

Atco, Inc. and Athens County Board of DD Annual Meeting
May 26, 2015
5:00 pm at Atco Adult Services Cafeteria

Agenda

- I. Call to Order
- II. Introductions
- III. Presentation - Glen Roberts, CPA
Atco Inc. 2014 Audit Report
- IV. Atco Funding Discussion
- V. Comments
- VI. Adjourn

May 6, 2015

To the Board of Trustees
ATCO, Inc.

We have audited the financial statements of ATCO, Inc. (the Company) for the year ended December 31, 2014, and have issued our report thereon dated May 6, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 15, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by ATCO, Inc. are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the Company during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the allowance for doubtful accounts is based on assumptions related to management's review of each individual balance with a view to its ultimate collectability (primarily by considering amounts collected on these accounts subsequent to the financial statement date.). We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the fair value of inventory is based on estimates of the marketability of its inventory at a price equal to or greater than its cost (which further relies on management's assumption of a first-in, first-out use of materials.) We evaluated the key factors and assumptions used to develop the inventory values in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of depreciation expense and related accumulated depreciation values is based on estimates of remaining useful lives of the related assets and an evaluation of the impairment (if any) in the value of the related assets at the financial statement date. We evaluated the key factors and assumptions used to develop the estimates of useful lives and impairment (if any) in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the functional allocation of expenses is based on assumptions related to the estimated usage or consumption by the various program or support functions. We evaluated the key factors and assumptions used to develop the functional allocation of expenses in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 6, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

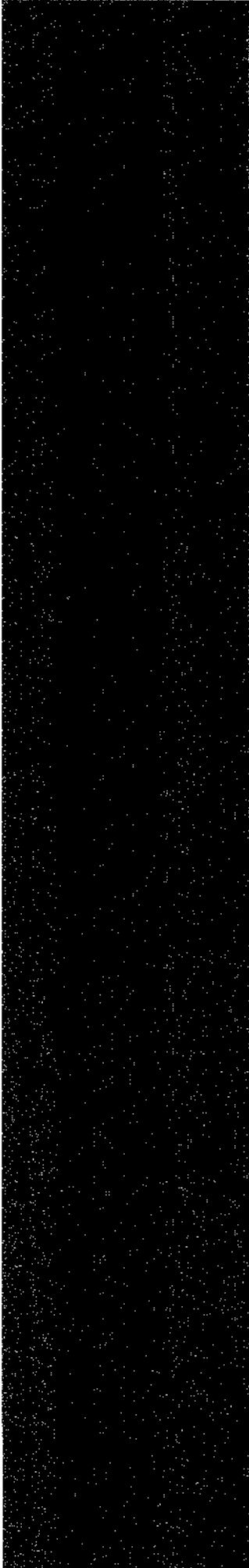
With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Trustees and management of ATCO, Inc., and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Clark, Schaefer, Hackett & Co.

Clark, Schaefer, Hackett & Co.



ATCO, Inc.

Financial Statements

December 31, 2014

(with Independent Auditors' Report)

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
ATCO, Inc.
Athens, Ohio

We have audited the accompanying financial statements of ATCO, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 involves performing procedures to obtain audit evidence regarding the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ATCO, Inc., as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

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

Clark, Schaefer, Hackett & Co.

Dayton, Ohio
May 6, 2015

ATCO, Inc.
Statement of Financial Position
December 31, 2014

Assets

Cash and cash equivalents	\$	307,185
Accounts receivable		55,454
Prepaid royalties		600
Inventories		79,714
Advance deposits		1,475
Property and equipment, net		<u>3,808</u>
	\$	<u><u>448,236</u></u>

Liabilities and net assets

Accounts payable, trade	\$	26,086
Accrued payroll		7,331
Payroll taxes and withholdings		4,048
Sales tax payable		3,032
Funds held for consumers' clubs		7,886
Deferred revenue		<u>10,740</u>
		<u>59,123</u>

Net assets:

Unrestricted net assets		384,063
Temporarily restricted net assets		<u>5,050</u>
		<u>389,113</u>
	\$	<u><u>448,236</u></u>

See accompanying notes to financial statements.

ATCO, Inc.
Statement of Activities
For the Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Total
Changes in net assets			
Revenues and gains:			
Sales	\$ 325,971	-	325,971
Grants and program activities	40,000	-	40,000
Contributions	11,515	5,050	16,565
Expense reimbursements	84,026	-	84,026
Interest income	177	-	177
	<u>461,689</u>	<u>5,050</u>	<u>466,739</u>
Expenses:			
Program services	468,731	-	468,731
Management and general	27,414	-	27,414
Fundraising	-	-	-
	<u>496,146</u>	<u>-</u>	<u>496,146</u>
Increase (decrease) in net assets	(34,457)	5,050	(29,407)
Net assets, beginning of year	<u>418,520</u>	<u>-</u>	<u>418,520</u>
Net assets, end of year	\$ <u>384,063</u>	<u>5,050</u>	<u>389,113</u>

See accompanying notes to financial statements.

