

**Areawide Council of Aging
of Broward County, Inc.**

Financial Statements

December 31, 2020

and

Reports of Independent Certified
Public Accountant



**AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
TABLE OF CONTENTS**

INDEPENDENT AUDITOR'S REPORT..... 3 - 5

Financial Statements for the Year Ended December 31, 2020

Statement of Financial Position..... 6

Statement of Activities..... 7

Statement of Functional Expenses 8

Statement of Cash Flows 9

Notes to Financial Statements 10 - 20

OTHER INFORMATION

Schedule of Expenditures of Federal Awards 21

Schedule of Expenditures of State Financial Assistance 22

Notes to the Schedules of Expenditures of Federal Awards
And State Financial Assistance..... 23

**INDEPENDENT AUDITOR'S 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 24 - 25**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND STATE
PROJECT AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY *THE UNIFORM GUIDANCE*
AND CHAPTER 10.650, RULES OF THE
FLORIDA AUDITOR GENERAL 26 - 27**

Schedule of Findings and Questioned Costs
Federal Programs and State Projects 28 - 30

SUPPLEMENTARY INFORMATION

Schedules of Grants Awarded 32

Schedules of Fair Share Contributions 33



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Areawide Council on Aging of Broward County, Inc.
Sunrise, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Areawide Council on Aging of Broward County, Inc. (a nonprofit organization) (the Council), which comprise the statement of financial position as of December 31, 2020, the related statements of activities, cash flows and functional expenses 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.

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

CONTINUED

INDEPENDENT AUDITOR'S REPORT - CONTINUED

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Areawide Council on Aging of Broward County, 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.

Correction of Error

As discussed in **Note N** to the financial statements, an error resulting in the overstatement of certain receivables as of December 31, 2019 in the net amount of \$357,248 was discovered. Accordingly, amounts reported for net assets without donor restrictions have been restated at December 31, 2019 in the 2020 financial statements now presented.

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, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, Rules of the Auditor General, are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2021, on our consideration of the Council'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 solely 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 effectiveness of the Council's 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 the Council's internal control over financial reporting and compliance.

CONTINUED

INDEPENDENT AUDITOR'S REPORT - CONTINUED

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of grants awarded and schedules of fair share contributions are for purposes of additional analysis and are 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.

PDR CPAs + Advisors

Oldsmar, Florida
December 23, 2021

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

ASSETS

Current assets

Cash and cash equivalents	\$ 7,991,159
Certificates of deposits	790,265
Investments	4,603,697
Due from grantors, net	6,505,425
Accounts receivable	29,499
Pledges receivable	231,715
Prepaid expenses	13,068
Total current assets	20,164,828

Other assets

Property and equipment, net	2,719,773
Deposits	1,941
Total other assets	2,721,714

Total Assets	\$ 22,886,542
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LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable	\$ 160,156
Accrued compensation	440,240
Due to providers	4,845,789
Deferred revenue	280,217
Total current liabilities	5,726,402

Net assets

Without donor restrictions	16,869,473
With donor restriction	290,667
Total net assets	17,160,140

Total Liabilities and Net Assets	\$ 22,886,542
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See accompanying notes to financial statements

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support and revenues			
Public support			
Local fair share contributions	\$ 1,532,797	\$ -	\$ 1,532,797
Contributions	327,937	-	327,937
Private grants	350	-	350
Total public support	1,861,084	-	1,861,084
Grants from governmental agencies			
Federal	21,013,172	-	21,013,172
State	8,794,240	-	8,794,240
Local	1,100	-	1,100
In kind local match	920,216	-	920,216
Total grants from governmental agencies	30,728,728		30,728,728
Other revenues			
Interest income	34,961	-	34,961
Investment income	133,415	-	133,415
Net realized and unrealized gain on investments	404,752	-	404,752
Special events income, net of \$29,709 in expenses	38,102	-	38,102
Other	75,295	-	75,295
Total other revenues	686,525	-	686,525
Total public support and revenues	33,276,337	-	33,276,337
Operating Expenses			
Program services	30,982,246	-	30,982,246
Supporting Services:			
Management and general	347,679	-	347,679
Total operating expenses	31,329,925	-	31,329,925
Change in Net Assets	1,946,412	-	1,946,412
Net Assets at Beginning of Year, as Restated	14,923,061	290,667	15,213,728
Net Assets at End of Year	<u>\$ 16,869,473</u>	<u>\$ 290,667</u>	<u>\$17,160,140</u>

