

**AREA AGENCY ON AGING FOR  
NORTH FLORIDA, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
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**DECEMBER 31, 2020**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors,  
Area Agency on Aging for North Florida, Inc.:

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

We have audited the accompanying financial statements of Area Agency on Aging for North Florida, Inc., which comprise the statement of financial position as of December 31, 2020, 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.

### ***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 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.

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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 Area Agency on Aging for North Florida, Inc. as of December 31, 2020, 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 Matters***

***Other information***

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 and State Financial Assistance is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2021 on our consideration of Area Agency on Aging for North Florida, 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 Area Agency on Aging for North Florida, Inc.'s internal control over financial reporting and compliance.

*James Moore & Co., P.L.*

Tallahassee, Florida  
June 22, 2021

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2020**

**ASSETS**

<b>Current assets</b>	
Cash and cash equivalents	\$ 239,983
Certificate of deposit	30,000
Grant and contract receivables	1,602,482
Total current assets	1,872,465
<b>Property and equipment</b> , net of accumulated depreciation	535,626
<b>Other assets</b>	
Deposits	3,776
<b>Total Assets</b>	<b>\$ 2,411,867</b>

**LIABILITIES AND NET ASSETS**

<b>Current liabilities</b>	
Accounts payable and accrued expenses	\$ 1,351,178
Refundable advances	15,356
Total current liabilities	1,366,534
<b>Net assets</b>	
Without donor restrictions	
Undesignated:	
Operations	509,707
Property and equipment	535,626
Total net assets	1,045,333
<b>Total Liabilities and Net Assets</b>	<b>\$ 2,411,867</b>

The accompanying notes to financial statements  
are an integral part of this statement.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u><b>Without Donor Restrictions</b></u>
<b>Support and revenues</b>	
Grants and contracts	\$ 10,137,359
Interest	1,000
In-kind revenue	37,611
Contributions and other	32,527
Total support and revenues	<u>10,208,497</u>
 <b>Expenses</b>	
<b>Program services</b>	
Alzheimer's Respite Services	717,209
Community Care for the Elderly	1,771,491
Special Programs for the Aging	5,509,220
Home Care for the Elderly	418,572
Aging Resource Center	267,766
Respite for Elders Living in Everyday Families	7,579
Low-Income Home Energy Assistance	294,023
Medicaid Waiver	105,697
Serving Health Insurance Needs of Elders	107,588
Local Service Programs	106,618
Total program services	<u>9,305,763</u>
<b>Administrative services</b>	896,910
<b>Total expenses</b>	<u>10,202,673</u>
<b>Increase in net assets</b>	<u>5,824</u>
<b>Net assets, beginning of year</b>	1,039,509
<b>Net assets, end of year</b>	<u><u>\$ 1,045,333</u></u>

The accompanying notes to financial statements  
are an integral part of this statement.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>Alzheimer's Respite Services</b>	<b>Community Care for the Elderly</b>	<b>Special Programs for the Aging</b>	<b>Home Care for the Elderly</b>	<b>Aging Resource Center</b>	<b>Respite for Elders Living in Everyday Families</b>
<b>Program services</b>						
Personnel and benefits	\$ -	\$ -	\$ 98,278	\$ -	\$ 229,405	\$ -
Travel	-	-	161	-	-	-
Communication and utilities	-	-	3,258	-	11,409	3,168
Printing and supplies	-	-	6,128	-	2,950	-
Materials and subcontracts	717,209	1,771,302	5,360,346	418,572	-	4,411
Meetings and conferences	-	-	753	-	19	-
Rent	-	-	629	-	912	-
Repairs and maintenance	-	-	-	-	51	-
Licenses and insurance	-	-	7,267	-	10,725	-
Noncapitalizable software and equipment	-	-	666	-	452	-
Professional fees	-	-	13,519	-	8,597	-
Other	-	-	14,613	-	2,622	-
In-kind	-	-	-	-	-	-
Depreciation	-	189	3,602	-	624	-
Total program services	<u>717,209</u>	<u>1,771,491</u>	<u>5,509,220</u>	<u>418,572</u>	<u>267,766</u>	<u>7,579</u>
<b>Allocation of administrative expenses</b>	-	60,198	632,402	61,603	-	-
<b>Total expenses</b>	<u>\$ 717,209</u>	<u>\$ 1,831,689</u>	<u>\$ 6,141,622</u>	<u>\$ 480,175</u>	<u>\$ 267,766</u>	<u>\$ 7,579</u>

