	\$ 21,052	\$ -
<b>Total Department of Agriculture</b>			<u>21,052</u>	<u>-</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<i>Passed through the State of Florida - Department of Elder Affairs</i>				
<b>Older Americans Act</b>				
Older Americans Act Title IIID, 01/01/2010 - 12/31/2010	93.043	FD010	131,890	-
Older Americans Act Title IIIE, 01/01/2010 - 12/31/2010	93.052	FA010	1,010,024	759,079
Older Americans Act Title VII, 01/01/2010 - 12/31/2010	93.041	F7010	21,041	-
			<u>1,162,955</u>	<u>759,079</u>
<b>Older Americans Act (Cluster)</b>				
Older Americans Act Title III Admin, 01/01/2010 - 12/31/2010	93.044-045, 052	FA010	883,642	-
Older Americans Act Title IIIB, 01/01/2010 - 12/31/2010	93.044	FA010	2,694,092	2,413,218
Older Americans Act Title III C, 01/01/2010 - 12/31/2010	93.045	FA010	4,422,523	4,422,523
Nutrition Services Incentive Program, 10/01/2009 - 09/30/2010	93.053	FU010	684,170	684,170
Nutrition Services Incentive Program, 10/01/2010 - 09/30/2011	93.053	FU011	216,340	216,340
ARRA - Aging Home-Delivered Nutrition Services for States, 05/01/2009 - 09/30/2010	93.705	FA109	206,344	206,344
ARRA - Aging Congregate Nutrition Services for States, 05/01/2009 - 09/30/2010	93.707	FA109	368,490	368,490
			<u>9,475,601</u>	<u>8,311,085</u>
<b>Total Older Americans Act</b>			<u>10,638,556</u>	<u>9,070,164</u>
<b>Emergency Home Energy Assistance Program</b>				
Low-Income Home Energy Assistance, 01/01/2009 - 05/31/2010	93.568	FP009	161,570	157,626
Low-Income Home Energy Assistance, 03/01/2010 - 05/31/2011	93.568	FP010	371,665	346,468
<b>Total Emergency Home Energy Assistance Program</b>			<u>533,235</u>	<u>504,094</u>
<b>SHINE</b>				
Serving Health Insurance Needs of Elders, 04/01/2009 - 03/31/2010	93.779	FN009	74,826	-
Serving Health Insurance Needs of Elders, 04/01/2010 - 03/31/2011	93.779	FN010	107,050	-
<b>Total SHINE</b>			<u>181,876</u>	<u>-</u>
<b>MBOA Program</b>				
Medicare Beneficiary Outreach Assistance 10/01/2009 - 05/31/2011	93.779	FM009	51,612	-
<b>Evidence Based Prevention Program</b>				
Evidence Based Prevention Program, 11/15/2009 - 07/31/2010	93.048	XQ093	49,470	-
Evidence Based Prevention Program, 12/01/2010 - 05/31/2011	93.048	FB010	234	-
<b>Total Evidence Based Prevention Program</b>			<u>49,704</u>	<u>-</u>
<b>Chronic Disease Self-Management</b>				
ARRA Chronic Disease Self-Management	93.725	XQ132	29,130	-
<b>Medicaid Waiver</b>				
Medicaid Waiver - Program, 07/01/2009 - 06/30/2010	93.778	FW010	34,337	-
Medicaid Waiver - Program, 07/01/2010 - 06/30/2011	93.778	FW011	36,411	-
Senior Medicare/Medicaid Patrol Project, 8/1/2009 - 5/31/2010	93.048	N/A	1,610	-
Senior Medicare/Medicaid Patrol Project, 6/1/2010 - 5/31/2011	93.048	N/A	2,780	-
<b>Total Medicaid Waiver</b>			<u>75,138</u>	<u>-</u>
<b>ARC Program</b>				
Aging Resource Center, 07/01/2009 - 06/30/2010	93.778	FX009	90,470	-
Aging Resource Center, 07/01/2010 - 06/30/2011	93.778	FX010	68,638	-
<b>Total ARC Program</b>			<u>159,108</u>	<u>-</u>
<b>Total Department of Health and Human Services</b>			<u>11,718,359</u>	<u>9,574,258</u>
<b>Total expenditures of federal awards</b>			<u>\$ 11,739,411</u>	<u>\$ 9,574,258</u>

