

**AREAWIDE COUNCIL ON
AGING OF BROWARD
COUNTY, INC.**

Financial Statements

**Year Ended
December 31, 2023**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Areawide Council on Aging of
Broward County, Inc.
Sunrise, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Areawide Council on Aging of Broward County, Inc. (the "Council") (a nonprofit organization), 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 financial statements present fairly, in all material respects, the financial position of the Council 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 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 Council 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 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 the Council's ability to continue as a going concern within one year after the date that the 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 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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 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 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 the Council'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 the Council'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* 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance 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 19, 2024, on our consideration of the Council's internal control over financial reporting

Other Reporting Required by *Government Auditing Standards* (continued)

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 Council'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 Council's internal control over financial reporting and compliance.

Moss, Krusick & Associates, LLC

Winter Park, Florida
September 19, 2024

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2023

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 8,311,632
Certificates of deposit	553,543
Investments	6,816,528
Due from grantors, net	8,332,128
Pledges receivable	231,956
Prepaid expenses	757,668

Total current assets 25,003,455

Non-current assets

Property and equipment, net	1,554,096
Investments	1,517,285
Contingent receivable	558,076
Deposits	1,941

Total other assets 3,631,398

Total assets \$ 28,634,853

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 185,337
Accrued compensation	466,040
Due to providers	5,152,035
Deferred revenue	303,913

Total current liabilities 6,107,325

NET ASSETS

Without donor restrictions	21,712,263
With donor restriction	815,265

Total net assets 22,527,528

Total liabilities and net assets \$ 28,634,853

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

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES			
Public support			
Local fair share contributions	\$ 1,640,460	\$ -	\$ 1,640,460
Contributions	133,698	-	133,698
Private grants	<u>417,114</u>	<u>-</u>	<u>417,114</u>
Total public support	<u>2,191,272</u>	<u>-</u>	<u>2,191,272</u>
Grants from governmental agencies			
Federal grants	15,562,565	-	15,562,565
State grants	17,524,265	-	17,524,265
Contributed non-financial assets - local match	<u>1,278,433</u>	<u>-</u>	<u>1,278,433</u>
Total grants from governmental agencies	<u>34,365,263</u>	<u>-</u>	<u>34,365,263</u>
Other revenue			
Interest income	281,380	-	281,380
Investment income	261,420	-	261,420
Unrealized gain on investment	375,073	-	375,073
Unrealized gain on treasury bills	11,094	-	11,094
Special events income	52,336	-	52,336
Contributed non-financial assets - building	42,414	-	42,414
Other	79,031	-	79,031
Net assets released from restrictions	<u>8,586</u>	<u>(8,586)</u>	<u>-</u>
Total other revenue	<u>1,111,334</u>	<u>(8,586)</u>	<u>1,102,748</u>
Total public support and revenues	<u>37,667,869</u>	<u>(8,586)</u>	<u>37,659,283</u>
EXPENSES			
Program services	34,921,206	-	34,921,206
Support services:			
Management and general	<u>285,467</u>	<u>-</u>	<u>285,467</u>
Total operating expenses	<u>35,206,673</u>	<u>-</u>	<u>35,206,673</u>
Change in net assets	<u>2,461,196</u>	<u>(8,586)</u>	<u>2,452,610</u>
NET ASSETS, BEGINNING OF YEAR	<u>19,251,067</u>	<u>823,851</u>	<u>20,074,918</u>
NET ASSETS, END OF YEAR	<u>\$ 21,712,263</u>	<u>\$ 815,265</u>	<u>\$ 22,527,528</u>