ATCO, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2014

Cash flows from operating activities:	
Change in net assets	\$ (29,407)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	905
Effects of changes in operating assets and liabilities:	
Accounts receivable	23,208
Inventory	28,600
Advance deposits	-
Prepaid royalties	(301)
Accounts payable	22,041
Accrued payroll	1,115
Accrued payroll taxes	(2,577)
Sales tax payable	(415)
Funds held for consumers' clubs	957
Deferred revenue	<u>1,325</u>
Total adjustments	<u>74,858</u>
Net cash provided by operating activities	<u>45,451</u>
Cash flows from investing activities:	
Purchase of equipment	<u>(1,898)</u>
Net cash used by investing activities	<u>(1,898)</u>
Increase in cash and cash equivalents	43,553
Cash and cash equivalents, beginning of year	<u>263,632</u>
Cash and cash equivalents, end of year	<u>\$ 307,185</u>

See accompanying notes to financial statements.

1. NATURE OF COMPANY:

ATCO, Inc. (the Company) is incorporated as a not-for-profit corporation under the laws of the State of Ohio. The Company provides employment, training, and rehabilitation opportunities in support of the Athens County, Ohio, Board of Developmental Disabilities (ACBDD) programs. Excess net revenues generated by its operations are used to fund habilitative and other programs in conjunction with the ACBDD. The Company conducts the following programs:

Work Activity Center: Clients are employed in the assembly of various items.

Personnel Plus Contracts: Clients employed by the Company are placed in jobs in community companies in cooperation with the ACBDD.

Passion Works: Clients are employed in the design and manufacture of greeting cards and notes, jewelry, and other fine arts for sale to the general public.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of the Company are set forth to facilitate the understanding of data presented in the financial statements.

Basis of presentation

The financial statements of the Company have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables and liabilities. The Company reports information regarding its financial position and activities according to three classes of net assets based on the nature and duration of any donor imposed restrictions. Unrestricted net assets have no donor-imposed restrictions. Temporarily restricted net assets have donor-imposed restrictions that will likely be met by specific actions being made and/or the passage of time. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets. Permanently restricted net assets have donor-imposed restrictions that do not expire. The Company does not have any permanently restricted net assets.

Functional allocation of expenses

The costs of providing the various programs have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program, and management and general activities based upon direct allocation or indirect allocation based on usage by each function.

Use of estimates

The presentation 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 the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Interest bearing deposits and short-term investments with original maturities of three months or less are classified as cash equivalents. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with its cash on deposit with financial institutions.

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables from production contracts and other services. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable accounts receivable.

Inventory

Inventory, which consists primarily of greeting cards and notes, jewelry, art materials, and shipping materials, is valued at the lower of first in, first out cost or market.

Property and equipment

Assets with a cost exceeding \$1,000 and a useful life exceeding one year, are recorded at cost; donated assets with a fair value exceeding \$1,000 and a useful life exceeding one year are recorded at fair value at the time of donation. Depreciation is computed principally using straight-line methods over the estimated useful lives of the assets. Routine maintenance, repairs, and renewals are charged to income as incurred. Renewals and betterments that substantially increase the life of an asset are capitalized. At retirement or sale, the cost of assets, less the related accumulated depreciation, is removed from the accounts and resulting gains or losses are included in income.

Revenue recognition

Revenue is recognized when earned, and reported separately by class of net assets. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unrestricted net assets are currently available at the discretion of the Board of Trustees for use in the Company's administration, operation, or equipment investment. Temporarily and permanently restricted net assets reflect donor stipulations for use in specific programs. Restricted contributions are reported as an increase in unrestricted net assets if the restrictions expire (such as when funds are expended for the designated purpose) in the same reporting period in which the contribution is recognized. If donor restrictions expire in a subsequent reporting period, the contribution is initially classified as an increase in temporarily or permanently restricted net assets, and reported in the statement of activities for the subsequent period as net assets released from restrictions.

Advertising

Advertising costs are expensed as incurred.

Shipping expenses

Shipping expenses consist of costs incurred for a third-party shipper to transport products to customers.

Donated materials and services

Although many individuals volunteer their time and talents to perform a variety of tasks without which the Company could not conduct its programs as successfully, these services do not meet the criteria for recognition under ASC 958-605, *Not-for-Profit Entities, Revenue Recognition*. Accordingly, the fair value of these services has not been recognized in the financial statements.

