

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER**

**CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of The Mae Volen Senior Center, Inc.
d/b/a The Volen Center

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying consolidated statements of The Mae Volen Senior Center, Inc. d/b/a The Volen Center (a non-profit corporation) (the "Center") and affiliates, which comprises the consolidated statement of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities, cash flows and statement of functional expenses for the fiscal year then ended and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Center as of June 30, 2023 and 2022, and the changes in their net assets, and their cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center 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

The Center's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 Center's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, 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 Center'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 Center'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.

Report on Summarized Comparative Information

We have previously audited the Center's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 19, 2022. In our opinion, the summarized functional expenses comparative information presented herein as of and for the fiscal year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

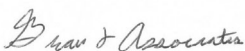
Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements of the Center taken as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance projects, 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 and Chapter 10.650 Rules of the Florida Auditor General*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements.

The schedule of expenditures of federal awards and state financial assistance projects are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 projects is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2023, on our consideration of the Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering the Center's internal control over financial reporting and compliance.



December 20, 2023

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions		Total
		Temporarily Restricted	Permanently Restricted	
ASSETS				
Cash and cash equivalents	\$ 2,612,863	\$ 73,419	\$ -	\$ 2,686,282
Grants receivable	1,003,636	-	-	1,003,636
Other receivables	112,756	-	-	112,756
Prepaid expenses and other assets	470,209	-	-	470,209
Property and equipment, less accumulated depreciation of \$7,929,303 in 2023	1,800,684	-	500,000	2,300,684
Long-term investments	1,196,603	-	-	1,196,603
Beneficial interest in perpetual trust- Notes B and H	-	-	9,168,763	9,168,763
Total Assets	\$ 7,196,751	\$ 73,419	\$ 9,668,763	\$ 16,938,933
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	\$ 65,337	\$ -	\$ -	\$ 65,337
Accrued and other liabilities	1,441,696	-	-	1,441,696
Refundable advances	166,052	-	-	166,052
Total Liabilities	1,673,085	-	-	1,673,085
NET ASSETS				
With donor restrictions:				
Temporarily restricted	-	73,419	-	73,419
Permanently restricted	-	-	9,668,763	9,668,763
Without donor restrictions:				
Board designated:				
Quasi-endowment fund	1,253,513	-	-	1,253,513
Emergency fund	300,802	-	-	300,802
Undesignated	3,969,351	-	-	3,969,351
Total net assets	5,523,666	73,419	9,668,763	15,265,848
Total Liabilities and Net Assets	\$ 7,196,751	\$ 73,419	\$ 9,668,763	\$ 16,938,933

See accompanying notes to consolidated financial statements

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022**

	Without Donor Restrictions	With Donor Restrictions		Total
		Temporarily Restricted	Permanently Restricted	
ASSETS				
Cash and cash equivalents	\$ 1,268,081	\$ 79,127	\$ -	\$ 1,347,208
Grants receivable	1,599,935	-	-	1,599,935
Other receivables	119,597	-	-	119,597
Prepaid expenses and other assets	468,509	-	-	468,509
Property and equipment, less accumulated depreciation of \$7,489,255 in 2022	2,091,421	-	500,000	2,591,421
Long-term investments	1,212,343	-	-	1,212,343
Beneficial interest in perpetual trust- Notes B and H	-	-	10,086,275	10,086,275
Total Assets	\$ 6,759,886	\$ 79,127	\$ 10,586,275	\$ 17,425,288
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	\$ 78,315	\$ -	\$ -	\$ 78,315
Accrued and other liabilities	1,408,759	-	-	1,408,759
Refundable advances	164,551	-	-	164,551
Total Liabilities	1,651,625	-	-	1,651,625
NET ASSETS				
With donor restrictions:				
Temporarily restricted	-	79,127	-	79,127
Permanently restricted	-	-	10,586,275	10,586,275
Without donor restrictions:				
Board designated:				
Quasi-endowment	1,232,906	-	-	1,232,906
Emergency fund	300,758	-	-	300,758
Undesignated	3,574,597	-	-	3,574,597
Total net assets	5,108,261	79,127	10,586,275	15,773,663
Total Liabilities and Net Assets	\$ 6,759,886	\$ 79,127	\$ 10,586,275	\$ 17,425,288

