

Combining Financial Statements

COUNCIL ON AGING OF VOLUSIA COUNTY, INC.

LIVING GIFTS FOUNDATION OF THE COUNCIL ON AGING OF VOLUSIA COUNTY, INC.

September 30, 2021



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INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Council on Aging of Volusia County, Inc.
Living Gifts Foundation of the Council on Aging of Volusia County, Inc.

Report on the Financial Statements

We have audited the accompanying combining financial statements of the Council on Aging of Volusia County, Inc. and Living Gifts Foundation of the Council on Aging of Volusia County, Inc. (nonprofit organizations), which comprise the combining statement of financial position as of September 30, 2021, and the related combining statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combining financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combining financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combining financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these combining financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combining financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combining financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combining financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combining financial statements.

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

Opinion

In our opinion, the combining financial statements referred to above present fairly, in all material respects, the combining financial position of the Council on Aging of Volusia County, Inc. and Living Gifts Foundation of the Council on Aging of Volusia County, Inc. as of September 30, 2021, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Other Matters

Other information

Our audit was conducted for the purpose of forming an opinion on the combining financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 US "Code of Federal Regulations" Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" and Chapter 10.650, Rules of Auditor General, is presented for purposes of additional analysis and is not a required part of the combining 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 combining financial statements. The information has been subjected to the auditing procedures applied in the audit of the combining financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combining financial statements or to the combining financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combining 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 April 27, 2022, on our consideration of Council on Aging of Volusia County, Inc. and Living Gifts Foundation of the Council on Aging of Volusia County, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Council on Aging of Volusia County, Inc. and Living Gifts Foundation of the Council on Aging of Volusia County, Inc.'s internal control over financial reporting and compliance.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Schedule I on page 32 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 information is fairly stated in all material respects in relation to the financial statements as a whole.



Port Orange, FL
April 27, 2022

FINANCIAL STATEMENTS



	COA	Foundation	Total
Assets			
Cash and cash equivalents	\$ 650,905	\$ 281,048	\$ 931,953
Cash, restricted guardianship accounts	3,387,097	-	3,387,097
Accounts receivable	957,739	-	957,739
Due from affiliate	77,405	-	77,405
Prepaid expenses	28,887	8,522	37,409
Investments	618,190	3,010,759	3,628,949
Property and equipment, less accumulated depreciation	285,753	32,390	318,143
Total assets	\$ 6,005,976	\$ 3,332,719	\$ 9,338,695
Liabilities			
Accounts payable	\$ 441,931	\$ -	\$ 441,931
Accrued expenses and other payables	254,722	-	254,722
Customer deposits - private care services	17,341	-	17,341
Due to affiliate	-	77,405	77,405
Deferred revenue	245,405	94,000	339,405
Guardianship accounts liability	3,387,097	-	3,387,097
Long term capital leases	85,856	-	85,856
Total liabilities	4,432,352	171,405	4,603,757
Net Assets			
Without donor restrictions	825,385	1,899,843	2,725,228
With donor restrictions	748,239	1,261,471	2,009,710
Total net assets	1,573,624	3,161,314	4,734,938
Total liabilities and net assets	\$ 6,005,976	\$ 3,332,719	\$ 9,338,695

Combining Statement of Activities
For the Year Ended September 30, 2021

Net Assets Without Donor Restrictions	COA	Foundation	Total
Support and revenues			
Federal financial assistance	\$ 2,843,984	\$ -	\$ 2,843,984
State financial assistance	2,554,396	-	2,554,396
In-kind services	964,399	-	964,399
Local contributions, donations and bequests	229,316	75,450	304,766
Local government assistance	369,310	-	369,310
Special events and other	6,657	-	6,657
Project and contract income	164,593	-	164,593
Private care services	544,313	-	544,313
Investment (loss) income	102,484	433,796	536,280
Gain (loss) on disposal of property and equipment	3,682	-	3,682
Total support and revenues	7,783,134	509,246	8,292,380
Released from restrictions	143,575	15,691	159,266
Total unrestricted support and revenues	7,926,709	524,937	8,451,646
Expenses			
Program expenses			
Program services	7,698,255	7,384	7,705,639
Support expenses			
General, non-allocable, and fundraising	290,387	126,380	416,767
Total expenses	7,988,642	133,764	8,122,406
Change in net assets without donor restrictions	(61,933)	391,173	329,240
Net Assets With Donor Restrictions			
Contributions			
Investment (loss) income	-	174,091	174,091
Other meals and service contributions	59,011	-	59,011
Total contributions	59,011	174,091	233,102
Released from restrictions	(143,575)	(15,691)	(159,266)
Change in net assets with donor restrictions	(84,564)	158,400	73,836
Change in total net assets	(146,497)	549,573	403,076
Net assets, beginning of period	1,720,121	2,611,741	4,331,862
Net assets, end of period	\$ 1,573,624	\$ 3,161,314	\$ 4,734,938

