

**Northeast Missouri Area
Agency on Aging
Kirksville, Missouri**

**Annual Financial Statements
And Accompanying Auditor's Report**

For the Year Ended June 30, 2021

Northeast Missouri Area Agency on Aging

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Northeast Missouri Area Agency on Aging

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Section I

Financial Statements and

Supplementary Information



Marsh, Espey & Merrill, P.C.

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Independent Auditor's Report

To the Board of Directors
Northeast Missouri Area Agency on Aging
Kirksville, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of Northeast Missouri Area Agency on Aging (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northeast Missouri Area Agency on Aging as of June 30, 2021, 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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 13, 2022, on our consideration of Northeast Missouri Area Agency on Aging's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. 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 Northeast Missouri Area Agency on Aging'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 Northeast Missouri Area Agency on Aging's internal control over financial reporting and compliance.

Marsh, Espey & Merrill, P.C.

Maryville, Missouri

July 13, 2022

Northeast Missouri Area Agency on Aging
Statement of Financial Position
June 30, 2021

Assets

Cash	\$ 462,953
Grants receivable:	
Missouri Department of Health and Senior Services	26,088
Other	50,795
Accounts receivable:	
Missouri HealthNet Division	162,498
Prepaid expenses	11,429
Property, net of accumulated depreciation	<u>112,102</u>
 Total assets	 <u>825,865</u>

Liabilities

Refundable advances:	
Missouri Department of Health and Senior Services funds held in trust	80,516
Accounts payable	598,904
Compensated absences payable	<u>25,337</u>
 Total liabilities	 <u>704,757</u>

Net Assets

Without donor restrictions	<u>121,108</u>
 Total net assets	 <u>121,108</u>
 Total liabilities and net assets	 <u>\$ 825,865</u>

See accompanying notes to financial statements.

**Northeast Missouri Area Agency on Aging
Statement of Activities
For the Year Ended June 30, 2021**

	<u>Without Donor Unrestricted</u>
Revenues and other support	
Contributions:	
Missouri Department of Health and Senior Services	\$ 2,977,600
Other Federal Programs	171,599
Missouri Department of Transportation	98,971
Missouri HealthNet Division	1,016,364
Program Income	944,443
Interest on Local Funds	27
Interest	1,011
Other Cash - DHSS Match	104,121
Other Cash - Non-DHSS Match	408,451
Total revenues	<u>5,722,587</u>
Expenses	
Program Services:	
Supportive	715,345
Ombudsman	77,065
Congregate Nutrition	351,834
Home Delivered Nutrition	4,093,963
Disease Prevention and Health Promotion	2,860
Family Caregivers	199,393
Special Programs:	
MIPPA	20,470
Navigator	84,438
COVID-19 Vaccine Registry	61,221
Missouri No Wrong Door Partnership	10,000
Benefit Enrollment Center	15,940
Supporting Activities:	
Area Agency Administration	90,031
Area Agency Funds	4,599
Total expenses	<u>5,727,159</u>
Change in net assets	(4,572)
Net assets, beginning of year	<u>125,680</u>
Net assets, end of year	<u>\$ 121,108</u>

See accompanying notes to financial statements.

Northeast Missouri Area Agency on Aging
Statement of Functional Expenses
For the Year Ended June 30, 2021

	Supporting Activities		Program Services							Total
	Area Agency Administration	Area Agency Funds	Supportive	Ombudsman	Congregate Nutrition	Home Delivered Nutrition	Disease Prevention & Health Promotion	Family Caregivers	Special Programs	
Expenses										
Personnel and fringe	\$ 72,934	\$ -	\$ 54,462	\$ 1,860	\$ 25,494	\$ 45,312	\$ -	\$ 20,399	\$ -	\$ 220,461
Travel	3,326	-	-	-	-	-	-	-	-	3,326
Occupancy and communications	2,940	-	2,651	103	1,186	2,064	-	984	-	9,928
Printing, supplies, postage	1,715	-	1,264	14	567	1,307	-	472	-	5,339
Other Costs:										
Maintenance and repairs	625	-	563	25	252	420	-	211	-	2,096
Professional services	3,292	-	2,968	96	1,329	2,244	-	1,100	-	11,029
NAPIS user access fees	2,507	-	2,890	1,380	5,009	4,940	-	1,278	-	18,004
Insurance and bonding	1,706	-	1,643	52	736	1,244	-	610	-	5,991
Memberships, dues, subscriptions	810	-	709	32	318	527	-	263	1,783	4,442
Advertising	176	-	67	3	30	49	-	24	-	349
Contractual services	-	-	648,128	73,500	316,913	4,035,856	2,860	174,052	190,286	5,441,595
Depreciation	-	4,599	-	-	-	-	-	-	-	4,599
Total expenses	\$ 90,031	\$ 4,599	\$ 715,345	\$ 77,065	\$ 351,834	\$ 4,093,963	\$ 2,860	\$ 199,393	\$ 192,069	\$ 5,727,159

See accompanying notes to financial statements.