See accompanying notes to consolidated financial statements

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
CONSOLIDATED STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions		Total
		Temporarily Restricted	Permanently Restricted	
Revenues, gains and other support:				
Public support:				
Bequest	\$ 43	\$ -	\$ -	\$ 43
Contributions	87,004	-	-	87,004
United Way	100,121	-	-	100,121
Grants	10,055,869	-	-	10,055,869
Medicaid	211,711	-	-	211,711
In-kind rental	191,761	-	-	191,761
Revenue:				
Project income - Title IIIB, Community Care, etc.	515,994	-	-	515,994
Membership dues	19,631	-	-	19,631
Program service fees, senior programs, education classes, etc.	41,114	-	-	41,114
Interest and dividend income on investments held by trustee, net of trustee fees of \$91,352	733,501	-	-	733,501
Interest income and other	1,701	-	-	1,701
Net investment return on other investments	20,607	-	-	20,607
Gain (loss) on beneficial interest in perpetual trust	-	-	(917,512)	(917,512)
Net assets released from donor restrictions:	5,708	(5,708)	-	-
Total revenues, gains and other support	11,984,765	(5,708)	(917,512)	11,061,545
Expenses and losses:				
Program services	11,131,770	-	-	11,131,770
Supporting services:				
Management and general	437,590	-	-	437,590
Total expenses and other losses	11,569,360	-	-	11,569,360
Change in net assets	415,405	(5,708)	(917,512)	(507,815)
Net assets - beginning	5,108,261	79,127	10,586,275	15,773,663
Net assets - ending	\$ 5,523,666	\$ 73,419	\$ 9,668,763	\$ 15,265,848

See accompanying notes to consolidated financial statements.

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
CONSOLIDATED STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2022**

	Without Donor Restrictions	With Donor Restrictions		Total
		Temporarily Restricted	Permanently Restricted	
Revenues, gains and other support:				
Public support:				
Bequest	\$ 430,142	\$ -	\$ -	\$ 430,142
Contributions	250,989	0.00	-	250,989
United Way	100,276	-	-	100,276
Grants	6,959,456	-	-	6,959,456
Medicaid	135,525	-	-	135,525
In-kind rental	191,759	-	-	191,759
Revenue:				
Project income - Title IIIB, Community Care, etc.	604,069	-	-	604,069
Membership dues	13,142	-	-	13,142
Program service fees, senior programs, education classes, etc.	28,911	-	-	28,911
Interest and dividend income on investments held by trustee, net of trustee fees of \$91,352	806,902	-	-	806,902
Interest income	2,152	-	-	2,152
Net investment return on other investments	(214,964)	-	-	(214,964)
Gain (loss) on beneficial interest in perpetual trust	-	-	140,500	140,500
Net assets released from donor restrictions	8,417	(8,417)	-	-
Total revenues, gains and other support	9,316,776	(8,417)	140,500	9,448,859
Expenses and losses:				
Program services	8,823,465	-	-	8,823,465
Supporting services:				
Management and general	376,195	-	-	376,195
Total expenses and other losses	9,199,660	-	-	9,199,660
Change in net assets	117,116	(8,417)	140,500	249,199
Net assets - beginning	4,991,145	87,544	10,445,775	15,524,464
Net assets - ending	\$ 5,108,261	\$ 79,127	\$ 10,586,275	\$ 15,773,663

See accompanying notes to consolidated financial statements.

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
CONSOLIDATED STATEMENT OF CASH FLOWS
FISCAL YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ (507,815)	\$ 249,199
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	440,049	460,364
(Increase) Decrease in:		
Grants receivable	596,299	(78,773)
Other receivables	6,841	(11,681)
Prepaid expenses and other assets	(1,700)	(67,513)
Beneficial interest in trust	917,512	(140,500)
Increase (Decrease) in:		
Accounts payable and accrued expenses	19,959	(193,035)
Refundable advances	1,501	3,970
Net cash provided by (used in) operating activities	1,472,646	222,031
Cash flows from investing activities:		
Sales/purchases of long-term investments	15,740	(363,141)
Purchases of fixed assets	(149,312)	(388,692)
Net cash provided by (used in) investing activities	(133,572)	(751,833)
Net increase (decrease) in cash and cash equivalents	1,339,074	(529,802)
Cash and cash equivalents at beginning of fiscal year	1,347,208	1,877,010
Cash and cash equivalents at end of fiscal year	\$ 2,686,282	\$ 1,347,208
 NON-CASH INVESTING ACTIVITIES:		
Gain (loss) on beneficial interest in trust included in change in net assets	(\$917,512)	\$ 140,500

See accompanying notes to consolidated financial statements.

THE MAE VOLEN SENIOR CENTER, INC
D/B/A THE VOLEN CENTER
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2022)