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

**Combining Statement of Functional Expenses
For the Year Ended September 30, 2021**

	Program Expenses				Support Expenses			
	Elder Services	Guardianship	Senior Activity Centers	Total COA Program	General Expenses	Non-allocable and Fundraising Expenses	Foundation	Total
Expenses								
Salaries and wages	\$ 1,742,089	\$ 249,316	\$ 30,778	\$ 2,022,183	\$ 447,919	\$ 126,512	\$ 62,993	\$ 2,659,607
Payroll taxes & employee benefits	456,445	53,071	10,891	520,407	94,905	19,588	10,743	645,643
Total salaries and related expenses	2,198,534	302,387	41,669	2,542,590	542,824	146,100	73,736	3,305,250
Travel- staff	94,534	7,840	20	102,394	315	672	227	103,608
Travel- volunteers	27,328	-	-	27,328	-	-	-	27,328
Education/training	726	2,918	-	3,644	118	-	-	3,762
Communications/postage	56,472	9,880	4,035	70,387	8,115	3,890	965	83,357
Utilities	9,286	1,869	41	11,196	6,060	1,381	638	19,275
Printing and supplies	46,982	10,261	213	57,456	6,136	1,444	495	65,531
Advertising and promotion	-	-	-	-	-	24,399	-	24,399
Insurance	39,762	6,777	2,023	48,562	5,514	1,413	650	56,139
Maintenance and repair	15,646	3,694	146	19,486	6,888	3,897	729	31,000
Building space	66,350	11,656	456	78,462	37,325	8,505	3,934	128,226
Equipment lease	769	179	11	959	308	82	37	1,386
Professional/legal/audit fees	38,235	91,544	1,871	131,650	37,802	8,555	885	178,892
Service contractors	1,022,562	-	-	1,022,562	-	(1,313)	-	1,021,249
Food and food supplies	1,886,524	-	-	1,886,524	-	-	-	1,886,524
Contributions	-	-	-	-	-	-	7,383	7,383
Other operating expenditures	37,898	10,713	2,231	50,842	21,296	36,679	26,038	134,855
In-kind services	868,906	-	84,520	953,426	3,200	7,773	-	964,399
Depreciation	38,881	7,417	4,990	51,288	20,875	7,680	-	79,843
Allocation of administrative costs	550,014	73,711	15,774	639,499	(696,776)	39,230	18,047	-
Total expenses	\$ 6,999,409	\$ 540,846	\$ 158,000	\$ 7,698,255	\$ -	\$ 290,387	\$ 133,764	\$ 8,122,406

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

Combining Statement of Cash Flows
For the Year Ended September 30, 2021

	COA	Foundation	Total
Cash Flows From Operating Activities			
Change in total net assets	\$ (146,497)	\$ 549,573	\$ 403,076
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation	79,841	-	79,841
Loss on disposal of assets	7	-	7
Realized gain (loss) on investments	(15,014)	(314,823)	(329,837)
Unrealized gain (loss) on investments	(87,451)	(293,048)	(380,499)
Gain on disposal of assets	(3,690)	-	(3,690)
Decrease (increase) in certain assets:			
Accounts receivable	(52,635)	-	(52,635)
Prepaid expenses	1,864	(6,613)	(4,749)
Increase (decrease) in certain liabilities:			
Accounts payable and accrued expenses	(14,473)	-	(14,473)
Customer deposits	(3,897)	-	(3,897)
Deferred revenue	29,863	(28,301)	1,562
Net cash provided by (used in) operating activities	(212,082)	(93,212)	(305,294)
Cash Flows From Investing Activities			
Purchase of equipment and property	(18,316)	(32,390)	(50,706)
Disposal of Equipment	75	-	75
Net proceeds from/purchases of investments	(4,508)	232,857	228,349
Net cash provided by (used in) investing activities	(22,749)	200,467	177,718
Cash Flows From Financing Activities			
Payments on capital leases	(14,490)	-	(14,490)
Net proceeds from/payments on advances from/to affiliate	(100,796)	100,796	-
Net cash provided by (used in) financing activities	(115,286)	100,796	(14,490)
Net increase (decrease) in cash and cash equivalents	(350,117)	208,051	(142,066)
Cash and cash equivalents, beginning of period	1,001,022	72,997	1,074,019
Cash and cash equivalents, end of period	\$ 650,905	\$ 281,048	\$ 931,953
Supplemental Disclosures of Cash Flow Information			
Cash paid during the period for interest expense	\$ 7,255	\$ -	\$ 7,255

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

Note 1

Summary of Significant Accounting Policies

The significant accounting policies are described below to enhance the usefulness of the financial statements to the readers.

Reporting Entities and Basis of Accounting – Council on Aging of Volusia County, Inc. (“COA”), was incorporated on March 23, 1967, as a nonprofit organization located in Daytona Beach, Florida. COA relies on federal, state, and local governmental agency support to provide subsidized services for the elderly, disabled, and needy of Volusia County. Federal and state agencies require COA to raise matching funds from local sources including the general public.

Living Gifts Foundation of the Council on Aging of Volusia County, Inc. (the “Foundation”), was incorporated on October 31, 1986, as a nonprofit organization located in Daytona Beach, Florida, to solely and directly further the mission, goals and objectives of Council on Aging of Volusia County, Inc.

The financial statements include the assets, liabilities, revenues, and expenses of COA and the Foundation as determined using the accrual basis of accounting.

Financial Statement Presentation – Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Coalition (ASC) 958 *Not-for-Profit Entities*. Under FASB ASC 958, COA and the Foundation are required to report information regarding their financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Nature of Activities – The financial activities of COA include the following primary programs:

Older Americans Act (OAA) – Under Older Americans Act legislation, U.S. residents over 60 years of age are eligible for services with priority given

to the people with the most economic and social need. These services include congregate and home-delivered meals, nutrition education, homemaking, personal care, material aid, transportation, in-home and in-facility respite, caregiver training and support, outreach, education and counseling.

Nutrition Services Incentive Program (NSIP) – This program is used to support nutrition programs for the elderly. COA receives federal grant reimbursements for each meal served to the elderly. NSIP allows COA to increase the number of meals served.

Community Care for the Elderly (CCE) – This State of Florida general revenue program provides in-home services for clients 60 and over who have been assessed functionally impaired by trained case managers. This program includes follow-up visits and provides links to other community services. The services include case management, homemaking, personal care, respite, adult day care, home delivered meals, emergency alert response systems, chore, material aid and pest control.

