

**ALLIANCE FOR AGING, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

# ALLIANCE FOR AGING, INC.

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
**Alliance for Aging, Inc.**

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Alliance for Aging, Inc., which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alliance for Aging, Inc. as of December 31, 2021, 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.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Alliance for Aging, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Alliance for Aging, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Alliance for Aging, Inc.'s internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alliance for Aging, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in

accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying schedule of expenditures of federal awards and state financial assistance 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 September 16, 2022 on our consideration of Alliance for Aging, 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 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 Alliance for Aging, Inc.'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 Alliance for Aging, Inc.'s internal control over financial reporting and compliance.

*Marcum LLP*

Miami, FL  
September 16, 2022

# ALLIANCE FOR AGING, INC.

## STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2021

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### Assets

#### Current Assets

Cash and cash equivalents	\$ 1,810,819
Grants, contracts and other receivables, net	4,908,864
Prepaid expenses and other current assets	<u>375,223</u>

**Total Current Assets** \$ 7,094,906

**Investments** 1,383,496

**Fixed Assets, Net**                   --

**Total Assets** \$ 8,478,402

### Liabilities and Net Assets

#### Current Liabilities

Accounts payable and accrued expenses	\$ 553,889
Due to provider agencies	3,830,409
Deferred revenue	<u>324,771</u>

**Total Current Liabilities** \$ 4,709,069

#### Net Assets

Without donor restrictions 3,769,333

**Total Liabilities and Net Assets** \$ 8,478,402

*The accompanying notes are an integral part of these financial statements.*

# ALLIANCE FOR AGING, INC.

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2021

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### Revenue, Gains and Other Support

Government grants and contracts	\$ 51,694,231
Other public support	307,474
Investment gains, net	<u>108,024</u>

**Total Revenue, Gains and Other Support** \$ 52,109,729

### Expenses

Program services	49,540,653
Supporting services:	
Management and general	1,879,316
Fund-raising	<u>114,013</u>

Total supporting services 1,993,329

**Total Expenses** 51,533,982

**Change in Net Assets - Without Donor Restrictions** 575,747

**Net Assets - Without Donor Restrictions - Beginning** 3,193,586

**Net Assets - Without Donor Restrictions - Ending** \$ 3,769,333

*The accompanying notes are an integral part of these financial statements.*

**ALLIANCE FOR AGING, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Older Americans Act	CARES	No Wrong Door	CCAA	American Rescue Plan	Elder Abuse Prevention	Aging Resource Center	Medicaid Waiver Specialist	Community Care for the Elderly	Home Care for the Elderly	Emergency Home Energy Assistance Program	Alzheimer's Disease Initiative	Subtotal
<b>Expenses</b>													
<b>Salaries, Payroll Taxes and Benefits</b>													
Salaries	\$ 901,708	\$ 217,262	\$ 14,930	\$ 68,096	\$ 74,560	\$ 14,516	\$ 1,000,262	\$ 251,061	\$ 341,823	\$ 175,042	\$ 122,398	\$ 46,944	\$ 3,228,602
Payroll taxes and benefits	248,175	5,244	4,790	--	5,508	5,394	252,308	70,522	96,960	44,086	28,318	12,063	773,368
<b>Total Salaries, Payroll Taxes and Benefits</b>	<u>1,149,883</u>	<u>222,506</u>	<u>19,720</u>	<u>68,096</u>	<u>80,068</u>	<u>19,910</u>	<u>1,252,570</u>	<u>321,583</u>	<u>438,783</u>	<u>219,128</u>	<u>150,716</u>	<u>59,007</u>	<u>4,001,970</u>
<b>Other Expenses</b>													
Sub-contractors (provider agencies)	18,973,071	992,394	123,370	2,887,452	294,106	--	--	--	7,901,509	2,457,519	476,915	3,019,273	37,125,609
Rent	72,170	--	--	--	1,695	841	37,095	20,378	44,321	2,526	4,998	12,977	197,001
Other expenses	16,617	48,962	226,024	--	171	168	9,307	628	4,834	1,655	498	501	309,365
Equipment	43,437	17,016	--	--	--	45	8,184	--	4,499	1,743	662	459	76,045
Consultant services	330	57,754	176,991	--	32,830	2	--	--	106	46	175	12	268,246
Advertising	--	29,689	--	--	--	--	--	--	--	--	59,480	--	89,169
Professional fees	1,161	--	--	--	--	--	1,766	--	454	202	101	50	3,734
Communications	11,120	--	18,815	--	--	47	6,125	--	4,187	1,832	717	483	43,326
Printing	1,054	33,120	1,123	--	350	--	--	--	503	1,698	57	5	37,910
Insurance	9,521	--	--	--	--	14	1,892	--	3,735	1,651	764	420	17,997
Postage	134	205	--	--	116	207	8,639	--	15	--	--	--	9,316
Maintenance and repair	16,139	--	--	--	--	33	8,378	2,485	6,263	2,764	1,255	708	38,025
Travel	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total Other Expenses</b>	<u>19,144,754</u>	<u>1,179,140</u>	<u>546,323</u>	<u>2,887,452</u>	<u>329,268</u>	<u>1,357</u>	<u>81,386</u>	<u>23,491</u>	<u>7,970,426</u>	<u>2,471,636</u>	<u>545,622</u>	<u>3,034,888</u>	<u>38,215,743</u>
<b>Total Expenses</b>	<u>\$ 20,294,637</u>	<u>\$ 1,401,646</u>	<u>\$ 566,043</u>	<u>\$ 2,955,548</u>	<u>\$ 409,336</u>	<u>\$ 21,267</u>	<u>\$ 1,333,956</u>	<u>\$ 345,074</u>	<u>\$ 8,409,209</u>	<u>\$ 2,690,764</u>	<u>\$ 696,338</u>	<u>\$ 3,093,895</u>	<u>\$ 42,217,713</u>