The accompanying notes to financial statements  
are an integral part of this statement.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(Continued)

	<b>Low-Income Home Energy Assistance</b>	<b>Medicaid Waiver</b>	<b>Serving Health Insurance Needs of Elders</b>	<b>Local Service Programs</b>	<b>Administrative Services</b>	<b>Total</b>
<b>Program services</b>						
Personnel and benefits	\$ -	\$ 94,138	\$ 77,608	\$ -	\$ 569,138	\$ 1,068,567
Travel	-	-	1,548	-	4,800	6,509
Communication and utilities	-	325	11,826	-	36,731	66,717
Printing and supplies	-	2,148	1,601	-	14,359	27,186
Materials and subcontracts	294,023	-	-	106,618	56,222	8,728,703
Meetings and conferences	-	88	219	-	6,394	7,473
Rent	-	-	806	-	4,436	6,783
Repairs and maintenance	-	-	58	-	1,677	1,786
Licenses and insurance	-	2,728	2,633	-	23,937	47,290
Noncapitalizable software and equipment	-	327	3,150	-	2,792	7,387
Professional fees	-	3,351	4,482	-	89,005	118,954
Other	-	947	3,403	-	35,266	56,851
In-kind	-	-	-	-	37,611	37,611
Depreciation	-	1,645	254	-	14,542	20,856
Total program services	294,023	105,697	107,588	106,618	896,910	10,202,673
<b>Allocation of administrative expenses</b>	43,736	-	-	3,828	(801,767)	-
<b>Total expenses</b>	<u>\$ 337,759</u>	<u>\$ 105,697</u>	<u>\$ 107,588</u>	<u>\$ 110,446</u>	<u>\$ 95,143</u>	<u>\$ 10,202,673</u>

The accompanying notes to financial statements  
are an integral part of this statement.



**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

<b>Cash flows from operating activities</b>	
Cash received from grantors and contractors	\$ 9,518,489
Cash paid to employees, vendors, and subrecipients	(9,810,555)
Interest received	1,000
Other receipts	32,527
Net cash used in operating activities	(258,539)
<b>Cash flows from investing activities</b>	
Purchases of property and equipment	(11,444)
<b>Net decrease in cash and cash equivalents</b>	(269,983)
<b>Cash and cash equivalents, beginning of year</b>	509,966
<b>Cash and cash equivalents, end of year</b>	\$ 239,983
<b>Reconciliation of increase in net assets to net cash used in operating activities</b>	
Increase in net assets	\$ 5,824
Adjustments to reconcile increase in net assets to net cash used in operating activities:	
Depreciation	20,856
Increase in grant and contract receivables	(588,854)
Increase in accounts payable and accrued expenses	333,651
Decrease in refundable advances	(30,016)
Total adjustments	(264,363)
<b>Net cash used in operating activities</b>	\$ (258,539)

The accompanying notes to financial statements  
are an integral part of this statement.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies and practices of Area Agency on Aging for North Florida, Inc. (the “Organization”) which affect significant elements of the accompanying financial statements:

(a) **Organization and Purpose**—The Organization is a not-for-profit corporation formed to plan, coordinate, and advocate for programs and services which promote the independence, dignity, health and well being of seniors and caregivers in North Florida. The Organization’s primary roles and responsibilities include: serving as a focal point for information and coordination of services to assist elders, their families and caregivers; allocating Federal and State funds to lead agencies for the delivery of home and community-based services; and advocating on behalf of seniors.