Home Care for the Elderly (HCE) – The goal of the Home Care for the Elderly program is to encourage care for elders in a family-type living arrangement as an alternative to institutional care. The program encourages caregivers to provide, on a not-for-profit basis, basic support and maintenance as well as assistance in arranging specialized services for elderly relatives or non-relatives. Case management, subsidy payments, and caregiver respite services are available to qualified caregivers and/or vendors on behalf of eligible clients.

Alzheimer’s Disease Initiative (ADI) – This state funded program provides respite care services, including in-home services, for those with Alzheimer’s disease as well as training for caregivers of these individuals.

Local Service Program (LSP) – This State of Florida General Revenue program provides home-delivered meals.

Senior Activity Centers – Under agreements with the cities of New Smyrna Beach, Ormond Beach, Orange City and Deltona, COA staffs and operates four full-time Senior Activity Centers. Senior Activity Center programs are focused on the areas of health, education, and recreation. Allotments from the cities, contributions from the public, membership dues and program fees help offset the cost of operating the centers.

Note 1 - continued

Summary of Significant Accounting Policies

Guardianship – COA is the public guardian for Volusia County caring for the most indigent individuals as determined by the court to be unable to manage their own affairs. Guardianship may be for the individual and/or his or her property. As of July 1, 2014, COA operates a public guardianship program funded by the State Department of Elder Affairs. This program also provides guardianship services for the Seventh Judicial Circuit operating in Flagler, Putnam and St. Johns Counties under a d/b/a Senior Guardianship of the 7th Circuit. COA also acts as a professional guardian expanding the program to those who do not qualify under the public programs.

Private Care Services – This program provides for home-delivered meals and in-home services to clients who do not qualify for services administered through state or federal programs. Proceeds help extend services to those who would otherwise remain on the waiting list due to limited grant funds.

Caregiver Respite – In 2003, COA developed a Caregiver Respite Program with initial funding provided by Hospice of Volusia/Flagler. The program includes five respite centers around the county, utilizing local church facilities and volunteers along with COA staff. Each center operates one or two days per week and provides eligible “carees” with a secure and stimulating environment while their caregivers are given time for well deserved relief. Caregivers also have the opportunity to participate in various educational and counseling programs to help them better cope with the demands of twenty-four-hour care.

Liquidity – Assets are presented in the accompanying Statement of Financial Position according to their nearness of conversion to cash and liabilities according to their nearness of their maturity and resulting use of cash.

Cash and Cash Equivalents – Cash and cash equivalents consist of checking accounts, savings accounts and money market funds with original maturity dates of three months or less. All savings and money market accounts earn interest on their average monthly balances. For purposes of the combining statements of cash flows, COA considers all highly liquid debt instruments purchased with original maturity dates of three months or less to be cash equivalents.

Guardianship Accounts, Restricted Cash and Liability – Guardian accounts consist of a client/ward’s financial assets which are placed into distinct accounts that are not held jointly with any other person. Guardian accounts are clearly titled as being held by COA, as the guardian, for the benefit of the ward. The assets are recorded as restricted cash and a corresponding liability account is recorded.

Investments – Long-term investments are stated at fair value. All current period investments in money market, equity investments, bond and debt instruments, and equity mutual funds are based on quoted prices in active markets (all Level 1 measurements). Investments in private operating entities are reported at fair value based on recurring fair value measurements performed annually.

Unrealized gains and losses are included in the change of net assets in the accompanying Statement of Activities. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Accounts Receivable – Accounts receivable include federal and state receivables at year end for reimbursable qualified expenses from grant contracts and receivables from individuals for private care services. All grant and private care receivables are stated at net realizable value. When applicable, accounts receivable determined to be worthless (based on individual credit evaluation and specific circumstances of the customer) are written off and are charged to bad debt expense in the year determined uncollectible. Accordingly, no reserve for uncollectible accounts was considered necessary.

Note 1 - continued

Summary of Significant Accounting Policies

Promises to Give and Contributions – Contributions are recognized when the donor makes a promise to give to COA that is, in substance, unconditional. Contributions received are recorded as support with or without donor restriction depending on the existence or nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with restrictions that increases the net asset class. When a restriction expires, net assets with restrictions are reclassified to net assets without restrictions and reported in the statement of activities as released from restrictions.

Property and Equipment -- Acquisitions of non-expendable tangible property in excess of \$500 with a useful life in excess of one year are capitalized at historical cost. Office furniture and equipment and transportation equipment are depreciated over estimated useful lives ranging from three to seven years using the straight-line depreciation method. Leasehold improvements are depreciated over their estimated useful lives using the straight-line depreciation method.

Fair Value of Financial Instruments -- The carrying amount reported in the combining statement of financial position for cash and cash equivalents, accounts receivable, accounts payable and short-term debt approximates fair value because of the immediate or short-term maturity of these financial instruments.

Intercompany Transfers and Transactions -- Transfers are recognized in the accounting period in which the intercompany receivable and payable arise. Intercompany transfers have not been eliminated. They may include the following types of transactions:

Quasi-External Transactions - Transactions which are treated as revenues, expenditures or expenses, if they involve organizations external to the grant-related unit, are accounted for as revenues, expenditures, or expenses in the company involved.

Reimbursements - Transactions which constitute reimbursements of a company for expenditures or expenses initially made from it, which are properly applicable to another company, are recorded as expenditures or expenses in the reimbursing company and as reductions of the expenditure or expense in the company that is reimbursed.

Paid Time Off (PTO) -- COA's full and part time employees are entitled to PTO which accrues equally each pay period as outlined below. An employee may carry over and accumulate in the subsequent fiscal year a maximum of 10 PTO days. All accumulated PTO will be paid on the final paycheck, if the employee gives and works the entire two week notice upon voluntary termination. During the year ended September 30, 2021, \$90,987 was included as a component of accrued expenses in the Statement of Financial Position.