(Continued)

*The accompanying notes are an integral part of these financial statements.*

**ALLIANCE FOR AGING, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
(CONTINUED)**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Subtotal	RELIEF	SHINE	Local Services Programs	Medicare	Florida SHINE Program Senior Medicare Patrol (SMP)	Non-DOEA Programs	Total Program Funds	Supporting Services			Total
					Improvements For Patients and Provider Act (MIPPA)				Management and General	Fund- Raising	Total Supporting Services	
<b>Expenses</b>												
<b>Salaries, Payroll Taxes and Benefits</b>												
Salaries	\$ 3,228,602	\$ 9,560	\$ 89,389	\$ 18,491	\$ 62,916	\$ 33,494	\$ 143,659	\$ 3,586,111	\$ 1,074,312	\$ 70,416	\$ 1,144,728	\$ 4,730,839
Payroll taxes and benefits	<u>773,368</u>	<u>2,111</u>	<u>23,774</u>	<u>4,097</u>	<u>16,002</u>	<u>9,829</u>	<u>48,490</u>	<u>877,671</u>	<u>272,764</u>	<u>9,111</u>	<u>281,875</u>	<u>1,159,546</u>
<b>Total Salaries, Payroll Taxes and Benefits</b>	<u>4,001,970</u>	<u>11,671</u>	<u>113,163</u>	<u>22,588</u>	<u>78,918</u>	<u>43,323</u>	<u>192,149</u>	<u>4,463,782</u>	<u>1,347,076</u>	<u>79,527</u>	<u>1,426,603</u>	<u>5,890,385</u>
<b>Other Expenses</b>												
Sub-contractors (provider agencies)	37,125,609	63,342	--	5,382,869	--	--	1,075,692	43,647,512	--	--	--	43,647,512
Rent	197,001	235	6,179	159	12,148	--	231,513	447,235	114,353	1,648	116,001	563,236
Other expenses	309,365	68	5,663	136	844	314	17,289	333,679	77,143	12,935	90,078	423,757
Equipment	76,045	14	5,842	34	879	406	2,566	85,786	17,793	331	18,124	103,910
Consultant services	268,246	1	326	1	23	10	26,861	295,468	64,271	16,604	80,875	376,343
Advertising	89,169	--	1,733	--	1,733	1,733	2,500	96,868	19,023	1,126	20,149	117,017
Professional fees	3,734	--	50	--	101	50	151	4,086	100,538	50	100,588	104,674
Communications	43,326	14	514	36	913	427	2,114	47,344	61,568	359	61,927	109,271
Printing	37,910	--	529	--	9	5	1,680	40,133	15,505	332	15,837	55,970
Insurance	17,997	4	431	11	826	404	1,670	21,343	19,892	189	20,081	41,424
Postage	9,316	--	1,691	--	--	--	2,273	13,280	10,076	284	10,360	23,640
Maintenance and repair	38,025	10	725	25	1,375	669	2,159	42,988	29,934	628	30,562	73,550
Travel	--	--	1,149	--	--	--	--	1,149	2,144	--	2,144	3,293
<b>Total Other Expenses</b>	<u>38,215,743</u>	<u>63,688</u>	<u>24,832</u>	<u>5,383,271</u>	<u>18,851</u>	<u>4,018</u>	<u>1,366,468</u>	<u>45,076,871</u>	<u>532,240</u>	<u>34,486</u>	<u>566,726</u>	<u>45,643,597</u>
<b>Total Expenses</b>	<u>\$ 42,217,713</u>	<u>\$ 75,359</u>	<u>\$ 137,995</u>	<u>\$ 5,405,859</u>	<u>\$ 97,769</u>	<u>\$ 47,341</u>	<u>\$ 1,558,617</u>	<u>\$ 49,540,653</u>	<u>\$ 1,879,316</u>	<u>\$ 114,013</u>	<u>\$ 1,993,329</u>	<u>\$ 51,533,982</u>