See accompanying notes to financial statements

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020

	Program Services												Supporting Services		
	Older Americans Act	CARES	Community Care for the Elderly	Home Care for the Elderly	Alzheimer's Disease Initiative	RELIEF	SHINE	ADRC	Medicaid Waiver Specialist	Local Services Specialist	Other DOEA Programs	Non DOEA Programs	Total Program Funds	Management & General	Total
Salaries and related expenses:															
Salaries	\$ 809,328	\$ 903,913	\$ 222,054	\$ 55,375	\$ -	\$ 3,734	\$ 88,245	\$ 248,696	\$ 94,112	\$ 25,044	\$ 48,720	\$ 145,819	\$ 2,645,040	\$ 163,030	\$ 2,808,070
Payroll taxes	56,639	41,019	16,360	4,165	-	264	5,959	18,453	6,929	1,858	546	10,958	163,150	10,436	173,586
Employee benefits	189,878	104,314	66,468	16,732	-	634	19,903	71,161	36,085	4,377	1,311	40,828	551,691	8,935	560,626
Total salaries and related expenses	1,055,845	1,049,246	304,882	76,272	-	4,632	114,107	338,310	137,126	31,279	50,577	197,605	3,359,881	182,401	3,542,282
Other expenses															
Program service supplies	10,205	8,822,780	-	-	-	-	769	-	-	-	56,648	69	8,890,471	27	8,890,498
Bad debt expense	-	-	-	-	-	-	-	-	-	-	-	-	-	3,222	3,222
Occupancy	21,999	26,191	2,450	643	-	75	861	3,218	1,003	421	-	1,598	58,459	4,692	63,151
Utilities	8,007	7,349	2,030	533	-	62	707	2,197	960	355	-	1,304	23,504	1,747	25,251
Miscellaneous	1,822	29	-	-	-	-	-	-	-	-	-	-	1,851	8,972	10,823
Telephone	21,355	15,138	3,178	836	-	97	3,191	4,942	1,384	548	-	2,581	53,250	3,386	56,636
Office supplies and printing	9,311	37,358	227	1,178	-	79	10,257	6,632	2,799	20	-	4,612	72,473	8,650	81,123
Professional fees	13,663	60,988	45	-	-	-	556	134	-	-	-	20,801	96,187	18,707	114,894
Travel	2,447	17,212	-	-	-	-	1,412	-	-	-	23	1,144	22,238	1,961	24,199
Repairs and maintenance	-	1,961	-	-	-	-	-	-	-	-	-	-	1,961	8,220	10,181
Insurance	-	-	-	-	-	-	1,520	-	-	-	-	-	1,520	42,295	43,815
Dues and subscriptions	22,219	5,934	-	-	-	-	156	4,655	1,620	-	-	837	35,421	5,894	41,315
Advertising	1,710	2,731	-	-	-	-	578	78	-	-	-	-	5,097	150	5,247
Staff training	125	760	-	-	-	12	840	-	-	-	-	49	1,786	1,954	3,740
Total other expenses	112,863	8,998,431	7,930	3,190	-	325	20,847	21,856	7,766	1,344	56,671	32,995	9,264,218	109,877	9,374,095
Depreciation expenses	36,175	-	11,402	3,636	-	-	4,905	18,331	-	-	-	9,111	83,560	21,498	105,058
Subrecipients/grants awarded	5,458,479	606,319	6,364,354	626,661	1,281,933	56,513	-	-	-	652,181	693,432	2,534,715	18,274,587	33,903	18,308,490
Total expenses before allocation of management & general	6,663,362	10,653,996	6,688,568	709,759	1,281,933	61,470	139,859	378,497	144,892	684,804	800,680	2,774,426	30,982,246	347,679	31,329,925
Allocation of Management & General	74,775	119,558	75,058	7,965	14,386	690	1,569	4,247	1,626	7,685	8,986	31,134	347,679	(347,679)	-
Total expenses after allocation	\$ 6,738,137	\$ 10,773,554	\$ 6,763,626	\$ 717,724	\$ 1,296,319	\$ 62,160	\$ 141,428	\$ 382,744	\$ 146,518	\$ 692,489	\$ 809,666	\$ 2,805,560	\$ 31,329,925	\$ -	\$ 31,329,925

See accompanying notes to financial statements

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020

	2020
Cash Flows from Operating Activities:	
Changes in net assets	\$ 1,946,412
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	105,058
Realized and unrealized gain on investments	(404,752)
(Increase) decrease in:	
Due from grantors, net	(1,686,802)
Accounts receivable	(18,691)
Pledges receivable	676,015
Prepaid expenses	61,742
Increase (decrease) in:	
Accounts payable	(178,765)
Accrued compensation	(27,941)
Due to providers	1,895,622
Deferred revenue	(1,248,595)
	1,119,303
 Net cash provided by operating activities	 1,119,303
 Cash Flows from Investing Activities:	
Purchase of property and equipment	(75,428)
Purchase of investments, including reinvestments	(133,415)
Net increase in certificates of deposit	(8,289)
	(217,132)
 Net cash used in investing activities	 (217,132)
 Net increase in cash and cash equivalents	 902,171
 Cash and Cash Equivalents at Beginning of Year	 7,088,988
 Cash and cash equivalents at End of Year	 \$ 7,991,159