(b) **Property and Equipment**—Property and equipment acquired by the Organization are considered to be owned by the Organization. However, funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The State of Florida has a reversionary interest in those assets purchased with its funds which have a cost of \$1,000 or more and an estimated useful life of at least one year. The Federal government has a reversionary interest in those assets purchased with its funds which have a cost of \$5,000 or more and an estimated useful life of at least one year.

Property and equipment with a value greater than \$500 and an estimated useful life of at least one year are recorded at cost when purchased or at estimated fair value when contributed. Depreciation is computed using the straight-line method over the estimated useful life of the assets, ranging from three to thirty-nine years.

(c) **Income Taxes**—The Organization is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore, no provision for income taxes has been made in the accompanying financial statements.

The Organization files income tax returns in the U.S. Federal jurisdiction. The Organization’s income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The Organization has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Organization.

(d) **Cash and Cash Equivalents**—For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of 90 days or less.

(e) **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 those estimates.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

(1) **Summary of Significant Accounting Policies:** (Continued)

(f) **Basis of Accounting**—The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, and accordingly, reflect significant receivables, payables and other liabilities.

(g) **Refundable Advances**—The Organization records grant/contract receipts as refundable advances until they are expended for the purpose of the grant/contract, at which time they are recognized as revenue. The balance in refundable advances represents amounts received under cost reimbursable and unit rate contracts that will be expended in the next fiscal year in accordance with the grant/contract period.

(h) **Basis of Presentation**—The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions— Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions—Net assets subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

(i) **Functional Allocation of Expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(j) **Contributions**—All contributions are considered to be available for undesignated use unless specifically designated by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions which increases these net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the entity reports the support as without donor restrictions.

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restriction unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

(1) **Summary of Significant Accounting Policies:** (Continued)

(k) **Grant and Contract Receivables**—Grant and contract receivables are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with grantors and contractors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

(l) **Advertising**—Advertising costs are charged to operations as incurred. Advertising costs for the year ended December 31, 2020 were \$14,003.

(m) **Revenue Recognition**—The Organization receives substantially all of its grants and contract revenue from Federal and State agencies. The Organization recognizes contract revenue (up to the contract ceiling) from its contracts over a period which represents the service period for certain contracts, or to the extent of expenses. Revenue recognition depends on the contract. Any funding source may, at their discretion, request reimbursement for expenses or return of funds, or both, as a result of non-compliance with the terms of the grants/contracts.

(n) **Accrued Leave**—The Organization compensates its eligible employees for unused vacation leave upon termination of employment. Vacation leave is accrued as earned by eligible employees and recorded as an expense in the period earned.

(o) **In-kind Contributions**—Donated facilities, goods and services are recorded at estimated fair value at the date of donation. Donated services are recognized in the financial statements at estimated fair market value if services require specialized skills and would typically need to be purchased if not donated. For the year ended December 31, 2020, the Organization received \$37,611 for supplies related to the COVID-19 pandemic.

(2) **Significant Funding Source:**

The Organization receives a substantial amount of its funding from the State of Florida, Department of Elder Affairs and the United States Department of Health and Human Services passed through the State of Florida, Department of Elder Affairs. A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the Organization's programs and activities.

(3) **Matching Requirements:**

Certain grants and contracts require the Organization to provide specified amounts of matching revenue. Each contract, where applicable, has met all matching requirements. Also, for each contract that ended on or before December 31, 2020, no obligation remains outstanding to the funding source.

(4) **Pension Plan:**

The Organization sponsors a defined contribution pension plan. Eligible employees are those that are at least 21 years old and have been employed with the Organization for at least six months. The Organization contributes 8% of gross wages. The amount of pension plan expense for the year ended December 31, 2020 was \$60,773.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**(5) Grant and Contract Receivables:**

Grant and contract receivables consisted of the following at December 31, 2020:

Due from grantors	\$ 1,601,287
Due from subcontractors	1,195
	\$ 1,602,482

**(6) Concentrations of Credit Risk:**

The more significant concentrations of credit risk are as follows:

(a) **Demand and Time Deposits**—The Organization maintains demand and time deposits with several financial institutions. The Organization has no policy requiring collateral or other security to support its deposits. At the bank, amounts are insured up to limits established by the Federal Depository Insurance Corporation.