*The accompanying notes are an integral part of these financial statements.*

# ALLIANCE FOR AGING, INC.

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### Cash Flows from Operating Activities

Change in net assets		\$ 575,747
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net unrealized gains on investments	\$ (108,024)	
Change in operating assets and liabilities:		
Grants, contracts and other receivables	6,233,788	
Prepaid expenses and other current assets	50,723	
Accounts payable and accrued expenses	73,439	
Due to provider agencies	(5,460,596)	
Deferred revenue	<u>9,504</u>	

Total Adjustments 798,834

**Net Cash Provided by Operating Activities** 1,374,581

### Cash Flows from Investing Activities

Purchase of investments (142,076)

**Cash Used in Investing Activities** (142,076)

**Change in Cash and Cash Equivalents** 1,232,505

**Cash and Cash Equivalents - Beginning** 578,314

**Cash and Cash Equivalents - Ending** \$ 1,810,819

*The accompanying notes are an integral part of these financial statements.*

# ALLIANCE FOR AGING, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *THE ORGANIZATION*

Alliance for Aging, Inc. (the “Alliance”) was established and incorporated on September 16, 1988 under the laws of the State of Florida as a not-for-profit organization. The Alliance is designated by the Department of Elder Affairs (“DOEA”) as the area agency on aging for Miami-Dade and Monroe Counties. The purpose of the Alliance is to function as a regional planning, coordinating, advocating, and grants managing agency. The Alliance receives its funding principally from the DOEA.

#### *FINANCIAL STATEMENT PRESENTATION*

The financial statements of the Alliance have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Net assets, revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. The two net asset categories as reflected in the accompanying financial statements are as follows:

#### *Without Donor Restrictions*

Net assets which are free of donor-imposed restrictions; all revenues and expenses that are not changes in donor restricted net assets.

#### *With Donor Restrictions*

Net assets used by the Alliance which are limited by donor-imposed stipulations that either expire with the passage of time or that can be fulfilled or removed by actions of the Alliance pursuant to those stipulations. The Alliance had no net assets with donor restrictions as of December 31, 2021.

#### *USE OF ESTIMATES*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The primary estimates used in the preparation of these financial statements include the collectability of receivables and the allocation of natural expenses among functional categories. Actual results could differ from those estimates.

#### *CASH EQUIVALENTS*

All highly liquid cash investments with original maturities of three months or less are considered to be cash equivalents.

# ALLIANCE FOR AGING, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *CONCENTRATIONS OF CREDIT AND MARKET RISK*

Financial instruments which potentially expose the Alliance to concentrations of credit and/or market risk consist principally of cash and cash equivalents; grants, contracts and other receivables; and investments.

#### *Cash and Cash Equivalents*

Financial instruments that potentially subject the Alliance to concentrations of credit risk include deposit accounts. The Alliance had approximately \$6,514,000 of balances in excess of insurance limits covered by the Federal Deposit Insurance Corporation as of December 31, 2021. The Alliance maintains these balances in what it believes to be high quality financial institutions, which it believes limits its risk.

#### *Grants, Contracts and Other Receivables*

Grants, contracts and other receivables consist principally of amounts due from grantor agencies pursuant to the terms of the respective grant agreements. Grants, contracts and other receivables are stated at net realizable value. Allowances are provided for amounts estimated to be uncollectible based on historical experience and any specific collection issues that the Alliance has identified. It is the Alliance's policy to charge uncollectible receivables against the allowance when management determines that the related balance will not be collected. As of December 31, 2021, the allowance for doubtful accounts was approximately \$31,000.

#### *Investments*

Investments are subject to both credit and market risks. Credit risk is the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Market risk is the possibility that fluctuations in the investment market will impact the value of the portfolio. As of December 31, 2021, the Alliance's investments consists of mutual funds. The Alliance has an investment policy and utilizes management oversight, and regularly reviews its investment portfolios to monitor and mitigate these risks.

Investments in equity securities with readily determinable fair values are measured at fair value in the accompanying statement of financial position (refer to Note 5 for fair value measurements). Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment income or loss (including realized and unrealized gains and losses on investments as well as interest income and dividends) is included in the accompanying statement of activities as an increase or decrease in net assets without donor restrictions

**ALLIANCE FOR AGING, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

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**NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

*CONCENTRATIONS OF CREDIT AND MARKET RISK (CONTINUED)*

*Investments (continued)*

unless the gains or losses are restricted by donor or law. Restricted gains and losses and investment income or loss where the restrictions are met in the same reporting period as the income is recognized are recorded as support without donor restrictions.