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

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2023

	Program Services								
	Older Americans Act	American Rescue Plan	Community Care for the Elderly	Home Care for the Elderly	Alzheimer's Disease Initiative	ARP Enhanced FMAP	SHINE	SHINE Senior Medical Patrol	ADRC & Medicaid Waiver
Salaries and related expenses:									
Salaries	\$ 1,142,308	\$ 582,205	\$ 536,416	\$ 42,789	\$ 103,602	\$ 337,816	\$ 49,654	\$ 39,126	\$ 415,084
Payroll taxes	86,075	43,792	40,940	3,267	8,013	14,229	3,597	3,012	31,667
Employee benefits	284,444	112,142	140,327	13,914	22,116	37,535	12,956	10,539	125,996
Total salaries and related expenses	1,512,827	738,139	717,683	59,970	133,731	389,580	66,207	52,677	572,747
Other expenses									
Program supplies	2,400	2,089,512	213,169	-	-	-	-	-	-
Occupancy	21,460	9,050	3,872	593	4,217	2,513	760	809	12,777
Utilities	8,196	5,391	1,646	243	1,624	2,276	376	393	6,565
Miscellaneous	8,907	-	-	-	-	-	-	-	-
Telephone	19,283	8,374	2,977	367	3,035	3,535	1,641	665	8,887
Office supplies & printing	43,779	10,429	7,341	2,156	3,299	30,165	1,807	760	10,530
Professional fees	44,368	80,481	4,228	370	5,664	7,776	1,228	835	14,805
Travel	8,767	720	-	-	62	3,746	2,646	8	-
Repairs & maintenance	9,085	5,900	997	131	1,032	487	256	266	4,476
Insurance	45,270	1,733	703	127	808	212	129	149	2,067
Dues & subscriptions	11,307	5,259	2,547	197	2,002	208	451	393	5,171
Advertising	16,489	59,262	2,734	1,078	886	26,081	7,374	5,852	4,415
Staff Training	2,984	113	50	4	216	45	543	20	370
Events	866	-	-	-	-	-	100	-	-
Total other expenses	243,161	2,276,224	240,264	5,266	22,845	77,044	17,311	10,150	70,063
Depreciation expenses	16,390	76,091	-	-	-	-	3,630	934	6,458
Subrecipients awarded	5,967,953	445,754	7,982,466	197,072	3,498,117	2,066,333	-	-	-
Grants awarded	841,180	329,665	-	459,060	-	237,259	-	-	-
Total expenses before allocation of management & general	8,581,511	3,865,873	8,940,413	721,368	3,654,693	2,770,216	87,148	63,761	649,268
Allocation of management & general	70,151	31,602	73,085	5,897	29,876	22,646	712	521	5,308
Total expenses after allocation	\$ 8,651,662	\$ 3,897,475	\$ 9,013,498	\$ 727,265	\$ 3,684,569	\$ 2,792,862	\$ 87,860	\$ 64,282	\$ 654,576

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

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2023

	Program Services					Supporting Services		Total
	Local Service Programs	MIPPA	Emergency Home Energy Assistance Program	Other DOEA Programs	Non DOEA Programs	Total Program Funds	Management & General	
Salaries and related expenses:								
Salaries	\$ 17,158	\$ 65,651	\$ 10,819	\$ 1,107	\$ 167,290	\$ 3,511,025	\$ 124,761	\$ 3,635,786
Payroll taxes	1,308	5,031	843	86	6,543	248,403	11,383	259,786
Employee benefits	3,453	19,471	1,971	226	22,854	807,944	-	807,944
Total salaries and related expenses	21,919	90,153	13,633	1,419	196,687	4,567,372	136,144	4,703,516
Other expenses								
Program supplies	150	-	-	-	143,654	2,448,885	-	2,448,885
Occupancy	79	883	126	-	1,698	58,837	1,733	60,570
Utilities	38	425	69	-	870	28,112	998	29,110
Miscellaneous	-	-	-	-	-	8,907	52,094	61,001
Telephone	68	720	115	-	1,513	51,180	741	51,921
Office supplies & printing	37	778	617	-	2,808	114,506	6,327	120,833
Professional fees	31	891	146	-	28,692	189,515	20,550	210,065
Travel	-	8	-	-	23,341	39,298	1,440	40,738
Repairs & maintenance	27	285	33	-	617	23,592	2,307	25,899
Insurance	-	147	24	-	309	51,678	308	51,986
Dues & subscriptions	52	381	98	-	20,484	48,550	2,764	51,314
Advertising	13	5,656	139	-	774	130,753	1,376	132,129
Staff Training	-	539	2	-	381	5,267	6,186	11,453
Events	-	-	-	-	168	1,134	52,499	53,633
Total other expenses	495	10,713	1,369	-	225,309	3,200,214	149,323	3,349,537
Depreciation expenses	-	935	-	-	-	104,438	-	104,438
Subrecipients awarded	1,636,767	-	423,764	10,125	-	22,228,351	-	22,228,351
Grants awarded	-	-	240,419	-	2,713,248	4,820,831	-	4,820,831
Total expenses before allocation of management & general	1,659,181	101,801	679,185	11,544	3,135,244	34,921,206	285,467	35,206,673
Allocation of management & general	13,563	832	5,552	96	25,626	285,467	(285,467)	-
Total expenses after allocation	\$ 1,672,744	\$ 102,633	\$ 684,737	\$ 11,640	\$ 3,160,870	\$ 35,206,673	\$ -	\$ 35,206,673