(b) **Grant and Contract Receivables**—The Organization’s receivables are for amounts due under contracts with the State of Florida, Federal government agencies and subcontractors. The Organization has no policy requiring collateral or other security to support its receivables.

**(7) Liquidity and Availability:**

The Organization strives to maintain liquid financial assets sufficient to cover general expenditures. Financial assets in excess of daily cash requirements are used for the Organization to plan, coordinate, and advocate for programs and services which promote the independence, dignity, health and well-being of seniors and caregivers in North Florida. Financial assets available for general expenditure, that is, without donor restrictions or internally board designations limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 239,983
Certificate of deposit	30,000
Grant and contract receivables	1,602,482
Financial assets available to meet cash needs for general expenditures	\$ 1,872,465

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

**(8) Contingent Liabilities:**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

(9) **Property and Equipment:**

Property and equipment consisted of the following at December 31, 2020:

Land	\$ 242,447
Building	535,221
Furniture and equipment	210,044
	987,712
Less: accumulated depreciation	(452,086)
Total	\$ 535,626

(10) **Operating Lease:**

The Organization leases printers and copiers under a non-cancelable operating lease. At December 31, 2020, future minimum lease payments are as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2021	\$ 4,068
2022	3,729
2023	-
2024	-
2025	-
Total	\$ 7,797

(11) **Subsequent Events:**

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through June 22, 2021, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(12) **Risks and Uncertainties:**

During the year ending December 31, 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Organization as of June 22, 2021, management believes that a material impact on the Organization's financial position and results of future operations is reasonably possible.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

(13) **Recently Issued Accounting Pronouncements:**

The Organization has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the financial statements below, does not believe that any other new or modified principles will have a material impact on the Organization's reported financial position or operations in the near term.

In February 2016, the FASB issued Accounting Standards Update 2016-02: Leases (Topic 842), to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements. The new standard is effective for fiscal years beginning after December 15, 2021 and may be adopted early. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass-Through Grantor/ State Grantor/Program or Cluster Title	Federal CFDA Number	State CFSA Number	Pass-Through Entity Award Number	Pass-Through to Subrecipients	Expenditures
<b>FEDERAL AWARDS</b>					
<b>U.S. Department of Health and Human Services</b>					
Passed through State of Florida, Department of Elder Affairs					
Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers	93.044	--	BA020	\$ 584,917	\$ 796,393
Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers	93.044	--	BCA20	533,695	535,695
Special Programs for the Aging_ Title III, Part C_ Nutrition Services	93.045	--	BA020	2,095,258	2,392,658
Special Programs for the Aging_ Title III, Part C_ Nutrition Services	93.045	--	BCA20	1,263,147	1,263,147
Nutrition Services Incentive Program	93.053	--	BA020	321,040	321,040
			<b>Total Aging Cluster Expenditures</b>	<u>4,798,057</u>	<u>5,308,933</u>
National Family Caregiver Support, Title III, Part E	93.052	--	BA020	240,527	390,270
National Family Caregiver Support, Title III, Part E	93.052	--	BCA20	295,062	295,062
				<u>535,589</u>	<u>685,332</u>
Special Programs for the Aging_ Title III, Part D_ Disease Prevention and Health Promotion Services	93.043	--	BA020	6,950	73,917
State Health Insurance Assistance Program	93.324	--	BN019	-	16,752
State Health Insurance Assistance Program	93.324	--	BN020	-	50,231
				<u>-</u>	<u>66,983</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.