*FIXED ASSETS*

Fixed assets valued in excess of \$5,000 with a useful life over one year are capitalized. Fixed assets are recorded at cost or, if donated, at fair value at the date of donation. Major renewals and improvements are capitalized, while repairs and maintenance expenditures are expensed as incurred. Depreciation is computed on the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are amortized over the lesser of the useful life or the term of the lease. When items are retired or otherwise disposed of, the related costs and accumulated depreciation or amortization are removed from the accounts and any resulting gains or losses are recognized.

The estimated useful lives of each asset group are as follows:

	<u>Years</u>
Computer equipment	3
Leasehold improvements	4

As of December 31, 2021, all assets were fully depreciated.

*CONTRIBUTIONS*

Contributions and gifts received, recorded at fair value, with no restrictions or specified uses identified by the donor are included in revenue without donor restrictions in the accompanying statement of activities when received. Contributions received with donor stipulations that limit the use of donated assets are reported as revenue with donor restrictions in the accompanying statement of activities when received.

When donor restrictions expire or are fulfilled by actions of the Alliance, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restriction. Donor restricted contributions whose restrictions are met within the same year as received are reflected as revenue without donor restrictions in the accompanying statement of activities.

# ALLIANCE FOR AGING, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *GRANTS FROM GOVERNMENT AGENCIES*

Grants from governmental agencies are recognized as revenue when the grant funds have been expended in accordance with the grant provisions of the respective agreements.

#### *DUE TO PROVIDER AGENCIES*

Pursuant to the contract with the DOEA, the Alliance provides funds to provider agencies and is responsible for the monitoring of these provider agencies. As of December 31, 2021, the Alliance has recorded a liability of approximately \$3,830,000 relating to amounts due to provider agencies in accordance with the respective grant agreements.

#### *DEFERRED REVENUE*

Deferred revenue represents advances to be used on future expenditures. Deferred revenue is recognized as revenue when the related expenditures are incurred. As of December 31, 2021, deferred revenue was approximately \$325,000.

#### *FUND-RAISING ACTIVITIES*

The Alliance's financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958 "*Accounting for Costs of Activities of Not-for-Profit Organizations and State and Local Government Entities that Include Fund Raising*". FASB ASC 958 establishes criteria for accounting and reporting for any entity that solicits contributions.

Directly identifiable fund-raising expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Alliance.

#### *FUNCTIONAL ALLOCATION OF EXPENSES*

The cost of providing the various programs and other activities is detailed on a functional basis in the statement of functional expenses. Expenses are charged directly to functions based on a combination of specific identification and allocation by management. Accordingly, certain costs have been allocated among programmatic contractual

# ALLIANCE FOR AGING, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *FUNCTIONAL ALLOCATION OF EXPENSES (CONTINUED)*

requirements, management and general, and fund-raising. These expense allocations include personnel, insurance, equipment and space rental which are allocated based on programmatic contractual funding, programmatic need, and personnel usage.

#### *CONTRIBUTED GOODS AND SERVICES*

Contributed goods and services are reflected in the accompanying financial statements at their estimated fair value, if reasonably determined. The contributions of services are recognized if the services received (a) create or enhance non-financial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations. For the year ended December 31, 2021, there were no significant non-cash contributions.

Services provided by volunteers throughout the year are not recognized as contributions in the accompanying financial statements since these services are not susceptible to objective measurement or valuation.

#### *ADVERTISING*

Advertising expenses are charged to expense as incurred. Advertising expenses amounted to approximately \$117,000 for the year ended December 31, 2021.

#### *DEFERRED RENT*

The Alliance records rent payments from operating leases, which generally call for escalating payments over the terms of the leases, on a straight-line basis over the lease term, as required in FASB ASC No. 840, *Leases*. The difference between the rent payments and straight-line basis of such rent is recorded as deferred rent. As of December 31, 2021, the deferred rent was insignificant.

#### *INCOME TAXES*

The Alliance is a not-for-profit organization, as described in Section 501(c)(3) of the Internal Revenue Code and as such is subject to Federal and State income taxes only on unrelated business income. There was no significant unrelated business income tax resulting from unrelated business income for the year ended December 31, 2021.

# ALLIANCE FOR AGING, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *INCOME TAXES (CONTINUED)*

The Alliance accounts for uncertainty in income taxes in accordance with GAAP, which requires recognition in the accompanying financial statements of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Alliance had no material unrecognized tax benefits and no adjustments to its financial position, activities or cash flows were required. The Alliance does not expect that unrecognized tax benefits will increase within the next twelve months.

The Alliance did not record any interest or penalties on uncertain tax positions in the accompanying statement of financial position as of December 31, 2021 or the accompanying statement of activities for the year then ended. If the Alliance were to incur any income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes.

#### *RECENT ACCOUNTING PRONOUNCEMENTS*

In September 2020, the FASB issued ASU 2020-07, "*Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*". This ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. This ASU requires the new standard to be applied retrospectively, with amendments taking effect for annual reporting periods beginning after June 15, 2021, and interim periods within annual reporting period beginning after June 15, 2022. Earlier application is permitted; however, the Organization did not early adopt the ASU. Management is currently in the process of evaluating the ASU for the potential impact on its financial statements upon adoption.