Employee Classification	Year of Service	Days Accrued Annually
Full Time, 1 day = 8 hours	1 st	10
	2 nd	15
	3 rd – 5 th	17
	6 th – 10 th	21
	11 th – 15 th	22
	16 th – 20 th	23
	20+	24

Note 1 - continued

Employee Classification	Year of Service	Days Accrued Annually
Part Time (PT) I – IV	1 st	8
PT I – 1 day = 8 hours	2 nd	10
PT II – 1 day = 6 hours	3 rd	11
PT III – 1 day = 5 hours	4 th – 5 th	13
PT IV – 1 day = 4 hours	6 th - 10 th	15
	11 th - 15 th	16
	16 th – 20 th	17
	20+	18

Deferred Revenue -- Deferred revenue represents revenues received in the current period which have been recorded as "unearned" revenues until they become available for revenue recognition in subsequent periods. All deferred revenues are derived from exchange transactions, third party reimbursements or program service revenues.

Donated Materials and Services -- COA records the value of donated goods or services when there is an objective basis available to measure their value. Donated equipment, supplies and facility usage are reflected as a contribution in the accompanying statements at the estimated value on the date of receipt. Support arising from contributed services of certain personnel has been recognized in the accompanying statements at amounts equal to the value of the contribution of these services based on the published state rate for volunteers.

Combining Statement of Functional Expenses -- The costs of providing the various programs and other activities have been detailed in the Combining Statement of Functional Expenses and summarized on a functional basis in the Combining Statement of Activities. Accordingly, certain costs have been allocated among the programs and support services benefited based on an analysis of personnel time and space utilized for the related activities.

Income Taxes -- COA and the Foundation are exempt from income tax under Section 501(a) of the Internal Revenue Code as organizations described in Section 501(c)(3). The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. COA and the Foundation believe that they have no liability for taxes with respect to unrelated business income. However, such status is subject to final determination upon examination of the related income tax returns by the appropriate taxing authorities.

COA and the Foundation follow Accounting Standards Codification Topic 740, *Income Taxes* ("ASC 740"). A component of this standard prescribes a recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. COA and the Foundation's policy is to recognize interest and penalties associated with tax positions under this standard as a component of tax expense, and none were recognized since there was no material impact of the application of this standard for the year ended September 30, 2021. Informational returns (Form 990) have been filed with the Internal Revenue Service. The information returns (Form 990) for fiscal years ended September 30, 2018, 2019, 2020 and 2021 are subject to examination by the Internal Revenue Service, generally three years after they were filed.

Accounting Estimates -- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 1 - continued

Accounting Pronouncements Adopted – In August of 2016, the FASB issued ASU 2016-14, “Presentation of Financial Statements of Not-for-Profit Entities” (Topic 958). The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled “net assets without donor restrictions” and “net assets with donor restrictions”, (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expiration of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulation otherwise, (d) requiring that all nonprofits present an analysis of expense by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investment expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. COA and Foundation chose to early-adopt this ASU in the year ended September 30, 2017.

Note 2

Cash and Cash Equivalents

At September 30, 2021, the carrying amounts of COA's cash deposits were \$650,905 and the bank balances were \$672,554 including brokerage money market accounts of \$3,035 of which \$340,850 was insured through the Federal Deposit Insurance Corporation (FDIC). Included in the carrying amount of COA's cash deposits is \$2,900 of petty cash and change funds.

At September 30, 2021, the carrying amounts of the Foundation's cash deposits and bank balances were \$281,048, including brokerage money market accounts of \$191,565 all of which was insured through the FDIC.

At September 30, 2021, the carrying amounts of COA's restricted guardianship cash deposits were \$1,154,617 and the bank balances were \$1,201,717 all of which were insured through the FDIC.

Note 3

Liquidity and Availability of Resources

At September 30, 2021, COA's and the Foundation's financial assets available within one year of the Combining Statement of Financial Position date for general expenditure are as follows:

	COA	Foundation
Cash and cash equivalents	\$ 650,905	\$ 281,048
Accounts receivable, net	957,739	-
Investments	618,190	3,010,759
	\$ 2,226,834	\$ 3,291,807
Less amounts unavailable for general expenditures		
Restricted by donor with purpose restrictions	(748,239)	(1,261,471)
Total financial assets available within one year	\$ 1,478,595	\$ 2,030,336

Note 4

Investments

Long-term investments are stated at fair value. All current period investments in money market, equity investments, bond and debt instruments, and equity mutual funds are based on quoted prices in active markets (all Level 1 measurements). Investments in private operating entities are reported at fair value based on recurring fair value measurements performed annually. At September 30, 2016, the fair value of COA's investment in a private operating company was reduced to \$0 based on management's assessment (See Note 5). At September 30, 2021, the fair value of COA and the Foundation's investments in marketable securities were \$618,190 and \$3,010,759, respectively.

At September 30, 2021, the Fair value and unrealized appreciation (depreciation) is summarized as follows:

	Costs	Fair Value	Unrealized (Depreciation) Appreciation
COA (without donor restrictions)	\$ 509,986	\$ 618,190	\$ 108,204
COA (without donor restrictions)	250,000	-	(250,000)
Total COA investments	\$ 759,986	\$ 618,190	\$ (141,796)
Foundation (without donor restrictions)	\$ 1,443,862	\$ 1,794,478	\$ 350,616
Foundation (with donor restrictions)	1,036,533	1,216,281	179,748
Total Foundation investments	\$ 2,480,395	\$ 3,010,759	\$ 530,364

The following schedule summarizes the investment return from unrestricted long-term investments and its classification in the Statement of Activities for the current year ended:

	COA	Foundation
Interest and dividend income	\$ 5,176	\$ 25,967
Realized gains (losses)	9,858	288,872
Unrealized gains (losses)	87,450	293,048
Total net investment income (loss)	\$ 102,484	\$ 607,887

Note 5

Fair Value Measurements

Definition and Hierarchy – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. In determining fair value, COA and the Foundation use various valuation approaches. A fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs are to be used when available.