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

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

STATEMENT OF CASH FLOWS

Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Changes in net assets	\$ 2,452,610
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	104,438
Amortization on treasury bills	(11,206)
Unrealized gain on investments	(375,073)
Unrealized gain on treasury bills	(11,094)
Gain on sale of assets	(13,000)
Non cash rent	8,586
(Increase) decrease in:	
Due from grantors, net	(3,042,028)
Accounts receivable	32,852
Pledges receivable	(40,301)
Prepaid expenses	(730,252)
Increase (decrease) in:	
Accounts payable	(136,271)
Accrued compensation	9,647
Due to providers	(31,638)
Deferred revenue	2,059,323
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Net cash provided by operating activities	276,593
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CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments, including reinvestments	(261,420)
Proceeds on sale of assets	13,000
Purchase of treasury bills	(2,936,932)
Net decrease in certificates of deposit	(4,621)
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Net cash used in investing activities	(3,189,973)
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Net decrease in cash and cash equivalents	(2,913,380)
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CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	11,225,012
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CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 8,311,632
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The accompanying notes are an integral part of these financial statements.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE A – NATURE OF ORGANIZATION

Areawide Council on Aging of Broward County, Inc. ("Council") is a not-for-profit Florida corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Council was organized to plan, coordinate, monitor and fund various groups, agencies, organizations, and programs relating to the welfare and well-being of the elderly in Broward County, Florida.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

Net assets of the Council are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets Without Donor Restrictions: Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets With Donor Restrictions: Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Council. Certain restrictions may need to be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restriction. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments or other assets or liabilities are reported as increases or decreases in net assets without donor restriction unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Measure of Operations

The Statement of Activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Council's ongoing services. Nonoperating activities, if any, are limited to other activities considered to be more unusual or nonrecurring in nature.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. Actual results could differ from those estimates. Significant estimates include the collectability of receivables, determination of the useful lives of property and equipment, and allocation of functional expenses.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit and money market funds with financial institutions. The Council considers all highly liquid assets with an initial maturity of three months or less as cash and cash equivalents.

Financial instruments that potentially subject the Council to concentrations of credit risk consist principally of cash. The Council maintains accounts in various banks. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the balances in these accounts may be more than federally insured limits. However, the Council has not experienced and does not expect to incur any losses.

Certificates of Deposit

Certificates of deposit are recorded at cost plus accrued interest and held at two financial institutions with interest ranging from 1.65% to 2.07%.

Allowance for Doubtful Accounts

Due from grantors and pledges receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through an allowance for expected credit losses, when deemed necessary, based on past collection history and current credit conditions and reasonable forecasts. At December 31, 2023, the allowance for doubtful accounts due from grantors was \$27,163. No allowance for doubtful accounts for pledges receivable is considered necessary at December 31, 2023.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the Statement of Activities. Those marketable securities and investments received as gifts or donations are recorded at their fair market value on the date received.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Property and equipment are stated at cost, if purchased, or at estimated fair market value at the date of receipt, if acquired by gift. Management has a policy to capitalize individual items in excess of \$5,000. Depreciation is provided for amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, ranging from three to thirty-nine years, on a straight-line basis.

Long-lived assets held and used by the Council are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived assets may be impaired, an evaluation of recoverability would be performed.

Revenue Recognition

The Council 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), which clarifies how transactions should be accounted for as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

Contributions and support received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Grants received by the Council are considered conditional contributions since the grant agreements require the Council to perform services, incur expenses or meet contract objectives to earn the grant funding. Advance payments received under these grants is deferred until earned. Revenue is earned and recognized in the financial statements when eligible expenses are incurred, services performed, or grant objectives met.

Deferred revenue is comprised of amounts received from grantor agencies by the Council prior to meeting the revenue recognition criteria. In subsequent periods, when the revenue recognition criteria have been met, the liability for deferred revenue is reduced and revenue is recognized.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed Non-Financial Assets

Agencies and organizations, volunteers, businesses, the general community and others contribute substantial amounts of materials and services toward the fulfillment of the programs administered by the Council. Donated materials are recorded as support at their fair market value at the date of donation. Contributions of services are recorded as support at their estimated fair value if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The value of contributed services meeting the requirements for recognition in the financial statements is recorded as unrestricted support at the date of the donation. Donated services for the year ended December 31, 2023 was \$1,278,433. (See Note H for use of building donated)

A significant number of volunteers have donated substantial hours to the Council's programs and events during the year. These donated services are not reflected in the financial statements since the services do not require specialized skills.