Expenses	PROGRAM SERVICES							IIIE
	Life Enrichment Programs	Adult Day Health Care	IIIB Trans portation	IIIC-1 Cong Meals	IIIC-2 Home Del Meals	IIIB Homemaker Programs		
Salaries	\$ 231,308	\$ 997,621	\$ 824,725	\$ 198,662	\$ 88,414	\$ 24,113	\$ 16,074	
Payroll taxes and benefits	56,817	274,670	246,344	55,028	33,307	9,034	6,014	
Travel	2,147	3,544	777	3,493	-	-	-	
Communication/postage	312	12,323	6,548	3,430	3,091	936	963	
Utilities	706	16,974	26,623	7,754	7,754	2,115	1,407	
Advertising	1,629	4,248	1,205	-	-	-	-	
Insurance	1,727	6,308	374,326	7,710	7,710	2,103	1,402	
Maintenance and repair	1,260	213,630	26,405	13,834	9,269	3,777	7,079	
Printing/supplies	4,660	20,717	20,387	6,111	5,668	1,667	1,551	
Professional fees	632	33,275	24,434	25,042	33,389	13,356	6,678	
Sub-contractors	19,040	39,185	-	-	-	357,648	82,112	
Program supplies	36,687	38,656	10,382	11,470	-	-	-	
Depreciation	4,555	19,933	252,507	17,602	23,212	7,823	4,778	
Food and food supplies	-	-	-	968,233	551,306	-	-	
Other Veh Operations	-	-	367,149	-	-	-	-	
Other - misc	-	61	-	-	-	-	-	
Total expenses	361,480	1,681,145	2,181,812	1,318,369	763,120	422,572	128,058	
Allocation of management and general	14,210	66,086	85,767	51,825	29,998	16,611	5,034	
Total expenses after allocation	\$ 375,690	\$ 1,747,231	\$ 2,267,579	\$ 1,370,194	\$ 793,118	\$ 439,183	\$ 133,092	

(Continued)

See accompanying notes to consolidated financial statements.

THE MAE VOLEN SENIOR CENTER, INC
D/B/A THE VOLEN CENTER
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2022)
(Continued)

Expenses	PROGRAM SERVICES			SUPPORT SERVICES		TOTAL ALL EXPENSES	
	CCE/HCE		Total Program Costs	Mgmt and General	2023	2022	
	EHEAP Program	ADI					
Salaries	\$ 624,066	\$ 104,492	\$ 3,109,475	\$ 48,797	\$ 3,158,272	\$ 2,774,775	
Payroll taxes and benefits	169,767	39,200	890,181	18,047	908,228	889,634	
Travel	9,599	15	19,575	30,009	49,584	25,885	
Communication/postage	7,485	4,056	39,144	1,423	40,567	27,984	
Utilities	16,913	9,164	89,410	3,527	92,937	90,683	
Advertising	-	-	7,082	45,139	52,221	18,938	
Insurance	15,653	9,111	426,050	6,136	432,186	397,300	
Maintenance and repair	30,168	16,348	321,770	158,253	480,023	341,105	
Printing/supplies	13,328	7,219	81,308	26,771	108,079	148,762	
Professional fees	26,711	8,347	171,864	46,686	218,550	173,164	
Sub-contractors	1,919,837	961,048	3,378,870	-	3,378,870	2,328,606	
Program supplies	-	-	97,195	18,538	115,733	85,273	
Depreciation	58,169	25,320	413,899	26,148	440,047	460,364	
Food and food supplies	195,236	3,962	1,718,737	-	1,718,737	1,072,941	
Other Veh Operations	-	-	367,149	-	367,149	342,689	
Other - misc	-	-	61	8,116	8,177	21,557	
Total expenses	3,086,932	1,188,282	11,131,770	437,590	11,569,360	9,199,660	
Allocation of management and general	121,348	46,711	437,590	(437,590)	-	-	
Total expenses after allocation	\$ 3,208,280	\$ 1,234,993	\$ 11,569,360	\$ -	\$ 11,569,360	\$ 9,199,660	

See accompanying notes to consolidated financial statements.

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Mae Volen Senior Center, Inc. (d/b/a The Volen Center) (the “Center”) is a not-for-profit corporation organized under the laws of the state of Florida for the general purpose of providing services to the elderly people of south Palm Beach County.

During the fiscal year ended June 30, 2012, the Center became the sole member manager of the Volen Community Coach, LLC; Volen Community Care, LLC; and Volen Center, LLC (the “Entities”). These Entities operate exclusively for the benefit of the Center and have been consolidated with the financial statements of the Center.

The Center provides many services to individuals 60 years of age and older. In addition, the Center also provides limited child care services. Some of the main services provided are:

- Transportation
- Shopping assistance
- Information and referral
- Medicare and Social Security counseling
- Social, educational and recreational programs
- Personal care
- Case management
- Chore services
- Respite services
- Congregate and home delivered meals
- Homemaker service
- Health promotion
- Medical emergency response systems
- Adult day care
- Exercise classes
- Special programs for the hearing and visually impaired
- Companionship service

Support and revenue are obtained primarily from federal, state, county and local city grants, contributions from the United Way, the Benjamin Volen Charitable Trust, Quantum Foundation, private contributions, memberships, volunteer time, and fund raising efforts of the Board of Directors.

Significant Accounting Policies

Principles of Consolidation: The consolidated financial statements include the accounts of The Volen Center and the Volen Community Coach, LLC; Volen Community Care, LLC; and Volen Center, LLC (the “Entities”) (wholly-owned subsidiaries). All material inter-company accounts and transactions have been eliminated.

Cash and Cash Equivalents: For purposes of reporting cash flows, the Center considers all money market funds with an original maturity of three months or less to be cash equivalents.

