

***COUNCIL FOR OLDER ADULTS***  
***Delaware County, Ohio***

**AUDIT REPORT**

**For the Year ended December 31, 2011**

***CHARLES E. HARRIS & ASSOCIATES, INC.***  
**Certified Public Accountants and Government Consultants**





# Dave Yost • Auditor of State

Board of Trustees  
Council for Older Adults  
800 Cheshire Road  
Delaware, Ohio 43015

We have reviewed the *Independent Auditor's Report* of the Council for Older Adults, Delaware County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Council for Older Adults is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Robert R. Hinkle".

Robert R. Hinkle, CPA  
Chief Deputy Auditor

September 4, 2012

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**COUNCIL FOR OLDER ADULTS**  
**DELAWARE COUNTY**  
**AUDIT REPORT**  
For the Year Ended December 31, 2011

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***Charles E. Harris & Associates, Inc.***  
***Certified Public Accountants***

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**INDEPENDENT AUDITOR'S REPORT**

Council for Older Adults  
Delaware County, Ohio  
800 Cheshire Road  
Delaware, Ohio 43015

The Board of Directors:

We have audited the accompanying statement of financial position of the Council for Older Adults Delaware County, Ohio (the Council) as of December 31, 2011 and 2010, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Council'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 and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above presently fairly, in all material respects, the financial position of the Council for Older Adults as of December 31, 2011 and 2010 and the changes in its net assets and cash flows for the years 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 June 20, 2012 on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of federal, state, and local funding received included on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Charles Harris Associates*

***Charles E. Harris & Associates, Inc.***

June 20, 2012

**Council for Older Adults  
Statement of Financial Position  
December 31, 2011 and 2010**

<b>Assets</b>		
	<u>2011</u>	<u>2010</u>
<b>Current Assets</b>		
Cash	\$ 853,173	\$ 549,148
Investments	2,463,447	2,225,889
Accounts Receivable	49,595	53,178
Inventory	44,611	42,151
Prepaid Expense	<u>25,928</u>	<u>12,479</u>
<b>Total Current Assets</b>	<b>3,436,754</b>	<b>2,882,845</b>
<b>Property and Equipment</b>		
Furniture & Equipment	587,915	554,281
Leasehold Improvements	560,992	550,107
Vehicles	72,830	50,544
Accumulated Depreciation	<u>(498,464)</u>	<u>(389,634)</u>
<b>Property &amp; Equip. net of Depreciation</b>	<b>723,273</b>	<b>765,298</b>
<b>Other Assets</b>		
Beneficial Interest in Assets	<u>22,634</u>	<u>23,549</u>
<b>Total Other Assets</b>	<b>22,634</b>	<b>23,549</b>
<b>Total Assets</b>	<b><u>\$ 4,182,661</u></b>	<b><u>\$ 3,671,692</u></b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 183,936	\$ 225,409
Accrued Payroll and related Liabilities	116,071	157,362
Grants Payable	<u>35,946</u>	<u>5,364</u>
<b>Total Current Liabilities</b>	<b>335,953</b>	<b>388,135</b>
<b>Net Assets</b>		
Designated by the Board for Capital improvements	846,199	529,202
Undesignated	<u>3,000,509</u>	<u>2,754,355</u>
<b>Total Net Assets</b>	<b>3,846,708</b>	<b>3,283,557</b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 4,182,661</u></b>	<b><u>\$ 3,671,692</u></b>

