

**AIDS PROJECT OF THE OZARKS, INC.**

**AUDITED FINANCIAL STATEMENTS**

**Year Ended December 31, 2012**

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
AIDS Project of the Ozarks, Inc.  
Springfield, Missouri

### **Report on the Financial Statements**

We have audited the accompanying financial statements of AIDS Project of the Ozarks, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2012, and the related statements of activities, functional expenses, 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.

### **Auditor's 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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Board of Directors  
AIDS Project of the Ozarks, Inc.  
Springfield, Missouri

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AIDS Project of the Ozarks, Inc. as of December 31, 2012, and the changes in 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 Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is also 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.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2013, on our consideration of AIDS Project of the Ozarks, Inc.'s internal control over financial reporting and on 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* in considering AIDS Project of the Ozarks, Inc.'s internal control over financial reporting and compliance.

*Davis, Lynn & Moots, P.C.*

DAVIS, LYNN & MOOTS, P.C.  
June 11, 2013

AIDS PROJECT OF THE OZARKS, INC.  
STATEMENT OF FINANCIAL POSITION  
December 31, 2012

ASSETS

Current Assets

Cash and cash equivalents	\$ 267,750
Grants receivable	47,593
Prepaid expenses	<u>23,722</u>

TOTAL CURRENT ASSETS 339,065

Property and Equipment

Cost	252,191
Less accumulated depreciation	<u>(150,514)</u>

TOTAL PROPERTY AND EQUIPMENT 101,677

TOTAL ASSETS 440,742

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	31,287
Accrued payroll taxes	7,804
Accrued vacation payable	62,314
Accrued salaries	19,357
Deferred revenue	<u>135,211</u>

TOTAL LIABILITIES 255,973

Net Assets

Unrestricted	<u>184,769</u>
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TOTAL NET ASSETS \$ 184,769

See accompanying notes.

AIDS PROJECT OF THE OZARKS, INC.  
STATEMENT OF ACTIVITIES  
Year Ended December 31, 2012

SUPPORT AND REVENUE		
Federal grants		\$ 2,547,318
Contributions		12,707
Program service fees		103,470
Fundraising events		101,814
Other revenue		<u>9,935</u>
	TOTAL SUPPORT AND REVENUE	2,775,244
EXPENSES		
Program Services		
Primary care and early intervention		1,812,692
Other programs		604,224
Support Services		
Management and general		273,704
Fundraising		<u>24,955</u>
	TOTAL EXPENSES	<u>2,715,575</u>
	CHANGE IN NET ASSETS BEFORE OTHER EXPENSES	59,669
OTHER (EXPENSE)		
(Loss) on disposal of assets		<u>(90,116)</u>
	TOTAL OTHER (EXPENSE)	<u>(90,116)</u>
	CHANGE IN NET ASSETS	(30,447)
NET ASSETS AT BEGINNING OF YEAR		<u>215,216</u>
NET ASSETS AT END OF YEAR		<u><u>\$ 184,769</u></u>

See accompanying notes.

AIDS PROJECT OF THE OZARKS, INC.  
STATEMENT OF CASH FLOWS  
Year Ended December 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES

Federal grants	\$ 2,567,936
Contributions	12,707
Program fees	103,470
Other income	111,749
Salaries and related expenditures	(1,703,162)
Professional fees	(320,674)
Other operating expenses	(656,185)

NET CASH PROVIDED BY OPERATING ACTIVITIES	115,841
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CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	(33,852)
Proceeds from the sale of property and equipment	10

NET CASH (USED) BY INVESTING ACTIVITIES	(33,842)
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NET INCREASE IN CASH	81,999
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CASH BALANCE, Beginning of year	185,751
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CASH BALANCE, End of year	<u>\$ 267,750</u>
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CHANGE IN NET ASSETS	\$ (30,447)
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Adjustment to reconcile changes in net assets  
to net cash provided by operating activities:

Depreciation	27,625
Loss on disposal of assets	90,116
Decrease in grants receivable	6,338
Decrease in prepaid expenses	2,613
Increase in accounts payable	3,731
Increase in payroll taxes payable	2,456
Increase in accrued vacation payable	2,216
(Decrease) in accrued salaries payable	(3,087)
Increase in deferred revenue	14,280

NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 115,841</u>
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See accompanying notes.