Functional Expenses

The administrative costs of providing services to various programs and other activities have been summarized on a functional basis in the Statement of Activities. Certain costs have been allocated among the programs and supporting services benefited, in accordance with the guidelines established by the State of Florida Department of Elder Affairs. These guidelines provide that all management and general expenses be allocated to program services in their entirety.

Income Tax

The Council has been granted an exemption from income taxes under Internal Revenue Code Section 501(c)(3), as a non-profit corporation. As such, the Council does not pay tax on its exempt function income.

Uncertain Tax Positions

The Council accounts for the effect of any uncertain tax positions based on a "more likely than not" threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a "cumulative probability assessment" that aggregates the estimated tax liability for all uncertain tax positions. The Council has identified its tax status as a tax-exempt entity as its only significant tax position; however, the Council has determined that such tax position does not result in an uncertainty requiring recognition. The Council is not currently under examination by any taxing jurisdiction. The Council's federal returns are generally open for examination for three years following the date filed.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advertising Costs

The Council expenses the costs of advertising as incurred. For the year ended December 31, 2023, advertising expense was \$132,129.

Fair Value Measurement

The financial statements are prepared in accordance with US GAAP standards, for all financial assets and liabilities and for nonfinancial assets and liabilities recognized or disclosed at fair value in the financial statements or on a recurring basis (at least annually). The standard defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on a measurement date. The standard also establishes a fair value hierarchy which requires an entity to maximize the use of unobservable inputs when measuring fair value. The standard describes three levels or inputs that may be used to measure fair value.

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

Acquisitions of Nonexpendable Property

Property acquired by grants is considered to be owned by the Council while used in the program for which it was purchased or in other future authorized programs; however, the State of Florida and/or the United States of America has a reversionary interest in the property. Such property's disposition as well as the ownership of any proceeds therefrom is subject to state and/or federal regulations.

Accounting Pronouncements Implemented

In June 2016, FASB issued ASU No. 2016-13, *Financial Instruments—Credit Losses* (Topic 326): *Measurement of Credit Losses on Financial Instruments*. ASU No. 2016-13 and subsequent amendments require financial assets measured at amortized cost to be presented at the net amount expected to be collected, through an allowance for credit losses that is deducted from the amortized cost basis. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect the collectability of the reported amount. The Council adopted ASU No. 2016-13 effective January 1, 2023 using the modified-retrospective approach. The adoption had no significant impact on the financial statements.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE C – AVAILABILITY AND LIQUIDITY

The following represents the Council's financial assets available for general expenditure at December 31 2023:

Cash and cash equivalents	\$ 8,311,632
Certificates of deposit	553,543
Investments	6,816,528
Due from grantors, net	8,332,128
Pledges receivable	<u>231,956</u>
Total financial assets available within one year	24,245,787
Less those funds unavailable for general expenditures within one year due to restrictions by donors for purpose and time	<u>815,265</u>
Financial assets available to meet cash needs for general expenditures	<u>\$ 23,430,522</u>

The Council has a policy to manage its liquidity and reserves following three guiding principles: operating within a prudent range of financial stability, maintaining adequate liquidity to fund near-term operations, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE D – DUE FROM GRANTORS

Due from grantors as of December 31, 2023 are as follows:

Receivables due in less than one year	\$ 8,359,291
Less: allowance for doubtful accounts	<u>(27,163)</u>
	<u>\$ 8,332,128</u>

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE E – INVESTMENTS

Investments are carried at fair market value and are as follows at December 31, 2023:

	<u>Cost</u>	<u>Unrealized Gain</u>	<u>Fair Value</u>
Unrestricted:			
<i>US Equity Funds</i>			
Map Fund A	\$ 463,967	\$ 303,190	\$ 767,157
Large Cap Growth Fund	280,899	227,927	508,826
Equity Yield Class A	256,279	335,718	591,997
S&P 500 Index Fund	325,597	230,565	556,162
<i>Taxable Bond Fund</i>			
High Yield Corporate Bond A	792,837	760,702	1,553,539
<i>Mixed Asset Funds</i>			
Balance Fund A	482,591	130,361	612,952
Convertible Fund A	515,419	268,529	783,948
<i>Treasury Bills</i>			
B 10/31/24	1,428,596	13,351	1,441,947
T 5 10/31/25	1,508,336	8,949	1,517,285
	<u>\$ 6,054,521</u>	<u>\$ 2,279,292</u>	<u>\$ 8,333,813</u>