See accompanying notes to financial statements

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE A - NATURE OF ORGANIZATION

Areawide Council on Aging of Broward County, Inc. (the Council) is a not-for-profit Florida profit Florida corporation exempt from federal income taxes under Section 501(C)(3) of the Internal Revenue Code. The council was organized to plan, coordinate, monitor and fund various groups, agencies, organizations and programs relating to the welfare and well-being of the elderly in Broward County, Florida.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Council have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP), which require the Council to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Council. These net assets may be used at the discretion of the Council's management and board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Council or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited to donor-imposed restriction. Expirations of donor restrictions on net assets are reported as reclassifications between the applicable classes of net assets. If the restriction has been met in the same period the funds were received the amount is classified as without donor restriction. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments or other assets or liabilities are reported as increases or decreases in net assets without donor restriction unless their use is restricted by explicit donor stipulation or by law.

Measure of Operations

That statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Council's ongoing services. Nonoperating activities, if any, are limited to other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Significant estimates include the collectability of receivables, determination of the useful lives of the property and equipment, and allocation of functional expenses.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Cash and Cash Equivalents

Cash and cash equivalents consists of cash on deposit and money market funds with financial institutions. The Council considers all highly liquid assets with an initial maturity of three months or less as cash and cash equivalents.

Financial instruments which potentially exposes the Council to concentrations of credit risk consist principally of cash held in financial institutions in excess of federally-insured limits. From time to time throughout the year ended December 31, 2020, the Council's cash balance may have exceeded the federally insured limit. However, the Council has not experienced and does not expect to incur any losses in such accounts.

Certificate of Deposit

Certificates of deposit are recorded at cost plus accrued interest and held at three financial institutions with interest ranging from 0.25% to 1.14%.

Allowances for Doubtful Accounts

Due from grantors, accounts and pledges receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through adjustments to valuation allowances based on its assessment of the current status of individual receivables. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance. At December 31, 2020, the allowance for doubtful accounts for due from grantors is \$603,478. No allowance for doubtful accounts for accounts receivable and pledges receivables is considered necessary at December 31, 2020.

Investments

Investments include marketable debt and equity securities with readily determinable fair values and are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Those marketable securities and investments received as gifts or donations are recorded at their fair market value on the date received.

Property and Equipment

Property and equipment are stated at cost, if purchased or at estimated fair market value at the date of receipt, if acquired by gift. Management has a policy to capitalize individual items in excess of \$5,000. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated services lives, ranging from three to thirty-nine years, on a straight-line basis. Amortization of the interest in the leasehold is provided for over 30 years, the useful life of the property, on a straight-line basis.

Long-lived assets held and used by the Council are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived assets may be impaired, an evaluation of recoverability would be performed.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Revenue Recognition

Contributions

Contributions and support received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promise to give are recognized when the conditions on which they depend are substantially met.

Grants

Grants received by the Council are considered conditional contributions since the grant agreements require the Council to perform services, incur expenses or meet contract objectives in order to earn the grant funding. Advance payments received under these grants is deferred until earned. Revenue is earned and recognized in the financial statements when eligible expenses are incurred, services performed or grant objectives met.

Deferred Revenue

Deferred revenue is comprised of amounts received from grantor agencies by the Council prior to meeting the revenue recognition criteria. In subsequent periods, when the revenue recognition criteria have been met, the liability for deferred revenue is reduced and revenue is recognized.

Donated Materials and Services

Agencies and organizations, volunteers, businesses, the general community and others contribute substantial amounts of materials and services toward the fulfillment of the programs administered by the Council. Donated materials are recorded as support at their fair value at the date of donation. Contributions of services are recorded as support at their estimated fair value if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The value of contributed services meeting the requirements for recognition in the financial statements is recorded as unrestricted support at the date of the donation. Donated services for the year ended December 31, 2020 was \$920,216.

A significant number of volunteers have donated substantial hours to the Council's programs and events during the year. These donated services are not reflected in the financial statements since the services do not require specialized skills.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Functional Expenses

The administrative costs of providing services to various programs and other activities have been summarized on a functional basis in the statement of activities. Certain costs have been allocated among the programs and supporting services benefited in accordance with the guidelines established by the State of Florida Department of Elder Affairs. These guidelines provide that all management and general expenses be allocated to program services in their entirety.

