

ALLIANCE FOR AGING, INC.

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alliance for Aging, Inc., which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alliance for Aging, Inc. as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Alliance for Aging, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alliance for Aging, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in

accordance with GAAS. 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 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 26, 2024 on our consideration of Alliance for Aging, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Alliance for Aging, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alliance for Aging, Inc.'s internal control over financial reporting and compliance.



Miami, FL
September 26, 2024

ALLIANCE FOR AGING, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023

Assets

Current Assets

Cash and cash equivalents	\$ 2,672,352
Grants, contracts and other receivables	11,656,129
Prepaid expenses and other current assets	<u>604,764</u>

Total Current Assets \$ 14,933,245

Investments 2,922,123

Operating Lease Right-of-Use Assets 3,597,262

Total Assets \$ 21,452,630

Liabilities and Net Assets

Current Liabilities

Accounts payable and accrued expenses	\$ 833,084
Due to provider agencies	8,655,652
Deferred revenue	445,964
Operating lease liabilities, current portion	<u>484,633</u>

Total Current Liabilities \$ 10,419,333

Operating Lease Liabilities, Less Current Portion 3,176,580

Total Liabilities 13,595,913

Net Assets

Without donor restrictions 7,856,717

Total Liabilities and Net Assets \$ 21,452,630

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

ALLIANCE FOR AGING, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2023

Revenue, Losses and Other Support

Government grants and contracts	\$ 61,131,703
Other public support	405,944
Investment gains, net	<u>217,567</u>

Total Revenue, Losses and Other Support \$ 61,755,214

Expenses

Program services	57,392,456
Supporting services:	
Management and general	1,735,391
Fund-raising	<u>152,543</u>

Total supporting services 1,887,934

Total Expenses 59,280,390

Change in Net Assets - Without Donor Restrictions 2,474,824

Net Assets - Without Donor Restrictions - Beginning 5,381,893

Net Assets - Without Donor Restrictions - Ending \$ 7,856,717

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

ALLIANCE FOR AGING, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

	Older Americans Act	COVA	ENHANCE HCE	American Rescue Plan	Elder Abuse Prevention	Aging Resource Center	Medicaid Waiver Specialist	Community Care for the Elderly	Home Care for the Elderly	Emergency Home Energy Assistance Program	Alzheimer's Disease Initiative	Subtotal
Expenses												
Salaries, Payroll Taxes and Benefits												
Salaries	\$ 841,257	\$ --	\$ 189,255	\$ 686,154	\$ 15,704	\$ 1,011,411	\$ 282,389	\$ 619,605	\$ 202,888	\$ 189,979	\$ 219,866	\$ 4,258,508
Payroll taxes and benefits	207,117	--	21,897	73,435	5,854	262,863	62,407	162,240	43,508	24,676	51,533	915,530
Total Salaries, Payroll Taxes and Benefits	<u>1,048,374</u>	<u>--</u>	<u>211,152</u>	<u>759,589</u>	<u>21,558</u>	<u>1,274,274</u>	<u>344,796</u>	<u>781,845</u>	<u>246,396</u>	<u>214,655</u>	<u>271,399</u>	<u>5,174,038</u>
Other Expenses												
Sub-contractors (provider agencies)	17,135,337	2,281	2,541,495	5,190,787	--	--	--	8,072,295	2,257,600	1,042,167	4,573,783	40,815,745
Rent	69,147	--	1,212	19,483	740	29,485	--	50,487	32,461	15,400	21,967	240,382
Professional fees	11,588	--	453	173,445	165	--	--	9,287	4,344	1,099	4,504	204,885
Other expenses	19,237	--	5,217	5,138	245	6,061	--	11,919	4,252	1,676	4,848	58,593
Communications	24,617	--	309	4,049	173	6,358	--	14,513	6,671	1,692	5,558	63,940
Maintenance and repair	19,118	--	435	4,651	229	5,209	--	13,385	5,962	1,581	6,180	56,750
Equipment	46,666	--	65	722	35	955	--	1,848	698	247	744	51,980
Advertising	16	--	--	4,775	1	--	--	132	24	5,899	25	10,872
Insurance	12,279	--	268	3,133	162	--	--	9,841	4,760	1,111	4,942	36,496
Postage	6,714	--	66	29	--	6,887	--	1,420	1,420	--	1,420	17,956
Printing	2,357	--	60	4,977	27	--	--	1,506	686	182	728	10,523
Travel	--	--	--	30	--	--	--	--	--	--	--	30
Total Other Expenses	<u>17,347,076</u>	<u>2,281</u>	<u>2,549,580</u>	<u>5,411,219</u>	<u>1,777</u>	<u>54,955</u>	<u>--</u>	<u>8,186,633</u>	<u>2,318,878</u>	<u>1,071,054</u>	<u>4,624,699</u>	<u>41,568,152</u>
Total Expenses	<u>\$ 18,395,450</u>	<u>\$ 2,281</u>	<u>\$ 2,760,732</u>	<u>\$ 6,170,808</u>	<u>\$ 23,335</u>	<u>\$ 1,329,229</u>	<u>\$ 344,796</u>	<u>\$ 8,968,478</u>	<u>\$ 2,565,274</u>	<u>\$ 1,285,709</u>	<u>\$ 4,896,098</u>	<u>\$ 46,742,190</u>

