

**MID-FLORIDA AREA AGENCY  
ON AGING, INC.  
D/B/A ELDER OPTIONS**

**Consolidated Financial  
Statements**

**Year Ended  
December 31, 2022**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Mid-Florida Area Agency on Aging, Inc.,  
d/b/a Elder Options  
Gainesville, Florida

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Mid-Florida Area Agency on Aging, Inc., d/b/a Elder Options (the "Agency") (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Agency as of December 31, 2022, 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 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 the Agency 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 opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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 generally accepted auditing standards 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 consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 consolidated 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 consolidated 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 the Agency'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency'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 consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and State of Florida Chapter 10.650, *Rules of The Auditor General*, is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 6, 2023, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
September 6, 2023

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2022**

**ASSETS**

**Current assets**

Cash and cash equivalents	\$ 3,947,343
Grants receivable	4,102,801
Veterans Affairs receivable, net of allowance of \$92,885	292,589
Other receivable	1,807
Operating lease right-of-use asset	59,163
Prepaid expenses	70,091

Total current assets 8,473,794

Property and equipment, net of accumulated depreciation 918,193

**Total assets** \$ 9,391,987

**LIABILITIES AND NET ASSETS**

**Current liabilities**

Accounts payable	\$ 168,090
Accrued expenses	396,770
Payable to providers	3,460,802
Operating lease liability	59,163
Unearned revenue	37,848

Total current liabilities 4,122,673

**Net assets**

Without donor restrictions	
Undesignated	4,281,121
Board designated - Anchor of North Central Florida, LLC	70,000
Property and equipment	918,193

Total net assets 5,269,314

**Total liabilities and net assets** \$ 9,391,987

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

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Without Donor Restrictions</b>
<b>Support and revenues</b>	
Federal and state awards	\$ 24,880,061
Contributions and other awards	3,485,590
Contribution of non-financial assets	692,726
Total support and revenues	29,058,377
<b>Expenses</b>	
<b>Program services</b>	
Payments to subrecipients	18,001,593
Subcontract	3,427,772
Personnel and benefits	3,103,380
Other direct costs	372,356
Professional fees	222,852
Communication and utilities	105,083
Non-financial expense	85,010
Travel	81,734
Printing and supplies	65,273
Depreciation	36,388
Repairs and maintenance	20,432
Interest	509
Rent storage	150
Total program services	25,522,532
<b>Administrative services</b>	2,591,923
<b>Total expenses</b>	28,114,455
<b>Change in net assets</b>	943,922
<b>Net assets, beginning of year</b>	4,325,392
<b>Net assets, end of year</b>	\$ 5,269,314

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

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Program Services</u>	<u>Administrative Services</u>	<u>Total</u>
<b>Expenses</b>			
Payments to subrecipients	\$ 18,001,593	\$ -	\$ 18,001,593
Personnel and benefits	3,103,380	1,579,807	4,683,187
Subcontract	3,427,772	2,729	3,430,501
Non-financial expense	85,010	607,716	692,726
Other direct costs	372,356	131,779	504,135
Professional fees	222,852	113,548	336,400
Communication and utilities	105,083	29,065	134,148
Printing and supplies	65,273	56,070	121,343
Travel	81,734	27,909	109,643
Depreciation	36,388	25,991	62,379
Repairs and maintenance	20,432	7,800	28,232
Rent storage	150	9,509	9,659
Interest	509	-	509
	<u>509</u>	<u>-</u>	<u>509</u>
<b>Total expenses</b>	<u>\$ 25,522,532</u>	<u>\$ 2,591,923</u>	<u>\$ 28,114,455</u>

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

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**Cash flows from operating activities**

Cash received from grantors and contractors	\$ 27,597,944
Interest paid	(509)
Cash paid to providers of goods and services	(21,308,741)
Cash paid to employees and suppliers	(4,729,649)
	<u>(4,729,649)</u>

Net cash provided by operating activities	1,559,045
	<u>1,559,045</u>

<b>Net increase in cash and cash equivalents</b>	1,559,045
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<b>Cash and cash equivalents, beginning of year</b>	<u>2,388,298</u>
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<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 3,947,343</u></u>
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**Reconciliation of increase in net assets to net cash provided by operating activities:**