Income Tax Status

The Council is recognized by the Internal Revenue Service as an organization described under Section 501(c)(3) of the Internal Revenue Code and is generally exempt from Federal taxes on related income.

Uncertain Tax Positions

The Council accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. The Council has identified its tax status as a tax-exempt entity as its only significant tax position; however, the Council has determined that such tax position does not result in an uncertainty requiring recognition. The Council is not currently under examination by any taxing jurisdiction. The Council’s federal returns are generally open for examination for three years following the date filed.

Advertising Costs

The Council expenses the cost of advertising as incurred. For the year ended December 31, 2020, advertising expenses was \$5,247.

Fair Value Measurement

The financial statements are prepared in accordance with US GAAP standards, for all financial assets and liabilities and for nonfinancial assets and liabilities recognized or disclosed at fair value in the financial statements or on a recurring basis (at least annually). The standard defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on a measurement date. The standard also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Acquisitions of Nonexpendable Property

Property acquired by grants is considered to be owned by Areawide Council on Aging of Broward County, Inc. while used in the program for which it was purchased or in other future authorized programs; however, the State of Florida and/or United States of America has a reversionary interest in the property. Such property's disposition as well as the ownership of any proceeds therefrom is subject to stand and/or federal regulations.

NOTE C - AVAILABILITY AND LIQUIDITY

The following represents the Council's financial assets available for general expenditure at December 31:

	2020
Financial Assets:	
Cash and cash equivalents	\$ 7,991,159
Certificates of deposits	790,265
Investments	4,603,697
Due from grantors, net	6,505,425
Accounts receivable	29,499
Pledges receivable	231,715
Total financial assets	\$ 20,151,760
Less Amounts Not Available for General Expenditure Within One Year:	290,667
Financial assets to meet cash needs for general expenditures within one year	\$ 19,861,093

The Council has a policy to manage its liquidity and reserves following three guiding principles: operating without a prudent range of financial stability, maintaining adequate liquidity to fund near-term operations, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE D - DUE FROM GRANTORS

Due from grantors as of December 31, 2020 are as follows:

	2020
Receivable in less than one year	\$ 7,108,903
Less allowance for doubtful accounts	(603,478)
Due from grantors, net	\$ 6,505,425

NOTE E - INVESTMENTS

Investments are carried at fair market value and are as follows at December 31, 2020:

	Cost	Unrealized Gain (Loss)	Fair Value
Unrestricted:			
<i>US Equity Funds</i>			
Map Fund A	\$ 464,967	\$ 121,975	\$ 586,942
Large Cap Growth Fund	280,899	136,434	417,333
Equity Yield Class A	256,279	203,271	459,550
S&P 500 Index Fund	325,597	98,669	424,266
<i>Taxable Bond Fund</i>			
High Yield Corporate Bond A	792,837	653,494	1,446,331
<i>Mixed Asset Funds</i>			
Balance Fund A	482,591	39,730	522,321
Convertible Fund A	515,419	231,535	746,954
	\$ 3,118,589	\$ 1,485,108	\$ 4,603,697

Investment income for the year ended December 31, 2020 consists of the following:

	2020
Interest income	\$ 34,961
Investment income	133,415
Net realized and unrealized gain on investments	404,752
	\$ 573,128

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE F - PLEDGES RECEIVABLE

Pledges receivable as of December 31, 2020 are as follows:

	2020
Receivable in less than one year	
Fair share pledges	\$ 200,290
Other	31,425
	\$ 231,715

NOTE G - PROPERTY AND EQUIPMENT

At December 31, 2020, property and equipment consists of the following:

	2020
Building	\$ 3,080,054
Interest in leasehold (Note K)	850,000
Land	616,188
Furniture and equipment	505,865
Vehicles	79,163
Technology	14,890
	5,146,160
Less accumulated depreciation	(2,426,387)
	\$ 2,719,773

NOTE H - FAIR VALUE MEASUREMENT

The investments of the Council are reported at fair value in the accompanying statement of financial position. Following is a description of valuation methodologies used for investments measured at fair value. There have been no changes in the methodology used at December 31, 2020.

US equity funds, taxable bond funds, and mixed asset funds - Valued using quoted market prices and/or other market data for the same or comparable instruments.