(Continued)

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

ALLIANCE FOR AGING, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
(CONTINUED)**

FOR THE YEAR ENDED DECEMBER 31, 2023

Expenses	Subtotal	RELIEF	SHINE	Local Services Programs	Medicare	Florida SHINE	Non-DOEA Programs	Total Program Funds	Supporting Services			Total
					Improvements For Patients and Provider Act (MIPPA)	Program Senior Medicare Patrol (SMP)			Management and General	Fund-Raising	Total Supporting Services	
Salaries, Payroll Taxes and Benefits												
Salaries	\$ 4,258,508	\$ 11,389	\$ 92,545	\$ 24,904	\$ 76,222	\$ 52,336	\$ 184,242	\$ 4,700,146	\$ 1,099,549	\$ 65,916	\$ 1,165,465	\$ 5,865,611
Payroll taxes and benefits	915,530	3,519	25,914	7,361	19,159	12,577	49,401	1,033,461	285,918	12,122	298,040	1,331,501
Total Salaries, Payroll Taxes and Benefits	<u>5,174,038</u>	<u>14,908</u>	<u>118,459</u>	<u>32,265</u>	<u>95,381</u>	<u>64,913</u>	<u>233,643</u>	<u>5,733,607</u>	<u>1,385,467</u>	<u>78,038</u>	<u>1,463,505</u>	<u>7,197,112</u>
Other Expenses												
Sub-contractors (provider agencies)	40,815,745	90,542	—	8,266,013	—	—	1,348,484	50,520,784	—	—	—	50,520,784
Rent	240,382	389	4,556	965	3,478	8,198	277,882	535,850	21,803	1,517	23,320	559,170
Professional fees	204,885	—	687	281	909	586	12,094	219,442	94,048	334	94,382	313,824
Other expenses	58,593	131	6,837	300	1,549	876	25,743	94,029	110,492	50,569	161,061	255,090
Communications	63,940	100	901	367	1,073	758	1,699	68,838	27,315	493	27,808	96,646
Maintenance and repair	56,750	39	1,027	385	1,184	885	2,189	62,459	14,808	535	15,343	77,802
Equipment	51,980	6	160	53	184	137	1,247	53,767	12,379	83	12,462	66,229
Advertising	10,872	—	3,556	42	4	3	6,284	20,761	19,223	16,202	35,425	56,186
Insurance	36,496	95	700	286	786	600	1,333	40,296	9,357	353	9,710	50,006
Postage	17,956	—	1,735	—	—	—	565	20,256	19,331	165	19,496	39,752
Printing	10,523	—	932	40	197	97	7,566	19,355	13,823	3,204	17,027	36,382
Travel	30	—	2,116	—	—	—	866	3,012	7,345	1,050	8,395	11,407
Total Other Expenses	<u>41,568,152</u>	<u>91,302</u>	<u>23,207</u>	<u>8,268,732</u>	<u>9,364</u>	<u>12,140</u>	<u>1,685,952</u>	<u>51,658,849</u>	<u>349,924</u>	<u>74,505</u>	<u>424,429</u>	<u>52,083,278</u>
Total Expenses	<u>\$ 46,742,190</u>	<u>\$ 106,210</u>	<u>\$ 141,666</u>	<u>\$ 8,300,997</u>	<u>\$ 104,745</u>	<u>\$ 77,053</u>	<u>\$ 1,919,595</u>	<u>\$ 57,392,456</u>	<u>\$ 1,735,391</u>	<u>\$ 152,543</u>	<u>\$ 1,887,934</u>	<u>\$ 59,280,390</u>

