

SUPPLEMENTAL INFORMATION



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON SUPPLEMENTAL INFORMATION

To the Board of Directors of
Osceola County Council on Aging, Inc.
and Subsidiaries
Kissimmee, Florida

We have audited the consolidated financial statements of Osceola County Council on Aging, Inc. and Subsidiaries (the "Council") as of and for the year ended December 31, 2016, and have issued our report thereon dated May 30, 2017, which contained an unmodified opinion on those consolidated financial statements. That report appears on pages 1 and 2. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying supplemental information shown on pages 16 through 19 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance, shown on pages 20 and 21, as required by the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and Chapter 10.650, *Rules of the Auditor General*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information and schedules are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
May 30, 2017

OSCEOLA COUNTY COUNCIL ON AGING, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2016

	Osceola County Council on Aging, Inc.	Kissimmee Oaks Housing I, Inc.	St. Cloud Villas Phase II, Inc.	Eliminating Entries	Consolidated Total
ASSETS					
UNRESTRICTED CASH	\$ 50,882	\$ 169	\$ -	\$ -	\$ 51,051
RESTRICTED CASH	39,708	89,107	209,835	-	338,650
GRANTS AND OTHER RECEIVABLES	711,412	-	-	-	711,412
PREPAID EXPENSES AND OTHER ASSETS	23,900	18,681	11,774	-	54,355
PROPERTY AND EQUIPMENT, net	<u>12,842,591</u>	<u>1,967,855</u>	<u>3,953,015</u>	<u>-</u>	<u>18,763,461</u>
TOTAL ASSETS	<u>\$ 13,668,493</u>	<u>\$ 2,075,812</u>	<u>\$ 4,174,624</u>	<u>\$ -</u>	<u>\$ 19,918,929</u>
LIABILITIES AND NET ASSETS					
BANK OVERDRAFTS	\$ -	\$ 3,433	\$ 1,943	\$ -	\$ 5,376
NOTES PAYABLE	18,290	-	-	-	18,290
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	742,497	-	-	-	742,497
LINES OF CREDIT	252,431	-	-	-	252,431
DEFERRED REVENUE	49,108	-	-	-	49,108
RESIDENT SECURITY DEPOSITS	<u>2,765</u>	<u>16,042</u>	<u>14,702</u>	<u>-</u>	<u>33,509</u>
TOTAL LIABILITIES	1,065,091	19,475	16,645	-	1,101,211
NET ASSETS (DEFICIT)					
Unrestricted Net Assets (Deficit)	8,683,416	(1,069,098)	(639,068)	-	6,975,250
Temporarily restricted	<u>3,919,986</u>	<u>3,125,435</u>	<u>4,797,047</u>	<u>-</u>	<u>11,842,468</u>
TOTAL NET ASSETS	<u>12,603,402</u>	<u>2,056,337</u>	<u>4,157,979</u>	<u>-</u>	<u>18,817,718</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 13,668,493</u>	<u>\$ 2,075,812</u>	<u>\$ 4,174,624</u>	<u>\$ -</u>	<u>\$ 19,918,929</u>

See Report of Independent Certified Public Accountants on Supplemental Information.

OSCEOLA COUNTY COUNCIL ON AGING, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2016