Investment income for the year ended December 31, 2023 consists of the following:

Interest income	\$ 281,380
Investment income	261,420
Unrealized gain on investments	375,073
Unrealized gain on treasury bills	11,094
	<u>\$ 928,967</u>

NOTE F – PLEDGES RECEIVABLE

Pledges receivable include fair share pledges, which are contributions made to the Council to assist in providing services for the elderly. Pledges receivable as of December 31, 2023 are as follows:

Pledges receivable due in less than one year:	
Fair share pledges	\$ 211,531
Other	20,425
	<u>\$ 231,956</u>

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE G – PROPERTY AND EQUIPMENT

At December 31, 2023, property and equipment consists of the following:

Building	\$ 3,080,054
Land	616,188
Furniture and equipment	513,952
Technology	14,890
	<hr/>
	4,225,084
Less: accumulated depreciation	(2,670,988)
	<hr/>
	<u>\$ 1,554,096</u>

Depreciation expense for the year ended December 31, 2023 was \$104,438.

NOTE H – CONTINGENT RECEIVABLE

In 1989, the Council entered into an agreement with the City of Margate, Florida (the City), whereby the City acquired the land and building located at 5810 Park Drive, Margate, Florida. In consideration, the City constructed a new building at the site and provided the Council with a 99-year lease, commencing November 1, 1989, which requires annual payments of \$1. The lease stipulates that the structure shall be used for providing social, health, nutrition and other types of care, activities and services to the elderly of Northwest Broward County.

In the event that the building is sold by the City or seized by eminent domain, the City has granted to Council the right to receive the entire amount of any proceeds up to a maximum of \$850,000 reduced by \$8,586 for each year that the lease had existed prior to the sale, or \$558,076 at December 31, 2023.

The Council's annual payment of \$1 for use of the building required a corresponding contributed non-financial asset to be recorded based on the fair market value of rent in the area. The assessed fair market value of rent for similar building space in 2023 was \$51,000. For the year ended December 31, 2023, \$42,414 was included in the Statement of Activities and of Functional Expenses, net of \$8,586, which has already been recorded to reduce the amount of the contingent receivable.

NOTE I – FAIR VALUE MEASUREMENT

The investments of the Council are reported at fair value in the accompanying Statement of Financial Position. The following is a description of valuation methodologies used for investments measured at fair value. There have been no changes in the methodology used at December 31, 2023.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE I – FAIR VALUE MEASUREMENT (continued)

US equity funds, taxable bond funds, mixed asset funds, and treasury bills - Valued using quoted market prices and/or other market data for the same or comparable instruments.

Certificates of deposit - Cost plus accrued interest based on stated interest rate, which approximates fair value.

Fair values of assets measured on a recurring basis at December 31, 2023 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Fair Value</u>
Assets:				
Certificates of deposit	\$ -	\$ 553,543	\$ -	\$ 553,543
US Equity Funds	2,424,142	-	-	2,424,142
Taxable Bond Fund	1,553,539	-	-	1,553,539
Mixed Asset Funds	1,396,900	-	-	1,396,900
Treasury Bills	2,959,232	-	-	2,959,232
	<u>\$ 8,333,813</u>	<u>\$ 553,543</u>	<u>\$ -</u>	<u>\$ 8,887,356</u>

NOTE J – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. The net assets released from restriction for the year ended December 31, 2023 are as follows:

Purpose restriction accomplished:

Contingent receivable rent	<u>\$ 8,586</u>
	<u>\$ 8,586</u>

NOTE K – NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restrictions are restricted for the following purposes as of December 31, 2023:

Subject to expenditure for specified purpose or time:

Support restricted for use in emergency respite or food, in-home trainer, and related general administrative costs	\$ 257,189
Contingent receivable - Margate building	558,076
	<u>\$ 815,265</u>

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE L – EMPLOYEE RETIREMENT PLAN

The Council provides all employees with at least one year of service, certain post-retirement benefits in the form of annuity contracts. Amounts contributed in the annuity contracts are excludable from the current gross income of the employees pursuant to Section 403(b) of the Internal Revenue Code. The contracts are funded through elective employee contributions and Council provided funds. Employer contributions are 100% vested after the completion of three plan years. A plan year consists of at least 1,000 hours worked in any calendar year.

Contributions from the Council are based upon length of service, as follows:

<u>Length of Service</u>	<u>Maximum Contributions</u>
1 - 5 years	6%
6 - 10 years	7%
11 - 15 years	8%
16 - 19 years	9%
20 - 24 years	10%
25 years and over	11%

Employee contributions provided from the Council totaled \$190,358 for the year ended December 31, 2023.