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

ALLIANCE FOR AGING, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

Cash Flows from Operating Activities	
Change in net assets	\$ 2,474,824
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Net unrealized gains on investments	\$ (217,567)
Amortization of operating lease right-of-use assets	507,198
Change in operating assets and liabilities:	
Grants, contracts and other receivables	(4,266,066)
Prepaid expenses and other current assets	(239,012)
Accounts payable and accrued expenses	196,161
Due to provider agencies	3,140,204
Deferred revenue	128,477
Operating lease liabilities	<u>(459,054)</u>
Total Adjustments	<u>(1,209,659)</u>
Net Cash Provided by Operating Activities	1,265,165
Cash Flows from Investing Activities	
Purchases of investments	<u>(1,489,514)</u>
Cash Provided by Investing Activities	<u>(1,489,514)</u>
Change in Cash and Cash Equivalents	(224,349)
Cash and Cash Equivalents - Beginning	<u>2,896,701</u>
Cash and Cash Equivalents - Ending	<u>\$ 2,672,352</u>

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

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 - THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE ORGANIZATION

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

FINANCIAL STATEMENT PRESENTATION

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

Without Donor Restrictions

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

With Donor Restrictions

Net assets used by the Alliance which are limited by donor-imposed stipulations that either expire with the passage of time or that can be fulfilled or removed by actions of the Alliance pursuant to those stipulations. The Alliance had no net assets with donor restrictions as of December 31, 2023.

USE OF ESTIMATES

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

CASH EQUIVALENTS

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

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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

CONCENTRATIONS OF CREDIT AND MARKET RISK

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

Cash and Cash Equivalents

Financial instruments that potentially subject the Alliance to concentrations of credit risk include deposit accounts. The Alliance had approximately \$7,970,000 of balances in excess of insurance limits covered by the Federal Deposit Insurance Corporation as of December 31, 2023. The Alliance maintains these balances in what it believes to be high quality financial institutions, which it believes limits its risk.

Grants, Contracts and Other Receivables

In June 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-13, *Financial Instruments: Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren’t measured at fair value through the change in net assets. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity’s exposure to credit risk and the measurement of credit losses. Financial assets held by Alliance that are subject to the guidance in FASB Accounting Standards Codification (“ASC”) Topic 326 are grants, contracts and other receivables. The Organization adopted ASU 2016-13 effective January 1, 2023. The impact of the adoption was not considered significant to the financial statements.

Grants, contracts and other receivables consist principally of amounts due from grantor agencies pursuant to the terms of the respective grant agreements. Grants, contracts and other receivables are stated at net realizable value. Alliance establishes an allowance for expected credit losses based on its historical loss patterns, current economic conditions and reasonably expected future events. It is the Alliance’s policy to charge uncollectible receivables against the allowance when management determines that the related balance will not be collected. As of December 31, 2023, management determined that an allowance for credit losses was not deemed necessary.