Observable inputs (when applicable) are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of COA and the Foundation. Unobservable inputs (when applicable) reflect COA and the Foundation's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Note 5 - continued

Fair Value Measurements

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that COA has the ability to access. Valuation adjustments are not applied to Level 1 investments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these investments does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from investment to investment and are affected by a wide variety of factors, including the type of investment, whether the investment is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the investments existed. Accordingly, the degree of judgment exercised by COA and the Foundation in determining fair value is greatest for investments categorized in Level 3.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement. Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, COA and the Foundation's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. COA and the Foundation use prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many investments. This condition could cause an investment to be reclassified to a lower level within the fair value hierarchy.

Investment in Private Operating Company: Daytona Area Senior Services, Inc. d/b/a Halifax Health Care at Home -- At September 30, 2021, COA's investment in Halifax Health Care At Home consists of a 5% equity member interest in a nonprofit health and welfare organization. The transaction price, excluding transaction costs, is typically COA's best estimate of fair value at inception. When evidence supports a change to the carrying value from the transaction price, adjustments are made to reflect expected exit values in the investment's principal market under current market conditions. Ongoing reviews by COA's management are based on an assessment of trends in the performance of each underlying investment from the inception date through the most recent valuation date.

Note 5 - continued

Fair Value Measurements

These assessments typically incorporate valuation methodologies that consider the evaluation of arm's length financing and sale transactions with third parties and, when information is present, an income approach reflecting a discounted cash flow analysis. In certain instances, COA may use multiple valuation methodologies for a particular investment and estimate its fair value based on a weighted average or a selected outcome within a range of multiple valuation results. This investment is included in Level 3 of the fair value hierarchy.

For the year ended September 30, 2021, COA determined the value of the investment is \$0 based on the continuous decreases in net assets and a need for significant cash required for working capital needs. (See Note 14).

Estimated fair value of certain assets measured on a recurring basis at September 30, 2021, are as follows:

	Quoted prices in active markets of identical assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
COA Marketable Securities – CD Investments	\$ 618,190	\$ -	\$ -	\$ 618,190
COA Private Equity Investment in DASS, Inc.	-	-	-	-
Foundation Marketable Securities	3,010,759	-	-	3,010,759
	\$ 3,628,949	\$ -	\$ -	\$ 3,628,949

Note 6

Unconditional Promises to Give

Under the requirements of FASB ASC 958, unconditional promises to give are recorded at the time COA and the Foundation receive formal notification of the promise. COA and the Foundation require the notification be in written form and oral promises are not to be recorded. The FASB defines an unconditional promise to give as a promise to give that depends only on passage of time or demand by the promisee for performance. As of September 30, 2021, \$35,000, net of \$4,132 discount, was included as a component of accounts receivable.

Note 7

Property and Equipment

Property and equipment at September 30, 2021, are as follows:

	COA	Foundation
Furniture, fixtures & equipment	\$ 595,109	\$ -
Leasehold improvement	30,911	-
Vehicles	21,000	-
Work in Process	7,720	32,390
	654,740	32,390
Less accumulated depreciation	(368,987)	-
Net property and equipment	\$ 285,753	\$ 32,390

Depreciation and amortization expense for the current year charged to operations for COA was \$79,843.

Note 8

Deferred Revenue

Deferred revenue consisted of the following at September 30, 2021:

	COA	Foundation
Older Americans Act	\$ 48,095	\$ -
Community Care for the Elderly program	121,162	-
Alzheimer's Disease Initiative	47,610	-
Other private care program income	2,958	-
Special Event	25,580	94,000
Total	\$ 245,405	\$ 94,000

Note 9

Notes and Credit Agreement

On January 27, 2017, the Foundation satisfied a Portfolio Loan Account (PLA) which offered the Living Gifts Foundation a line of credit with its investment broker. The interest rate for the line of credit is LIBOR with an interest spread of 3.5% depending on the approved facility limit. As of September 30, 2021, the balance on the line of credit is \$0.

Note 10

Net Assets With Donor Restrictions

Net assets with donor restrictions are those that are donated subject to restrictions that are limited to a specific period of time. Typically, these represent items that were received with a donor-imposed restriction that will be satisfied in the future (generally within one year). The donor's restriction may be for a particular purpose or program or for use in a specified time period. When the restriction period runs out on net assets with donor restrictions, the asset value is transferred into the net assets without donor restrictions section of the Statement of Activities. As of September 30, 2021, there was \$748,239 and \$1,261,471 in net assets with donor restrictions that will be satisfied in the future for COA and the Foundation, respectively.

A summary of net assets with donor restrictions that have not met either the donors' time or purpose restrictions at September 30, 2021 are as follows:

	COA	Foundation
DeLand Food Program	\$ -	\$ 1,261,471
Guardianship	31,549	-
Meal Programs (Bequest for West Side of Volusia County)	659,389	-
Other Meal Programs	47,521	-
Pet Supplies	4,586	-
Deltona Site	4,194	-
Respite Services	1,000	-
Total net assets with donor restrictions	\$ 748,239	\$ 1,261,471

Note 11

Leases

Operating Leases – COA leases various real property and equipment under agreements which expire at various dates. Certain leases contain renewal provisions and generally require COA to pay insurance, taxes and other operating expenses related thereto. Future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of September 30, 2021, are as follows

Year ended September 30,	
2022	\$ 128,134
2023	128,450
2024	128,565
2025	130,850
2026	133,181
	\$ 649,180

Capital Leases – At September 30, 2021, COA has equipment costing \$124,540 pledged as security under the provisions of a long-term capital lease. This lease carries an interest rate of 8.43% and expires January 2026.

