



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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November 23, 2009

Board of Directors
Lifetime Resources, Inc.
13091 Benedict Drive
Dillsboro, IN 47018

We have reviewed the audit report prepared by Gauthier & Kimmerling, LLC, Independent Public Accountants, for the period July 1, 2007 to June 30, 2008. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Lifetime Resources, Inc., as of June 30, 2008, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

LIFETIME RESOURCES, INC.

**REPORT ON AUDIT OF
FINANCIAL STATEMENTS**

JUNE 30, 2008

LIFETIME RESOURCES, INC.

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Independent Auditors' Report

Board of Directors
LifeTime Resources, Inc.
Dillsboro, Indiana

We have audited the accompanying statement of financial position of LifeTime Resources, Inc. (the Agency) as of June 30, 2008, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Agency'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 Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Agency's management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In accordance with Government Auditing Standards, we have also issued our report dated February 13, 2009, on our consideration of the Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Gauthier & Kimmerling, LLC

February 13, 2009

LIFETIME RESOURCES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008

	Unrestricted	Temporarily Restricted	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 856,030	\$ -	\$ 856,030
Grants receivable (Note 5)	444,336	-	444,336
Accounts receivable	70,139	-	70,139
Accounts receivable - related party (Note 4)	5,159	-	5,159
Prepaid expenses	45,574	-	45,574
Property and equipment, net of accumulated depreciation of \$594,553 (Note 6)	1,316,691	-	1,316,691
Total Assets	\$ 2,737,929	\$ -	\$ 2,737,929
 <u>LIABILITIES AND NET ASSETS</u>			
Liabilities:			
Accounts payable	\$ 57,732	\$ -	\$ 57,732
Accrued payroll and related liabilities	45,418	-	45,418
Custodial funds held for others	26,045	-	26,045
Other liabilities	17,123	-	17,123
Total Liabilities	146,318	-	146,318
Net Assets:			
Unrestricted Funds (Note 7) Board designated	2,591,611	-	2,591,611
Total Liabilities and Net Assets	\$ 2,737,929	\$ -	\$ 2,737,929

The accompanying notes are an integral part of the financial statements.

**LIFETIME RESOURCES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008**

<u>REVENUES AND OTHER SUPPORT</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Donations	\$ 338,896	\$ -	\$ 338,896
Grants	-	3,153,783	3,153,783
Medicaid revenue (net of contractual allowances of \$61,944)	292,151	-	292,151
Program revenue	549,852	-	549,852
Other	40	-	40
	<hr/>	<hr/>	<hr/>
Revenues and other support	1,180,939	3,153,783	4,334,722
Revenues released from restriction	<u>3,177,333</u>	<u>(3,177,333)</u>	<u>-</u>
Total Revenues and Other Support	<u>4,358,272</u>	<u>(23,550)</u>	<u>4,334,722</u>
 <u>EXPENSES</u>			
Program services	4,026,196	-	4,026,196
Support services	240,896	-	240,896
	<hr/>	<hr/>	<hr/>
Total Expenses	<u>4,267,092</u>	<u>-</u>	<u>4,267,092</u>
Increase (decrease) in net assets	91,180	(23,550)	67,630
Net assets - beginning of year	2,114,544	23,550	2,138,094
Capitalization of vehicles purchased in prior periods (Note 9)	<u>385,887</u>	<u>-</u>	<u>385,887</u>
Net assets - end of year	<u>\$ 2,591,611</u>	<u>\$ -</u>	<u>\$ 2,591,611</u>

The accompanying notes are an integral part of the financial statements.