(continued)

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)  
Year Ended December 31, 2010**

STATE FINANCIAL ASSISTANCE:	State CSFA Number	Contract Number	State Expenditures	Transfers to Subrecipients
<b>Department of Elder Affairs</b>				
<b>ADI (Respite &amp; Day Care) Program</b>				
ADI Respite Services, 07/01/2009 - 06/30/2010	65.004	FZ009	\$ 364,427	\$ 364,427
ADI Respite Services, 07/01/2010 - 06/30/2011	65.004	FZ010	304,510	304,510
ADI Model Day Care, 07/01/2009 - 06/30/2010	65.002	FZ009	56,687	56,687
ADI Model Day Care, 07/01/2010 - 06/30/2011	65.002	FZ010	35,333	35,333
<b>Total ADI Program</b>			<u>760,957</u>	<u>760,957</u>
<b>CCE Program</b>				
Community Care for the Elderly, 07/01/2009 - 06/30/2010	65.010	FC009	2,855,678	2,822,497
Community Care for the Elderly, 07/01/2010 - 06/30/2011	65.010	FC010	2,030,662	1,974,743
<b>Total CCE Program</b>			<u>4,886,340</u>	<u>4,797,240</u>
<b>Aging Resource Center</b>				
Aging Resource Center, 07/01/2009 - 06/30/2010	65.010	FX009	90,470	-
Aging Resource Center, 07/01/2010 - 06/30/2011	65.010	FX010	68,638	-
<b>Total Aging Resource Center</b>			<u>159,108</u>	<u>-</u>
<b>HCE Program</b>				
Home Care for the Elderly, 07/01/2009 - 06/30/2010	65.001	FH009	387,580	345,358
Home Care for the Elderly, 07/01/2010 - 06/30/2011	65.001	FH010	254,078	214,717
<b>Total HCE Program</b>			<u>641,658</u>	<u>560,075</u>
<b>LSP Homemaker Program</b>				
Local Service Program, 07/01/2009 - 06/30/2010	65.009	FL009	81,237	81,237
Local Service Program, 07/01/2010 - 06/30/2011	65.009	FL010	55,762	54,676
<b>Total LSP Program</b>			<u>136,999</u>	<u>135,913</u>
<b>Medicaid Waiver</b>				
Medicaid Waiver Program, 07/01/2009 - 06/30/2010	N/A	FW010	34,337	-
Medicaid Waiver Program, 07/01/2010 - 06/30/2011	N/A	FW011	36,411	-
<b>Total Medicaid Waiver</b>			<u>70,748</u>	<u>-</u>
<b>Total expenditures of state financial assistance</b>			<u>\$ 6,655,810</u>	<u>\$ 6,254,185</u>

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended December 31, 2010**

**Note 1 – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of the Agency and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with accounting principles generally accepted in the United States of America as applicable to non-profit organizations, and the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.650, *Rules of the Auditor General of the State of Florida*.

**Note 2 – Contingency**

Expenditures incurred by the Agency and subrecipients are subject to audit and possible disallowances by the federal and state agencies. The Agency would be responsible for recovery (reimbursement to the grantor agency) of disallowed amounts incurred by subrecipients if they were not able to repay the amounts disallowed. It is the opinion of management that no grant expenditures would be disallowed.



## **Grant Compliance**



**Report of Independent Certified Public Accountants 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***

Board of Directors  
West Central Florida Area Agency on Aging, Inc.  
Tampa, Florida

We have audited the consolidated financial statements of West Central Florida Area Agency on Aging, Inc. and affiliate (the "Agency") as of and for the year ended December 31, 2010, and have issued our report thereon dated August 2, 2011. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Agency's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies or 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 the Agency'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*.