NOTE M – GRANT MATCHING REQUIREMENTS

Certain grants received by the Council require matching contributions. A computation of required and actual matching contributions provided for contract calculations completed in the year ended December 31, 2023 is as follows:

	<u>Qualifying Expenditures Requiring Matching</u>	<u>Match Percentage Required</u>	<u>Match Required</u>	<u>Match Provided</u>	<u>Excess</u>
Community Care for the Elderly - State	\$ 7,253,718	10%	\$ 725,372	\$ 805,969	\$ 80,597
Older American Act Administration - Federal	\$ 931,421	25%	\$ 232,855	\$ 267,855	\$ 35,000
Older American Act - Federal	\$ 6,205,915	10%	\$ 620,592	\$ 805,722	\$ 185,130

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE N – COMMITMENTS AND CONTINGENCIES

Operating Leases

The Council leases a postage machine under an operating lease. The lease was extended during 2023 with new payments of \$41 to be paid quarterly and expires in May 2025. The Council also leases office equipment under an operating lease, which will expire in 2024. Total lease expense for 2023 under these operating leases was \$13,397. Future minimum lease payments under these non-cancelable operating leases for the years subsequent to December 31, 2023 are \$5,224 – 2024; \$499 – 2025; \$499 – 2026; \$499 – 2027; and \$166 – 2028.

Concentrations

The Council receives substantially all of its support and revenue from federal, state and local funding sources. The continuing operation of the Council is greatly dependent upon the continued support of these government agencies.

Legal Matters

In the normal course of conducting its operations, the Council occasionally becomes party to various legal actions and proceedings. In the opinion of management, the ultimate resolution of such legal matters will not have a significant adverse effect on the accompanying financial statements.

NOTE O – SUBSEQUENT EVENTS

The Council has evaluated all subsequent events through September 19, 2024, the date the financial statements were available to be issued. The Council is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

SUPPLEMENTAL INFORMATION

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Year Ended December 31, 2023

Grantor/Pass-through Agency Program Title	ALN/ CSFA Number	Grant Contract Number	Expenditures	Amounts Paid to Subrecipients
FEDERAL AWARDS				
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES - ADMINISTRATION ON AGING Passed through Florida Department of Elder Affairs:				
Older Americans Act - Aging Cluster				
Older Americans Act Administration	93.044	JA023	\$ 771,939	\$ -
Older Americans Act Title III-B	93.044	JA023	2,618,173	1,871,957
Older Americans Act Title III-C1	93.045	JA023	956,050	956,050
Older Americans Act Title III-C2	93.045	JA023	2,273,987	2,273,987
Older Americans Act Nutrition Services Incentive Program (NSIP)	93.053	JA023	388,395	369,922
Expanding Access to COVID-19 Vaccines via the Aging Network	93.044	JCV21	9,378	4,464
American Rescue Plan Administration	93.044	JRP21	581,333	-
American Rescue Plan for Supportive Services under Title III-B	93.044	JRP21	803,629	323,278
American Rescue Plan for Congregate Meals under Title III-C1	93.045	JRP21	525,324	-
American Rescue Plan for Home Delivered Meals under Title III-C2	93.045	JRP21	1,538,400	-
Total Aging Cluster			10,466,608	5,799,658
Older Americans Act - Other Programs				
OAA Title VII	93.041	J7023	21,267	-
Older Americans Act Title III-D	93.043	JA023	184,263	33,333
Older Americans Act Title III-E	93.052	JA023	462,705	462,705
American Rescue Plan for Preventive Health under Title III-D	93.043	JRP21	2,746	-
American Rescue Plan for Family Caregivers under Title III-E	93.052	JRP21	319,980	122,475
Total Older Americans Act			11,457,569	6,418,171
Medicaid Cluster				
Medicaid Administrative Claiming	93.778	JX022	114,783	-
Statewide Managed Care	93.778	JX022	43,377	-
Medicaid Administrative Claiming	93.778	JX023	124,609	-
Statewide Managed Care	93.778	JX023	36,739	-
Total Medicaid Assistance Programs			319,508	-
Low-Income Home Energy Assistance				
Emergency Home Energy Assistance for Elderly Program	93.568	JP021	699,001	423,763
Emergency Home Energy Assistance for Elderly Program - ARP	93.568	JPP21	10,154	5,661
Total Low-Income Home Energy Assistance			709,155	429,424
Special Programs for the Aging				
SHINE Senior Medicare Patrol	93.048	JG023	32,572	-
SHINE Senior Medicare Patrol	93.048	JG022	36,322	-
SHINE	93.324	JN022	32,390	-
SHINE	93.324	JN023	103,170	-
Total Special Programs for the Aging			204,454	-
Medicare Enrollment Assistance Programs				
MIPPA	93.071	JB023	69,478	-
MIPPA	93.071	JB024	34,171	-
Total Medicare Enrollment Assistance Programs			103,649	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES - ADMINISTRATION ON AGING			12,794,335	6,847,595
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 12,794,335	\$ 6,847,595