The Center occasionally maintains deposits in excess of federally insured limits. ASC 825 (formerly SFAS No. 107 *Disclosures about Fair Value of Financial Instruments*) identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions.

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments: Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. In addition, the Center has a beneficial interest in a perpetual trust. The Trust has been recorded on the financial statements based on its estimated fair value. The fair value has been estimated based on the present value of the distributions using a discount rate of 8.00%, which approximates the observed rate of return for comparable assets that are traded in the open market.

Promises to Give: Contributions are recognized when the donor makes a promise to give, that is, in substance, unconditional. Contributions that are received subject to certain donor stipulations are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets with donor restrictions are reclassified to net assets without donor restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Grants Receivable: All grants receivable are expected to be collected within one year. The Center reviews all accounts to determine if collectible and if required an allowance for uncollectible accounts is provided.

Fixed Assets: Property and equipment are recorded at cost, if purchased by the Center or at fair value at the date of the gift, if received as a donation. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Center reports expirations of donor restricted assets when the donated or acquired assets are placed in service as instructed by the donor. The Center reclassifies temporarily restricted net assets to net assets without donor restrictions at that time. Depreciation is provided over the estimated useful lives of the respective assets by the straight-line method. The Center generally capitalizes those assets with a cost in excess of \$500.

Donated Use of Assets and Donated Services: The estimated fair value of the free use of assets owned by others, and the estimated fair value of contributed services of individuals with special skills over which the Center exercises control, and which constitute a part of the normal program or services that would otherwise be performed by paid personnel, the amount of which is clearly measurable, are also recorded and reflected in the accompanying financial statements.

With Donor Restrictions and Without Donor Restrictions Revenue and Support: Contributions received are recorded as either without donor restrictions or with donor restrictions. With donor restrictions support is further classified as either temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. In addition, the Center recognizes only those contributed services, which are provided by individuals possessing “specialized skills.”

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets with donor restrictions, depending on the nature of the restriction. 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 Statement of Activities as net assets released from donor restrictions. Federal grant advances are classified as refundable advances until expended for the purposes of the grants since they are conditional promises to give.

**NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

Income Taxes: The Center is exempt from federal income taxes under the provisions of the Internal Revenue Code Section 501(c)(3).

The Center's Forms 990, Return of Organization Exempt from Income Tax, for the years ended 2020, 2021, and 2022 are subject to examination by the IRS, generally for three years after they were filed.

Use of Estimates in the Preparation of Financial Statements: The preparation of the consolidated 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, support and expenses during the period.

Reclassification of Prior Year Presentation: Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

NOTE B – FAIR VALUE MEASUREMENTS

The carrying value of the Center's accounts receivable and accounts payable approximate the fair value of these financial instruments at June 30, 2023 and 2022 due to the short maturities of these instruments.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2023 are as follows:

Level 1: Financial instruments with unadjusted, quoted prices listed on active market exchanges. The Center has the following Level 1 financial instruments at June 30, 2023:

Equity Mutual Funds	\$ 505,335
Fixed Income Mutual Funds	562,487
Real Estate Mutual Funds	46,998
Commodities Mutual Funds	81,783
Total	<u>\$ 1,196,603</u>

Level 2: Financial instruments determined using prices for recently traded financial instruments with similar underlying terms as well as directly or indirectly observable inputs, such as interest rates and yield curves that are observable at commonly quoted intervals. The Center does not have any Level 2 financial instruments at June 30, 2023 and 2022.

Level 3: Financial instruments that are not actively traded on a market exchange. This category includes situations where there is little, if any, market activity for the financial instrument. The prices are determined using significant unobservable inputs or valuation techniques. The Center has a beneficial interest in trust that is maintained by the Trustee and is part of the Center's total investment fund. The fair value of the Center's beneficial interest in trust held by the Trustee is \$9,168,763 as of June 30, 2023.

The changes in Level 3 investments are comprised of the following at June 30, 2023:

	<u>Beneficial Interest in Trust</u>
Balance, June 30, 2022	\$ 10,086,275
Change in value of beneficial interest in trust	<u>(917,512)</u>
Balance, June 30, 2023	<u>\$ 9,168,763</u>

The decrease in value of the beneficial interest in the trust was due to a decrease in the distributions from the investments in comparison with the prior fiscal year. Distributions were \$733,501 and \$806,902 for the fiscal years ended June 30, 2023 and 2022, respectively.