AIDS PROJECT OF THE OZARKS, INC.  
 STATEMENT OF FUNCTIONAL EXPENSES  
 Year Ended December 31, 2012

	Program Services		Supporting Services		Total Expenditures
	Primary Care and Early Intervention	Other Programs	Management and General	Fundraising	
Salaries and related expenses	\$ 1,373,033	\$ 149,201	\$ 184,650	\$ -	\$ 1,706,884
Professional fees	319,310	11,733	5,698	-	336,741
Contract services	8,647	933	-	-	9,580
Occupancy	-	83,480	40,320	-	123,800
Telephone and pagers	-	20,451	3,817	-	24,268
Equipment and supplies	19,636	22,984	-	24,917	67,537
Depreciation	-	-	27,626	-	27,626
Client assistance	2,266	101,943	-	-	104,209
Medications	74,511	-	-	-	74,511
Nutritional supplements	1,080	-	-	-	1,080
Conferences and meetings	-	82,069	-	-	82,069
Transportation	-	22,937	-	38	22,975
Miscellaneous	-	7,169	417	-	7,586
Insurance	1,944	2,521	1,926	-	6,391
Outreach	12,265	78,147	-	-	90,412
Repairs and maintenance	-	13,408	7,775	-	21,183
Postage and shipping	-	3,871	1,182	-	5,053
Printing and publications	-	3,377	293	-	3,670
<b>TOTAL</b>	<b>\$ 1,812,692</b>	<b>\$ 604,224</b>	<b>\$ 273,704</b>	<b>\$ 24,955</b>	<b>\$ 2,715,575</b>

See accompanying notes.

## NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

AIDS Project of the Ozarks, Inc. is a nonprofit corporation primarily providing early clinical care for HIV/AIDS patients. The Organization also provides case management for HIV/AIDS patients and public education concerning the AIDS virus. The majority of funding comes from federal government grants. The Organization is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

### Basis of Accounting and Financial Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statement presentation follows FASB Accounting Standards Codification (ASC) 958-205 and subsections (formerly Statement of Financial Accounting Standards [“SFAS”] No. 117, *Financial Statements of Not-for-Profit Organizations* [“SFAS 117”]). Under SFAS 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization had no temporarily or permanently restricted net assets at year end. In addition, the Organization is required to present a statement of cash flows.

### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

### Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid investments with a maturity of three months or less at the financial statement date to be cash equivalents.

### Functional Expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program are directly charged according to their natural expenditures classification. Various statistical methods are used to allocate other expenses that are common to several programs.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The principal programs for the Organization, as reported on the functional expense statement, are as follows:

Primary Care and Early Intervention – includes all costs relating to direct client assistance and community education.

Other programs – includes non-administrative costs related to the support of client programs.

Advertising

Costs for advertising are expensed as incurred.

Property and Equipment

Depreciation of property and equipment is calculated on the straight-line basis over the estimated useful lives of the assets. These assets have been recorded at historical cost. It is the policy of the Organization to capitalize expenditures for equipment, furniture and fixtures in excess of \$500 per item. Interest costs are capitalized when incurred on debt where the proceeds were used to finance the construction of assets. No interest was capitalized during the year ended December 31, 2012.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Accounts Receivable

The Organization receivables consist primarily of State and Federal grant receivables.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period as the contribution is received, the Organization reports the support as unrestricted.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized using the level-yield method and is reported as contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Contributions of donated non-cash assets are recorded at their fair values in the period received. There was no temporarily or permanently restricted revenue or net assets during the current year.

Income Taxes

The Organization adopted the provisions of FASB standard on *Accounting for Uncertainty in Income Taxes* (ASC 740-10-25), on January 1, 2009. Under this standard, an organization shall initially recognize the financial statement effects on a tax position when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. The implementation of this standard had no effect on the Organization's financial statements. The Organization does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits. No interest or penalties were accrued as of January 1, 2009, as a result of the adoption of this standard. For the year ended December 31, 2012, there were no interest or penalties recorded or included in its financial statements.