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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

CONCENTRATIONS OF CREDIT AND MARKET RISK (CONTINUED)

Investments

Investments are subject to both credit and market risks. Credit risk is the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Market risk is the possibility that fluctuations in the investment market will impact the value of the portfolio. As of December 31, 2023, the Alliance's investments consists of mutual funds. The Alliance has an investment policy and utilizes management oversight, and regularly reviews its investment portfolios to monitor and mitigate these risks.

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

FIXED ASSETS

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

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

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

As of December 31, 2023, all assets were fully depreciated.

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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

CONTRIBUTIONS

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

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

GRANTS FROM GOVERNMENT AGENCIES

In accordance with ASC 958, *Not-for-Profit Entities*, funding from government contracts is generally considered nonreciprocal transactions. Alliance receives funds on a fee-for-service basis as well as based on fixed rates as established in the contracts. This revenue has been deemed contribution revenue as the services provided by the Alliance benefits the general public and the funders do not receive commensurate value in exchange. The revenue is recognized as the services are provided and billed to the funders.

A portion of Alliance's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when we have incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the accompanying statement of financial position.

DUE TO PROVIDER AGENCIES

Pursuant to the contract with the DOEA, the Alliance provides funds to provider agencies and is responsible for the monitoring of these provider agencies. As of December 31, 2023, the Alliance has recorded a liability of approximately \$8,656,000 relating to amounts due to provider agencies in accordance with the respective grant agreements.

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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

DEFERRED REVENUE

Deferred revenue represents advances to be used on future expenditures. Deferred revenue is recognized as revenue when the related expenditures are incurred. As of December 31, 2023, deferred revenue was approximately \$446,000.

FUND-RAISING ACTIVITIES

The Alliance's financial statements are presented in accordance with FASB ASC 958 *Not-for-Profit Entities*. FASB ASC 958 establishes criteria for accounting and reporting for any entity that solicits contributions.

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

FUNCTIONAL ALLOCATION OF EXPENSES

The cost of providing the various programs and other activities is detailed on a functional basis in the statement of functional expenses. Expenses are charged directly to functions based on a combination of specific identification and allocation by management. Accordingly, certain costs have been allocated among programmatic contractual requirements, management and general, and fund-raising. These expense allocations include personnel, insurance, equipment and space rental which are allocated based on programmatic contractual funding, programmatic need, and personnel usage.

CONTRIBUTED GOODS AND SERVICES

Contributed goods and services are reflected in the accompanying financial statements at their estimated fair value, if reasonably determined. The contributions of services are recognized if the services received (a) create or enhance non-financial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations. For the year ended December 31, 2023, there were no significant non-cash contributions.

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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

CONTRIBUTED GOODS AND SERVICES (CONTINUED)

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

ADVERTISING

Advertising expenses are charged to expense as incurred. Advertising expenses amounted to approximately \$56,000 for the year ended December 31, 2023.

LEASING ARRANGEMENTS

Assets and liabilities arising from operating leases are included in operating lease right-of-use ("ROU") assets, and operating lease liabilities in the accompanying statement of financial position.

ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Alliance uses the implicit rate in the lease when it is readily determinable. Since most of the Alliance's leases do not provide an implicit rate, to determine the present value of lease payments, management uses the risk free rate at lease commencement.

Operating lease ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Alliance's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise the option. The Alliance elected the package of practical expedients permitted under the transition guidance in ASU No. 2016-02, *Leases (Topic 842)* and did not reassess prior conclusions related to contracts containing leases, lease classification and initial direct costs. The Alliance also elected the short-term lease recognition exemption for all leases that qualify. Therefore, leases with an initial term of 12 months or less are not recorded on the accompanying statement of financial position. Short-term lease payments are recognized as lease expense on a straight-line basis over the lease term.

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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

INCOME TAXES

The Alliance is a not-for-profit organization, as described in Section 501(c)(3) of the Internal Revenue Code and as such is subject to Federal and State income taxes only on unrelated business income. There was no significant unrelated business income tax resulting from unrelated business income for the year ended December 31, 2023.

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

The Alliance did not record any interest or penalties on uncertain tax positions in the accompanying statement of financial position as of December 31, 2023 or the accompanying statement of activities for the year then ended. If the Alliance were to incur any income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes.