NOTE C – GRANTS RECEIVABLE

At June 30, 2023 and 2022, grants receivable consist of the following:

	2023	2022
Title III-B Homemaker	\$ 253,641	\$ 492,394
NSIP	10,536	19,204
Palm Beach County	200,777	214,752
Community Care for the Elderly	280,331	460,011
Alzheimer's Disease Initiative	215,124	380,528
Emergency Home Energy Assistance Program	19,157	6,228
Home Care for the Elderly	24,070	26,818
Total	<u>\$ 1,003,636</u>	<u>\$ 1,599,935</u>

NOTE D – OTHER RECEIVABLES

At June 30, 2023 and 2022, other receivables consist of the following:

	2023	2022
Veteran Administration	\$ 30,475	\$ 49,089
Private Pay	19,396	19,396
Medicaid	62,885	51,112
Total	<u>\$ 112,756</u>	<u>\$ 119,597</u>

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2023 and 2022 consists of the following:

	2023	2022	Useful Lives (In Years)
Land	\$ 500,000	\$ 500,000	
Building	3,121,273	3,121,273	45
Building improvements	2,428,610	2,407,555	5-15
Furniture and equipment	996,312	868,056	5-15
Transportation equipment	3,167,042	3,167,042	5
Donated equipment	16,750	16,750	10
	<u>10,229,987</u>	<u>10,080,676</u>	
Less: accumulated depreciation	7,929,303	7,489,255	
	<u>\$ 2,300,684</u>	<u>\$ 2,591,421</u>	

The ten-acre site upon which the Center's facility is constructed is leased from the City of Boca Raton under an agreement, which requires annual rentals of \$1. This rental has been prepaid for the entire initial term of the lease. The lease restricts the use of the premises to social activities, adult day care, and educational programs for the benefit of elderly citizens of the area. The initial 50-year term of this agreement expires May 26, 2033; however, the agreement is automatically extended thereafter for an indefinite number of 5-year periods. Although the City can cancel this agreement by giving written notice one year in advance of the expiration of the initial lease term or any extension thereof, the likelihood of any such cancellation is deemed remote. Accordingly, the Center has recorded the in-kind contribution of this land at its estimated fair market value of \$500,000 at the date of the contribution, May 1983.

NOTE E – PROPERTY AND EQUIPMENT (Continued)

Of the \$3,167,042 in transportation equipment that the Center owns, twenty four vehicles are subject to lien by the FDOT as a result of the FDOT providing funding for the vehicles. The carrying amount of vehicles subject to lien at June 30, 2023 is \$430,511. The title to the vehicles subject to lien by the FDOT remains in the name of the FDOT for five years and/or 200,000 miles, after which the Center intends to request title to the vehicles, but receipt of title from the FDOT is not guaranteed. Per FDOT guidelines, the only permissible uses for the vehicles are transportation of the elderly and disabled to employment, medical care, shopping, socialization activities, etc. When, and if, the FDOT does transfer title of the vehicles to the Center, there are no further restrictions on use of the vehicles or use of the proceeds from sale of the vehicles.

NOTE F – GRANTS

Grants are subject to annual renewal and periodic amendments and require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to grantors. Although that is a possibility, the Center deems the contingency remote, since by accepting the contracts and their terms it has accommodated the objectives of the grantors to the provisions of these contracts.

These grants accounted for approximately 84% of unrestricted revenues and support for the fiscal year ended June 30, 2023. Without these grants, the Center's ability to fund its programs would be greatly reduced.

NOTE F – GRANTS (Continued)

For the fiscal years ended June 30, 2023 and 2022, funding from grants was comprised of the following:

	<u>2023</u>	<u>2022</u>
Title III-B, a federally funded program administered through the Department of Elder Affairs of the State of Florida, provides funds for transportation, homemaking, and screening and assessment for residents over 60 years of age who reside within the boundaries of the Broward County line in south Boca Raton to Hypoluxo Road and points east and west. Funds are contracted for directly with the Area Agency on Aging of Palm Beach/Treasure Coast, Inc.	\$ 1,122,426	\$ 352,273
Title III-C-1 and 2, a federally funded program administered through the Department of Elder Affairs of the State of Florida, provides funds for congregate and home delivered meals and nutrition education for residents over 60 years of age who reside within the boundaries of the Broward County line in south Boca Raton to Hypoluxo Road and points east and west. Funds are contracted for directly with the Area Agency on Aging of Palm Beach/Treasure Coast, Inc.	2,502,381	1,467,810
Title III-E a federally funded program administered through the Department of Elder Affairs of the State of Florida, provides funds for adult day health care, respite and supplemental services for residents over 60 years of age who reside within the boundaries of the Broward County line in south Boca Raton to Hypoluxo Road and points east and west. Funds are contracted directly with the Area Agency on Aging of Palm Beach/Treasure Coast, Inc.	223,350	239,823
NSIP, a federally funded program administered through the Department of Elder Affairs of the State of Florida, provides a reduction in the cost of providing meals to residents over 60 years of age who reside within the boundaries of the Broward County line in south Boca Raton to Hypoluxo Road and points east and west. Funds are contracted directly with the Area Agency on Aging of Palm Beach/Treasure Coast, Inc.	143,004	67,570
Unrestricted grants the Center received from the City of Boca Raton to be used for the general operation of the Center.	20,000	20,000
Palm Beach County has awarded financial assistance to help fund the Center's cost of providing human service needs through its Community Care, Transportation and Meals for the elderly programs.	1,377,578	1,189,113
Subtotal	<u>\$ 5,388,739</u>	<u>\$ 3,336,589</u>