In February 2016, the FASB issued ASU 2016-02, "*Leases (Topic 842)*", which amends the guidance relating to the definition of a lease, recognition of lease assets and liabilities on the statement of activities, and the related disclosure requirements. This ASU is applicable for the Organization for its annual reporting period beginning after December 15, 2021, including interim periods within those fiscal years, which will require the Organization to adopt these provisions in the first quarter of fiscal year 2022. Earlier application is permitted; however, the Organization did not early adopt the ASU. Management is currently in the process of evaluating the ASU for the potential impact on its financial statements upon adoption.

**ALLIANCE FOR AGING, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

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**NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

*SUBSEQUENT EVENTS*

The Alliance has evaluated subsequent events through September 16, 2022, which is the date the financial statements were available to be issued.

**NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Alliance regularly monitors liquidity to meet its operational needs and other commitments. The Alliance is designated as an Area Agency on Aging from the state of Florida. As such, the Alliance is the sole contracted agency for the Federal Older American's Act funding and the State of Florida general revenue funding for elderly direct services in Miami-Dade and Monroe Counties. The Alliance is positioned to adjust internal expenditures and subcontracted expenditures based on governmental funding levels providing the necessary cash flow and working capital. Monthly cash expenditures are relatively consistent due to the nature of the contractual relationships. In addition, the Alliance maintains a reserve investment account of over \$1,000,000 that is available to draw upon as needed to maintain cash flow.

In addition to the financial assets available to meet expenditures over the 12 months, the Alliance operates with a balanced budget and anticipates collecting sufficient revenues to cover expenditures.

As of December 31, 2021, the following financial assets could be readily made available within one year of the statement of financial position to meet general expenditures. There were no net assets with donor restrictions at December 31, 2021.

<b>Financial Assets</b>	
Cash and cash equivalents	\$ 1,810,819
Grants, contracts and other receivables	4,908,864
Investments	<u>1,383,496</u>
<b>Total Financial Assets</b>	<b><u>\$ 8,103,179</u></b>

# ALLIANCE FOR AGING, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 3 - GRANTS, CONTRACTS AND OTHER RECEIVABLES

Grants, contracts, and other receivables at December 31, 2021 are comprised of the following:

DOEA Programs:	
Older Americans Act	\$ 2,145,864
Community Care for the Elderly	748,108
Local Services Programs	631,466
American Rescue Plan	377,496
Alzheimer's Disease Initiative	263,796
Medicaid Waiver Specialist	234,127
Home Care for the Elderly	217,419
Medicare Improvements for Patients and Providers Act (MIPPA)	19,354
SHINE	12,980
Elder Abuse Prevention	4,850
Florida SHINE Program Senior Medicare Patrol (SMP)	3,637
Coronavirus Consolidated Appropriations Act - CCAA	1,533
Veterans Administration	111,559
Emergency Home Energy Assistance Program	91,217
Miami Dade County	63,063
Other receivables	<u>13,182</u>
<b>Total Grants, Contracts, and Other Receivables</b>	<b>4,939,651</b>
Less: Allowance for doubtful accounts	<u>(30,787)</u>
<b>Total Grants, Contracts, and Other Receivables, Net</b>	<b><u>\$ 4,908,864</u></b>

### NOTE 4 - INVESTMENTS

Investments as of December 31, 2021 are comprised of the following:

Mutual funds - equities	<u>\$ 1,383,496</u>
<b>Total Investments</b>	<b><u>\$ 1,383,496</u></b>

For the year ended December 31, 2021, investment gains were approximately \$108,000, which consists principally of net unrealized gains as investment expenses were insignificant.

# ALLIANCE FOR AGING, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 5 - FAIR VALUE MEASUREMENTS

#### *FAIR VALUE HIERARCHY*

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under this FASB guidance are described as follows:

#### *Level 1*

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Alliance has the ability to access at the measurement date.

#### *Level 2*

Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets,
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

#### *Level 3*

Valuation is based on unobservable inputs for an asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of a market participant. Therefore, unobservable inputs reflect the assumptions that market participants would use in valuing the asset or liability, including assumptions about risk. Unobservable inputs are developed based on the best information available in the circumstances, which might include information provided by the Alliance's investment manager. The data used to develop unobservable inputs are adjusted if information is reasonably available without undue cost and effort that indicates market participants would use different assumptions. Investment types which have been valued using this approach generally include investments in investee funds that have lockups that are greater than 3 months.

# ALLIANCE FOR AGING, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 5 - FAIR VALUE MEASUREMENTS (CONTINUED)

#### *FAIR VALUE HIERARCHY (CONTINUED)*

There have been no changes in the methodologies used at December 31, 2021.