Income taxes

The Company is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Company qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as a company that is not a private foundation under Section 509(a)(2). Accounting principles generally accepted in the United States of America require management to evaluate tax position taken by the Company and recognize a tax liability if the Company has taken an uncertain position that more likely than not would fail to be sustained upon examination by the Internal Revenue Services. As discussed above, the Company is exempt from federal income taxes and management believes the Company has not engaged in any activities that would disqualify it from tax exempt status or incur a tax obligation for the year ended December 31, 2014. The Company is subject to routine audits by taxing jurisdiction; however, there are currently no audits for any tax periods in progress. The Company believes it is no longer subject to income tax examinations for years prior to December 31, 2011. The Company's policy with regard to interest and penalty, in incurred, is to recognize interest through interest expense and penalties through other expenses.

Subsequent events

The Company has evaluated all subsequent events through May 6, 2015, the date the financial statements were available to be issued.

3. CONCENTRATIONS OF CREDIT RISK:

Accounts receivable at December 31, 2014, consist of:

Athens County Board of Developmental Disabilities	\$24,927
Accounts receivable, trade	<u>30,527</u>
	<u>\$55,454</u>

Two customers represent 36% of total contract billings and sales for 2014, and four customers represent 94% of accounts receivable, trade, at December 31, 2014. Management believes all accounts receivable are fully collectible at December 31, 2014, and has not provided an allowance for uncollectible accounts.

Financial instruments that subject the Company to concentrations of credit risk include cash accounts that may periodically exceed federal insurance limits. At December 31, 2014, deposits in excess of the current Federal Deposit Insurance Corporation limits of \$250,000 per institution amounted to \$5,023.

4. PROPERTY AND EQUIPMENT:

Property and equipment at December 31, 2014, consists of:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Vehicles	\$ 5,500	5,500	-
Machinery and equipment	<u>119,419</u>	<u>115,611</u>	<u>3,808</u>
	<u>\$ 124,919</u>	<u>121,111</u>	<u>3,808</u>

These assets are subject to general restrictions imposed by law or by the terms of various grants regarding use and disposal of such assets.

5. TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets consist of a grant restricted for the purpose of purchasing a glass machine. There are no permanently restricted net assets at December 31, 2014.

6. DEFERRED REVENUE:

Deferred revenue consists of funds awarded to the Company which have not yet been expended for their intended purpose. Revenue is recognized in the period in which the funds are expended. Should the grant period expire without the funds being fully expended, the Company would be required to return the unspent funds to the grantor. The Company also accounts for unredeemed gift certificate sales as deferred revenue; at December 31, 2014, the amount of unredeemed gift certificates was \$1,386.

7. DONATED SERVICE AND FACILITIES:

The ACBDD pays the salaries and benefits of the Company's management staff, subsidizes the wages paid to consumers, and provides the facilities and transportation for the operations of the Company. In addition, the ACBDD provides liability and property insurance to the Company. The Company reimburses the ACBDD for a substantial portion of the direct labor included in these costs. The Company does not include the unreimbursed value of the other items in the financial statements, as they information is not readily available from the ACBDD. However, without this support, the Company would be unable to conduct its programs.

8. RELATED PARTY TRANSACTIONS:

Board members may, from time to time, make contributions to the Company, engage in insignificant sales or purchase transactions with the Company in the course of normal business, furnish sales services or display space for Passion Works products at no charge, or provide other incidental services to the Company at no charge.

ATCO, Inc.
Schedule of Activity by Department
For the Year Ended December 31, 2014

	Per Client departmental income statements					Total
	Work Activity Center	Personnel Plus Contracts	Passion Works	Program Total	Management and General	
Revenues and gains:						
Sales	\$ 63,113	132,589	117,118	312,820	13,151	325,971
Grants and program activities	-	-	40,000	40,000	-	40,000
Contributions	-	-	16,565	16,565	-	16,565
Expense reimbursements	-	84,026	-	84,026	-	84,026
Interest income	-	-	-	-	177	177
Total revenues and gains	63,113	216,615	173,683	453,411	13,328	466,739
Expenses:						
Wages and salaries	26,118	173,530	146,833	346,481	15,608	362,089
Payroll taxes	17,527	16,504	-	34,031	(2,728)	31,303
Medical insurance	(94)	-	-	(94)	-	(94)
Consumer welfare and activities	-	-	487	487	(150)	337
Production materials	22,032	-	19,218	41,250	-	41,250
Contract labor	5,568	-	3,931	9,499	-	9,499
Shipping expenses	2,835	-	5,991	8,826	-	8,826
Grant expenses	-	-	315	315	-	315
Supplies	2,285	-	1,181	3,466	1,102	4,568
Office supplies and expense	-	-	210	210	1,413	1,623
Postage	-	-	84	84	1,097	1,181
Building expense	-	-	599	599	-	599
Vehicle expense	2,049	-	20	2,069	-	2,069
Facility and equipment rent	-	-	-	-	-	-
Equipment repairs and maintenance	-	-	-	-	368	368
Equipment & small tools	291	-	-	291	-	291
Gasoline and fuel	652	-	-	652	-	652
Depreciation	-	-	905	905	-	905
Professional fees	-	-	-	-	6,969	6,969
Contributions	-	-	138	138	-	138
Advertising and marketing	-	-	14,894	14,894	-	14,894
All other	-	323	4,305	4,628	3,735	8,363
Total expenses	79,263	190,357	199,111	468,731	27,414	496,146
Increase (decrease) in net assets	\$ (16,150)	26,258	(25,428)	(15,320)	(14,086)	(29,407)