The following is a schedule of future minimum lease payments and the present value of the net minimum lease payments as of September 30, 2021:

Year ended September 30,	
2022	\$ 23,722
2023	23,722
2024	23,722
2025	23,722
2026	7,907
Total minimum lease payments	\$ 102,795
Less amount representing interest	(16,939)
Present value of net minimum lease payments	85,856
Less amount due in one year	(6,588)
Long-term capital leases	\$ 79,268

Note 12

Deferred Salary and Employee Benefit Plans

COA has established and maintains a qualified employee salary deferral plan under IRC 403(b) for its employees. All employees 21 years of age or older and working 20 hours or more per week are eligible to participate in the plan. COA participates in the plan by contributing 50% of the first six percent of the qualifying base salary of the eligible participating employee after the employee has completed two years of employment. The funding vehicle used to administer the plan provides separate accounts for each participating employee, and all investments are participant-directed. During the current year, COA's and LGF's contributions to the plan totaled \$34,643 and \$1,581, respectively.

In addition, COA maintains a qualified Section 125 Cafeteria Plan for its employees. Employees use pre-tax dollars to pay for their medical, dental, vision, and any other qualified insurance premium costs not covered by employer-sponsored coverage. During the current year, COA's and the Foundation's premium contributions for health, life, and disability insurance totaled \$373,571 and \$4,202, respectively.

Note 13

Commitments and Contingencies

Grant Support – COA receives a substantial amount of its support from federal, state, and local governments. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of COA. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although COA expects such amounts, if any, to be immaterial.

Litigation – COA is from time to time engaged in routine litigation incidental to the conduct of its affairs. In the opinion of Counsel to COA, no legal proceedings are pending or threatened which may materially affect the financial condition of COA.

Contingent Liability – COA has not fully complied with certain requirements applicable to its responsibilities under the Consolidated Omnibus Budget Reconciliation Act (COBRA) regarding the employer's group health coverage. Consequently, COA could be held liable for out-of-pocket damages incurred by affect employees and penalties can be assessed by the US Department of Labor. That amount of any potential liability cannot be reasonably estimated at this time.

Note 14

Significant Events

On June 16, 2012, COA entered into an exclusive affiliation agreement with East Volusia Health Services, Inc., a Florida not for profit corporation (EVHS), whereby COA accepted EVHS as an operating member of the Daytona Area Senior Services, Inc. (DASS), a Florida not for profit corporation d/b/a "Halifax Health Care at Home." The Agreement provides that EVHS will be admitted as a member of DASS with the ability to appoint three directors to the Daytona Area Senior Services Board of Directors, which is limited to a maximum total of six directors.

Pursuant to the terms of the agreement, DASS will subsequently enter into an exclusive services agreement with Halifax Health, or its subsidiaries and affiliates, who will provide certain administrative and management services to DASS. As a part of the agreement, subsequent to June 16, 2012, the financial affairs of DASS will effectively be split pro-rata among the two members. The agreement also specifies that an unrestricted donation will be made by EVHS to COA in the amount of \$200,000, which is thereby represented to be the acknowledged fair market value of the 50% equity value of DASS on the date of the executed agreement. During the year ended September 30, 2013, COA invested an additional \$50,000 in DASS.

During the year ended September 30, 2016, COA and EVHS negotiated an agreement whereby COA would reduce its membership to 5% with one member on the DASS Board of Directors in exchange for EVHS forgiving the prior working capital funding obligation of COA as a co-member of DASS. The agreement is effective May 1, 2017.

Note 15

Subsequent Events

In preparing these financial statements, COA and the Foundation have evaluated events and transactions for potential recognition or disclosure through April 27, 2022, the date the financial statements were issued.

November 1, 2021, LGF purchased the building rented by COA for its main facility operations located at 420 Fentress Boulevard, Daytona Beach, FL for \$1,300,000 which is pledged as collateral under the provisions of a Promissory Note. The note carries an interest rate of 3.5% and has a 15-year term with a 25-year amortization.

October 22, 2021, COA entered into a 5-year lease agreement with LGF with an effective date of November 1, 2021 and two (2) 5-year renewal options through October 2036 the details of future lease payments are included in Note 11 – Operating Leases.

COMPLIANCE SECTION



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Council on Aging of Volusia County, Inc. (a nonprofit corporation hereinafter referred to as the "Organization"), which comprise the combining statement of financial position as of September 30, 2021, and the related combining statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 27, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 the Organization'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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.



Port Orange, FL

April 27, 2022

INDEPENDENT AUDITORS' REPORT IN ACCORDANCE WITH UNIFORM GUIDANCE

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program and State Project

We have audited Council on Aging of Volusia County, Inc.'s (the "Organization"), compliance with the types of compliance requirements described 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 Organization's major federal programs and State projects for the year ended September 30, 2021. The Organization's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs and state projects.

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the Organization 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 September 30, 2021.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program 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 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 Auditor General. Accordingly, this report is not suitable for any other purpose.