Following is a description of the valuation methodologies used for assets measured at fair value.

*Mutual Funds are valued at the closing price reported in the active market in which the individual securities are traded.*

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Alliance believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table represents the Alliance's financial instruments measured at fair value on a recurring basis at December 31, 2021 for each of the fair value hierarchy levels:

	Assets at Fair Value			
	December 31, 2021	Level 1	Level 2	Level 3
<b>Assets at Fair Value</b>				
Mutual funds	<u>\$ 1,383,496</u>	<u>\$ 1,383,496</u>	<u>\$ --</u>	<u>\$ --</u>
<b>Assets at Fair Value</b>	<u><u>\$ 1,383,496</u></u>	<u><u>\$ 1,383,496</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>

### NOTE 6 - EMPLOYEE BENEFIT PLAN

The Alliance sponsors a defined contribution retirement plan (the "Plan") covering all eligible employees. Employees become eligible for Plan participation after completing one year of service and obtaining the age of eighteen. The Alliance makes monthly contributions equal to 8% of the participants' eligible compensation. For the year ended December 31, 2021, the Alliance contributed approximately \$265,000 to the Plan.

# ALLIANCE FOR AGING, INC.

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 7 - COMMITMENTS

The Alliance leases office space under a non-cancellable operating lease, as amended, which expires in July 2030. The office lease requires monthly lease payments ranging from approximately \$39,000 to \$53,000. Additionally, the Alliance also leases office equipment under a non-cancelable operating lease, which expires in March 2023.

As of December 31, 2021, the estimated minimum annual non-cancelable commitments on these leases are as follows:

For the Year Ending December 31,	Amount
2022	\$ 517,000
2023	525,000
2024	541,000
2025	557,000
2026	574,000
Thereafter	<u>2,199,000</u>
<b>Total</b>	<b><u>\$ 4,913,000</u></b>

Rent expense for all leases for the year ended December 31, 2021 was approximately \$563,000.

### NOTE 8 - CONCENTRATIONS

The Alliance received approximately 97% of its government grant revenue from the DOEA for the year ended December 31, 2021. As the revenue from the DOEA is significant to the overall operations of the Alliance, any significant reduction or loss of funding from the DOEA may affect the Alliance's ability to operate in its present form.

Receivables from the DOEA were approximately 95% of grants, contracts and other receivables as of December 31, 2021.

**ALLIANCE FOR AGING, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

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**NOTE 9 - CONTINGENCIES**

The Alliance participates in Federal, state and local grant programs that are subject to audit by the respective grantor agencies. Any disallowed funds received or to be received under these programs may constitute a liability in the amount of the disallowed funds. Management does not believe that any potential disallowed funds would have a significant effect on the financial statements.

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

Board of Directors  
**Alliance for Aging, 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 Alliance for Aging, Inc. (the "Alliance"), which comprise the statement of financial position as of December 31, 2021, 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 September 16, 2022.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Alliance for Aging, 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 Alliance for Aging, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Alliance for Aging, 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 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. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Alliance for Aging, 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 Alliance for Aging, Inc.'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Marcum LLP*

Miami, FL  
September 16, 2022

**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 AUDITOR GENERAL**

Board of Directors  
**Alliance for Aging, Inc.**

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

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

We have audited Alliance for Aging, Inc.’s (the “Alliance”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the Department of Financial Services’ State Projects Compliance Supplement, that could have a direct and material effect on each of the Alliance’s major federal programs and state projects for the year ended December 31, 2021. The Alliance’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.

In our opinion, the Alliance 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, 2021.

***Basis for Opinion on Each Major Federal Program and State Project***

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. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.650, Rules of the Auditor General are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Alliance and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Alliance’s compliance with the compliance requirements referred to above.

## ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Alliance's federal programs and state projects.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Alliance's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Alliance's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Alliance's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Alliance's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Alliance's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on 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 a 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