Certificates of deposit - Cost plus accrued interest based on stated interest rate, which approximates fair value.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE H - FAIR VALUE MEASUREMENT - CONTINUED

Fair values of assets measured on a recurring basis at December 31, 2020 are as follows:

Fair Value Measurements at Reporting Date Using

Description:	Quoted Prices in Active Markets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total Fair Value
Assets:				
Certificates of deposit	\$ -	\$ 790,265	\$ -	\$ 790,265
US equity funds	1,888,091	-	-	1,888,091
Taxable bond funds	1,446,331	-	-	1,446,331
Mixed asset funds	1,269,275	-	-	1,269,275
Total assets at fair value	\$ 4,603,697	\$ 790,265	\$ -	\$ 5,393,962

NOTE I - NET ASSETS WITH DONOR RESTRICTION

For the year ended December 31, 2020, net assets with donor restrictions in the amount of \$290,667 consisted of support restricted for use in emergency respite or food, in-home trainer and related general administrative costs.

NOTE J - RETIREMENT PLAN

The Council provides all employees, with at least one year of service, certain post-retirement benefits in the form of annuity contracts. Amounts contributed in the annuity contracts are excludable from the current gross income of the employees pursuant to Section 403(b) of the Internal Revenue Code. The contracts are funded through elective employee contributions and Council provided funds. Employer contributions are 100% vested after the completion of three plan years. A plan year consists of at least 1,000 hours worked in any calendar year. Contributions from the Council are based upon length of service, as follows:

Length of Service	Maximum Contribution
1 - 5 years	6%
6 - 10 years	7%
11 - 15 years	8%
16 - 19 years	9%
20 - 24 years	10%
25 years and over	11%

Retirement plan expense was \$148,754 for the year ended December 31, 2020.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE K - NON-CASH FACILITIES TRANSACTIONS

In 1989, the Council entered into an agreement with the City of Margate, Florida (the City), whereby the City acquired the land and building of the Council located at 5750 Park Avenue, Margate, Florida. In consideration, the City constructed a new building at the site and provided the Council with a 99-year lease, commencing November 1, 1989, which requires annual payments of \$1. The lease stipulates that the structure shall be used for providing social, health, nutrition and other types of care, activities and services to the elderly of Northwest Broward County.

In the event that the building is sold by the City or seized by eminent domain, the City has granted to Council the right to receive the entire amount of any proceeds up to a maximum of \$850,000 reduced by \$8,586 for each year that the lease had existed prior to the sale, or \$575,248 at December 31, 2020.

NOTE L - GRANT MATCHING REQUIREMENTS

Certain grants received by the Council require matching contributions. A computation of required and actual matching contributions provided for contract calculations completed in the year ended December 31, 2020 is as follows:

<u>Program</u>	<u>Qualifying Expenditures Requiring Matching</u>	<u>Match Percentage Required</u>	<u>Match Required</u>	<u>Match Provided</u>	<u>Excess (Deficiency)</u>
State CCE	\$ 6,011,990	10%	\$ 601,199	\$ 667,999	\$ 66,800
OAA Admin	\$ 406,455	25%	\$ 101,614	\$ 124,269	\$ 22,656
Federal OAA	\$ 5,021,349	10%	\$ 502,135	\$ 552,981	\$ 50,847

NOTE M - COMMITMENTS AND CONTINGENCIES

Lease Commitments

The Council leases office equipment under agreements that are operating leases. Rent expense for the year ended December 31, 2020 was \$11,582. Rental commitments for the remaining terms of the leases are as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2021	\$ 8,584
2022	8,584
2023	8,584
2024	5,521
	<u>\$ 31,273</u>

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE M - COMMITMENTS AND CONTINGENCIES – CONTINUED

Concentrations

The Council receives substantially all of its support and revenue from federal, state and local funding sources. Continuing operation of the Council is greatly dependent upon the continued support of these government agencies.

Legal Matters

In the normal course of conducting its operations, the Council occasionally becomes party to various legal actions and proceedings. In the opinion of management, the ultimate resolution of such legal matters will not have a significant adverse effect on the accompanying financial statements.

COVID-19

On January 30, 2020, the World Health Association (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Council's financial condition, liquidity, and future results of operations. Management is actively monitoring the situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Council is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the year ended December 31, 2021.

NOTE N - CORRECTION OF ERROR

During the current year, management discovered an error resulting in the overstatement of certain receivables as of December 31, 2019 in the net amount of \$357,248. Accordingly, amounts reported for net assets without donor restrictions have been restated at December 31, 2019 in the 2020 financial statements now presented. The following sets forth the previously reported and restated amounts:

	<u>As Previously Reported</u>	<u>Restated</u>	<u>Change</u>
December 31, 2019 Changes:			
Net assets without donor restrictions	\$ 15,280,309	\$ 14,923,061	\$ (357,248)
Total net assets	15,570,976	15,213,728	(357,248)

NOTE O - SUBSEQUENT EVENTS

The Council has evaluated all subsequent events through December 23, 2021, the date the financial statements were available to be issued. The Council is not aware of any subsequent events, which would require recognition or disclosure in the financial statements.