**Council for Older Adults**  
**Statement of Activities**  
**For the Years Ended December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>Changes in Unrestricted Net Assets:</b>		
<u>Revenue and Support:</u>		
Property Tax Levy	\$4,971,896	\$4,951,006
Intergovernmental	702,225	819,058
Grants	487,830	451,222
Donations	186,333	185,434
Service Fees	233,464	219,127
Interest	25,722	23,229
Gain / Loss on Marketable Securities	(6,664)	-
Other	202,717	179,476
	6,803,523	6,828,552
 Total Revenue and Support	 6,803,523	 6,828,552
 <u>Expenses:</u>		
Program Services:		
Senior Choices	3,616,678	3,565,974
Senior Citizens and Facility Subsidy	586,143	588,939
Transportation, Counseling, Home Repair and Other Grants	644,122	630,023
Outreach and Special Events	613,181	549,499
Hospitality and Event Services	193,969	197,161
Total Program Services	5,654,093	5,531,596
Management and General	586,279	600,175
	6,240,372	6,131,771
Total Expenses	6,240,372	6,131,771
Change in Net Assets	563,151	696,781
Net Assets - Beginning of Year	3,283,557	2,586,776
Net Assets - End of Year	\$3,846,708	\$3,283,557

Council for Older Adults  
Statement of Functional Expenses  
For the Year Ended December 31, 2011

	Senior Choices	Senior Citizens, Inc. Facility Subsidy	Transport, Counseling, Home Repair and Other Grants	Outreach, Volunteer Services and Special Events	Hospitality and Event Services	Total Program Services	Management and General	2011 Total Expenses	2010 Total Expenses
Salaries	\$ 1,055,672	\$64,798	-	\$268,950	\$87,296	\$1,476,716	\$355,540	\$1,832,256	\$1,828,594
Payroll Taxes and Fringe Benefits	413,804	21,516	-	105,476	30,321	571,117	115,730	686,847	698,387
<b>Total Personnel Costs</b>	<b>1,469,476</b>	<b>86,314</b>	<b>-</b>	<b>374,426</b>	<b>117,617</b>	<b>2,047,833</b>	<b>471,270</b>	<b>2,519,103</b>	<b>2,526,981</b>
Contract Services	\$1,345,321	-	-	-	-	1,345,321	-	1,345,321	1,233,054
Grants	-	-	\$ 644,122	-	-	644,122	-	644,122	630,023
Management Fee	-	330,000	-	-	-	330,000	-	330,000	330,000
Raw Food / Kitchen Supplies	447,881	-	-	-	58,889	506,770	-	506,770	477,636
General Supplies	33,072	11,272	-	31,223	1,527	77,094	11,736	88,830	145,919
Utilities	64,474	48,292	-	9,490	2,706	124,962	12,429	137,391	150,475
Operating Service Fees	63,485	40,763	-	31,945	3,909	140,102	19,334	159,436	141,003
Depreciation & Amortization	41,980	44,293	-	7,936	4,228	98,437	10,394	108,831	100,518
Repairs, Maintenance & Auto Operating	35,534	19,948	-	3,673	793	59,948	4,878	64,826	72,070
Professional	23,544	-	-	28,445	273	52,262	26,940	79,202	66,304
Printing	6,270	9	-	41,738	1,414	49,431	111	49,542	44,401
Advertising	3,184	-	-	39,731	1,321	44,236	184	44,420	45,997
Travel and Meals	17,771	25	-	4,143	24	21,963	8,471	30,434	27,813
Insurance	20,760	-	-	5,563	105	26,428	7,285	33,713	34,438
Small Equipment & Rental	13,574	4,550	-	11,701	149	29,974	4,118	34,092	31,622
Telephone	17,939	-	-	2,045	38	20,022	2,679	22,701	24,933
Postage	6,827	-	-	3,487	177	10,491	2,110	12,601	14,327
Training	2,760	64	-	2,609	792	6,225	2,241	8,466	10,233
Dues and Subscriptions	1,408	613	-	4,086	3	6,110	2,099	8,209	10,368
Sponsorships	0	-	-	9,675	-	9,675	-	9,675	8,960
Other	1,418	-	-	1,265	4	2,687	-	2,687	4,696
<b>Total Expenses</b>	<b>\$ 3,616,678</b>	<b>\$ 586,143</b>	<b>\$ 644,122</b>	<b>\$ 613,181</b>	<b>\$ 193,969</b>	<b>\$ 5,654,093</b>	<b>\$ 586,279</b>	<b>\$ 6,240,372</b>	<b>\$ 6,131,771</b>