Schedule of activities by function should be based on client departmental income statements

May 6, 2015

To the Board of Trustees and
Management
ATCO, Inc.
Athens, Ohio

In planning and performing our audit of the financial statements of ATCO, Inc., (the Company) as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal that we consider to be a significant deficiency.

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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We consider the following deficiencies in the Company's internal control to be significant deficiencies:

Segregation of Duties: A sound system of internal controls attempts to divide accounting duties among several persons, to prevent one person from authorizing, executing, and recording a transaction from start to finish. In some cases, it may not be practical to separate duties; in such cases, there are often opportunities to institute compensating controls, such as close oversight by the Board of Trustees.

In previous years, the Company has employed enough administrative staff to allow sufficient separation of duties to ensure that, combined with effective monitoring by the Board of Trustees, the objectives of internal controls would be met. By 2014, reductions in the available staff, and the resulting realignment of accounting duties, have created a situation where the unavoidable lack of separation of duties constitutes a significant deficiency in internal controls. Also, as described below, the existing level of monitoring by the Board of Trustees is not sufficient to compensate for the decreased separation of duties.

While our audit, which included additional procedures as a result of identifying this deficiency, did not detect any misstatements, we believe that a possibility now exists that misstatements could occur and not be detected and corrected by the Company's system of internal controls. It also creates a possibility that fraud could occur and not be detected by the Company or by our audit procedures. Accordingly, we recommend that the Company implement one or more of the following actions:

1. Hire additional administrative staff to restore the previous level of separation of duties. Alternatively, the Company could investigate the use of trained volunteers (for example, retired accounting personnel, or accounting students from Ohio University) to accomplish this.

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2. Consider outsourcing certain portions of the accounting process (for example, preparation of interim financial statements or bank reconciliations.)
3. Utilize financial staff from the Athens County Board of Developmental Disabilities to perform, review, or approve certain financial operations (for example, to review cash disbursements, to review or approve payroll disbursements, or to prepare or review bank reconciliations.)
4. Increase the effectiveness of Board monitoring (as described below.)
5. Supplement Board monitoring procedures with additional monitoring by the Athens County Board of Developmental Disabilities or other persons knowledgeable about the Company's operations.

Monitoring: A sound system of internal controls includes procedures for detecting and correcting misstatements in the financial statements, whether due to fraud or error. The Company's procedures for monitoring acknowledge the incomplete segregation of duties resulting from having only a limited accounting staff, and include provisions for thorough review of timely-prepared interim financial statements (including related comparisons to budgets) by the Board of Trustees.

However, when reviewing the Board minutes during our audit, we noted that no meetings were held between December, 2013, and March, 2014. We also noted that, of the seven meetings scheduled during 2014, two were cancelled for lack of a quorum and several of the meetings that did occur lasted an hour or less. This indicates that the Board was not effectively monitoring the financial results to a sufficient enough degree to constitute an effective compensating control to offset the lack of separation of duties described above.

While our audit, which included additional procedures as a result of identifying this deficiency, did not detect any misstatements, we believe that a possibility now exists that misstatements could occur and not be detected and corrected by the Company's system of internal controls. It also creates a possibility that fraud could occur and not be detected by the Company or by our audit procedures. Accordingly, we recommend that the Company implement one or more of the following actions:

1. Increase the frequency of Board of Trustee meetings, and conduct a more robust financial review at those meetings. We did note that, in early 2015, the Board of Trustees was meeting more frequently, and encourage maintaining this trend.
2. Appoint a finance subcommittee, consisting of at least two persons (for instance, the Treasurer and President) who would conduct a timely, detailed review of the monthly financial statements and bank reconciliations by the end of the following month.
3. Investigate other effective methods, some of which may involve review by persons outside of the Board of Trustees (such as the Athens County Board of Developmental Disabilities or other parties knowledgeable about the Company's operations.)

This report is intended solely for the information and use of management, the Board of Trustees, and others within the Company, and is not intended to be and should not be used by anyone other than these specified parties.