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

*Cherry, Behant & Holland, L.L.P.*

Tampa, Florida  
August 2, 2011



**Report of Independent Certified Public Accountants on Compliance with  
Requirements That Could Have a Direct and Material Effect on Each Major  
Federal Program and State Project and on Internal Control Over Compliance in  
Accordance with OMB Circular A-133 and Chapter 10.650, Rules of the  
Auditor General of the State of Florida**

Board of Directors  
West Central Florida Area Agency on Aging, Inc.  
Tampa, Florida

**Compliance**

We have audited West Central Florida Area Agency on Aging, Inc.'s (the "Agency") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the requirements described in the Executive Office of the Governor of Florida's State Projects Compliance Supplement, that could have a direct and material effect on each of the Agency's major federal programs and state financial assistance projects for the year ended December 31, 2010. The Agency's major federal programs and state financial assistance projects are identified in the summary of auditors' 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 and state financial assistance projects is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency'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 Chapter 10.650, Rules of the Auditor General of the State of Florida. Those standards, OMB Circular A-133, and Chapter 10.650, Rules of the Auditor General of the State of Florida, 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 or state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the Agency'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 the Agency's compliance with those requirements.

In our opinion, the Agency complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended December 31, 2010.

### **Internal Control Over Compliance**

The Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state financial assistance projects. In planning and performing our audit, we considered the Agency's internal control over compliance with the requirements that could have a direct and material effect on a major federal program or state financial assistance project to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 the Agency'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 or state financial assistance project 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 or state financial assistance project will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, 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.

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

*Cherry, Behant & Holland, L.L.P.*

Tampa, Florida  
August 2, 2011

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Schedule of Findings and Questioned Costs – Federal Awards  
And State Financial Assistance Projects  
Year ended December 31, 2010**

**A. Summary of Auditors' Results**

1. The auditor's report expresses an unqualified opinion on the consolidated financial statements.
2. No significant deficiencies are reported relating to the audit of the consolidated financial statements.
3. No instances of noncompliance material to the consolidated financial statements were disclosed during the audit.
4. No significant deficiencies are reported during the audit of the major federal award programs and major state financial assistance projects.
5. The auditor's report on compliance for the major federal programs and state financial assistance projects expresses an unqualified opinion.
6. There were no audit findings relative to the major federal programs that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs/projects tested as major programs/projects include the following:

<u>CFDA #</u>	<u>Federal Programs</u>
	<b>Department of Health and Human Services</b>
	<u>Aging Cluster</u>
93.044	Special Programs for the Aging - Title III, Part B - Grants for Supporting Services and Senior Centers
93.045	Special Programs for the Aging - Title III, Part C - Nutrition Services
93.053	Nutrition Services Incentive Program
93.705	ARRA - Aging Home-Delivered Nutrition Services for States
93.707	ARRA - Aging Congregate Nutrition Services for States
93.052	Special Programs for the Aging - Title III, Part E National Family Caregiver Support
93.568	Emergency Home Energy Assistance
	<b>State Projects</b>
	<b>Department of Elder Affairs</b>
65.001	Home Care for the Elderly
65.010	Community Care for the Elderly

8. The threshold for distinguishing Type A programs for federal award programs was \$352,182. The threshold for distinguishing Type A programs for state financial assistance projects was \$300,000.
9. West Central Florida Area Agency on Aging, Inc. was determined to be a low risk auditee pursuant to OMB Circular No. A-133.

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Schedule of Findings and Questioned Costs – Federal Awards  
And State Financial Assistance Projects (continued)  
Year ended December 31, 2010**

**B. Findings - Financial Statements Audit**

No matters were reported.

**C. Findings and Questioned Costs - Major Federal Award Programs and State Financial Assistance Programs**

None.

**D. Other Matters**

No management letter is required because there were no findings required to be reported in the management letter.

**WEST CENTRAL FLORIDA AREA AGENCY ON AGING, INC.  
AND AFFILIATE**

**Summary Schedule of Prior Year's Audit Findings  
And Corrective Action Plan  
Year Ended December 31, 2010**

West Central Florida Area Agency on Aging, Inc. had no findings reported in the Schedule of Findings and Questioned Costs – Federal Awards and State Financial Assistance for the year ended December 31, 2009, therefore, the Agency has no findings in which to report on for the Summary Schedule of Prior Year's Audit Findings.