**Council for Older Adults  
Statement of Cash Flows  
For the years Ended December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Cash Flows from Operating Activities:		
Excess of Revenue Over/(Under) Expenses	\$563,151	\$696,781
Adjustments to Reconcile to Net Cash Provided by Operating Activities:		
Depreciation & Amortization	108,830	100,518
Decrease in Accounts Receivable	3,583	20,392
(Increase) in Inventory	(2,460)	(9,475)
(Increase) in Prepaid Expenses	(13,449)	(6,789)
(Decrease) in Accounts Payable and Accrued Expense	(82,764)	72,041
(Increase) in Grants Payable	<u>30,582</u>	<u>(47,506)</u>
Net Cash Provided from Operating Activities	607,473	825,962
Cash Flows from Investing Activities:		
Purchase of Capital Assets	(66,805)	(153,634)
Purchase of Investments	(3,624,345)	(2,217,504)
Proceeds from Maturing Investments	3,404,794	1,936,060
Interest Earnings on Investments	(23,756)	(22,353)
Loss on Marketable Securities	<u>6,664</u>	<u>-</u>
Net Cash Provided from (used by) Investing Activities	<u>(303,448)</u>	<u>(457,431)</u>
Net Change in Cash and Cash Equivalents	304,025	368,531
Cash and Cash Equivalents - Beginning of the Year	<u>549,148</u>	<u>180,617</u>
Cash and Cash Equivalents - End of the Year	<u><u>\$853,173</u></u>	<u><u>\$549,148</u></u>

Council for Older Adults  
Delaware County  
Notes to the Financial Statements  
December 31, 2011 and 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Council for Older Adults(the Council) is a non-profit corporation organized to improve the quality of life of the older population of Delaware County, Ohio. The Council receives the majority of its revenue from an Aging Services property tax levy. The most recent 0.9 mil levy was approved by Delaware County voters in August 2008. This levy began generating proceeds for the Council in 2009 and will expire at the end of 2013.

The Council provides many services to home-bound seniors through the Senior Choice program. In addition the Council provides nutrition, outreach, special events a bi-monthly newsletter to the older population, hospitality services and operates an enrichment center which includes many programs, activities in addition to an exercise pool for seniors. The Senior Choice program includes home delivered meals, transportation, adult day care, homemaker services, personal care, respite services, emergency response systems, durable medical equipment, nursing services and counseling. The purpose of the Senior Choice program is to provide assistance needed to help older residents remain at home with independence and dignity.

Basis of Accounting

The financial statements of the Council have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes all cash held in unrestricted demand deposit accounts as well as cash on hand.

Accounts Receivable

Accounts receivable at December 31, 2011 consist of consumer accounts (billings for user charged for services.)

Inventory

Inventory consists of supplies available for sale to clients as well as food and packaging materials used in producing home delivered meals or hospitality services. Inventory is valued at cost.

Property and Equipment

Property and Equipment are recorded at cost. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, which generally are from five to seven years. The Council capitalizes assets which costs exceed \$1,000 and which useful lives exceed one year.

Council for Older Adults  
Delaware County  
Notes to the Financial Statements  
December 31, 2011 and 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Accrued Payroll and Related Liabilities

A liability is accrued for paid time off when employees' rights to compensation are earned, vested and measurable.

Revenue Recognition

The Council recognizes property tax revenue when it is measurable and available to finance expenditures of the current fiscal period. The Council recognizes grant revenue when the related expenditure is made. "Available" means collected within the current period and used to pay liabilities of the current period.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. No amounts have been reflected in the statements for donated services, however, a substantial number of volunteers have donated significant amounts of their time in the organization's program services.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Taxes

The Council is a voluntary health and welfare organization exempt from Federal income taxes under Section 501(c) (3) of the Internal Revenue Code. The Council has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(6)(1)(A)(iv). The Council has unrelated business income from advertising space and hospitality & event service operations. No provision has been made for income tax as the Council anticipates the associated expenses will exceed the revenue.