Increase in net assets	\$ 943,922
Adjustments to reconcile change in net assets to net cash provided by operations:	
Depreciation	62,379
Grants receivable	(594,200)
Veterans Affairs receivable	240,465
Other receivable	(1,807)
Prepaid expenses	431,004
Accounts payable	(233,514)
Accrued expenses	(46,462)
Payable to providers	1,169,423
Unearned revenue	(412,165)
	<u>(412,165)</u>

Net cash provided by operating activities	\$ 1,559,045
	<u>\$ 1,559,045</u>

**SIGNIFICANT NON-CASH TRANSACTIONS - OPERATING LEASE**

Operating lease right-of-use asset	\$ 80,029
Operating lease liability	\$ (80,029)
	<u>\$ (80,029)</u>

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

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**Note 1 – Summary of Significant Accounting Policies**

The following is a summary of the more significant accounting policies and practices of Mid-Florida Area Agency on Aging, Inc., Inc. d/b/a Elder Options and its wholly-owned subsidiary, Anchor of North Central Florida, LLC (the “Agency”) which affect significant elements of the accompanying consolidated financial statements:

A. Agency and purpose

The Agency is a nonprofit organization established as a program funding and monitoring intermediary for various aging and adult service programs in the State of Florida. The Agency also provides an information and referral service for older Americans in the Mid-Florida area.

The Agency’s funding is generally provided on a pass-through basis from the U.S. Department of Health and Human Services, and directly from the State of Florida Department of Elder Affairs.

B. Basis of presentation and principle of consolidation

The Agency’s consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, and include the financial activity of Mid-Florida Area Agency on Aging, Inc., Inc. d/b/a Elder Options, including its wholly-owned subsidiary, Anchor of North Central Florida, LLC. All significant interorganizational transactions have been eliminated in consolidation.

These consolidated financial statements, which are presented on the accrual basis of accounting, have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. The Agency reports information regarding its financial position and activities according to two classes of net assets: without donor restriction and with donor restrictions.

Net assets without donor restrictions—Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Agency. The Agency’s board may designate assets without restrictions for specific purposes.

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

At December 31, 2022, the Agency did not have net assets with donor restrictions.

C. 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.

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**Note 1 – Summary of Significant Accounting Policies (continued)**

D. Grant and contract receivables

Grant and contract receivables are stated at the amount management expects to collect from balances outstanding at year-end. The allowance for credit losses is based on management's assessment of the collectability of specific contract accounts, aging of the receivables, historical experience, and other currently available evidence.

E. Property and equipment

Property and equipment acquired by the Agency are considered to be owned by the Agency. 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 \$5,000 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 years.

F. Revenue recognition

The Agency follows Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers* (ASC 606), which outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied, and ASU 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASC 958-605), which clarifies how transactions should be accounted for as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

The Agency receives substantially all of its grants and contract revenue from Federal and State agencies. The Agency 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.

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 net assets with donor restrictions support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Agency reports the support as net assets without donor restrictions.

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**Note 1 – Summary of Significant Accounting Policies (continued)**

G. Income taxes

The Agency 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 consolidated financial statements.

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

The Agency 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 consolidated financial statements of the Agency.

H. Advertising

Advertising costs are charged to operations as incurred. Advertising costs for the year ended December 31, 2022 were \$94,188.

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 based on personnel hours.

J. Use of estimates

The preparation of consolidated 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.

K. Subsequent events

The Agency has evaluated events and transactions for potential recognition or disclosure in the consolidated financial statements through September 6, 2023, the date the consolidated financial statements were available to be issued. No subsequent events have been recognized or disclosed.

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**Note 1 – Summary of Significant Accounting Policies (continued)**

L. Accounting Pronouncements Implemented

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases* (ASC 842), that requires lessees to put most leases on their balance sheets and recognize expenses on their income statements in a manner similar to today's capital lease accounting. For lessors, the guidance modifies the classification criteria for accounting for sales-type and direct financing leases. The Agency adopted ASC 842 effective January 1, 2022. See Note 7 for a summary of the Agency's operating lease asset and liability.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities* (ASC 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Non-financial Assets*, which requires the monitoring and tracking of gifts in kind by asset category, while also noting any donor-imposed restrictions. The Agency adopted ASC 958 effective January 1, 2022. The adoption has no significant impact on the Agency's financial statements.