	Osceola County Council on Aging, Inc.	Kissimmee Oaks Housing I, Inc.	St. Cloud Villas Phase II, Inc.	Eliminating Entries	Consolidated Total
SUPPORT AND REVENUE					
Federal and state support	\$ 3,152,787	\$ 316,841	\$ 249,891	\$ -	\$ 3,719,519
Donated materials and services	1,451,744	-	-	-	1,451,744
Other contributions and support	4,021,728	-	-	-	4,021,728
Senior housing revenue	877,090	143,748	138,640	(408,791)	750,687
Client fees	211,800	-	-	-	211,800
Fundraising support	230,871	-	-	-	230,871
Local government support	171,671	-	-	-	171,671
Interest income	38	83	89	-	210
	<u>10,117,729</u>	<u>460,672</u>	<u>388,620</u>	<u>(408,791)</u>	<u>10,558,230</u>
EXPENSES					
Program services	9,395,159	-	-	-	9,395,159
Housing expenses	-	520,011	475,218	(408,791)	586,438
Management and general expenses	878,769	-	-	-	878,769
	<u>10,273,928</u>	<u>520,011</u>	<u>475,218</u>	<u>(408,791)</u>	<u>10,860,366</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>350,661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350,661</u>
CHANGE IN UNRESTRICTED NET ASSETS	194,462	(59,339)	(86,598)	-	48,525
TEMPORARILY RESTRICTED NET ASSETS					
Net assets released from restrictions	<u>(350,661)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(350,661)</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	<u>(350,661)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(350,661)</u>
CHANGE IN NET ASSETS	(156,199)	(59,339)	(86,598)	-	(302,136)
NET ASSETS AT BEGINNING OF YEAR	<u>12,759,601</u>	<u>2,115,676</u>	<u>4,244,577</u>	<u>-</u>	<u>19,119,854</u>
NET ASSETS AT END OF YEAR	<u>\$ 12,603,402</u>	<u>\$ 2,056,337</u>	<u>\$ 4,157,979</u>	<u>\$ -</u>	<u>\$ 18,817,718</u>

See Report of Independent Certified Public Accountants on Supplemental Information.

OSCEOLA COUNTY COUNCIL ON AGING, INC. AND SUBSIDIARIES

SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES

Year Ended December 31, 2016

Expenses	OCCOA Program Services					
	Adult Day Care	Case Management	Congregate Meals	Emergency Alert Response	Home- Delivered Meals	In-home Services
Salaries	\$ 480,247	\$ 35,044	\$ 208,645	\$ 171	\$ 229,214	\$ 1,035,452
Payroll taxes and benefits	84,315	6,308	37,556	31	41,259	186,381
Travel	981	594	2,319	-	5,629	112,732
Communications/postage	382	322	876	-	3,014	9,990
Utilities	9,728	2,779	8,049	-	13,652	65,872
Advertising	840	240	561	-	1,629	6,155
Insurance	7,989	2,282	5,035	-	8,618	37,607
Maintenance and repair	12,877	1,577	3,600	-	9,910	40,219
Printing/supplies	1,235	219	490	-	1,629	4,449
Building cost	548	23	427	-	147	803
Equipment	41	22	1,090	-	575	301
Professional fees/legal/audit	13,157	2,903	6,801	-	11,801	74,000
Sub-contractors	8,398	60,949	5,526	3,985	14,385	23,568
Program supplies	11,252	19,509	13,879	-	3,225	8,985
Depreciation and amortization	16,727	1,547	28,112	-	45,941	6,563
Food and food supplies	39,069	-	129,807	-	338,693	-
Other	548	48	117	-	495	1,166
TOTAL EXPENSES	688,334	134,366	452,890	4,187	729,816	1,614,243
Allocation of management and general	147,313	28,756	96,925	896	156,191	345,471
TOTAL EXPENSES AFTER ALLOCATION	\$ 835,647	\$ 163,122	\$ 549,815	\$ 5,083	\$ 886,007	\$ 1,959,714
Total Units (UNAUDITED)	64,913	1,234	47,078	4,257	95,624	133,221

Note 1 - Basis of Presentation

The Supplemental Schedule of Functional Expenses does not include the expenses of Oaks and Villas.

Note 2 - In-Kind Expenses

The Supplemental Schedule of Functional Expenses does not include the value of donated supplies and services in the amount of \$1,451,744, which are included in the consolidating statement of activities and changes in net assets.

See Report of Independent Certified Public Accountants on Supplemental Information.

OCCOA Program Services

	Nutrition Education	Outreach	Respite - Facility	Transportation	Total DOEA Program Costs
\$	3,097	\$ 4,944	\$ 10,624	\$ 192,305	\$ 2,199,743
	557	890	1,912	34,615	393,824
	-	-	-	76	122,331
	-	510	-	966	16,060
	378	189	-	8,338	108,985
	-	-	-	695	10,120
	365	345	-	15,594	77,835
	-	-	-	90,158	158,341
	75	778	-	898	9,773
	-	-	-	30	1,978
	-	-	-	9,408	11,437
	-	520	-	8,706	117,888
	-	-	-	5,417	122,228
	-	-	-	34,852	91,702
	-	-	-	54,357	153,247
	-	-	-	-	507,569
	26	68	-	593	3,061
	4,498	8,244	12,536	457,008	4,106,122
	964	1,764	2,683	97,806	878,769
\$	5,462	\$ 10,008	\$ 15,219	\$ 554,814	\$ 4,984,891
	3,941	558	4,165	34,180	N/A