OTHER INFORMATION

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2020

<u>Federal Agency</u> <u>Pass-Through Entity</u> <u>Federal Program</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Contract/</u> <u>Pass-Through Entity</u> <u>Identifying Number</u>	<u>Total</u> <u>Federal</u> <u>Expenditures</u>	<u>Passed</u> <u>Through to</u> <u>Subrecipients</u>
U.S. Department of Health and Human Services				
<i>Passed through the Florida Department of Elder Affairs</i>				
Older Americans Act				
Aging Cluster				
Special Programs for the Aging Title III Part B	93.044	JA020	\$ 2,082,311	\$ 1,555,887
Special Programs for the Aging Title III Part B Admin	93.044	JA020	445,699	-
Special Programs for the Aging Title III Part C1 & C2	93.045	JA020	2,162,183	1,889,649
Family First	93.045	JA020	1,363,838	400,804
Nutrition Services Incentive Program	93.053	JA020	444,979	444,979
COVID-19 CARES Act Administration	93.044 & 93.045	JCA20	353,685	-
COVID-19 CARES Act for Supportive Services for Title III-B	93.044	JCA20	397,384	383,536
COVID-19 CARES Act for Nutrition Services III-C	93.045	JCA20	2,419,935	184,362
Total Aging Cluster			<u>9,670,014</u>	<u>4,859,217</u>
Other Older Americans Act				
Special Programs for the Aging Title VII	93.041	J7	21,267	-
Special Programs for the Aging Title III Part D	93.043	JA020	60,901	6,845
COVID-19 No Wrong Door Community Infrastructure	93.052	N/A	127,281	909
National Family Caregiver Support Title III Part E	93.052	JA020	271,516	271,532
COVID-19 CARES Act Administration	93.052	JCA20	37,613	-
COVID-19 CARES for Family Support Caregiver III-E	93.052	JCA20	299,609	92,022
Total Older Americans Act			<u>10,488,201</u>	<u>5,230,525</u>
Medicaid Cluster				
Medical Assistance Programs	93.778	JX019 - 280	94,217	-
Statewide Managed Care	93.778	JX019 - 165	36,110	-
Medical Assistance Programs	93.778	JX020 - 280	85,753	-
Statewide Managed Care	93.778	JX020 - 165	34,472	-
Total Medical Assistance Programs			<u>250,552</u>	<u>-</u>
Low-Income Home Energy Assistance				
	93.568	JP019	200,764	196,756
	93.568	JP020	40,103	39,605
Total Low-Income Home Energy Assistance			<u>240,867</u>	<u>236,361</u>
State Health Insurance Assistance Program				
	93.324	JN019	27,315	-
	93.324	JN020	81,945	-
Total State Health Insurance Assistance Program			<u>109,260</u>	<u>-</u>
Medicare Enrollment Assistance Program				
	93.071	JB019	67,349	-
	93.071	JB020	6,434	-
Total Medicare Enrollment Assistance Program			<u>73,783</u>	<u>-</u>
Special Programs for the Aging, Title IV and Title II				
	93.048	JG018	15,354	-
	93.048	JG019	18,425	-
Total Special Programs for the Aging			<u>33,779</u>	<u>-</u>
Total U.S. Department of Health and Human Services			11,196,442	5,466,886
U.S. Department of Treasury				
<i>Passed through Broward County, Florida</i>				
Coronavirus Relief Fund	21.019	BRCARE	6,670,753	154,070
U.S. Department of Housing and Urban Development				
<i>Passed through Broward County, Florida</i>				
Community Development Block Grant	14.231	BRCDBG	187,903	-
Total Expenditures of Federal Awards			<u>\$ 18,055,098</u>	<u>\$ 5,620,956</u>