NOTE F – GRANTS (Continued)

	2023	2022
Balance forward	\$ 5,388,739	\$ 3,336,589
UMTA Section 16(b)2, a federally funded program administered by the Florida Department of Transportation to provide 80% and/or 90% of the funds necessary for the procurement or refurbishment of transportation vehicles.	-	269,456
Boca Raton Regional Hospital Foundation has awarded financial assistance to help fund the Alzheimer’s Disease Initiative and Community Care for the Elderly programs.	25,000	-
EHEAP, a federally funded program currently Administered through the Department of Elder Affairs of the State of Florida, provides funds to assist low income households who experience a home energy emergency. Funds are contracted for directly with the Area Agency on Aging of Palm Beach/Treasure Coast Inc.	135,065	65,055
Alzheimer’s Disease Initiative, a state funded program currently administered through the Department of Elder Affairs of the State of Florida, focused on caring for persons with memory disorders. Funds are contracted for directly with the Area Agency on Aging of Palm Beach/Treasure Coast Inc.	1,663,336	1,181,167
Alzheimer’s Disease Initiative, a state funded program currently administered through the Department of Elder Affairs of the State of Florida, focused on caring for persons with memory disorders. Funds are contracted for directly with the Area Agency on Aging of Broward County	53,674	-
Home Care for the Elderly, a state funded program currently administered through the Department of Elder Affairs of the State of Florida, provides monthly payments to caregivers of individuals who require constant supervision and are at risk of nursing home placement. Funds are contracted for directly with the Area Agency on Aging of Palm Beach/Treasure Coast, Inc.	177,262	146,873
Community Care for the Elderly, a state funded program currently administered through the Department of Elder Affairs of the State of Florida, provides funds for assisting the functionally impaired elderly. Staff from the Center and subcontract personnel provides such services as personal care, day care, respite, homemaker, and case management. Funds are contracted for directly with the Area Agency on Aging of Palm/Beach/Treasure Coast, Inc.	2,187,103	1,960,316
Mobility grant, federally funded and administered through the Federal Transit Administration, to provide funds to reduce barriers to transportation services and expand transportation mobility options to people with disabilities beyond the requirements of the Americans with Disabilities Act. Funds are contracted directly with the South Florida Regional Transportation Authority.	425,690	-
	\$ 10,055,869	\$ 6,959,456

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

Permanently restricted net assets consist of \$500,000 restricted land as explained in Note D - Property and Equipment and \$9,168,763 in 2022 and \$10,086,275 in 2023 which represent the fair value of the beneficial interest in the trust as explained in Note H - Benjamin Volen Charitable Trust.

Temporarily restricted net assets are for the following purposes:

	2023	2022
Dr. Sanford and Thelma E. Glanz Estate - Meals for Seniors	\$ 50,000	\$ 50,000
Hands on Tzedakah	9,149	10,519
Others	14,270	18,608
Total Temporarily Restricted Net Assets	<u>\$ 73,419</u>	<u>\$ 79,127</u>

NOTE H – BENJAMIN VOLEN CHARITABLE TRUST

The Center is one of the beneficiaries of a trust created from the estate of Benjamin Volen who passed away on July 28, 1988. The trust instrument stipulates that the Trustee shall pay the Center "the net income therefrom and such part of the principal thereof from time to time as the Trustee, *in its sole discretion*, shall determine until the full amount thereof has been paid. If at the time of any distribution from the trust any of the organization's (i.e., the Center) is not an exempt organization described in Sections 501(c)(3), 2055(a) and 2522(a) of the Internal Revenue Code of 1954, as amended, then the Trustee shall distribute that part of the principal and income, which would otherwise be distributed to such organization if it were an exempt organization described in said sections, to one or more other organizations so described, in such proportions and amounts as the Distribution Committee shall determine in its sole discretion." The distribution to be made to the Center "is conditioned upon said Center agreeing to use the funds to construct, equip and operate in Boca Raton, Florida, The Mae Volen Center for Senior Citizens." In accordance with stipulations in the trust instrument, the Center agreed in writing within six months of the benefactor's death to accept the gift and comply with the conditions mentioned above.

At June 30, 2023, assets held by the trust had a market value of \$12,885,836 and consisted primarily of common stock, corporate bonds, and U.S. Government obligations.

NOTE I – EMPLOYEE BENEFIT PLAN

Employees of the Center are eligible to establish their own Tax-Sheltered Annuity (TSA), a tax deferred retirement program, created under Section 403(b) of the Internal Revenue Code.

Effective July 1, 1990, the Board of Director established a profit sharing plan for eligible employees. In order to be eligible the employee must have obtained the age of 21 and have completed one year of service with the Center. During the fiscal years ended June 30, 2023 and 2022, the Center contributed \$450,000 and \$412,984, respectively. The plan is non-contributory and is administered by Ascensus.