**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(Continued)

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal CFDA Number	State CFSA Number	Pass-Through Entity Award Number	Pass-Through to Subrecipients	Expenditures
<b>FEDERAL AWARDS (Continued)</b>					
<b>U.S. Department of Health and Human Services (Continued)</b>					
Passed through State of Florida, Department of Elder Affairs					
Special Programs for the Aging Title VII, Chapter 3 Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	--	B7020	\$ -	\$ 20,408
Low-Income Home Energy Assistance	93.568	--	BP019	-	237,173
Low-Income Home Energy Assistance	93.568	--	BPC020	-	97,966
				-	335,139
Medical Assistance Program	93.778	--	BX019	-	109,363
Medical Assistance Program	93.778	--	BX020	-	131,822
			<b>Total Medicaid Cluster</b>	-	241,185
Medicare Enrollment Assistance Program	93.071	--	BB020	-	16,341
Medicare Enrollment Assistance Program	93.071	--	BB021	-	4,723
				-	21,064
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	--	BG019	-	7,799
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	--	BG020	-	11,758
				-	19,557
<b>Total Federal Awards</b>				5,340,596	6,772,518

See Accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(Continued)

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal CFDA Number	State CFSA Number	Award Number	Pass-Through to Subrecipients	Expenditures
<b>STATE FINANCIAL ASSISTANCE</b>					
<b>State of Florida, Department of Elder Affairs</b>					
Home Care for the Elderly	--	65.001	BH019	\$ 226,617	\$ 265,638
Home Care for the Elderly	--	65.001	BH020	191,795	207,202
				<u>418,412</u>	<u>472,840</u>
Alzheimer's Respite Services	--	65.004	BZ019	289,018	289,018
Alzheimer's Respite Services	--	65.004	BZ020	352,580	352,580
				<u>641,598</u>	<u>641,598</u>
Alzheimer Interventions, Memory Disorder Clinics, Brain Banks, and Alzheimer Special Projects	--	65.002	BZ019	75,611	75,611
				<u>75,611</u>	<u>75,611</u>
Local Services Programs	--	65.009	BL019	52,598	55,217
Local Services Programs	--	65.009	BL020	54,020	54,756
				<u>106,618</u>	<u>109,973</u>
Community Care for the Elderly (CCE)	--	65.010	BC019	898,064	935,801
Community Care for the Elderly (CCE)	--	65.010	BC020	872,329	895,220
				<u>1,770,393</u>	<u>1,831,021</u>
Respite for Elders Living in Everyday Families (RELIEF)	--	65.006	BR019	2,525	4,443
Respite for Elders Living in Everyday Families (RELIEF)	--	65.006	BR020	1,886	3,136
				<u>4,411</u>	<u>7,579</u>
<b>Total State Financial Assistance</b>				<u>3,017,043</u>	<u>3,138,622</u>
<b>Total Federal Awards and State Financial Assistance</b>				<u>\$ 8,357,639</u>	<u>\$ 9,911,140</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal awards and State financial assistance activity of Area Agency on Aging for North Florida, Inc. under programs of the Federal and State government for the year ended December 31, 2020 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General. Because the Schedule presents only a selected portion of the operations of Area Agency on Aging for North Florida, Inc. it is not intended to and does not present the financial position, changes in net assets, or cash flows of Area Agency on Aging of North Florida, Inc.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

**Note 3. De Minimus Indirect Cost Rate Election**

Area Agency on Aging for North Florida, Inc. has elected not to use the 10 percent de minimus indirect cost rate as allowed under Uniform Guidance.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
ON FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors,  
Area Agency on Aging for North Florida, Inc.:

We have audited 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, the financial statements of Area Agency on Aging for North Florida, Inc., which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 22, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Area Agency on Aging for North Florida, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Area Agency on Aging for North Florida, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Area Agency on Aging for North Florida, Inc.'s internal control.

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

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

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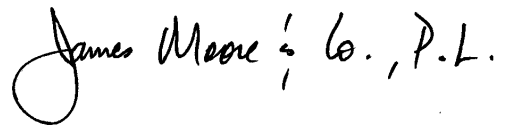
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Tallahassee, FL 32308-4386  
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## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Area Agency on Aging for North Florida, Inc.'s financial statements are free from 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

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

James Moore & Co., P.L.