LIFETIME RESOURCES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008

	Service Contracts	Care Management	Information and Assistance	Congregate Meals	Meals on Wheels	Catch A Ride	Other Program Services	Total Program Services	Administration	Resource Development	Total Support Services	Total Program & Support Services
Salaries and wages	\$ -	\$ 443,798	\$ 34,700	\$ 95,346	\$ 76,457	\$ 858,730	\$ 91,759	\$ 1,600,790	\$ 61,696	\$ 21,945	\$ 83,641	\$ 1,684,431
Payroll taxes and benefits	-	90,756	10,876	17,458	14,232	116,165	20,043	269,530	15,003	9,216	24,219	293,749
Occupancy	-	4,758	524	697	572	4,202	1,303	12,056	1,074	594	1,668	13,724
Telephone	-	9,087	40	3,364	2,132	9,633	330	24,586	2,187	656	2,843	27,429
Postage	-	1,445	282	504	392	926	612	4,161	7,705	1,013	8,718	12,879
Supplies	-	9,867	254	9,607	-	12,738	645	33,111	13,222	476	13,698	46,809
Furniture and equipment	-	-	-	-	-	49,628	32,417	82,045	-	-	-	82,045
Insurance	-	4,826	441	1,212	1,188	181,399	1,027	190,093	22,716	484	23,200	213,293
Equipment maintenance	-	22,307	2,137	3,297	2,859	21,235	25,312	77,147	7,200	3,457	10,657	87,804
Dues and subscriptions	-	-	300	-	-	90	2,653	3,043	3,087	-	3,087	6,130
Contracted services	-	967	139	8,841	11,244	226,948	10,887	259,026	14,229	151	14,380	273,406
Service providers	883,039	-	-	32,982	-	-	-	916,021	-	-	-	916,021
Travel and transportation	-	20,310	674	-	31,683	15,476	8,498	76,641	5,385	800	6,185	82,826
Other costs	-	22	60	2,618	305	481	21,772	25,258	29,615	9,970	39,585	64,843
Catered foods	-	-	-	125,307	75,945	-	-	201,252	-	-	-	201,252
Training	-	2,885	587	3	2	1,234	1,072	5,783	797	-	797	6,580
Depreciation	-	24,187	3,860	4,142	3,250	203,095	7,119	245,653	3,140	5,078	8,218	253,871
	<u>\$ 883,039</u>	<u>\$ 635,215</u>	<u>\$ 54,874</u>	<u>\$ 305,378</u>	<u>\$ 220,261</u>	<u>\$ 1,701,980</u>	<u>\$ 225,449</u>	<u>\$ 4,026,196</u>	<u>\$ 187,056</u>	<u>\$ 53,840</u>	<u>\$ 240,896</u>	<u>\$ 4,267,092</u>

The accompanying notes are an integral part of the financial statements.

**LIFETIME RESOURCES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 67,630
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	253,871
(Increases) decreases in operating assets:	
Grants receivable	403,248
Accounts receivable	2,572
Accounts receivable - related party	7,902
Prepaid expenses	(35,229)
Increases (decreases) in operating liabilities:	
Accounts payable	(504,900)
Accrued payroll and related liabilities	(1,043)
Custodial funds held for others	(133,236)
Other liabilities	16,420
	77,235
Net Cash Provided by (Used in) Operating Activities	77,235

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of vehicles	(303,808)
	(303,808)
Net Cash Provided by (Used in) Investing Activities	(303,808)
Net increase (decrease) in cash	(226,573)
Cash - beginning of year	1,082,603
Cash - end of year	\$ 856,030
Interest paid during the year	\$ -

The accompanying notes are an integral part of the financial statements.

LIFETIME RESOURCES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

1. NATURE OF THE ORGANIZATION

LifeTime Resources, Inc. (the Agency) was created to plan, coordinate, and provide services primarily for the elderly. The Agency also provides services to disabled and low-to moderate-income individuals of any age in southeastern Indiana.

The Agency's services include information and referral, transportation, legal assistance, care management, homemaker, respite and attendant care, congregate meals, meal delivery, home modifications, and employment services.

The Agency receives significant funding through the Indiana Family and Social Services Administration (IFSSA) and the Indiana Department of Transportation (INDOT). The Agency submits claims to these parties for approval and payment. The Agency depends significantly on these funding sources to carry out its program activities.

The Agency also receives income from local government and local agencies whose citizens and beneficiaries often receive support from the Agency.

2. SIGNIFICANT ACCOUNTING POLICIES

The Agency maintains its accounts on the accrual basis and in accordance with the principles of fund accounting. Fund accounting is the procedure by which resources are classified for internal accounting purposes into funds that are associated with specific activities or objectives.

In accordance with Statement of Financial Accounting Standards (SFAS) 117, Financial Statements of Not-for-Profit Organizations, unrestricted net assets include all assets over which the Agency has full discretion as to use. Temporarily restricted net assets include net assets whose use by the Agency is limited by donor-imposed restrictions that either expire by the passage of time or are fulfilled by the Agency. As the restrictions are met, the net assets are released from restrictions and included in unrestricted net assets. Contributions for which the restrictions are met in the same period in which the contribution is received are also recorded as temporarily restricted. Permanently restricted net assets include net assets subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Agency.

Land, building, vehicles, and improvements are stated at cost or, for donations, at fair market value at the date of donation, and include expenditures for additions and betterments, which substantially increase the useful lives of existing fixed assets. Maintenance, repairs, and minor renewals are expensed as incurred.

(Continued)

2. SIGNIFICANT ACCOUNTING POLICIES – Continued

Depreciation is computed using the straight-line method over estimated useful lives of 3 to 40 years.