OSCEOLA COUNTY COUNCIL ON AGING, INC. AND SUBSIDIARIES
SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES (Continued)
Year Ended December 31, 2016

OCCOA Other Services						
Expenses	Non-DOEA Program Costs	Fundraising	Management & General	Total Other Services	Total	
Salaries	\$ 1,834,159	\$ 15,005	\$ 397,526	\$ 2,246,690	\$ 4,446,433	
Payroll taxes and benefits	180,747	2,701	71,555	255,003	648,827	
Travel	17,255	-	862	18,117	140,448	
Communications/postage	10,420	-	2,634	13,054	29,114	
Utilities	23,267	-	14,812	38,079	147,064	
Advertising	2,029	-	236	2,265	12,385	
Insurance	55,802	-	19,876	75,678	153,513	
Maintenance and repair	38,454	-	1,788	40,242	198,583	
Printing/supplies	11,124	-	1,855	12,979	22,752	
Building cost	15,316	-	350	15,666	17,644	
Equipment	1,088	-	-	1,088	12,525	
Professional fees/legal/audit	32,667	-	4,968	37,635	155,523	
Sub-contractors	1,347,610	-	-	1,347,610	1,469,838	
Program supplies	118,959	45,488	-	164,447	256,149	
Depreciation	13,510	-	302,028	315,538	468,785	
Food and food supplies	60,120	-	-	60,120	567,689	
Other	11,572	-	60,279	71,851	74,912	
TOTAL EXPENSES	3,774,099	63,194	878,769	4,716,062	8,822,184	
Allocation of management and general	-	-	(878,769)	(878,769)	-	
TOTAL EXPENSES AFTER ALLOCATION	\$ 3,774,099	\$ 63,194	\$ -	\$ 3,837,293	\$ 8,822,184	
Total Units (UNAUDITED)	N/A	N/A	N/A	N/A	N/A	

See Report of Independent Certified Public Accountants on Supplemental Information.

OSCEOLA COUNTY COUNCIL ON AGING, INC. AND SUBSIDIARIES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2016

<u>Federal Grantor/Pass-Through Grantor Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Contract / Pass-Through Award Number</u>	<u>Federal Expenditures Recognized</u>
FEDERAL AWARDS			
U.S. Department of Agriculture			
Pass-through:			
Department of Agriculture and Consumer Services Emergency Food Assistance Cluster: Emergency Food Assistance - TEFAP	10.568	016960	\$ 28,772
U.S. Department of Veterans Affairs			
Purchase Care Program	64.029	PASWCADHC6750002	379,987
U.S. Department of Health and Human Services			
Pass-through:			
Area Agency on Aging of Central Florida, Inc. d/b/a Senior Resource Alliance:			
Aging Cluster:			
Title III-B - Support Services	93.044	OSC-OAA-16	237,561
Title III-C-1 - Congregate Nutrition Services	93.045	OSC-OAA-16	148,752
Title III-C-2 - Home-delivered Nutrition Services	93.045	OSC-OAA-16	164,528
Subtotal - 93.045			<u>313,280</u>
Nutrition Services Incentive Program	93.053	OSC-NSIP-16	53,093
Total Aging Cluster			603,934
Title III-D - Health and Wellness	93.043	OSC-OAA-16	25,200
Title III-E - Care Giver Services	93.052	OSC-OAA-16	59,386
Pass-through:			
Department of Economic Opportunity:			
WAP/LIHEAP	93.568	16WX-0G-06-59-08-021	155,053
LIHEAP	93.568	16EA-0F-06-59-08-034	829,918
Subtotal - 93.568			<u>984,971</u>
Community Services Block Grant	93.569	16SB-0D-66-59-20-020	274,903
Total U.S. Department of Health and Human Services			<u>1,948,394</u>
U.S. Department of Transportation			
Pass-through:			
Florida Department of Transportation Transit Services Programs Cluster:			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	FL-16-X009	76,079
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 2,433,232</u></u>

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of Osceola County Council on Aging, Inc. ("OCCOA") under programs of the federal government for the year ended December 31, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Because the Schedule presents only a select portion of the operations of OCCOA, it is not intended to and does not present the financial position, changes in net assets, or cash flows of OCCOA.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in the Office of Management and Budget Circular A-122, Cost Principles for Non-Profit Organizations, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

OCCOA has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

See Report of Independent Certified Public Accountants on Supplemental Information.