**Note 2 – Concentrations of Credit Risk**

The more significant concentrations of credit risk are as follows:

A. Deposits

The Agency maintains deposits with a financial institution. The Agency 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 Agency's receivables are for amounts due under contracts with the State of Florida and Federal government agencies. The Agency has no policy requiring collateral or other security to support its receivables.

**Note 3 – Property and Equipment**

Property and equipment consist of the following at December 31, 2022:

Building	\$ 1,333,918
Furniture and equipment	469,303
	1,803,221
Less: Accumulated depreciation	(885,028)
Total	\$ 918,193

Depreciation expense for the year was \$62,379.

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**Note 4 – Significant Funding Sources**

The Agency 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.

U.S. Department of Health and Human Services	51%
State of Florida Department of Elder Affairs	36%

A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the Agency’s programs and activities.

**Note 5 – Retirement Plan**

The Agency sponsors a defined contribution retirement plan covering all of its full-time employees who have been employed more than 1 year. Contributions for the year ended December 31, 2022, were 14% of each covered employee’s salary. The amount of pension plan expense for the year ended December 31, 2022 was \$397,285.

**Note 6 – Liquidity and Availability**

The Agency strives to maintain liquid financial assets sufficient to cover general expenditures. Financial assets in excess of daily cash requirements are used for the Agency objectives outlined in Note 1 above. Financial assets available for general expenditure, that is, without donor restrictions or board designations limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 3,947,343
Grants receivable	4,102,801
Veterans Affairs receivable, net	292,589
Other receivable	1,807
Total financial assets available within one year	8,344,540
Less:	
Accounts payable	168,090
Accrued expenses	396,770
Payable to providers	3,460,802
Unearned revenue	37,848
Total financial liabilities available within one year	4,063,510
Less those funds unavailable for general expenditures within one year due to board designations	70,000
Financial assets available to meet cash needs for general expenditures	\$ 4,211,030

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**Note 7 – Operating Leases**

As disclosed, in Note 1-L, the Agency adopted ASC 842, *Leases*, effective January 1, 2022 using the optional transition method. The Agency is party to one equipment operating lease. The equipment lease is required to be included on the balance sheet under ASC 842. The adoption of ASC 842 had no impact to the prior year balance sheet, and because the lease is an operating lease, it had no impact on the results of the operations.

As of December 31, 2022, the operating lease right-of-use (ROU) asset had a balance of \$59,163, as shown in assets on the balance sheet; the operating lease liability had a balance of \$59,163 in the liabilities on the balance sheet. The operating lease asset and liability were calculated utilizing the risk-free discount rate (1.96%), according to the Agency's elected policy. The lease has a remaining life of thirty-three (33) months as of December 31, 2022.

Lease Costs (included in other direct costs):

Operating lease cost	\$ 22,116
Total lease cost	<u>\$ 22,116</u>

Other information:

Cash paid for amounts included in measuring operating lease liability:

Operating cash flows from operating lease	\$ 22,116
Total cash paid for amounts included in measuring operating lease liability	<u>\$ 22,116</u>

Maturities of operating lease liabilities as of December 31, 2022:

Year ending December 31:	
2023	\$ 22,116
2024	22,116
2025	<u>16,588</u>
Total lease payments	60,820
Less: interest	<u>(1,657)</u>
Present value of lease liability	<u>\$ 59,163</u>

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**Note 8 – Contributed Non-Financial Assets**

Donated property, equipment and other non-cash donations are recorded as contributions at their fair market value at the date of donation. The Agency reports the donations as unrestricted support, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets must be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The Agency receives program and administrative services without charge. The estimated value of these items is \$692,726 which has been recognized in the consolidated statement of activities as contributed non-financial assets and expense.