Functional Allocation of Expenses

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

Council for Older Adults  
 Delaware County  
 Notes to the Financial Statements  
 December 31, 2011 and 2010

2. CONCENTRATION OF CREDIT RISK

The Council maintains checking, money market and certificates of deposit accounts with local financial institutions. The checking account is insured by the Federal Deposit of Insurance Corporation up to \$250,000 and in addition has been collateralized up to \$1,500,000 by the depository bank. The money market and certificates of deposit are insured by the Federal Deposit of Insurance Corporation up to \$250,000. All checking, money market and certificate of deposit accounts were insured at December 31, 2011 and December 31, 2010.

In addition the Council maintains an investment portfolio with a local financial service corporation. The investment portfolio contains fixed income bonds and certificate of deposits.

3. INVESTMENTS

On July 27, 2011, the Board authorized management to enter into an agreement to open an investment portfolio, and to fund that portfolio with \$750,000. Prior to this date all investments consisted of certificates of deposit. All investments are reported at fair market value. The certificates of deposit bear interest ranging from 0.60% to 2.50% and mature through May 2016. The bonds bear interest yields ranging from 1.23% to 2.87% and mature through August 2016 with laddered maturity dates.

Investments consisted of the following:

	2011	2010
Certificate of Deposit	\$1,713,347	\$2,225,889
Bonds	746,770	-
Cash	3,330	-
Total Investments	\$2,463,447	\$2,225,889

4. NET ASSETS

In December 2008, the Council designated a portion of net assets for capital improvements and major maintenance projects, as well as emergency repairs at the center. Annually the Board earmarks the amount of money to be added to this fund.

5. LEASES

In October 2007, the Council entered into a lease agreement with the Delaware County Commissioners, to lease real property consisting of 12.74 acres, more or less, known as 800 Cheshire Road, Delaware, Ohio, improved with a 58,000+ square foot facility, including meeting and activity rooms, offices, kitchen, exercise pool and paved parking areas.

The terms of the lease agreement specify that leased premises shall be used to provide services to improve the quality of life of older adults in Delaware County, Ohio. In addition the Council is required to maintain compliance with all provisions set forth in applicable

Council for Older Adults  
 Delaware County  
 Notes to the Financial Statements  
 December 31, 2011 and 2010

5. LEASES – (continued)

Bond Financing Certificates issued by Delaware County. (Delaware County Commissioners issued Capital Facilities Bonds, series 2005A, in the amount of \$12,000,000, to fund the purchase of land and construction at 800 Cheshire Road, Delaware Ohio, for the purpose of providing a facility for senior citizens). Lease payments under this lease are \$1.00 per year, and the Council may purchase right title and interest in the leased premises at the termination of the lease. During the term of the lease the Council is responsible for all maintenance, repairs, utilities, taxes, assessments, insurance, improvements and all general upkeep of the leased property. The lease terminates December 31, 2025.

Several office machines, including copier/printers and a postage machine are under lease arrangement; future combined minimum lease payments under these leases are as follows:

2012 - \$10,019  
 2013 - \$10,019

6. PROPERTY AND EQUIPMENT

The following schedule summarizes the changes in property and equipment for the year ended December 31, 2011.

	January 1 <u>2011</u>	<u>Additions</u>	<u>Disposals</u>	December 31 <u>2011</u>
Equipment, Furniture and Fixtures	\$ 554,281	\$ 33,634	-	\$587,915
Leasehold Improvements	550,107	10,885	-	560,992
Vehicles	50,544	22,286	-	72,830
Less Accumulated Depreciation	<u>(389,634)</u>	<u>(108,830)</u>	<u>-</u>	<u>(498,464)</u>
Totals	<u>\$765,298</u>	<u>\$ (42,025)</u>	<u>-</u>	<u>\$ 723,273</u>

7. BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

In 1997, the Council deposited \$10,000 with the Delaware County Community Foundation (the Foundation), an Ohio not-for-profit corporation to establish the Council for Older Adults Fund (the Fund). The Fund is to be used for charitable, educational, and public purposes. Distributions will be made from the Fund to charitable organizations at the discretion of the Foundation's Board of Trustees, and may include the original deposit. The Council's Board of Directors has reserved the right to suggest how the money will be distributed. In addition, the Council may request that the Fund be returned to the Council, although final authority rests with the Foundation.