SUBSEQUENT EVENTS

The Alliance has evaluated subsequent events through September 26, 2024, which is the date the financial statements were available to be issued.

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 2 - LIQUIDITY AND AVAILABILITY OF RESOURCES

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

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

As of December 31, 2023, the following financial assets could be readily made available within one year of the statement of financial position to meet general expenditures. There were no net assets with donor restrictions at December 31, 2023.

Financial Assets	
Cash and cash equivalents	\$ 2,672,352
Grants, contracts and other receivables	11,656,129
Investments	<u>2,922,123</u>
Total Financial Assets	<u>\$ 17,250,604</u>

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 3 - GRANTS, CONTRACTS AND OTHER RECEIVABLES

Grants, contracts, and other receivables at December 31, 2023 are comprised of the following:

DOEA Programs:	
Older Americans Act	\$ 5,494,122
Home Care for the Elderly	1,873,144
Community Care for the Elderly	1,639,340
Local Services Programs	940,987
American Rescue Plan	635,407
Alzheimer's Disease Initiative	410,168
Medicare Assistance Program	270,013
Veteran's Administration	179,918
Low-Income Home Energy Assistance	97,391
MDES	56,528
Medicare Enrollment Assistance Program	17,284
Serving Health Insurance Needs of Elders Program	13,647
Relief	11,780
Senior Medicare Patrol Program	7,274
Programs for the Aging Title VII	4,848
Other receivables	4,278
Total Grants, Contracts, and Other Receivables	<u>\$ 11,656,129</u>

NOTE 4 - INVESTMENTS

Investments as of December 31, 2023 are comprised of the following:

Mutual funds - equities	<u>\$ 2,922,123</u>
Total Investments	<u>\$ 2,922,123</u>

For the year ended December 31, 2023, investment gains were approximately \$218,000 which consists principally of net unrealized gains as investment expenses were insignificant.

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - FAIR VALUE MEASUREMENTS

FAIR VALUE HIERARCHY

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

Level 1

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

Level 2

Inputs to the valuation methodology include:

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

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

Level 3

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

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 5 - FAIR VALUE MEASUREMENTS (CONTINUED)

FAIR VALUE HIERARCHY (CONTINUED)

There have been no changes in the methodologies used at December 31, 2023 as compared to the prior year.

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

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

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

The following table represents the Alliance's financial instruments measured at fair value on a recurring basis at December 31, 2023 for each of the fair value hierarchy levels:

	Assets at Fair Value			
	December 31, 2023	Level 1	Level 2	Level 3
Assets at Fair Value				
Mutual funds	<u>\$ 2,922,123</u>	<u>\$ 2,922,123</u>	<u>\$ --</u>	<u>\$ --</u>
Assets at Fair Value	<u>\$ 2,922,123</u>	<u>\$ 2,922,123</u>	<u>\$ --</u>	<u>\$ --</u>

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 6 - EMPLOYEE BENEFIT PLAN

The Alliance sponsors a defined contribution retirement plan (the "Plan") covering all eligible employees. Employees become eligible for Plan participation after completing one year of service and obtaining the age of eighteen. The Alliance makes monthly contributions equal to 8% of the participants' eligible compensation. For the year ended December 31, 2023, the Alliance contributed approximately \$333,000 to the Plan.

NOTE 7 - COMMITMENTS

Operating leases with terms in excess of one year are included in operating lease assets and operating lease liabilities in the accompanying statement of financial position. These assets and liabilities are recognized at the commencement date based on the present value of remaining lease payments over the lease term. Alliance's leases do not provide an implicit rate. Therefore, the Alliance uses the risk free rate at the commencement date in determining the present value of lease payments.

The Alliance leases office space under a non-cancellable operating lease, as amended, which expires in July 2030. The office lease requires monthly lease payments ranging from approximately \$39,000 to \$53,000. Additionally, the Alliance also leases office equipment under a non-cancelable operating lease, which expires in December 2027.