The plan vests as follows:

Years of Service	Percent Vested
0-1	0%
1-2	0%
2-3	40%
3-4	60%
4-5	80%
5+	100%

NOTE J – MATCHING REQUIREMENTS

In accordance with the grant agreements for Title III-B, Title III-C-1 and C-2, Title III-E, CCE, and ADI the Center is required to match a certain amount of the funds provided by the grants. For the fiscal year ended June 30, 2023, the matches were met as follows:

	Title III				
	Title III B	C-1 and 2	Title III E	CCE	ADI
Total grant	\$ 1,247,140	\$ 2,780,423	\$ 248,167	\$ 2,430,114	\$ 1,848,151
Local match	124,714	278,042	24,817	243,011	184,815
	<u>\$ 1,122,426</u>	<u>\$ 2,502,381</u>	<u>\$ 223,350</u>	<u>\$ 2,187,103</u>	<u>\$ 1,663,336</u>

NOTE K – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of support, revenue and expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries	Service volume
Payroll taxes and benefits	Service volume
Travel	Service volume
Communication/postage	Service volume
Utilities	Service volume
Advertising	Service volume
Insurance	Square footage
Maintenance and repair	Square footage
Printing/supplies	Service volume
Professional fees	Service volume
Sub-contractors	Service volume
Program supplies	Service volume
Depreciation	Square footage
Food and food supplies	Service volume
Other	Direct transportation

NOTE L – IN-KIND CONTRIBUTIONS

The amount of non-professional in-kind contributions was \$256,968 in 2023 and \$153,727 in 2022.

NOTE M – AVAILABILITY AND LIQUIDITY

The following represents the Center's financial assets at June 30, 2023, reduced by amounts not available for general use within one year of June 30, 2023:

Financial assets at year end:	
Cash and cash equivalents	\$ 2,686,282
Grants receivable	1,003,636
Other receivables	112,756
Long-term Investments	<u>1,196,603</u>
Total financial assets	4,999,277
Less those unavailable for general expenditure within one year:	
Quasi-endowment fund primarily for long-term investing	(1,253,513)
Board designated emergency reserve	(300,802)
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 3,444,962</u>

The Center is supported by restricted contributions. Because a donor's restrictions require resources to be used in a particular manner or in a future period, the Center must maintain sufficient resources to meet those responsibilities to its donors. Thus, financials assets may not be available for general expenditure within one year. As part of the Center's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Board has designated a quasi-endowment fund which the Center is to hold funds in primarily for long-term investment. As of June 30, 2023 and 2022, this fund was reported at \$1,253,513 and \$1,232,906, respectively. In addition, the Board has designated an emergency reserve fund which the Center is to hold funds in for future emergency uses. As of June 30, 2023 and 2022, this fund was reported at \$300,802 and \$300,758, respectively.

NOTE N – SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 20, 2023, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PROJECTS
FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor/ Pass-through Program or Cluster Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
FEDERAL AWARDS			
U.S. Department of Health and Human Services:			
Pass through from Area Agency on Aging of Palm Beach/Treasure Coast, Inc.			
<i>Aging Cluster</i>			
Title III B Support services	93.044	IA016-9501	\$ 1,122,426
Title III C-1 Congregate meals	93.045	IA016-9501	1,343,671
Title III C-2 Home delivered meals	93.045	IA016-9501	1,158,710
Nutrition services incentive program (NSIP)	93.053	IU016-9501	143,004
Subtotal Aging Cluster			<u>3,767,811</u>
<i>Special Programs for the Aging -</i>			
Title III E Services	93.052	IA016-9501	223,350
Emergency home energy assistance (EHEAP)	93.568	IP015-9501	135,065
Subtotal U.S. Department of Health and Human Services pass-through programs			<u>4,126,226</u>
U.S. Department of Transportation			
Federal Transit Administration:			
Pass through from Florida Department of Transportation			
<i>Transit Services Programs Cluster</i>			
PTGA	20.513		425,690
Subtotal U.S Department of Transportation Federal Transit Administration pass-through programs			<u>425,690</u>
Total Expenditures of Federal Awards			<u>\$ 4,551,916</u>
STATE FINANCIAL ASSISTANCE			
Department of Elder Affairs: Pass through from the Area Agency on Aging of Palm Beach/ Treasure Coast, Inc.			
<i>Community Care for the Elderly Contract</i>	65.010	IC015-9501	\$ 2,187,103
<i>Home Care for the Elderly Contract</i>	65.001	IH015-9501	177,262
<i>Alzheimer's Disease Initiative</i>	65.004	IZ015-9501	1,663,336
Department of Elder Affairs: Pass through from the Area Agency on Aging of Broward County			
<i>Alzheimer's Disease Initiative</i>	65.004		53,674
Total Expenditures of State Financial Assistance			<u>\$ 4,081,375</u>

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

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PROJECTS**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance projects includes the federal and state grant activity of The Mae Volen Senior Center, Inc. d/b/a The Volen Center (the “Center”) under programs and projects of the federal and state government for the fiscal year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, Rules of the Auditor General. Because the schedule presents only a selected portion of the operations of the Center, it is not intended to and does not present the financial position, changes in nets assets, cash flows or functional expenses of the Center.