Council for Older Adults  
 Delaware County  
 Notes to the Financial Statements  
 December 31, 2011 and 2010

7. BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS-(continued)

Statement of Financial Accounting Standards No. 136 states that a transfer of assets where the resource provider specifies itself or an affiliate as the beneficiary is not a contribution and shall be recorded as an asset, even if variance power has been explicitly granted to the recipient organization.

The market value of the Fund at December 31, 2011 was \$22,634, which included the Council's original contribution, contributions made to the fund by outside parties, and earnings and cumulative changes in market value.

8. GRANTS PAYABLE AND COMMITMENTS

The Council has entered into grant agreements with various organizations to assist these organizations in providing services to the senior population of Delaware County. Grants payable are amounts due to these organizations at December 31, 2011 for services provided through December 31, 2011.

Alzheimer's Association	\$6,076
Catholic Social Services	1,449
Central Ohio Area Agency on Aging	1,000
Community Action Organization	2,762
Delaware County Juvenile Court	750
Delaware County Health District	2,412
Delaware Speech and Hearing	4,737
HomeReach Telehealth Program	1,500
Help Line of Delaware and Morrow Counties, Inc Connections & Companions	9,530
Heritage Day Health Centers	2,310
Life Care Alliance	<u>3,419</u>
Total	<u>\$35,946</u>

The following grants have been awarded by the Council for the term to be in 2012:

Delaware Area Transit Agency	\$299,511
Alzheimer's Association	51,700
Help Line of Delaware and Morrow Counties, Inc Connections & Companions	79,834
Delaware Speech & Hearing	45,395
Delaware County Job and Family Services	32,836
Community Action Organization of Delaware, Madison	24,000
Catholic Social Services	27,966
Life Care Alliance	28,280
Heritage Day Health Centers	20,700
Delaware General Health District	26,014
Grady Memorial Hospital DRIVE Program	6,000
HomeReach Telehealth Program	9,600

Council for Older Adults  
 Delaware County  
 Notes to the Financial Statements  
 December 31, 2011 and 2010

8. GRANTS PAYABLE AND COMMITMENTS-(continued)

People in Need	6,000
Central Ohio Area Agency on Aging	6,000
Delaware County Juvenile Court	<u>4,600</u>
Total	<u>\$668,436</u>

9. GRANTS

The Council provided grants to the following organizations during 2011 and 2010. Although the 2011 Grant Awards totaled \$654,350, only \$644,122 was remitted to Grantees due to actual costs being less than projected budgets.

	<u>2011</u>	<u>2010</u>
Delaware Area Transit Agency	\$299,329	\$298,183
Alzheimer's Association	54,296	52,932
Help Line of Delaware and Morrow Counties, Inc		
Connections & Companions	78,439	93,955
Delaware Speech & Hearing	45,395	45,395
Delaware County Job and Family Services	32,881	10,500
Community Action Organization of Delaware and Madison Counties	30,000	40,000
Catholic Social Services	27,816	29,643
Life Care Alliance	27,805	21,190
Heritage Day Health Centers	20,700	18,700
Delaware General Health District	12,214	19,216
Grady Memorial Hospital DRIVE Program	6,475	6,000
Home Reach Telehealth Program	6,000	6,000
People in Need	6,000	6,000
Central Ohio Area Agency on Aging	4,000	6,000
Delaware County Juvenile Court	<u>3,000</u>	<u>6,000</u>
Total	<u>\$654,350</u>	<u>\$659,714</u>

Council for Older Adults  
Delaware County  
Notes to the Financial Statements  
December 31, 2011 and 2010

10. CONTRACT SERVICES

The Council provides information to and/or arranges various levels of in-home and other assistance for eligible seniors. To provide the in-home assistance, the Council contracts on a purchase of services basis with various organizations and businesses. The contractors provide the services that have been approved by the Council and bill the Council at the agreed upon rate per unit of services delivered.