Lease expense for the above office space lease was approximately \$571,000, for the year ended December 31, 2023 and is included in management and general expenses in the accompanying statement of activities.

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 7 – COMMITMENTS (CONTINUED)

As of December 31, 2023, the estimated minimum annual non-cancelable commitments on these leases are as follows:

For the Year Ending December 31,	Amount
2024	\$ 541,000
2025	557,000
2026	574,000
2027	591,000
2028	609,000
Thereafter	<u>1,000,000</u>
Total	3,872,000
Less: Amount representing interest	<u>209,000</u>
	3,663,000
Less: Current maturities	<u>485,000</u>
Long-Term Maturities	<u>\$ 3,178,000</u>
Other Information	
Weighted average remaining lease term	6.59 years
Weighted average discount rate	1.630%

NOTE 8 - CONCENTRATIONS

The Alliance received approximately 97% of its government grant revenue from the DOEA for the year ended December 31, 2023. As the revenue from the DOEA is significant to the overall operations of the Alliance, any significant reduction or loss of funding from the DOEA may affect the Alliance's ability to operate in its present form.

Receivables from the DOEA were approximately 98% of grants, contracts and other receivables as of December 31, 2023.

ALLIANCE FOR AGING, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 9 - CONTINGENCIES

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



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

Board of Directors
Alliance for Aging, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of Alliance for Aging, Inc. (the "Alliance"), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 26, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Alliance's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Alliance's internal control. Accordingly, we do not express an opinion on the effectiveness of the Alliance'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 Alliance's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Marcum LLP

Miami, FL
September 26, 2024



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

Board of Directors
Alliance for Aging, Inc.

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Alliance for Aging, Inc.'s (the "Alliance") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the State of Florida Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on each of the Alliance's major federal programs and state projects for the year ended December 31, 2023. The Alliance's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Alliance complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended December 31, 2023.

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650 we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Alliance's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Alliance's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the Alliance's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and

corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Marcum LLP

Miami, FL
September 26, 2024

ALLIANCE FOR AGING, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED DECEMBER 31, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster	Assistance Listing Number	Contract Number	Federal Expenditures	Provided To Subrecipients
Federal Awards				
U.S. Department of Health and Human Services				
Indirect Programs Passed Through:				
Florida Department of Elder Affairs				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers - Services	93.044	KA023	\$ 4,989,644	\$ 3,921,766
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers - Admin	93.044	KA023	592,019	-
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers - Services COVID-19	93.044	KRP21	2,456,454	1,925,918
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers - Admin COVID-19	93.044	KRP21	246,261	240,930
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers - Services COVID-19	93.044	KCV21	2,281	2,281
Special Programs for the Aging, Title III, Part C, Nutrition Services - Congregate Meals	93.045	KA023	4,278,377	4,278,377
Special Programs for the Aging, Title III, Part C, Nutrition Services - Home Delivered Meals	93.045	KA023	5,126,915	5,126,915
Special Programs for the Aging, Title III, Part C, Nutrition Services - Admin	94.045	KA023	1,115,933	--
Special Programs for the Aging, Title III, Part C, Nutrition Services - Congregate Meals COVID-19	93.045	KRP21	840,167	840,167
Special Programs for the Aging, Title III, Part C, Nutrition Services - Home Delivered Meals COVID-19	93.045	KRP21	1,715,129	1,715,129
Special Programs for the Aging, Title III, Part C, Nutrition Services - Admin COVID-19	93.045	KRP21	401,512	--
Nutrition Services Incentive Program	93.053	KA023	1,663,970	1,663,970
Total Special Programs for the Aging Cluster			23,428,662	19,715,453
National Family Caregiver Support, Title III, Part E - Services	93.052	KA023	2,105,280	1,913,045
National Family Caregiver Support, Title III, Part E - Admin	93.052	KA023	27,439	--
National Family Caregiver Support, Title III, Part E - Services COVID-19	93.052	KRP21	407,618	401,369
National Family Caregiver Support, Title III, Part E - Admin COVID-19	93.052	KRP21	22,617	--
Total National Family Caregiver Support, Title III, Part E			2,562,954	2,314,414
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services - Services	93.043	KA023	231,263	231,263
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services - Services COVID-19	93.043	KRP21	81,052	67,275
Total Special Programs for the Aging Title III, Part D, Disease Prevention and Health Promotion Services			312,315	298,538
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	K7023	23,335	--
Low-Income Home Energy Assistance - Crisis	93.568	KP021	1,042,167	1,042,167
Low-Income Home Energy Assistance - Admin	93.568	KP021	99,311	--
Low-Income Home Energy Assistance - Outreach	93.568	KP021	144,232	--
Total Low-Income Home Energy Assistance			1,285,710	1,042,167
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	KN022	32,678	--
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	KN023	108,988	--
Total Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations			141,666	--
Medical Assistance Program	93.778	KX020	437,707	--
Medical Assistance Program	93.778	KX023	399,306	--
Total Medical Assistance Program Cluster			837,013	--
Medicare Enrollment Assistance Program	93.071	KB023	70,093	--
Medicare Enrollment Assistance Program	93.071	KB024	34,653	--
Total Medicare Enrollment Assistance Program			104,746	--
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	KG022	26,816	--
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	KG023	50,238	--
Total Special Programs for the Aging, Title IV, and Title II, Discretionary Projects			77,054	--
Total U.S. Department of Health and Human Services			28,773,455	23,370,572
Total Expenditures of Federal Awards			\$ 28,773,455	\$ 23,370,572