See accompanying notes to schedule

**AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2020**

Florida State Agency/ Program Title/ Florida State Project Title	CSFA Number	Contract Number	Passed Through to Subrecipients	State Expenditures
Florida Department of Elder Affairs				
Community Care for the Elderly	65.010	JC19	\$ 3,021,446	\$ 3,174,556
	65.010	JC20	<u>2,784,376</u>	<u>2,872,249</u>
Total Community Care for the Elderly			<u>5,805,822</u>	<u>6,046,805</u>
Alzheimer's Disease Initiative (ADI)	65.002	JZ19	185,573	185,573
Alzheimer's Special Projects	65.002	JZ20	68,113	68,113
Total ADI - Special Projects			<u>253,686</u>	<u>253,686</u>
Alzheimer's Disease Initiative (ADI) -	65.004	JZ19	543,436	546,582
Alzheimer's Respite Services	65.004	JZ20	492,310	492,310
Total ADI - Respite Services			<u>1,035,746</u>	<u>1,038,892</u>
Home Care for the Elderly	65.001	JH019	92,557	354,630
	65.001	JH020	108,962	302,526
Total Home Care for the Elderly			<u>201,519</u>	<u>657,156</u>
Local Services Program	65.009	JL019	431,022	502,117
	65.009	JL020	221,158	234,318
Total Local Services Program			<u>652,180</u>	<u>736,435</u>
Respite for Elders Leaving in Everyday Families (RELIEF)	65.006	JR019	32,477	34,318
	65.006	JR020	24,037	26,448
Total RELIEF			<u>56,514</u>	<u>60,766</u>
Medical Assistance Programs				
Medicaid Administrative Claims	GR	JX019 - 280	-	94,217
Statewide Managed Care	GR	JX019 - 165	-	36,110
Medicaid Administrative Claims	GR	JX020 - 280	-	85,753
Statewide Managed Care	GR	JX020 - 165	-	34,472
Total Medical Assistance Programs			<u>-</u>	<u>250,552</u>
Total State Financial Assistance Expenditures			<u>\$ 8,005,467</u>	<u>\$ 9,044,292</u>

See accompanying notes to schedule

**AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2020**

BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (the Schedules) include the federal grant activity and state financial assistance of the Areawide Council of Aging of Broward County, Inc., under programs of the federal government and the State of Florida for the year ended December 31, 2020. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulation* Part 200. *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650 Rules of the Auditor General, respectively. Because the Schedules present only a selected portion of the operations of Areawide Council of Aging of Broward County, Inc., they are not intended to and do not present the financial position, changes in net assets, or cash flows of Areawide Council of Aging of Broward County, Inc.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the laws and regulations of the State of Florida and wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedules, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

INDIRECT COST RATE

Areawide Council of Aging of Broward County, Inc. has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**INDEPENDENT AUDITOR'S 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**

To the Board of Directors
Areawide Council on Aging of Broward County, Inc.

We have audited, in accordance with the 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 Areawide Council on Aging of Broward County, Inc. (a nonprofit organization) (the Council), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 23, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council'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 the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council'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 Council'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-01 that we consider to be significant deficiencies.

CONTINUED

**INDEPENDENT AUDITOR'S 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 - CONTINUED**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council'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*.

Areawide Council on Aging of Broward County, Inc.'s Response to Findings

The Council's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Council's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PDR CPAs + Advisors

Oldsmar, Florida
December 23, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
AND CHAPTER 10.650, RULES OF THE FLORIDA AUDITOR GENERAL**

To the Board of Directors
Areawide Council on Aging of Broward County, Inc.

Report on Compliance for Each Major Federal Program and State Project

We have audited Areawide Council on Aging of Broward County, Inc.'s (the Council) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the *Florida Department of Financial Service's State Projects Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs and state projects for the year ended December 31, 2020. The Council's major federal programs and state projects 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 federal and state statutes, regulations, and the terms and conditions of its federal awards and state financial assistance applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Council's major federal programs and 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; and the audit 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 Auditor General. Those standards, the Uniform Guidance, and Chapter 10.650, Rules 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 state project occurred. An audit includes examining, on a test basis, evidence about the Council'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 state project. However, our audit does not provide a legal determination of the Council's compliance.

CONTINUED

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
AND CHAPTER 10.650, RULES OF THE FLORIDA AUDITOR GENERAL - CONTINUED**

Opinion on Each Major Federal Program and State Project

In our opinion, the Council 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 state projects for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the Council 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 the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and 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 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 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 the Council'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 and 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 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 and 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 weakness 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 Auditor General. Accordingly, this report is not suitable for any other purpose.

PDR CPAs + Advisors
Oldsmar, Florida
December 23, 2021

**AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Part I - Summary of Auditor's Results

Financial Statements Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? yes X no

Significant deficiencies identified not considered to be material weaknesses? X yes none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal controls over major federal programs:

Material weaknesses identified? yes X no

Significant deficiencies identified not considered to be material weaknesses? yes X none reported

Type of auditor's report 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 Program:

CFDA Number	Name of Project
21.019	Coronavirus Relief Fund

Dollar threshold used to determine Type A Federal Program \$ 750,000

Auditee qualified as low-risk auditee? X yes no

State Awards

Internal controls over major state projects:

Material weaknesses identified? yes X no

Significant deficiencies identified not considered to be material weaknesses? yes X none reported

Type of auditor's report on compliance for major state projects: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650 yes X no

Identification of Major State Project:

CSFA Number	Name of Project
65.010	Community Care for the Elderly

Dollar threshold used to determine Type A State Project: \$ 750,000

**AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS:
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Part II - Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weakness, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

Financial Statement Audit

2020-01 Accounting for Collectability of Receivables

Condition: During the year, the Council reconsidered the process of reconciling receivables and for estimating the allowance for uncollectible receivables. During this assessment management determined that there were certain prior year receivables that should have been identified in prior years as highly unlikely to be collected and included in the allowance for doubtful accounts.