The Council had the following Contract Services:	<u>2011</u>	<u>2010</u>
Active Day of Columbus (adult day care & transportation)	\$10,122	\$14,354
Adena (adult day care)	16,750	7,350
Advanced Senior Support (homemaker, pers care, respite, nursing)	897	10,803
Alia Healthcare (homemaker, pers care, respite, nursing)	102,504	53,741
Arbors at Delaware (institutional respite)	1,262	2,835
Central Ohio Care Services (homemaker, pers care & respite)	67,520	53,116
Central Ohio Senior Care (homemaker, pers care & respite)	12,962	-
Client Use of Ensure (nutrition supplement)	34,212	31,622
Columbus Prescription (incontinence supply & nutrition supplement)	4,009	42,595
Critical Signal Technologies (emergency response)	4,400	-
Custom Staffing (homemaker, personal care & respite)	40,804	80,533
Delaware Area Transit Authority (transportation)	40,329	33,303
Delaware Court Healthcare Center (institutional respite)	8,926	8,246
Delaware Developers LLC (home repair)	1,875	1,615
Delaware General Health District (appliance pickup)	1,000	5,000
Duralin Medical Products, Inc (incontinence supply)	129,546	82,185
Farmers Market	50,200	48,252
First Response Monitoring of Ohio (emergency response)	25,245	14,718
Giving Peace of Mind (homemaker, pers care & respite)	6,870	-
Guardian Medical Monitoring, Inc. (emergency response )	23,790	9,101
Heritage Day Health (adult day care & personal care)	119,511	133,338
Heritage Health Care Services (emergency response )	29,898	31,188
HM Miller & Associates (homemaker & personal care)	30,848	16,461
Home Helpers (homemaker, pers care, respite & emergency response)	61,845	55,314
Home Instead Senior Care (homemaker, personal care & respite)	143,391	160,143
Home Reach Home Care (homemaker, pers care, respite & nursing)	52,499	53,211
In Home Eldercare (homemaker)	15,627	-
Interim Health Care (homemaker, personal care & respite)	14,328	10,863
Miracle Method of Columbus (home improvement)	10,205	9,725
Peterson Professional Services (chores)	250	2,175
Pro Health Care Services (homemaker, personal care & respite)	3,763	8,055
RRAD Enterprise Ltd. (homemaker, pers care)	2,401	-
Rural Metro (emergency response)	24,681	30,126
Sabco (homemaker, pers care & respite)	10,124	-
Senior Independence (homemaker, personal care & respite)	41,525	21,145
Senior Services for Independent Living (hmmkr, pers care & respite)	75,665	66,398
Valued Relationships, Inc (emergency response)	38,872	48,792

Council for Older Adults  
 Delaware County  
 Notes to the Financial Statements  
 December 31, 2011 and 2010

10. CONTRACT SERVICES-(continued)

Volunteer Drivers	82,179	84,543
United Patient Care	1,724	-
Other	<u>2,763</u>	<u>2,208</u>
Total	<u>\$1,345,321</u>	<u>\$1,233,054</u>

11. COMMUNITY NUTRITION PROGRAM

The Council operates the Nutrition Program as part of Senior Choices. The program provides home delivered meals to seniors and meals at several congregate meal sites in the county. In addition the Nutrition Program provides meals to disabled Adults under the age 60 as well as administering a Farmers Market Voucher Program and a Commodity Supplemental Food Program, which offers free food to low income older adults.