Subsequent Events

Management has evaluated subsequent events through June 11, 2013, the date the financial statements were available to be issued.

NOTE B – GRANTS RECEIVABLE

Grants receivable at December 31, 2012, consist of amounts due from funding sources on the balance of open contracts.

	2012
Grant Funds Receivable	\$ 47,593

AIDS PROJECT OF THE OZARKS, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2012

NOTE C – PREPAID EXPENSES

Prepaid expense includes insurance paid in advance on health and dental insurance, vehicles, directors and officers, and property and casualty for the Organization. The balance of prepaid expenses at December 31, 2012 is \$23,722.

NOTE D – DEFERRED REVENUE

Deferred revenue represents funds which are available for use in future periods, but have not been earned by the Organization as of December 31, 2012. At December 31, 2012, those amounts were \$71,916 relating to Greene County Case Management, \$1,856 relating to Ryan White, \$7,299 relating to Doorways and \$54,140 relating to Missouri Foundation for Health.

NOTE E – PROPERTY AND EQUIPMENT

The cost and accumulated depreciation of building improvements and equipment were as follows:

Description	Carrying Value	Depreciable Lives
Land	\$ 28,000	
Vehicles	11,800	5 years
Office furniture and equipment	152,350	5-10 years
Computer software	19,091	3 years
Leasehold improvements	40,950	5-7 years
Building	-	27.5 years
	252,191	
Less: Accumulated Depreciation	(150,514)	
	\$ 101,677	

Depreciation charged to expense for the year ended December 31, 2012, was \$27,625. At December 31, 2012, the Organization held assets with a net book value of \$24,149, which have restrictions regarding their disposal. The proceeds from the sale of any of these assets must be remitted to the granting agency.

AIDS PROJECT OF THE OZARKS, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2012

NOTE F – RISK MANAGEMENT

The Organization receives a large percentage of its revenues from various sources within the federal and state governments. If those contracts were not renewed for any reason, or if the receivables in connection with services rendered became uncollectible, the effect to the agency would be significant.

As of December 31, 2012, all bank balances on deposit are entirely insured or collateralized.

NOTE G – CONTINGENCIES

The Organization receives federal grants for specific purposes that are subject to review and audit. These reviews and audits could lead to requests for reimbursement or withholding of future funding for expenditures disallowed or for other noncompliance with terms of the grants. The amounts, if any, of expenditures which may be disallowed cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

NOTE H – OPERATING LEASES

The Organization leases equipment and conducts its operations from office spaces leased under agreements as detailed below:

Description	Property Location	Contract Starting Date	Contract Ending Date	Monthly Payment Amount
Walker Investments Properties	Springfield, MO	4/1/2007	3/31/2013	\$ 8,400
C. Toney Aid	West Plains, MO	6/1/2012	5/31/2013	300
Hooper Properties, LLC	Waynesville, MO	8/1/2012	7/31/2013	475
Panther Associates, LLC	Springfield, MO	9/1/2012	8/31/2015	1,600
Marlin Equipment - KM3060 copier	Springfield, MO	1/1/2009	12/31/2013	422
Pitney Bowes K7MO postage meter	Springfield, MO	1/1/2010	3/31/2015	36

AIDS PROJECT OF THE OZARKS, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2012

NOTE H – OPERATING LEASES (continued)

Future minimum lease payments under these leases are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2013	\$ 55,246
2014	19,628
2015	12,907
	<u>\$ 87,781</u>

The total amount of expense under these operating leases for the year ended December 31, 2012, was \$129,296.

NOTE I – RELATED PARTY TRANSACTIONS

The Organization purchases medications at Grove Pharmacy which is owned by Gary Grove, treasurer of the Board. During the year, \$57,215 of medications were purchased at Grove Pharmacy.