Compensated absences are not vested and are charged to expense when paid to the employee.

The costs of providing the various programs and other activities have been summarized in the statement of functional expenses. Costs are charged directly to the programs they benefit whenever possible. Certain overhead costs that cannot be directly charged to an individual program are allocated to the various programs they benefit using relevant allocation bases such as square footage.

Receivables are charged to bad debt expense when they are determined to be uncollectable based upon periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require the allowance method to be used to recognize bad debts; however, the effect of using the direct write-off method are not materially different from the results that would have been obtained under the allowance method.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts. Actual amounts may differ from these estimates.

All liquid investments purchased with a maturity of three months or less is considered to be cash equivalents.

The Agency is exempt from income taxation under the Internal Revenue Code Section 501(c)(3).

3. FINANCIAL INSTRUMENTS

The Agency maintains its cash in deposit accounts, the cumulative balance of which exceeds federally insured limits. As of June 30, 2008, such excess totaled approximately \$490,000.

The Agency has not experienced any losses in its accounts and management believes it is not exposed to any significant credit risk on cash and cash equivalents.

4. RELATED PARTIES

Certain members of the Agency's Board of Directors also serve on the Board of Directors of LifeTime Housing Group. As of June 30, 2008, the Agency is reporting \$5,159 in accounts receivable from LifeTime Housing Group, as shown in the statement of financial position. This amount represents personnel costs and expenses paid by the Agency for LifeTime Housing staff and are reimbursable to the Agency.

During the year, LifeTime Housing Group paid \$50,555 to the Agency for various overhead expenses.

5. GRANT REVENUE AND RECEIVABLE

The Agency's grant revenue and related receivable at June 30, 2008, consist of the following:

	<u>No.</u>	<u>Revenue 6/30/08</u>	<u>Collections 6/30/08</u>	<u>Receivable 6/30/08</u>
U.S. Department of Health and Human Services:				
Title III - A	93.044	53,510	53,510	-
Title III - B	93.044	162,395	139,554	22,841
Title III - C-1	93.045	145,913	133,843	12,070
Title III - C-2	93.045	150,114	118,574	31,540
Title III - D	93.043	11,273	3,988	7,285
Title III - E	93.052	80,444	80,444	-
Nutrition Service Incentive Program				
	93.053	27,932	27,932	-
TANF Family Caregiver	93.558	3,828	2,490	1,338
Title VII Ombudsman	93.042	6,506	6,506	-
PASRR	93.778	97,372	80,932	16,440
Social Services Block Grant	93.667	153,860	153,860	-
Other		-	-	-
U.S. Department of Transportation Section 5311 and 5310 Mass Transit				
	20.509	679,482	490,409	189,073
State Grants		1,363,829	1,225,411	138,418
Other		<u>217,325</u>	<u>191,994</u>	<u>25,331</u>
Total		<u>\$ 3,153,783</u>	<u>\$ 2,709,447</u>	<u>\$ 444,336</u>

6. PROPERTY AND EQUIPMENT

The Agency's property and equipment consists of the following at June 30, 2008:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$ 50,000	\$ -	\$ 50,000
Buildings	950,432	289,871	660,561
Building improvements	100,138	14,746	85,392
Vehicles	<u>810,674</u>	<u>289,936</u>	<u>520,738</u>
Total	<u>\$ 1,911,244</u>	<u>\$ 594,553</u>	<u>\$ 1,316,691</u>

Depreciation expense for the year totaled \$253,871.

7. UNRESTRICTED FUND BALANCES

During a previous year, the Agency's Board of Directors designated a portion of their fund balance for future programs and costs. The designation of the fund balance as of June 30, 2008, is as follows:

Development	\$ 100,000
Catch A Ride	43,718
Service contracts	48,000
Vehicle replacement	203,035
Building fund	747,979
Building reserves	28,834
Sentry services	31,015
Equipment/technical reserve	80,000
Training reserve	30,000
Cash flow reserve	675,000
Vehicle Asset fund	568,713
Greater Cincinnati Health Fund	<u>35,317</u>
Total	<u>\$ 2,591,611</u>

8. CONTINGENCIES

Under the terms of the grant agreement for building expansion, the Agency must continue its activities and programs for a period of five years after a certificate of completion is received. The certificate of completion is dated June 3, 2005. In the event the Agency discontinues its programs and services before June of 2010, ownership of the building will transfer to the town of Dillsboro, Indiana.