*Marcum LLP*

Miami, FL  
September 16, 2022

**ALLIANCE FOR AGING, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

Federal Grantor/Pass-through Grantor/Program or Cluster	Assistance		Federal Expenditures	Provided To Subrecipients
	Listing Number	Contract Number		
<b>Federal Awards</b>				
<b>U.S. Department of Health and Human Services</b>				
<b>Indirect Programs Passed Through:</b>				
<b>Florida Department of Elder Affairs</b>				
<b>Aging Cluster</b>				
Older Americans Act - Support Services Title III-B	93.044	KA021	\$ 6,748,424	\$ 5,020,586
COVID-19 Older Americans Act - Support Services Title III-B	93.044	KCA20	197,425	146,577
COVID-19 Older Americans Act - No Wrong Donor	93.044	KXC20	181,445	99,374
COVID-19 Older Americans Act - Support Services Title III-B	93.044	KRP21	97,649	14,620
Older Americans Act - Congregate Meals Title III-C1	93.045	KA021	5,590,945	5,087,544
Older Americans Act - Home Delivered Meals Title III-C2	93.045	KA021	4,708,726	4,284,759
COVID-19 Older Americans Act - Home Delivered Meals Title III-C2	93.045	KCA20	984,820	731,175
COVID-19 Older Americans Act - No Wrong Donor	93.045	KXC20	294,783	194,038
COVID-19 Older Americans Act - Support Services Title III-C1	93.045	KRP21	90,878	85,481
COVID-19 Older Americans Act - Support Services Title III-C2	93.045	KRP21	206,252	194,005
<b>Total Special Programs for Aging Title III</b>			<u>19,101,347</u>	<u>15,858,159</u>
Nutrition Services Incentive Program	93.053	KA020	1,852,534	1,852,534
CCAA (Coronavirus Consolidated Appropriations Act for Nutrition Services)	93.045	KCV21	2,374,877	2,374,877
COVID-19 Vaccines via the Aging Network	93.045	KCV21	580,671	512,575
<b>Total Aging Cluster</b>			<u>23,909,429</u>	<u>20,598,145</u>
National Family Caregiver Support Title III-D	93.052	KA021	315,609	287,192
National Family Caregiver Support Title III-E	93.052	KA021	2,903,204	2,440,455
National Family Caregiver Support Title III-E	93.052	KRP21	11,132	--
COVID-19 National Family Caregiver Support - No Wrong Donor	93.052	KXC20	89,816	55,590
COVID-19 National Family Caregiver Support Title III-E	93.052	KCA20	219,400	162,893
National Family Caregiver Support Title III-C2	93.055	KRP21	54,511	--
<b>Total National Family Caregiver Support</b>			<u>3,593,672</u>	<u>2,946,130</u>
Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services	93.043	KRP21	3,425	--
Programs for the Aging Title VII, Chapter 3 Programs for Prevention of Elder Abuse, Neglect and Exploitation	93.041	K7021	21,267	--
Low-Income Home Energy Assistance	93.568	KP019	123,060	64,999
Low-Income Home Energy Assistance	93.568	KP021	236,928	117,560
COVID-19 Low-Income Home Energy Assistance	93.568	KPC20	336,351	294,357
<b>Total Low-Income Home Energy Assistance</b>			<u>696,339</u>	<u>476,916</u>
Serving Health Insurance Needs of Elders Program	93.779	KN020	32,492	--
Serving Health Insurance Needs of Elders Program	93.779	KN021	105,502	--
<b>Total Serving Health Insurance Needs of Elders Program</b>			<u>137,994</u>	<u>--</u>
Medical Assistance Program	93.778	KX021	462,442	--
Medical Assistance Program	93.778	KX022	377,073	--
<b>Total Medical Assistance Program</b>			<u>839,515</u>	<u>--</u>
<b>Total Medicaid Cluster</b>			<u>839,515</u>	<u>--</u>
Medicare Enrollment Assistance Program	93.071	KB021	66,432	--
Medicare Enrollment Assistance Program	93.071	KB022	31,337	--
<b>Total Medicare Enrollment Assistance Program</b>			<u>97,769</u>	<u>--</u>
Senior Medicaid Patrol Program	93.048	KG020	18,680	--
Senior Medicaid Patrol Program	93.048	KG021	28,662	--
<b>Total Senior Medicaid Patrol Program</b>			<u>47,342</u>	<u>--</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>29,346,752</u>	<u>24,021,191</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 29,346,752</u>	<u>\$ 24,021,191</u>

*See notes to the schedule of expenditures of federal awards and state financial assistance.*

**ALLIANCE FOR AGING, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE (CONTINUED)**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

State Grantor/Pass-through Grantor/Program or Cluster	CFSA Number	Contract Number	State Expenditures	Provided To Subrecipients
<b>State Financial Assistance</b>				
<b>Florida Department of Elder Affairs</b>				
Community Care for the Elderly (CCE) 20/21	65.010	KC020	\$ 4,073,367	\$ 3,885,113
Community Care for the Elderly (CCE) - Admin 20/21	65.010	KC020	33,319	--
Community Care for the Elderly (CCE) 21/22	65.010	KC021	4,262,406	4,016,396
Community Care for the Elderly (CCE) - Admin 21/22	65.010	KC021	40,118	--
<b>Total Community Care for the Elderly (CCE)</b>			<u>8,409,210</u>	<u>7,901,509</u>
Aging Resource Center (ARC) 20/21	65.010	KX021	371,768	--
Aging Resource Center (ARC) 20/21	65.010	KX021	90,674	--
Aging Resource Center (ARC) 21/22	65.010	KX022	295,210	--
Aging Resource Center (ARC) 21/22	65.010	KX022	81,863	--
<b>Total Aging Resource Center</b>			<u>839,515</u>	<u>--</u>
Local Service Program (LSP) 20/21	65.009	KL020	2,021,694	2,021,694
Local Service Program (LSP) 20/21 - Admin	65.009	KL020	11,616	--
Local Service Program (LSP) 21/22	65.009	KL021	3,361,175	3,361,175
Local Service Program (LSP) 21/22 - Admin	65.009	KL021	11,372	--
<b>Total Local Service Program (LSP)</b>			<u>5,405,857</u>	<u>5,382,869</u>
Alzheimer's Disease Initiative - Respite (ADI) 20/21	65.002	KZ020	1,448,101	1,413,164
Alzheimer's Disease Initiative - Respite (ADI) 21/22	65.002	KZ021	1,645,795	1,606,109
<b>Total Alzheimer's Disease Initiative - Respite (ADI)</b>			<u>3,093,896</u>	<u>3,019,273</u>
Home Care for the Elderly - Services (HCE) 20/21	65.001	KH020	1,295,943	1,252,846
Home Care for the Elderly - Admin (HCE) 20/21	65.001	KH020	61,526	--
Home Care for the Elderly - Services (HCE) 21/22	65.001	KH021	1,261,260	1,204,673
Home Care for the Elderly - Admin (HCE) 21/22	65.001	KH021	72,035	--
<b>Total Home Care for the Elderly - (HCE)</b>			<u>2,690,764</u>	<u>2,457,519</u>
Relief - 20/21	65.006	KR020	36,054	36,054
Relief - 20/21 - Admin	65.006	KR020	6,284	--
Relief - 21/22	65.006	KR021	27,288	27,288
Relief - 21/22 - Admin	65.006	KR021	5,733	--
<b>Total Relief</b>			<u>75,359</u>	<u>63,342</u>
<b>Total Florida Department of Elder Affairs</b>			<u>20,514,601</u>	<u>18,824,512</u>
<b>Total Expenditures of State Financial Assistance</b>			<u>\$ 20,514,601</u>	<u>\$ 18,824,512</u>
<b>Total Federal Awards and State Financial Assistance</b>			<u>\$ 49,861,353</u>	<u>\$ 42,845,703</u>

*See notes to the schedule of expenditures of federal awards and state financial assistance.*

# ALLIANCE FOR AGING, INC.

## NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED DECEMBER 31, 2021

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### NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the “Schedule”) includes the federal and state grant activity of Alliance for Aging, Inc. (the “Alliance”) for the year ended December 31, 2021. The information in this Schedule is presented 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), Audits of States, Local Government, and Non-Profit Organizations and Chapter 10.650, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the Alliance, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Alliance.

### 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, Audits of States, Local Government, and Non-Profit Organizations and Chapter 10.650, Rules of the Auditor General, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

### NOTE 3 – INDIRECT COST RATE

The Alliance has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**ALLIANCE FOR AGING, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

***FINANCIAL STATEMENTS***

Type of report issued on whether the financial statements audited were prepared in accordance with GAAP: ***UNMODIFIED OPINION***  
Internal control over financial reporting:  
Material weakness(es) identified?  Yes  No  
Significant deficiency(ies) identified  Yes  None Reported  
Noncompliance material to financial statement noted?  Yes  No

***FEDERAL PROGRAMS AND STATE PROJECTS***

Internal control over major Federal programs and State projects:  
Material weakness(es) identified?  Yes  No  
Significant deficiency(ies) identified  Yes  None Reported

Type of auditors’ report issued on compliance for major Federal programs and State projects: ***UNMODIFIED OPINION***

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.650?  Yes  No

Identification of major Federal programs and State projects:

***NAME OF FEDERAL PROGRAM OR CLUSTER*** ***AL NUMBER***

***US Department of Health and Human Services***

Aging Cluster:  
Special Programs for Aging Title III – B (cluster) 93.044  
Special Programs for Aging Title III – C (cluster) 93.045  
Nutrition Services Incentive Program (cluster) 93.053  
  
National Family Caregiver Support Title III – E 93.052

**ALLIANCE FOR AGING, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS (CONTINUED)**

<b><u>NAME OF STATE PROJECT</u></b>	<b><u>CSFA NUMBER</u></b>
Local Service Program (LSP)	65.009
Community Care for the Elderly (CCE)	65.010
Dollar threshold used to distinguish between Type A and Type B Federal programs:	<u>\$880,403</u>
Dollar threshold used to distinguish between Type A and Type B State projects:	<u>\$750,000</u>
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**SECTION II – FINANCIAL STATEMENT FINDINGS**

None.

**SECTION III – FEDERAL PROGRAMS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

None. A management letter pursuant to Sections 215.97(10)(f) and 215.97(11)(d), Florida Statutes was not reported because there were no items that were required to be reported related to Federal programs or State projects.

**SECTION IV – PRIOR YEAR FINDINGS**

***FINANCIAL STATEMENT FINDINGS***

None.

***FEDERAL PROGRAMS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS***

None.