See independent auditor's report.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (continued)

Year Ended December 31, 2023

Grantor/Pass-through Agency Program Title	ALN/ CSFA Number	Grant Contract Number	Expenditures	Amounts Paid to Subrecipients
STATE FINANCIAL ASSISTANCE				
FLORIDA DEPARTMENT OF ELDER AFFAIRS				
Community Care for the Elderly - CCE	65.010	JC022	\$ 3,971,289	\$ 3,866,829
Community Care for the Elderly - CCE	65.010	JC023	4,424,678	4,115,637
Total Community Care for the Elderly			8,395,967	7,982,466
Alzheimer's Disease Initiative (ADI) - Special Projects	65.002	JZ022	40,002	40,002
Alzheimer's Disease Initiative (ADI) - Special Projects	65.002	JZ023	139,969	139,969
Total ADI - Special Projects			179,971	179,971
Alzheimer's Disease Initiative (ADI) - Administration	65.004	JZ022	80,010	-
Alzheimer's Disease Initiative (ADI) - Administration	65.004	JZ023	89,750	-
Alzheimer's Disease Initiative (ADI) - Respite Services	65.004	JZ022	1,471,727	1,471,727
Alzheimer's Disease Initiative (ADI) - Respite Services	65.004	JZ023	1,846,420	1,846,420
Total ADI - Respite Services			3,487,907	3,318,147
Home Care for the Elderly - HCE	65.001	JH022	341,799	87,480
Home Care for the Elderly - HCE	65.001	JH023	382,734	109,592
Total Home Care for the Elderly			724,533	197,072
Local Service Programs - LSP	65.009	JL022	788,615	788,615
Local Service Programs - LSP	65.009	JL023	870,136	848,152
Total Local Service Programs			1,658,751	1,636,767
ARP Enhanced FMAP	65.001	JE022	2,753,164	2,066,333
Medicaid Cluster				
Medicaid Administrative Claiming	93.778	JX022	114,783	-
Statewide Managed Care	93.778	JX022	43,377	-
Medicaid Administrative Claiming	93.778	JX023	124,609	-
Statewide Managed Care	93.778	JX023	36,739	-
Total Medicaid Assistance Programs			319,508	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 17,519,801	\$ 15,380,756

See independent auditor's report.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**

December 31, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal grant activity and state financial assistance of the Areawide Council of Aging of Broward County, Inc., under programs of the federal government and the State of Florida 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 Regulation* 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), respectively. Because the Schedule presents only a selected portion of the operations of Areawide Council of Aging of Broward County, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Areawide Council of Aging of Broward County, Inc.

NOTE B – 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, Chapter 10.650, and the laws and regulations of the State of Florida and wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE C – INDIRECT COST RATE

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



**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**

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Certified Public
Accountants

Florida Institute of
Certified Public
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To the Board of Directors of
Areawide Council on Aging of
Broward County, Inc.
Sunrise, 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 financial statements of Areawide Council on Aging of Broward County, Inc. (the "Council") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 19, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council'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 Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council'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 Council'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

Report on Compliance and Other Matters (continued)

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 Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Krusick & Associates, LLC

Winter Park, Florida
September 19, 2024



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

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To the Board of Directors of
Areawide Council on Aging of
Broward County, Inc.
Sunrise, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Areawide Council on Aging of Broward County, Inc.'s (the "Council") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the Council's major federal programs and state projects for the year ended December 31, 2023. The Council'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 Council 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; 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 State of Florida Chapter 10.650, *Rules of the Auditor General* (Chapter 10.650). Our responsibilities under those standards, Uniform Guidance, and Chapter 10.650 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 Council 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 Council'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

Responsibilities of Management for Compliance (continued)

control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Council'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 Council's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650 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 Council's compliance with the requirements of each major federal program or state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, 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 Council'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 Council'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 Council'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.