9. CHANGE IN ACCOUNTING PRINCIPLE – CAPITALIZATION OF VEHICLES

Historically, the Agency capitalized only items for which title was held. This included vehicles for which the Agency purchased directly. During the fiscal year, capitalization policy guidance was received from the transportation services funding source clarifying title was deemed to be held by the grantee in cases where acquisition was directly funded by a grant. As a result, the Agency has capitalized all vehicles purchased in accordance with GAAP. The change resulted in a restatement of beginning equity as of July 1, 2008. Prior year vehicle purchase expenses were overstated by \$424,754, while depreciation expense was understated by \$38,867 under the previous policy. This total overstatement of expenses was \$385,887. The net assets were, therefore, understated by that amount.

LIFETIME RESOURCES, INC.

**REPORTS PRESCRIBED BY
OMB CIRCULAR A-133**

JUNE 30, 2008



Gauthier & Kimmerling, LLC
accountants & advisors

233 S. McCrea Street • Suite 1000 • Indianapolis, IN 46225 • (317) 636-3265

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Board of Directors
LifeTime Resources, Inc.
Dillsboro, Indiana

We have audited the financial statements of LifeTime Resources, Inc. (the Agency) as of and for the year ended June 30, 2008, and have issued our report thereon dated February 13, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

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

Gauthier & Krumholz, LLC

February 13, 2009



Gauthier & Kimmerling, LLC
accountants & advisors

233 S. McCrea Street • Suite 1000 • Indianapolis, IN 46225 • (317) 636-3265

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

Board of Directors
LifeTime Resources, Inc.
Dillsboro, Indiana

COMPLIANCE

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Agency's compliance with those requirements.

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

INTERNAL CONTROL OVER COMPLIANCE

The management of the Agency is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Agency's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

We have audited the basic financial statements of LifeTime Resources, Inc. as of and for the year ended June 30, 2008, and have issued our report thereon dated February 13, 2009. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Gauthier & Krumholz, LLC

February 13, 2009

LifeTime Resources, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Dept. of Health & Human Services:			
Aging Cluster			
Title III-B Admin	93.044	15-08-OV-2337-02	\$ 53,510
Title III-B Social Services	93.044	15-08-OV-2337-03	<u>162,395</u>
Total Title III-B			<u>215,905</u>
Title III- Congregate Meals	93.045	15-08-OV-2337-05	145,913
Title III-C Home Delivered Meals	93.045	15-08-OV-2337-07	<u>150,114</u>
Total Title III-C			<u>296,027</u>
Nutrition Services Incentive Program	93.053	15-08-02-2337-01	<u>27,932</u>
Total Aging Cluster			539,864
Title III - D	93.043	15-08-OV-2337-09	11,273
Title III - E	93.052	15-08-OV-2337-11	80,444
Title VII - Ombudsman	93.042	15-08-2V-2337-03	6,506
TANF	93.558	15-08-81-2337-01	3,828
PASSR	93.778	15-08-70-2337-01	97,372
Social Services Block Grant	93.667	15-08-0G-2337-01	<u>153,860</u>
Total U.S. Department of Health & Human Services			<u>893,147</u>
U.S. Department of Transportation:			
Section 5311 Mass Transit	20.509	18025230	342,095
Section 5311 Mass Transit	20.509	18026230	<u>337,387</u>
Total U.S. Department of Transportation			<u>679,482</u>
Total Expenditure of Federal Awards			<u>\$1,572,629</u>

See the accompanying note.

LifeTime Resources, Inc.
Note to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

The following describes the significant accounting policies used in the preparation of the schedule of expenditures of federal awards:

Basis of Accounting – The Agency maintains its financial records using the accrual basis of accounting in which revenues are recognized when earned and expenses are recognized when the related goods or services are received. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

LifeTime Resources, Inc.
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2008

ITEM NUMBER

AUDIT FINDING

None reported.

LifeTime Resources, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2008

Section I - Summary of Auditors' Results

Financial Statements:

Type of auditor report issued: *Unqualified*

Internal control over financial reporting:

- Material weakness(es) identified? *No*
- Significant deficiency(ies) identified that are not considered to be material weaknesses? *No*

Noncompliance material to financial statements noted: *No*

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified: *No*
- Significant deficiency(ies) identified that are not considered to be material weaknesses? *No*

Type of auditors' report issued on compliance for major programs: *Unqualified*

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? *No*

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
93.043 - 93.045 - 93.053	U.S. Department of Health and Human Services Aging Cluster
20.509	U.S. Department of Transportation Formula Grants for other than Urbanized Areas

LifeTime Resources, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2008

Section I - Summary of Auditors' Results - continued

Dollar threshold used to distinguish between type A and type B programs: *\$300,000*

Auditee qualified as low-risk auditee? *Yes*

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported.