

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

FINANCIAL STATEMENTS

DECEMBER 31, 2021

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Area Agency on Aging for North Florida, 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 Area Agency on Aging for North Florida, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Area Agency on Aging for North Florida, 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 Area Agency on Aging for North Florida, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's 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 Area Agency on Aging for North Florida, Inc.'s internal control. Accordingly, no such opinion is expressed. In circumstances in which the auditor also has responsibility to express an opinion on the effectiveness of internal control in conjunction with the audit of the financial statements, omit the following: "but not for the purpose of expressing an opinion on the effectiveness of Area Agency on Aging for North Florida, Inc.'s internal control. Accordingly, 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 Area Agency on Aging for North Florida, Inc.'s ability to continue as a going concern for a reasonable period of time.

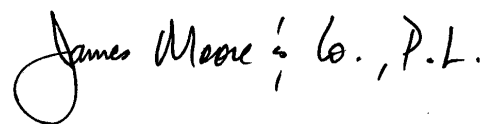
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 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 State of Florida, Office 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 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 State of Florida, Office of the Auditor General 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 July 28, 2022 on our consideration of Area Agency on Aging for North Florida, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Area Agency on Aging for North Florida, 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 Area Agency on Aging for North Florida, Inc.'s internal control over financial reporting and compliance.

James Moore & Co., P.L.

Tallahassee, Florida
July 28, 2022

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

Current assets	
Cash and cash equivalents	\$ 362,886
Certificate of deposit	30,080
Grant and contract receivables	1,143,738
Total current assets	1,536,704
Property and equipment , net of accumulated depreciation	537,755
Other assets	
Deposits	3,776
Total Assets	\$ 2,078,235

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable and accrued expenses	\$ 906,985
Refundable advances	73,955
Total current liabilities	980,940
Net assets	
Without donor restrictions	
Undesignated:	
Operations	559,540
Property and equipment	537,755
Total net assets	1,097,295
Total Liabilities and Net Assets	\$ 2,078,235

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions
Support and revenues	
Grants and contracts	\$ 9,110,913
Interest	92
Local revenue	12,895
Contributions and other	38,893
Total support and revenues	9,162,793
 Expenses	
Program services	
Alzheimer's Respite Services	837,696
Community Care for the Elderly	2,056,823
Special Programs for the Aging	3,863,028
Home Care for the Elderly	491,187
Aging Resource Center	353,950
Respite for Elders Living in Everyday Families	4,867
Low-Income Home Energy Assistance	288,003
Medicaid Waiver	111,014
Serving Health Insurance Needs of Elders	111,382
Local Service Programs	78,453
Total program services	8,196,403
Administrative services	914,428
 Total expenses	9,110,831
 Increase in net assets	51,962
 Net assets, beginning of year	1,045,333
 Net assets, end of year	\$ 1,097,295

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

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Alzheimer's Respite Services	Community Care for the Elderly	Special Programs for the Aging	Home Care for the Elderly	Aging Resource Center	Respite for Elders Living in Everyday Families
Program services						
Personnel and benefits	\$ -	\$ -	\$ 126,907	\$ -	\$ 272,996	\$ -
Travel	-	-	25	-	-	-
Communication and utilities	-	-	3,070	-	12,786	2,500
Printing and supplies	-	-	6,591	-	4,939	-
Materials and subcontracts	837,696	2,056,634	3,699,027	491,052	-	2,367
Meetings and conferences	-	-	210	-	173	-
Rent	-	-	693	-	969	-
Repairs and maintenance	-	-	-	-	248	-
Licenses and insurance	-	-	4,602	-	12,291	-
Noncapitalizable software and equipment	-	-	635	-	92	-
Professional fees	-	-	12,395	-	43,403	-
Other	-	-	4,333	-	5,140	-
Depreciation	-	189	4,540	135	913	-
Total program services	<u>837,696</u>	<u>2,056,823</u>	<u>3,863,028</u>	<u>491,187</u>	<u>353,950</u>	<u>4,867</u>
Allocation of administrative expenses	-	79,303	583,577	81,927	-	-
Total expenses	<u>\$ 837,696</u>	<u>\$ 2,136,126</u>	<u>\$ 4,446,605</u>	<u>\$ 573,114</u>	<u>\$ 353,950</u>	<u>\$ 4,867</u>

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)

	Low-Income Home Energy Assistance	Medicaid Waiver	Serving Health Insurance Needs of Elders	Local Service Programs	Administrative Services	Total
Program services						
Personnel and benefits	\$ -	\$ 97,482	\$ 75,920	\$ -	\$ 646,617	\$ 1,219,922
Travel	-	-	1,152	-	7,166	8,343
Communication and utilities	-	155	12,314	-	43,078	73,903
Printing and supplies	-	1,794	3,259	-	9,157	25,740
Materials and subcontracts	287,943	-	-	78,453	52,378	7,505,550
Meetings and conferences	-	-	23	-	828	1,234
Rent	-	-	1,004	-	5,480	8,146
Repairs and maintenance	-	-	280	-	3,475	4,003
Licenses and insurance	-	3,059	2,349	-	25,861	48,162
Noncapitalizable software and equipment	-	395	379	-	18,110	19,611
Professional fees	-	3,657	6,396	-	51,435	117,286
Other	-	3,008	6,813	-	36,121	55,415
Depreciation	60	1,464	1,493	-	14,722	23,516
Total program services	288,003	111,014	111,382	78,453	914,428	9,110,831
Allocation of administrative expenses	74,261	-	-	3,950	(823,018)	-
Total expenses	<u>\$ 362,264</u>	<u>\$ 111,014</u>	<u>\$ 111,382</u>	<u>\$ 82,403</u>	<u>\$ 91,410</u>	<u>\$ 9,110,831</u>

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

Cash flows from operating activities	
Cash received from grantors and contractors	\$ 9,641,151
Cash paid to employees, vendors, and subrecipients	(9,531,508)
Interest received	92
Other receipts	38,893
Net cash provided by operating activities	148,628
Cash flows from investing activities	
Sales of Certificates of Deposit	30,000
Purchases of Certificates of Deposit	(30,080)
Purchases of property and equipment	(25,725)
Net cash used in investing activities	(25,805)
Net increase in cash and cash equivalents	122,903
Cash and cash equivalents, beginning of year	239,983
Cash and cash equivalents, end of year	\$ 362,886
Reconciliation of increase in net assets to net cash provided by operating activities	
Increase in net assets	\$ 51,962
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	23,516
Decrease in grant and contract receivables	458,744
Decrease in accounts payable and accrued expenses	(444,193)
Increase in refundable advances	58,599
Total adjustments	96,666
Net cash provided by operating activities	\$ 148,628

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

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

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

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

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

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

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

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

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

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

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

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

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

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

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

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

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

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

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

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

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

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

(l) **Advertising**—Advertising costs are charged to operations as incurred. Advertising costs for the year ended December 31, 2021 were \$13,359.

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

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

(o) **In-kind Contributions**—Donated facilities, goods and services are recorded at estimated fair value at the date of donation. Donated services are recognized in the financial statements at estimated fair market value if services require specialized skills and would typically need to be purchased if not donated. For the year ended December 31, 2021, the Organization did not receive any in-kind contributions.

(2) **Significant Funding Source:**

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

(3) **Matching Requirements:**

Certain grants and contracts require the Organization to provide specified amounts of matching revenue. Each contract, where applicable, has met all matching requirements. Also, for each contract that ended on or before December 31, 2021, no obligation remains outstanding to the funding source.

(4) **Pension Plan:**

The Organization sponsors a defined contribution pension plan. Eligible employees are those that are at least 21 years old and have been employed with the Organization for at least six months. The Organization contributes 8% of gross wages. The amount of pension plan expense for the year ended December 31, 2021 was \$65,678.

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

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

Grant and contract receivables consisted of the following at December 31, 2021:

Due from grantors	\$ 1,143,738
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(6) **Concentrations of Credit Risk:**

The more significant concentrations of credit risk are as follows:

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

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

(7) **Liquidity and Availability:**

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

Cash and cash equivalents	\$ 362,886
Certificate of deposit	30,080
Grant and contract receivables	<u>1,143,738</u>
Financial assets available to meet cash needs for general expenditures	<u>\$ 1,536,704</u>

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

(8) **Contingent Liabilities:**

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

(9) **Property and Equipment:**

Property and equipment consisted of the following at December 31, 2021:

Land	\$ 242,447
Building	535,221
Furniture and equipment	<u>235,689</u>
	1,013,357
Less: accumulated depreciation	<u>(475,602)</u>
Total	<u>\$ 537,755</u>

(10) **Subsequent Events:**

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through July 28, 2022, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(11) **Risks and Uncertainties:**

During the year ending December 31, 2021, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Organization as of July 28, 2022, management believes that a material impact on the Organization's financial position and results of future operations is reasonably possible.

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

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

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2021

Federal Grantor/Pass-Through Grantor/ State Grantor/Program or Cluster Title	Assistance Listing Number	State CFSA Number	Pass-Through Entity Award Number	Pass-Through to Subrecipients	Expenditures
FEDERAL AWARDS					
U.S. Department of Health and Human Services					
Passed through State of Florida, Department of Elder Affairs					
Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers	93.044	--	BA020	\$ 16,173	\$ 16,173
Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers	93.044	--	BA021	796,166	1,032,080
Special Programs for the Aging_ Title III, Part C_ Nutrition Services	93.045	--	BA021	1,924,322	2,178,533
Special Programs for the Aging_ Title III, Part C_ Nutrition Services	93.045	--	BCA20	26	26
Special Programs for the Aging_ Title III, Part C_ Nutrition Services	93.045	--	BCV21	475,695	475,695
Nutrition Services Incentive Program	93.053	--	BA021	208,479	208,479
			Total Aging Cluster Expenditures	<u>3,420,861</u>	<u>3,910,986</u>
National Family Caregiver Support, Title III, Part E	93.052	--	BA021	244,907	401,985
National Family Caregiver Support, Title III, Part E	93.052	--	BCA20	9,493	9,493
				<u>254,400</u>	<u>411,478</u>
Special Programs for the Aging_ Title III, Part D_ Disease Prevention and Health Promotion Services	93.043	--	BA021	5,525	79,746
State Health Insurance Assistance Program	93.324	--	BN020	-	52,366
State Health Insurance Assistance Program	93.324	--	BN021	-	25,569
				<u>-</u>	<u>77,935</u>

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Assistance Listing Number	State CFSA Number	Pass-Through Entity Award Number	Pass-Through to Subrecipients	Expenditures
FEDERAL AWARDS (Continued)					
U.S. Department of Health and Human Services (Continued)					
Passed through State of Florida, Department of Elder Affairs					
Special Programs for the Aging_ Title VII, Chapter 3_ Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	--	B7021	\$ -	\$ 21,267
Low-Income Home Energy Assistance	93.568	--	BP019	-	78,851
Low-Income Home Energy Assistance	93.568	--	BPC020	-	161,122
Low-Income Home Energy Assistance	93.568	--	BP021	-	120,859
				<u>-</u>	<u>360,832</u>
Medical Assistance Program	93.778	--	BX020	-	87,804
Medical Assistance Program	93.778	--	BX021	-	91,518
			Total Medicaid Cluster	<u>-</u>	<u>179,322</u>
Medicare Enrollment Assistance Program	93.071	--	BB021	-	13,359
Medicare Enrollment Assistance Program	93.071	--	BB022	-	8,260
				<u>-</u>	<u>21,619</u>
Special Programs for the Aging_ Title IV_ and Title II_ Discretionary Projects	93.048	--	BXC20	-	38,148
Special Programs for the Aging_ Title IV_ and Title II_ Discretionary Projects	93.048	--	BG020	-	7,597
Special Programs for the Aging_ Title IV_ and Title II_ Discretionary Projects	93.048	--	BG021	-	9,987
				<u>-</u>	<u>55,732</u>
Total Federal Awards				<u>3,680,786</u>	<u>5,118,917</u>

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2021
(Continued)

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Assistance Listing Number	State CFSA Number	Award Number	Pass-Through to Subrecipients	Expenditures
STATE FINANCIAL ASSISTANCE					
State of Florida, Department of Elder Affairs					
Home Care for the Elderly	--	65.001	BH020	\$ 268,491	\$ 318,701
Home Care for the Elderly	--	65.001	BH021	222,561	254,244
				<u>491,052</u>	<u>572,945</u>
Alzheimer's Respite Services	--	65.004	BZ020	410,541	410,541
Alzheimer's Respite Services	--	65.004	BZ021	427,155	427,155
				<u>837,696</u>	<u>837,696</u>
Local Services Programs	--	65.009	BL020	34,419	36,618
Local Services Programs	--	65.009	BL021	44,034	45,785
				<u>78,453</u>	<u>82,403</u>
Community Care for the Elderly (CCE)	--	65.010	BC020	1,142,768	1,187,827
Community Care for the Elderly (CCE)	--	65.010	BC021	913,866	948,110
				<u>2,056,634</u>	<u>2,135,937</u>
Respite for Elders Living in Everyday Families (RELIEF)	--	65.006	BR020	2,367	4,867
				<u>2,367</u>	<u>4,867</u>
Total State Financial Assistance				<u>3,466,202</u>	<u>3,633,848</u>
Total Federal Awards and State Financial Assistance				<u>\$ 7,146,988</u>	<u>\$ 8,752,765</u>

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

AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal awards and State financial assistance activity of Area Agency on Aging for North Florida, Inc. under programs of the Federal and State government for the year ended December 31, 2021 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General. Because the Schedule presents only a selected portion of the operations of Area Agency on Aging for North Florida, Inc. it is not intended to and does not present the financial position, changes in net assets, or cash flows of Area Agency on Aging of North Florida, Inc.

Note 2. Summary of Significant Accounting Policies

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

Note 3. De Minimus Indirect Cost Rate Election

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

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

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

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Area Agency on Aging for North Florida, Inc., which comprise the statement of financial position as of December 31, 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 July 28, 2022.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

James Moore & Co., P.L.

Tallahassee, Florida
July 28, 2022

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

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

Report on Compliance for Each Major Federal Program and State Project

We have audited Area Agency on Aging for North Florida, Inc.'s compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* and the requirements described in the Florida Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on each of Area Agency on Aging for North Florida, Inc.'s major federal programs and major state projects for the year ended December 31, 2021. Area Agency on Aging for North Florida, Inc.'s major federal programs and major state projects are identified in the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program and Major State Project

In our opinion, Area Agency on Aging for North Florida, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended December 31, 2021.

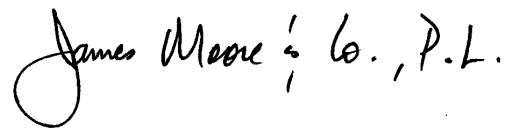
Report on Internal Control Over Compliance

Management of Area Agency on Aging for North Florida, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Area Agency on Aging for North Florida, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and each major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and major state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Area Agency on Aging for North Florida, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or major state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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



Tallahassee, Florida
July 28, 2022

**AREA AGENCY ON AGING FOR NORTH FLORIDA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

I. Summary of Auditors' Results:

Financial Statements

Type of audit report issued on the financial statements: *Unmodified.*

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major Federal programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major Federal programs:

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