Port Orange, Florida

April 27, 2022

**Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2021**

Federal or State Agency Pass-through Entity Federal Program/State Project	CFDA CSFA Number	Agency or Pass-through Contract Number	Expenditures
Federal Awards			
U.S. Department of Health & Human Services			
Passed through FL Dept of Elder Affairs & Northeast FL Area Agency on Aging, Inc., d/b/a ElderSource			
Special Program for the Aging--Title III, Part B-Grants for Supportive Services & Senior Centers			
Contract Calendar Year 2020	93.044	A020-V	\$ 141,834
Contract Calendar Year 2021	93.044	A021-V	404,990
Special Program for the Aging--Title III, Part C-Nutrition Services			
Congregate Meals (C-1) Calendar Year 2020	93.045	A020-V	104,980
Congregate Meals (C-1) Calendar Year 2021	93.045	A021-V	266,098
Home Delivered Meals (C-2) Calendar Year 2020	93.045	A020-V	413,416
Home Delivered Meals (C-2) Calendar Year 2021	93.045	A021-V	1,065,003
Coronavirus Consolidated Appropriations Act for Nutrition Services under Title III-C:			
Contract Year February 2021 - September 2022	93.045	CV21-V	184,281
Nutrition Services Incentive Program (NSIP)			
Contract Calendar Year 2021	93.053	A021-V	107,191
Aging Cluster (93.044, 93.045, and 93.053)			2,687,793
National Family Caregiver Support, Title III, Part E			
Contract Calendar Year 2020	93.052	A020-V	16,724
Contract Calendar Year 2021	93.052	A021-V	134,373
Total U.S. Department of Health & Human Services			2,838,890
Department of Housing and Urban Development			
Passed through City of Deltona, Florida			
Community Development Block Grants - Entitlement Grants			
Contract Period 2020 - 2021	14.218		15,000
Total expenditures of Federal Awards			\$ 2,853,890

Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)
 For the Year Ended September 30, 2021

Federal or State Agency Pass-through Entity Federal Program/State Project	CFDA CSFA Number	Agency or Pass-through Contract Number	Expenditures
Florida Department of Elder Affairs			
Public Guardianship			
Contract Period 2018 - 2021	65.003	X9188	209,745
Contract Period 2021 - 2024	65.003	X9181	69,915
Passed through FL Dept of Elder Affairs & Northeast FL Area Agency on Aging, Inc., d/b/a ElderSource			
Community Care for the Elderly			
Contract Period 2019 - 2020	65.010	C020-V	1,260,929
Contract Period 2020 - 2021	65.010	C021-V	387,165
Alzheimer's Disease Initiative - Respite Services			
Contract Period 2019 - 2020	65.004	Z020-V	315,460
Contract Period 2020 - 2021	65.004	Z021-V	165,595
Home Care for the Elderly - Case Management			
Contract Period 2019 - 2020	65.001	H020-V	46,518
Contract Period 2020 - 2021	65.001	H021-V	12,214
Local Service Program (LSP)			
Contract Period 2019 - 2020	65.009	L020-V	65,912
Contract Period 2020 - 2021	65.009	L021-V	20,918
Total FL Department of Elder Affairs			\$ 2,554,371
Total expenditures of State Financial Assistance			\$ 2,554,371

Note 1

Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of Council on Aging of Volusia County, Inc. (the "Organization"), under programs of the federal and state government for the year ended September 30, 2020, in accordance with the provisions 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 auditor General of the State of Florida. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

Note 2

Summary of Significant Accounting Policies for Federal Award Expenditures

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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

(*) Such expenditures are recognized following, as applicable, in the cost principles contained in Title 2 U. S. Code of Feral Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3

Indirect Cost Rate

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

**Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2021**

Summary of Auditor's Federal and State Results:

Financial Statements	
Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be a material weakness(es)?	No
Noncompliance material to financial statements	No
Federal Awards	
Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be a material weakness(es)?	No
Type of auditors' report issued	Unmodified
Any audit findings disclosed that are not required to be reported in accordance with Section 510(a) of Circular A-133?	No
The programs/projects tested as major programs/projects include the following:	
Federal Programs or Clusters*	
Department of Health and Human Services	
Special Programs for the Aging—Title III, Part B – Grants for Supportive Services and Senior Centers(*)	CFDA # 93.044
Special Grants for the Aging—Title III, Part C – Nutrition Services(*)	CFDA # 93.045
Nutrition Services Incentive Program(*)	CFDA # 93.053
State Project	
Florida Department of Elder Affairs Passed Through Northeast Florida Area Agency on Aging, Inc., d/b/a ElderSource	
Community Care for the Elderly	CSFA # 65.010
Dollar threshold used to distinguish between Type A and Type B programs	
Federal Programs	\$750,000
State Projects	\$750,000
Auditee qualified as a low-risk auditee?	Yes

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

Schedule of Findings and Questioned Costs - continued
For the Year Ended September 30, 2021

Findings related to the financial statements which are required to be reported in accordance with *Governmental Auditing Standards*:

None

Findings and questioned costs for major federal programs and state projects:

None

Summary schedule of prior audit findings: There were no audit findings for the year ended September 30, 2020, relative to federal programs and state projects that required corrective action on part of the auditee.

Corrective action plan: There are no audit findings for the year ended September 30, 2021, relative to federal programs and state projects that require corrective action on the part of the auditee.