The Council receives federal and state funds for the program through the Central Ohio Area Agency on Aging (COAAA) in the form of Title IIIC, USDA and State Block Grants as well as PASSPORT Medicaid funds and United Way of Delaware County funds. In addition the Council receives funds from the Mid Ohio Feed Bank to support the administration of the commodity program.

12. MANAGEMENT COMPENSATION

The Council employs the Executive Director under an employment agreement will expire on December 31, 2012. The agreement provides for a base salary, life insurance, professional development benefits and annual increases. The employment agreement was extended through December 31, 2013.

13. RETIREMENT PLAN

The Council has a defined contribution pension plan (Section 403(b) plan) for the benefit of its employees. All employees who meet the age, length of service and hours worked requirements are eligible to participate. Under the program, an employee may elect to contribute up to the extent allowable by law. In addition, the Council contributes 4% of each eligible employee's annual wages and matches employee contributions to the plan up to 4% of each eligible employee's wages. The Council can vary these percentages from year to year at its discretion.

In addition the Council has a Deferred Compensation Plan under (Section 457(b) plan) for the benefit of selected employees. At the current time only the Executive Director is eligible to participate. Under this program, the selected employee(s) may elect to contribute up to the extent allowable by law. In addition the Council may contribute based on Board of Director approval.

Total pension expense for both plans was \$121,896 for 2011 and \$121,327 for 2010.

Council for Older Adults  
Delaware County  
Notes to the Financial Statements  
December 31, 2011 and 2010

14. VOLUNTEER HOURS

As described in the Summary of Significant Accounting Policies, the Council receives a significant level of volunteer hours, the value of which appropriately was not recognized as revenue in accordance with accounting principles generally accepted. Management utilizes a nationally recognized resource that provides annual values for a donated hour of service, a summary follows;

	<u>Volunteer hours</u>	<u>Value of hours volunteered</u>
2011	47,277	\$876,507
2010	41,928	734,991

15. SUBSEQUENT EVENTS

Subsequent events were evaluated through June 20, 2012. No material items were noted.

**Council for Older Adults**  
**Schedule of Federal, State and Local Funding Received**  
**For the years Ended December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<u>Delaware County:</u>		
Delaware County Senior Services Levy	\$5,674,121	\$5,770,064
<u>Central Ohio Area Agency on Aging:</u>		
Title III-E National Family Caregiver Support Program	44,020	44,020
Title III-C / USDA	182,016	189,711
PASSPORT	113,371	118,644
Other	2,980	1,777
<u>United Way:</u>		
Delaware County Senior Nutrition - Under 60	110,004	97,070
<u>Corporate</u>		
Walmart Foundation	22,311	
Mid-Ohio Foodbank	8,278	
Banfield Charitable Trust	2,500	
Meals on Wheels Association of America	2,100	
Honda	250	
	<u>\$6,161,951</u>	<u>\$6,221,286</u>

***Charles E. Harris & Associates, Inc.***  
***Certified Public Accountants***

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INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS

Council for Older Adults  
Delaware County  
800 Chesire Road  
Delaware, Ohio 43015

To the Board of Directors:

We have audited the financial statements of the Council for Older Adults, Delaware County, Ohio (the Council), as of and for the year ended December 31, 2011 and 2010, and have issued our report thereon dated June 20, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Controls Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Council's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Council'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, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Council's financial statements will not be prevented or detected and timely corrected.

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, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Council's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 that are required to be reported under *Government Auditing Standards*.

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

*Charles E. Harris*

*Charles E. Harris and Associates, Inc.*

June 20, 2012

**COUNCIL FOR OLDER ADULTS  
DELAWARE COUNTY, OHIO  
SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Years Ended December 31, 2011 and 2010**

The prior report, for the year ending December 31, 2010, reported no material citations or recommendations.

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# Dave Yost • Auditor of State

**COUNCIL FOR OLDER ADULTS**

**DELAWARE COUNTY**

**CLERK'S CERTIFICATION**

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 18, 2012**