**SUPPLEMENTAL INFORMATION**

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor/Pass-Through Grantor/ State Grantor/Program or Cluster Title	ALN	CSFA	Pass-Through Entity Award Number	Pass-Through to Subrecipients	Expenditures
<b>FEDERAL AWARDS</b>					
<b>U.S. Department of Health and Human Services</b>					
Passed through State of Florida, Department of Elder Affairs					
Special Programs for the Aging – Title III, Part B— Grants for Supportive Services and Senior Centers	93.044	-	CRP 21	\$ 217,353	\$ 341,823
Special Programs for the Aging – Title III, Part B— Grants for Supportive Services and Senior Centers	93.044	-	CA022	2,639,174	3,809,444
Special Programs for the Aging – Title III, Part B— Grants for Supportive Services and Senior Centers	93.044	-	CXC20	-	11,259
Special Programs for the Aging – Title III, Part B— Grants for Supportive Services and Senior Centers	93.044	-	CCA22	-	64,422
Special Programs for the Aging - Title III, Part C, Nutrition Services	93.045	-	CA022	3,499,246	4,062,285
Special Programs for the Aging - Title III, Part C, Nutrition Services	93.045	-	CXC20	-	12,006
Special Programs for the Aging - Title III, Part C, Nutrition Services	93.045	-	CCV21	-	268,540
Special Programs for the Aging - Title III, Part C, Nutrition Services	93.045	-	CRP21	696,398	781,501
Special Programs for the Aging - Title III, Part C, Nutrition Services	93.045	-	CCA22	-	112,650
Nutrition Services Incentive Program	93.053	-	CA022	301,924	301,924
			<b>Total Aging Cluster Expenditures</b>	<u>7,354,095</u>	<u>9,765,854</u>
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	-	C7022	-	12,609
National Family Caregiver Support, Title III, Part E	93.052	-	CA022	520,121	988,529
National Family Caregiver Support, Title III, Part E	93.052	-	CXC20	-	2,922
National Family Caregiver Support, Title III, Part E	93.052	-	CRP21	22,233	104,986
National Family Caregiver Support, Title III, Part E	93.052	-	CCA22	-	43,086
				<u>542,354</u>	<u>1,139,523</u>
Special Programs for the Aging, Title III, Part D Disease and Health Promotion Services	93.043		CRP21	-	37,084
Special Programs for the Aging, Title III, Part D Disease and Health Promotion Services	93.043	-	CA022	-	248,546
				-	<u>285,630</u>
Low-Income Home Energy Assistance	93.568	-	CP021	669,183	721,265
Low-Income Home Energy Assistance	93.568	-	CPP21	-	588,290
				<u>669,183</u>	<u>1,309,555</u>
State Health Insurance Assistance Program	93.324	-	CN021/CN022	-	259,416
Medical Assistance Program	93.778	-	CX020	-	338,710
Medicare Enrollment Assistance Program	93.071	-	CB022/CB023	-	202,988
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	-	CG021/CG022	-	43,958
Evidence-Based Falls Prevention Programs Financed Solely by Prevention and Public Health Funds	93.761	-	CF019	-	2,638
Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs - Financed by Prevention and Public Health Funds	93.734	-	90CSSG0032-01-00	-	100,000
Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects	93.185	-	CCG21	-	115,099
<b>Total Department of Health and Human Services</b>				<u>8,565,632</u>	<u>13,575,980</u>
<b>U.S. Department of Justice</b>					
Passed through Office on Violence Against Women					
Enhanced Training and Services to End Violence and Abuse of Women Later in Life	16.528	-	2018-EW-AX-K013	-	107,182
<b>Total Federal Awards</b>				<u>\$ 8,565,632</u>	<u>\$ 13,683,162</u>

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

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title</u>	<u>ALN</u>	<u>CSFA</u>	<u>Pass-Through Entity Award Number</u>	<u>Pass-Through to Subrecipients</u>	<u>Expenditures</u>
<b>STATE FINANCIAL ASSISTANCE</b>					
<b>State of Florida, Department of Elder Affairs</b>					
Home Care for the Elderly	-	65.001	CH021/CH022	\$ 687,460	\$ 763,950
Alzheimer's Respite Service	-	65.004	CZ021/CZ022	2,712,880	2,889,346
Local Services Programs	-	65.009	CL021/CL022	105,678	109,086
Community Care for the Elderly	-	65.010	CC021/CC022	5,929,943	6,303,192
<b>Total State Financial Assistance</b>				<u>9,435,961</u>	<u>10,065,574</u>
<b>Total Federal Awards and State Financial Assistance</b>				<u>\$ 18,001,593</u>	<u>\$ 23,748,736</u>

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

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**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 Mid-Florida Area Agency on Aging, Inc., d/b/a Elder Options under programs of the Federal and State government for the year ended December 31, 2022 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* and the State of Florida Chapter 10.650, *Rules of the Auditor General* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Mid-Florida Area Agency on Aging, Inc., d/b/a Elder Options it is not intended to and does not present the financial position, changes in net assets, or cash flows of Mid-Florida Area Agency on Aging, Inc., d/b/a Elder Options.