OSCEOLA COUNTY COUNCIL ON AGING, INC. AND SUBSIDIARIES

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

Year Ended December 31, 2016

<u>State Grantor/Pass-Through Grantor Program or Cluster Title</u>	<u>State CSFA Number</u>	<u>Contract / Grant Number / Period</u>	<u>State Expenditures Recognized</u>
STATE PROJECTS			
State of Florida			
Guardianship	65.003	X9176	\$ 103,431
Pass-through:			
Area Agency on Aging of Central Florida, Inc. d/b/a Senior Resource Alliance:			
Home Care for the Elderly	65.001	7/1/2015-6/30/2016	405
Alzheimer's Disease Initiative	65.004	7/1/2015-6/30/2016	135,755
Community Care for the Elderly	65.010	7/1/2015-6/30/2016	585,219
			<u>585,219</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 824,810</u>

NOTE 1 - BASIS OF PRESENTATION

The Schedule of Expenditures of State Financial Assistance ("Schedule") includes the state grant activity of OCCOA and is presented using the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

See Report of Independent Certified Public Accountants on Supplemental Information.

**OTHER REPORTS AND INFORMATION
REQUIRED BY THE UNIFORM GUIDANCE AND
CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL***



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**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**

To the Board of Directors of
Osceola County Council on Aging, Inc.
and Subsidiaries
Kissimmee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Osceola County Council on Aging, Inc. and Subsidiaries (the "Council"), which comprise the consolidated statement of financial position as of December 31, 2016, and the related consolidated statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated May 30, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

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

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

To the Board of Directors of
Osceola County Council on Aging, Inc.
and Subsidiaries

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's consolidated 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida
May 30, 2017



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

To the Board of Directors of
Osceola County Council on Aging, Inc.
and Subsidiaries
Kissimmee, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Osceola County Council on Aging, Inc. and Subsidiaries' (the "Council") compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on the Council's major federal programs and state projects for the year ended December 31, 2016. The Council's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. The consolidated financial statements include the operations of the Council's subsidiaries, which had expenditures of federal awards of \$8,286,879 during the year ended December 31, 2016. Our compliance audit excludes the operations of these subsidiaries since they are reported in separate financial statements.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Council's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.650, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General*, 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 project occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the Council's compliance.

To the Board of Directors of
Osceola County Council on Aging, Inc.
and Subsidiaries

Opinion on Each Major Federal Program and State Project

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended December 31, 2016.

Report on Internal Control over Compliance

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, 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 Council's internal control over compliance.

A deficiency in 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 and correct, noncompliance with a type of compliance requirement of a federal program or state 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 a material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
May 30, 2017

OSCEOLA COUNTY COUNCIL ON AGING, INC. AND SUBSIDIARIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2016

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP [*unmodified, qualified, adverse, or disclaimer*]:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards and State Financial Assistance

Internal control over major federal awards programs and state projects:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

Type of auditor's report issued on compliance for major federal programs and state projects [*unmodified, qualified, adverse, or disclaimer*]:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a), or Chapter 10.656, *Rules of the Auditor General*?

_____ Yes X No

Identification of Major Federal Programs and State Projects:

**CFDA/
CFSA
Number(s)**

Name of Federal Program or Cluster:

Low-Income Home Energy Assistance Program (LIHEAP) 93.568

Name of State Project:

Community Care for the Elderly 65.010

Dollar threshold used to distinguish between

Type A and Type B programs for:	Federal	<u>\$ 750,000</u>
	State	<u>\$ 750,000</u>

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance? X Yes No

SECTION II - FINANCIAL STATEMENT FINDINGS

No current-year matters were reported.

SECTION III - FEDERAL AWARDS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS

No current-year matters were reported.

SECTION IV - OTHER ISSUES

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

No Summary Schedule of Prior Audit Findings is required because there were no prior-year matters reported.