NOTE J – OPEN TAX YEARS

The Organization’s informational and tax returns are subject to examination by taxing authorities for a period of 3 years from the date they are filed. As of December 31, 2012, the following tax years are subject to examination:

Jurisdiction	Open Years for Filed Returns	Return to be filed in 2013
Federal	2009-2011	2012
Missouri	2009-2011	2012

## **OTHER FINANCIAL INFORMATION**



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**INDEPENDENT AUDITORS' 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  
AIDS Project of the Ozarks, Inc.  
Springfield, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the AIDS Project of the Ozarks, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2012, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 11, 2013.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

Board of Directors  
AIDS Project of the Ozarks, Inc.  
Springfield, Missouri

Our consideration of the 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 the internal control over financial reporting that might be significant deficiencies or material weaknesses. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

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

#### Purpose of this Report

This report is intended solely for the information and use of the Board of Directors, management, and 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.

*Davis, Lynn & Moots, P.C.*

DAVIS, LYNN & MOOTS, P.C.  
June 11, 2013



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**INDEPENDENT AUDITORS' REPORT ON  
COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Directors  
AIDS Project of the Ozarks, Inc.  
Springfield, Missouri

Report on Compliance for Each Major Federal Program

We have audited the compliance of AIDS Project of the Ozarks, Inc. with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of AIDS Project of the Ozarks' major federal programs for the year ended December 31, 2012. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs are the responsibility of the Organization's management.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of AIDS Project of the Ozarks, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Organization'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.

Board of Directors  
AIDS Project of the Ozarks, Inc.  
Springfield, Missouri

However, our audit does not provide a legal determination on the Organization's compliance with those requirements.

#### Opinion on Each Major Federal Program

In our opinion, AIDS Project of the Ozarks, Inc., complied, in all material respects, with the requirements referred to above that could have a material effect on each of its major federal programs for the year ended December 31, 2012.

#### Internal Control over Compliance

The management of AIDS Project of the Ozarks, Inc., 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 AIDS Project of the Ozarks, Inc.'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 the Organization's internal control over compliance. Accordingly, we do not express an opinion of the effectiveness of the Organization's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify 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 significant deficiencies or material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, management, and 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.

*Davis, Lynn & Moots, P.C.*

DAVIS, LYNN & MOOTS, P.C.  
June 11, 2013

AIDS PROJECT OF THE OZARKS, INC.  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 Year Ended December 31, 2012

Federal Grantor Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Federal Expenditures
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Direct Program			
Outpatient Early Intervention Services with Respect to HIV Disease Kansas City Free Health Clinic	93.918	N/A	\$ 989,278
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	H12HA24807	104,339
Missouri Department of Health and Senior Services HIV Prevention Activities - Health Department Based	93.940	C310135001	218,175
City of Springfield/Greene County Health Department HIV Care Formula Grants	93.917	2012-0339	<u>1,041,826</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			2,353,618
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Missouri Department of Social Services Interfaith Residence DBA Doorways			
Housing Opportunities for Persons with AIDS	14.241	MO-H090021-01	<u>163,292</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>163,292</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 2,516,910</u></u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

- A. This schedule includes the federal awards activity of AIDS Project of the Ozarks, Inc., and is presented on the accrual basis of accounting. 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.
- B. AIDS Project of the Ozarks, Inc. did not provide a federal award to a subrecipient during the year ended December 31, 2012.

AIDS PROJECT OF THE OZARKS, INC.  
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2012

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion, on the basic financial statements presented on the accrual basis of accounting.
2. No control deficiencies were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. No significant deficiencies were disclosed during the audit of the major federal award programs.
5. The auditors' report on compliance for the major federal award programs expresses an unqualified opinion.
6. There were no findings required to be reported in accordance with Section 510(a) of Circular A-133.
7. The programs tested as major programs were:

Outpatient Early Intervention Services with Respect to HIV Disease	93.918
HIV Care Formula Grants	93.917
8. The threshold for determining a Type A program was \$300,000.
9. The Organization was not determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

There were no findings or questioned costs for the major federal award programs.

AIDS PROJECT OF THE OZARKS, INC.  
SCHEDULE OF PRIOR AUDIT FINDINGS  
Year Ended December 31, 2012

FINDINGS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no prior year audit findings.