Criteria: Internal controls should be in place that provide reasonable assurance that the valuation of receivables is considered.

Cause: The prior process and controls related to the estimation of the necessary allowance was insufficient.

Effect: Because of the failure to have a sufficient oversight of the allowance estimate certain receivables were maintained on the books at full value resulting in an overstatement of net assets in prior years.

Recommendation: Management has already put an improved allowance estimation process in place which is reflected in the financial statements at December 31, 2020. Management should continue to adhere to these policies.

Views of Responsible Officials and Planned Corrective Actions: The recommendation was adopted during 2021 and reflected in the close of the December 31, 2020 accounts.

Part III – Federal Award and State Project Findings and Questioned Costs

This section identifies the significant deficiencies, material weakness, and instances of noncompliance, including questioned costs, related to the audit of major federal programs and state projects, as required to be reported by the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, State of Florida.

There were no reportable findings.

**AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS:
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Part IV - Summary Schedule of Prior Audit Findings

2019-01 Financial Closing and Bank Reconciliations

Condition: During the year, the Council stopped receiving bank statements from the bank accounts at one of the Council's financial institutions. The accounts at this financial institution had not been reconciled for the final month in 2019 and for eight months subsequent to year end. Reconciliations were completed in the ninth month subsequent to year end. The Council has a period closing procedure for bank accounts that was not followed for these accounts as the statements were not received.

Recommendation: The Council should update procedures to include steps if the statements are not received from the bank by establishing additional controls to the period closing procedure, such as a check list detailing all open bank accounts that need to be reconciled. If not already receiving monthly statements for bank accounts, the Council should contact the bank and request monthly statements in a timely manner, even when there is no activity.

Current Status: The recommendation was adopted during 2020.

SUPPLEMENTARY INFORMATION

**AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
SCHEDULES OF GRANTS AWARDED
YEAR ENDED DECEMBER 31, 2020**

	2020
Austin Hepburn Senior Mini Center	\$ 85,837
Broward County Elderly and Veterans Services	7,712,787
Catholic Charities of the Archdiocese of Miami, Inc.	150,878
City of Hollywood - Fred Lippman Center	55,768
Direct Services	2,290,824
Home Care for the Elderly	425,143
Home Touch	352,468
Human Services Network, Inc.	3,931,178
South Florida Institute on Aging (Impact Broward)	56,513
Jewish Adoption and Foster Care Options, Inc.	46,965
Jewish Community Center	292,527
Lauderdale Lakes Alzheimer's Day Care	116,908
Legal Services	331,844
S.C/S.E. Focal Point/Miramar Center	375,784
N. E. Focal Point	275,241
N. W. Federated Woman's Club	295,845
N. W. Focal Point	342,782
North Broward Hospital District	2,293
Rebuilding Together	143,299
S. W. Focal Point	517,240
Senior Center, Inc.	182,845
SunServe/NAMADC	177,077
Tender Loving Care	36,011
West Park	110,434
	\$ 18,308,490
Total Grants Awarded	\$ 18,308,490

See accompanying independent auditor's report

**AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
SCHEDULES OF FAIR SHARE CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2020**

Donor	2020
Broward County	\$ 684,920
City of Coconut Creek	42,015
City of Coral Springs	11,000
Town of Davie	43,295
City of Deerfield Beach	67,996
City of Fort Lauderdale	46,568
City of Hallandale Beach	35,535
Town of Hillsboro Beach	4,060
City of Hollywood	18,000
City of Lauderdale-By-The-Sea	9,253
City of Lauderdale Lakes	24,351
City of Lauderhill	19,284
City of Lighthouse Point	10,737
City of Margate	49,034
City of Miramar	59,749
City of North Lauderdale	18,155
City of Oakland Park	10,000
City of Parkland	18,821
Town of Pembroke Park	3,510
City of Pembroke Pines	112,942
City of Plantation	25,000
City of Pompano Beach	50,000
City of Southwest Ranches	2,000
City of Sunrise	61,576
City of Tamarac	66,350
City of West Park	7,598
City of Weston	31,048
	\$ 1,532,797

The fair share contributions for the year ended December 31, 2020 meet applicable State of Florida and Department of Elder Affairs requirements for locally generated funding.

See accompanying independent auditor's report