Report on Internal Control over Compliance (continued)

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

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

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

Moss, Krusick & Associates, LLC

Winter Park, Florida
September 19, 2024

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2023

Part I – Summary of Auditor’s Results

Financial Statements

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

Federal Awards

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

<u>Name of Federal Program</u>	<u>ALN</u>
Aging Cluster	
Special Programs for the Aging–Title III, Part B	93.044
Special Programs for the Aging–Title III, Part C	93.045
Nutrition Services Incentive Program	93.053
American Rescue Plan for Family Caregivers Under Title III-E	93.052

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2023

Part I – Summary of Auditor’s Results (continued)

State Financial Assistance

Type of auditor’s report issued on compliance for major projects:	Unmodified
Internal control over major projects:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
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
Dollar threshold used to distinguish between Type A and Type B projects	\$750,000
Identification of major state project:	
<u>Name of State Project</u>	<u>CSFA Number</u>
Community Care for the Elderly	65.010
ARP Enhanced FMAP	65.001
Home Care for the Elderly	65.001

Part 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).

Part III – Federal Award and State Project 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).

Part IV – Status of Prior Year Audit Findings

There were no prior year audit findings.

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

SCHEDULE OF GRANTS AWARDED

Year Ended December 31, 2023

Best Life Care, Inc.	\$ 52,800
Broward County Elderly and Veterans Services	10,280,527
Broward County Minority Builders Coalition, Inc.	424,586
Cantor Senior Center	297,987
Catholic Charities of the Archdiocese of Miami, Inc.	221,311
City of Deerfield Beach - NEFP	470,707
City of Hallandale Beach - Austin Hepburn Center	90,209
City of Hollywood - Fred Lippman Center	232,686
City of Lauderdale Lakes - Alzheimer's Day Care	251,780
City of Pembroke Pines - SWFP	709,977
City of West Park	272,070
Coast to Coast Legal Aid of South Florida	392,687
Direct Services	2,933,980
Easterseals South Florida, Inc.	21,551
Florida Introduces Physical Activity and Nutrition to Youth (FLIPANY)	348,946
Human Services Network, Inc.	1,413,077
Intuition Robotics, Inc.	259,710
It's Never 2 Late LLC	287,844
Jewish Adoption and Foster Care Options, Inc.	100,029
Jewish Community Center	304,676
N. W. Federated Woman's Club	335,394
N. W. Focal Point	402,736
NBHD/Broward Health	2,035
Offerdahl's Hand-Off Foundation, Inc.	251,011
Philip Solomon & Associates	2,787
Phoenix	19,596
Pickett Fences	20,918
Ponder & Associates, Inc.	121,267
Rebuilding Together	389,607
S.C./S.E. Focal Point/Miramar Center	710,595
Senior Proof	752,024
Sterling Group Food	1,215,836
Sunshine Social Services, Inc.	373,452
Sushi Maki	702,904
The Volen Center	220,366
Tranquility	1,122,809
Uniper Care, Inc.	153,731
United Home Care Services, Inc.	884,974
	<hr/>
Total program services	<u>\$ 27,049,182</u>

See accompanying independent auditor's report

AREAWIDE COUNCIL ON AGING OF BROWARD COUNTY, INC.

SCHEDULE OF FAIR SHARE CONTRIBUTIONS

Year Ended December 31, 2023

Broward County	\$	684,920
City of Fort Lauderdale		159,803
City of Pembroke Pines		98,760
City of Deerfield Beach		61,600
City of Tamarac		59,837
City of Sunrise		55,033
City of Miramar		61,522
City of Pompano Beach		62,500
City of Margate		48,685
Town of Davie		43,295
City of Coconut Creek		37,562
City of Hallandale		34,987
City of Weston		27,535
City of Plantation		25,000
City of Lauderdale Lakes		24,351
City of Lauderhill		37,757
City of Hollywood		20,000
City of Parkland		13,548
City of North Lauderdale		15,995
City of Lighthouse Point		11,372
City of Coral Springs		10,000
City of Oakland Park		10,000
City of Lauderdale-By-The-Sea		8,490
City of West Park		7,544
Town of Hillsboro Beach		3,981
City of Wilton Manors		11,043
Town of Pembroke Park		3,340
Town of Southwest Ranches		2,000
		<hr/>
	\$	<u>1,640,460</u>

The fair share contributions for the year ended December 31, 2023 meet applicable State of Florida and Department of Elder Affairs requirements for locally generated funding.

See accompanying independent auditor's report