**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**

Mid-Florida Area Agency on Aging, Inc., d/b/a Elder Options has elected not to use the 10 percent de minimus indirect cost rate as allowed under Uniform Guidance.



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

To the Board of Directors of  
Mid-Florida Area Agency on Aging, Inc.,  
d/b/a Elder Options  
Gainesville, Florida

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 consolidated financial statements of Mid-Florida Area Agency on Aging, Inc., d/b/a Elder Options (the "Agency") (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 6, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Agency'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's consolidated 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 consolidated 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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
September 6, 2023



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

To the Board of Directors of  
Mid-Florida Area Agency on Aging, Inc.,  
d/b/a Elder Options  
Gainesville, Florida

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

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

We have audited Mid-Florida Area Agency on Aging, Inc., d/b/a Elder Options ("the Agency") compliance with the types of compliance requirements identified as subject to audit in the 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 the Agency's major federal programs and state projects for the year ended December 31, 2022. The Agency's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended December 31, 2022.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of Florida Chapter 10.650, *Rules of the Auditor General* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

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

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

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

## **Report on Internal Control over Compliance**

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

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

**Report on Internal Control over Compliance (continued)**

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

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

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
September 6, 2023

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2022**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

- |   |               |
|---|---------------|
| 1. Type of auditor’s report issued:   | Unmodified    |
| 2. Internal control over financial reporting:   |               |
| a. Material weakness(es) identified?  | No            |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
| 3. Noncompliance material to financial statements noted?                                  | No            |

**Federal Awards**

- |   |               |
|---|---------------|
| 1. Type of auditor’s report issued on compliance for major programs:                              | Unmodified    |
| 2. Internal control over major programs:  |               |
| a. Material weakness(es) identified?  | No            |
| b. Significant deficiencies identified that are not considered to be material weaknesses?         | None reported |
| 3. Audit findings disclosed that are required to be reported in accordance with Uniform Guidance? | No            |
| 4. Dollar threshold used to distinguish between Type A and Type B programs                        | \$750,000     |
| 5. Auditee qualified as low-risk auditee?   | No            |

Identification of major programs:

<u>Name of Federal Program</u>	<u>ALN Number</u>
Aging Cluster	93.044, 93.045, 93.053
Title III D	93.568

**MID-FLORIDA AREA AGENCY ON AGING, INC., D/B/A ELDER OPTIONS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
DECEMBER 31, 2022**

**Section I – Summary of Auditor’s Results (continued)**

**State Financial Assistance**

- |  |               |
|--|---------------|
| 1. Type of auditor’s report issued on compliance for major projects:   | Unmodified    |
| 2. Internal control over major projects:   |               |
| a. Material weakness(es) identified?   | No            |
| b. Significant deficiencies identified that are not considered to be material weaknesses?  | None reported |
| 3. Audit findings disclosed that are required to be reported in accordance with the Florida Single Audit Act and Chapter 10.650, <i>Rules of the Auditor General</i> |               |
|  | No            |
| 4. Dollar threshold used to distinguish between Type A and Type B projects   |               |
|  | \$250,000     |

Identification of major projects:

<u>Name of State Projects</u>	<u>CSFA Number</u>
Community Care for the Elderly	65.010
Home Care for the Elderly	65.001

**Section II – Financial Statement Findings**

None (there are no items related to Federal Awards and State Financial Assistance required to be reported in the management letter, therefore no management letter issued).

**Section III – Federal Award and State Projects Findings and Questioned Costs**

None (there are no items related to Federal Awards and State Financial Assistance required to be reported in the management letter, therefore no management letter issued).

**Section IV – Status of Prior Year Audit Findings**

There were no prior year audit findings.