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

ALLIANCE FOR AGING, INC.
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 AND STATE FINANCIAL ASSISTANCE (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2023

State Grantor/Pass-through Grantor/Project	CSFA Number	Contract Number	Federal Expenditures	Provided To Subrecipients
State Financial Assistance				
Florida Department of Elder Affairs				
Community Care for the Elderly (CCE) - Services 22/23	65.010	KC022	\$ 4,726,313	\$ 4,357,625
Community Care for the Elderly (CCE) - Admin 22/23	65.010	KC022	35,570	--
Community Care for the Elderly (CCE) - Services 23/24	65.010	KC023	4,151,314	3,714,671
Community Care for the Elderly (CCE) - Admin 23/24	65.010	KC023	55,281	--
Community Care for the Elderly (CCE) - Aging Resource Center (ARC) 22/23	65.010	KX020	437,707	--
Community Care for the Elderly (CCE) - Aging Resource Center (ARC) 23/24	65.010	KX023	399,306	--
			<u>9,805,491</u>	<u>8,072,296</u>
Total Community Care for the Elderly (CCE)				
Local Services Programs (LSP) - Services 22/23	65.009	KL022	3,961,795	3,961,795
Local Services Programs (LSP) - Admin 22/23	65.009	KL022	11,201	--
Local Services Programs (LSP) - Services 23/24	65.009	KL023	4,304,218	4,304,218
Local Services Programs (LSP) - Admin 23/24	65.009	KL023	23,783	--
			<u>8,300,997</u>	<u>8,266,013</u>
Total Local Services Programs (LSP)				
Alzheimer Interventions, Memory Disorder Clinics, Brain Banks and Alzheimer Special Projects - Services 22/23	65.002	KZ022	1,182,648	1,140,244
Alzheimer Interventions, Memory Disorder Clinics, Brain Banks and Alzheimer Special Projects - Admin 22/23	65.002	KZ022	31,076	--
Alzheimer Interventions, Memory Disorder Clinics, Brain Banks and Alzheimer Special Projects - Services 23/24	65.002	KZ023	1,201,560	1,146,648
Alzheimer Interventions, Memory Disorder Clinics, Brain Banks and Alzheimer Special Projects - Admin 23/24	65.002	KZ023	32,764	--
			<u>2,448,048</u>	<u>2,286,892</u>
Total Alzheimer Interventions, Memory Disorder Clinics, Brain Banks and Alzheimer Special Projects				
Alzheimer's Respite Services (ARS) - Services 22/23	65.004	KZ022	1,182,648	1,140,244
Alzheimer's Respite Services (ARS) - Admin 22/23	65.004	KZ022	31,076	--
Alzheimer's Respite Services (ARS) - Services 23/24	65.004	KZ023	1,201,560	1,146,648
Alzheimer's Respite Services (ARS) - Admin 23/24	65.004	KZ023	32,764	--
			<u>2,448,048</u>	<u>2,286,892</u>
Total Alzheimer's Respite Services (ARS)				
Home Care for the Elderly (HCE) - Services 22/23	65.001	KH022	1,190,184	1,117,106
Home Care for the Elderly (HCE) - Admin 22/23	65.001	KH022	63,698	--
Home Care for the Elderly (HCE) - Enhance HCE - Services 22/23	65.001	KE022	2,397,639	2,397,639
Home Care for the Elderly (HCE) - Enhance HCE - Admin 22/23	65.001	KE022	363,093	143,856
Home Care for the Elderly (HCE) - Services 23/24	65.001	KH023	1,233,399	1,140,494
Home Care for the Elderly (HCE) - Admin 23/24	65.001	KH023	77,994	--
			<u>5,326,007</u>	<u>4,799,095</u>
Total Home Care for the Elderly - (HCE)				
Respite For Elders Living in Everyday Families (Relief) - Services 22/23	65.006	KR022	32,562	32,562
Respite For Elders Living in Everyday Families (Relief) - Admin 22/23	65.006	KR022	6,970	--
Respite For Elders Living in Everyday Families (Relief) - Services 23/24	65.006	KR023	57,980	57,980
Respite For Elders Living in Everyday Families (Relief) - Admin 23/24	65.006	KR023	8,699	--
			<u>106,211</u>	<u>90,542</u>
Total Respite For Elders Living in Everyday Families (Relief)				
Total Florida Department of Elder Affairs			<u>28,434,802</u>	<u>25,801,730</u>
Total Expenditures of State Financial Assistance			<u>\$ 28,434,802</u>	<u>\$ 25,801,730</u>
Total Federal Awards and State Financial Assistance			<u>\$ 57,208,257</u>	<u>\$ 49,172,302</u>