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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Additionally, it should be noted the Center did not elect to use the 10 percent *de minimis* indirect cost rate.

Pass-through entity identifying numbers are presented where available.



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

To the Board of Directors of
The Mae Volen Senior Center, Inc.
d/b/a The Volen Center

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of The Mae Volen Senior Center, Inc. (d/b/a The Volen Center) (a non-profit organization) (the "Center") and affiliates, which comprise the statement of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities, cash flows and statement of functional expenses for the fiscal year then ended and the related notes to the financial statements, and have issued our report thereon dated December 20, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center'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.

This report is intended for the information of the management, Board of Directors, and grantor agencies and is not intended to be and should not be used by anyone other than these specified parties.

Bhav & Associates

December 20, 2023



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

To the Board of Directors
The Mae Volen Senior Center, Inc.
d/b/a The Volen Center

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited The Mae Volen Senior Center, Inc.'s (d/b/a The Volen Center) (a non-profit organization) (the "Center") and affiliates compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Center's major federal programs and state projects for the fiscal year ended June 30, 2023. The Center'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 Center 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 fiscal year ended June 30, 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 Chapter 10.650, Rules of the Auditor General. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General 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 Center 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 each major state project. Our audit does not provide a legal determination of the Center'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 Center'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 Center'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, Rules of the Auditor General 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 Center'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, Rules of the Auditor General 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 Center'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 Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over compliance. Accordingly, no such opinion is expressed.

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


Report on Internal Control Over Compliance

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



December 20, 2023

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE PROJECTS
FISCAL YEAR ENDED JUNE 30, 2023**

A. SUMMARY OF AUDIT RESULTS

1. The auditor’s report expresses an unmodified opinion on the consolidated financial statements of The Mae Volen Senior Center, Inc. (d/b/a The Volen Center) (the “Center”).
2. No significant deficiencies or material weaknesses relating to the audit of the consolidated financial statements are reported in the independent auditor’s report on internal control over financial reporting and on compliance and other matters based on an audit of consolidated financial statements performed in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the consolidated financial statements of the Center were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal programs and state projects are reported in the independent auditor’s report on compliance for each major program and state project and on internal control over compliance required by the Uniform Guidance and Chapter 10.650, Rules of the Auditor General.
5. The independent auditor’s report on compliance for each major federal program and state project for the Center expresses an unmodified opinion.
6. There were no audit findings relative to the major federal programs and state projects tested for the Center.
7. The programs/projects tested as major programs include:

<u>Federal Program or Cluster</u>	<u>CFDA #</u>
<i>Aging Cluster</i>	
Title III B Support services	93.044
Title III C Nutrition Services	93.045
Nutrition services incentive program (NSIP)	93.053
<u>State Project</u>	<u>CFDA #</u>
Community Care for the Elderly Contract	65.010
Alzheimer’s Disease Initiative	65.004

8. The dollar threshold used to distinguish between Type A or Type B for major federal programs was \$750,000 and major state projects was \$750,000.
9. The Center was determined to be a low-risk auditee pursuant to the Uniform Guidance.

**THE MAE VOLEN SENIOR CENTER, INC.
D/B/A THE VOLEN CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE PROJECTS
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

B. FINDINGS – CONSOLIDATED FINANCIAL STATEMENTS AUDIT

Current Year: None

Prior Year: None

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARDS AND STATE PROJECTS

None

D. OTHER ISSUES

1. No corrective action plan is required because there were no findings required to be reported under the Federal or Florida Single Audit Act.
2. No summary schedule of prior audit findings is required because there were no prior audit findings.



Grau & Associates

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December 20, 2023

To the Board of Directors of
The Mae Volen Senior Center, Inc.

We have audited the financial statements of The Mae Volen Senior Center, Inc. (d/b/a The Volen Center) (the "Center") for the year ended June 30, 2023, and we will issue our report thereon dated December 20, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 17, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Center are described in Note A to the financial statements. As described in Note A to the financial statements the Organization adopted FASB ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities* and adjusted the presentation of the financial statements accordingly. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was (were):

Management's estimate of the useful lives of capital assets is based on information obtained from the experience of other organizations as adapted for differences in application and environment. We evaluated the key factors and assumptions used to develop the estimate of the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the value of the Benjamin Volen Charitable Trust's assets is based upon a discount factor of 8.00%, which is derived from historical market data to represent a reasonable and accurate return on investment.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 20, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Organization’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of Board of Directors and management of the Center and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Grau & Associates