Other issues: None

SUPPLEMENTARY INFORMATION



**Schedule I – Statement of Elder Services Program Expenses
For the Year Ended September 30, 2021**

	Program Expenses							
	Adult Day Care	Case Aide	Case Management	Child Day Care	Chore	Congregate Meals	Congregate Meals Screening	Mental Health Counseling
Expenses								
Salaries and wages	3,215	\$ 70,132	\$ 280,997	\$ 363	23,855	\$ 100,725	\$ 17,306	\$ 1,476
Payroll taxes & employee benefits	666	14,555	56,422	55	4,090	22,438	3,589	281
Total salaries and related expenses	3,881	84,687	337,419	418	27,945	123,163	20,895	1,757
Travel- staff	6	113	3,015	-	4,280	1,926	31	22
Travel- volunteers	-	-	-	-	-	-	-	-
Education/training	3	68	-	-	-	84	17	-
Communications/postage	76	1,645	12,137	10	855	4,892	411	61
Utilities	32	702	2,912	2	6	869	173	15
Printing and supplies	204	4,516	4,368	27	1,894	5,477	1,100	22
Advertising and promotion	-	-	-	-	-	-	-	-
Insurance	53	1,161	3,780	7	428	1,623	286	20
Maintenance and repair	38	830	3,403	-	46	1,602	205	18
Building space	201	4,384	18,153	5	84	6,413	1,082	93
Equipment lease	3	75	220	-	32	80	18	1
Professional/legal/audit fees	117	2,576	5,273	5	424	3,850	631	19
Service contractors	105,416	-	7,979	13,383	5,812	-	-	38,955
Food and food supplies	-	-	-	-	-	188,490	-	-
Contributions	-	-	-	-	-	-	-	-
Other operating expenditures	251	5,542	3,975	8	84	6,278	1,352	22
In-kind services	-	-	-	-	-	36,959	-	-
Depreciation	129	2,809	11,411	13	1,111	3,575	693	58
Allocation of administrative costs	9,900	17,217	65,334	2,190	6,785	32,081	4,244	4,278
Total expenses	120,310	126,325	479,379	16,068	49,786	417,362	31,138	45,341
Units of Service - Council on Aging	-	3,265	9,660	-	576	47,080	791	-
Units of Service - 3rd Party Vendor	1,354.25	-	-	1,462	-	-	-	649
	1,354	3,265	9,660	1,462	576	47,080	791	649

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

Schedule I – Statement of Elder Services Program Expenses (continued)

For the Year Ended September 30, 2021

	Program Expenses							
	Education/ Training	Emergency Alert Response	Home Delivered Meals	Homemaker	Housing Improvement	Nutrition Counseling	Nutrition Education	Personal Care
Expenses								
Salaries and wages	\$ 4,461	\$ 5,765	\$ 394,611	\$ 232,540	\$ -	\$ 588	\$ 2,864	\$ 372,702
Payroll taxes & employee benefits	679	1,657	101,785	72,258	-	101	491	114,392
Total salaries and related expenses	5,140	7,422	496,396	304,798	-	689	3,355	487,094
Travel- staff	28	349	19,870	20,594	-	106	514	28,221
Travel- volunteers	-	-	27,328	-	-	-	-	-
Education/training	-	1	230	82	-	-	-	164
Communications/postage	94	18	27,328	475	-	21	103	3,561
Utilities	-	2	3,143	90	-	-	1	781
Printing and supplies	60	16	13,734	472	-	47	227	4,105
Advertising and promotion	-	-	-	-	-	-	-	-
Insurance	52	102	9,681	5,985	-	11	51	9,252
Maintenance and repair	8	2	7,708	110	-	1	6	926
Building space	15	12	26,778	568	-	2	10	4,901
Equipment lease	3	-	160	13	-	1	4	68
Professional/legal/audit fees	74	64	11,499	3,051	-	10	51	5,222
Service contractors	-	72,551	-	4,852	24,688	1,850	-	2,638
Food and food supplies	-	-	1,698,034	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-
Other operating expenditures	31	30	11,610	550	-	2	10	5,289
In-kind services	-	-	799,056	-	-	-	-	-
Depreciation	138	19	10,742	685	-	27	133	3,466
Allocation of administrative costs	891	9,891	176,057	54,017	-	437	704	87,684
Total expenses	6,534	90,479	3,339,354	396,342	24,688	3,204	5,169	643,372
Units of Service - Council on Aging	-	-	-	-	-	-	-	-
Units of Service - 3rd Party Vendor	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

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

Schedule I – Statement of Elder Services Program Expenses (continued)

For the Year Ended September 30, 2021

	Program Expenses							Total
	Respite (Facility Based)	Respite (In-home)	Screening and Assessment	Transportation	Specialized Services and Supplies	Other Services		
Expenses								
Salaries and wages	23,210	\$ 140,870	\$ 17,264	\$ 7,959	\$ -	41,185	\$ 1,742,089	
Payroll taxes & employee benefits	6,909	43,937	1,987	1,756	-	8,397	456,445	
Total salaries and related expenses	30,119	184,807	19,251	9,715	-	49,582	2,198,534	
Travel- staff	1,432	12,885	857	14	0	271	94,534	
Travel- volunteers	0	-	-	-	0	-	27,328	
Education/training	8	50	-	1	0	18	726	
Communications/postage	269	1,858	1,056	195	0	1,407	56,472	
Utilities	40	16	-	81	0	421	9,286	
Printing and supplies	240	67	264	456	1,380	8,306	46,982	
Advertising and promotion	0	-	-	-	0	-	-	
Insurance	489	5,492	528	149	0	612	39,762	
Maintenance and repair	47	101	-	101	0	494	15,646	
Building space	248	271	-	508	0	2,622	66,350	
Equipment lease	5	4	36	9	0	37	769	
Professional/legal/audit fees	279	3,156	456	368	0	1,110	38,235	
Service contractors	203,762	12,715	-	248,148	227,409	52,404	1,022,562	
Food and food supplies	0	-	-	-	0	-	1,886,524	
Contributions	0	-	-	-	0	-	-	
Other operating expenditures	271	39	53	699	0	1,802	37,898	
In-kind services	15,600	-	-	-	0	17,291	868,906	
Depreciation	626	375	883	326	0	1,662	38,881	
Allocation of administrative costs	16,110	35,004	3,690	7,367	0	16,133	550,014	
Total expenses	269,545	256,840	27,074	268,137	228,789	154,172	6,999,409	
Units of Service - Council on Aging	22,562	9,925	581	10,693	430	7,035	N/A	
Units of Service - 3rd Party Vendor	-	-	-	-	-	-	N/A	
	22,562	9,925	581	10,693	430	7,035	N/A	

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