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

ALLIANCE FOR AGING, INC.

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

FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the “Schedule”) includes the federal and state grant activity of Alliance for Aging, Inc. (the “Alliance”) for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Audits of States, Local Government, and Non-Profit Organizations and Chapter 10.650, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the Alliance, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Alliance.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, Audits of States, Local Government, and Non-Profit Organizations and Chapter 10.650, Rules of the Auditor General, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

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

ALLIANCE FOR AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2023

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: *UNMODIFIED OPINION*

Internal control over financial reporting:

Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiency(ies) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported
Noncompliance material to financial statement noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Internal control over major Federal programs and State projects:

Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiency(ies) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported

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

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

Identification of major Federal programs and State projects:

<u>NAME OF FEDERAL PROGRAM OR CLUSTER</u>	<u>AL NUMBER</u>
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US Department of Health and Human Services

Aging Cluster:	
Special Programs for Aging Title III – B (cluster)	93.044
Special Programs for Aging Title III – C (cluster)	93.045
Nutrition Services Incentive Program (cluster)	93.053

ALLIANCE FOR AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2023

SECTION I – SUMMARY OF AUDITORS’ RESULTS (CONTINUED)

<u><i>NAME OF STATE PROJECT</i></u>	<u><i>CSFA NUMBER</i></u>
Home Care for the Elderly (HCE)	65.001
Alzheimer’s Respite Services (ARS)	65.004
Community Care for the Elderly (CCE)	65.010
Dollar threshold used to distinguish between Type A and Type B Federal programs:	<u>\$863,204</u>
Dollar threshold used to distinguish between Type A and Type B State projects:	<u>\$853,044</u>
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

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

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

SECTION IV – PRIOR YEAR FINDINGS

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL PROGRAMS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS

None.