Tallahassee, Florida  
June 22, 2021

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE STATE OF FLORIDA, OFFICE OF THE AUDITOR GENERAL**

To the Board of Directors,  
Area Agency on Aging for North Florida, Inc.:

**Report on Compliance for Each Major Federal Program and State Project**

We have audited Area Agency on Aging for North Florida, Inc.'s compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* and the requirements described in the Florida Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on each of Area Agency on Aging for North Florida, Inc.'s major federal programs and major state projects for the year ended December 31, 2020. Area Agency on Aging for North Florida, Inc.'s major federal programs and major state projects are identified in the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal and state programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Area Agency on Aging for North Florida, Inc.'s major federal programs and major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General. Those standards, the Uniform Guidance, and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state project occurred. An audit includes examining, on a test basis, evidence about Area Agency on Aging for North Florida, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and major state project. However, our audit does not provide a legal determination of Area Agency on Aging for North Florida, Inc.'s compliance.

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## ***Opinion on Each Major Federal Program and Major State Project***

In our opinion, Area Agency on Aging for North Florida, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended December 31, 2020.

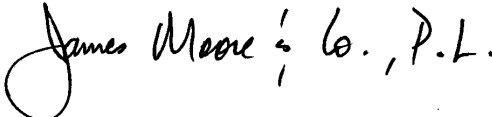
### **Report on Internal Control Over Compliance**

Management of Area Agency on Aging for North Florida, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Area Agency on Aging for North Florida, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and each major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and major state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Area Agency on Aging for North Florida, Inc.'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 or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or major state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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



Tallahassee, Florida  
June 22, 2021

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

**I. Summary of Auditors' Results:**

*Financial Statements*

Type of audit report issued on the financial statements:

*Unmodified.*

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ yes      X   no

Significant deficiency(ies) identified?

\_\_\_\_\_ yes      X   none reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ yes      X   no

*Federal Awards*

Internal control over major Federal programs:

Material weakness(es) identified?

\_\_\_\_\_ yes      X   no

Significant deficiency(ies) identified?

\_\_\_\_\_ yes      X   none reported

Type of auditor's report issued on compliance for major Federal programs:

*Unmodified.*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ yes      X   no

Identification of major Federal programs:

<b>Federal Program</b>	<b>Federal CFDA Number</b>
Aging Cluster	93.044, 93.045, 93.053
Dollar threshold used to distinguish between type A and type B Federal programs:	\$750,000
Auditee qualified as low-risk auditee?	<u>  X  </u> yes    _____ no



**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(Continued)

**I. Summary of Auditors' Results:** (Continued)

*State Projects*

Internal control over major State projects:

Material weakness(es) identified? \_\_\_\_\_ yes   X   no

Significant deficiency(ies) identified? \_\_\_\_\_ yes   X   none reported

Types of auditor's report issued on compliance for major State projects: *Unmodified.*

Any audit findings disclosed that are required to be reported to state financial assistance projects? \_\_\_\_\_ yes   X   none reported

Identification of major State projects:

<b>State Project</b>	<b>State CSFA Number</b>
Community Care for the Elderly (CCE)	65.010

Dollar threshold used to distinguish between type A and type B State projects: \$750,000

**II. Financial Statement Findings:**

None.

**III. Federal Award Findings and Questioned Costs:**

None.

**IV. State Project Findings and Questioned Costs:**

None.

**V. Independent Auditors' Management letter required by 10.650, Rules of the State of Florida, Office of the Auditor General:**

Nothing to report

**VI. Federal Award Summary Schedule of Prior Year Audit Findings:**

There were no audit findings for the year ended December 31, 2019.

**VII. State Project Summary Schedule of Prior Year Audit Findings:**

There were no audit findings for the year ended December 31, 2019.