**Northeast Missouri Area Agency on Aging
Statement of Cash Flows
For the Year Ended June 30, 2021**

Cash flows from operating activities:	
Cash received from:	
Missouri Department of Health and Senior Services	\$ 3,004,531
Other Federal Programs	125,413
Missouri HealthNet Division	1,029,492
Missouri Department of Transportation	124,138
Program income	944,443
Interest	1,038
Other cash - DHSS match	104,121
Other cash - Non-DHSS match	408,451
Cash paid to contractors	(5,337,677)
Cash paid to suppliers and employees	<u>(281,367)</u>
Net cash provided by operating activities	122,583
Cash flows from investing activities:	
Purchase of equipment	<u>(6,515)</u>
Net cash used for investing activities	<u>(6,515)</u>
Net increase in cash	116,068
Cash, beginning of year	<u>346,885</u>
Cash, end of year	<u><u>462,953</u></u>
Reconciliation of change in net assets to net cash flows from operating activities:	
Change in net assets	(4,572)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	4,599
(Increase) decrease in:	
Grants receivable:	
Missouri Department of Health and Senior Services	57,706
Other	(21,019)
Accounts receivable:	
Missouri HealthNet Division	13,128
Prepaid expenses	(2,295)
Increase (decrease) in:	
Refundable advances:	
Missouri Department of Health and Senior Services funds held in trust	(30,775)
Accounts payable	104,939
Accrued liabilities	872
Net cash provided by operating activities	<u><u>\$ 122,583</u></u>

See accompanying notes to financial statements.

Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021

Note 1 – Organization and Nature of Activities

Northeast Missouri Area Agency on Aging (the Organization) is a not-for-profit community-based organization incorporated in 1973 and governed by a local Board of Directors. The primary purpose of the Organization is the establishment of the priorities and development of overall plans for programs on aging in the Multi-County Area of Northeast Missouri. The Organization receives funds under Title III and other Titles of the Older Americans Act (OAA), as amended, and such other sources as may become available. The Organization is mandated by the OAA to use subgrants or contracts with service providers to provide all services under OAA funding sources. The Organization may request a waiver, from the Missouri Department of Health and Senior Services, Division of Senior and Disability Services, to provide a service directly. The level of services provided is dependent upon the amount of funding provided under contract from the Missouri Department of Health and Senior Services.

Description of Program Services and Supporting Activities

The following program services and supporting activities are included in the accompanying financial statements:

Supportive – provides transportation, homemaker, personal care, legal assistance, information and assistance, and public education and information services to older individuals.

Ombudsman – provides services of an ombudsman to receive, investigate, and act on complaints by older individuals who are residents of long-term care facilities and to advocate for the well being of those older individuals.

Congregate Nutrition – provides a daily meal and other appropriate nutrition services in a congregate setting primarily to older individuals and other eligible recipients.

Home Delivered Nutrition – provides a home delivered meal daily primarily to older individuals and other eligible recipients.

Disease Prevention and Health Promotion – provides the “powerful tools for caregivers” evidence-based education program.

Family Caregivers – provides in-home respite and information and assistance services to assist family caregivers in providing extended care to older individuals.

Special Programs – provides outreach to low-income beneficiaries (MIPPA), assistance with accessing health insurance coverage under the Affordable Care Act (Navigator) and outreach and assistance with benefit programs (Benefit Enrollment Center). Covid vaccine registry promotes the advantages and availability of the vaccine and assists seniors in registering and transportation to receive the vaccine. Missouri No Wrong Door Partnership provided personal protective equipment for staff, volunteers and caregivers and shelf-stable meals at each nutrition center.

Area Agency Administration – includes the functions necessary to ensure an adequate working environment; provide coordination and articulation of the Area Agency’s programs; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of the Area Agency.

Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP).

Basis of Presentation

The Organization reports information regarding its financial position and activities according to the following net assets classifications:

With donor restrictions: the part of net assets that is subject to donor-imposed restrictions.

Without donor restrictions: the part of net assets that is not subject to donor-imposed restrictions, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transactions are included as well as resources derived from gifts and contributions. These resources are used at the discretion of the governing board and may be expended for any purpose in performing the primary objectives of the Organization.

Assets are sequenced according to their nearness of conversion to cash, and liabilities are sequenced according to the nearness of their maturity and resulting use of cash.

Accounting Estimates

The preparation of financial statements in conformity with US GAAP 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.

Subsequent Events

Management has evaluated subsequent events through July 13, 2022, the date on which the financial statements were available to be issued.

Fund Accounting

To facilitate observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts of the Organization are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, for financial reporting purposes the funds have been combined.

Budgetary Accounting

Budgets are adopted for each service provided based on an Area Plan approved by the Missouri Department of Health and Senior Services. Budget revisions are determined in accordance with applicable Missouri Department of Health and Senior Services regulations on grant administration.

**Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021**

Note 2 – Summary of Significant Accounting Policies (continued)

Accounts Receivable

Accounts receivables are reported at unpaid balances adjusted for any charge offs and are considered impaired if full principal payments are not received in accordance with the contractual terms. Accounts receivable are considered past due after one year. Past due accounts are not assessed a finance charge. There are no past due accounts receivables at June 30, 2021. Receivables from contracts with customers are reported as accounts receivable, net in the accompanying statement of financial position.

Allowance for Doubtful Accounts

The Organization has not established an allowance for doubtful accounts as the majority of the Organization's receivables are due from governmental agencies and historical experience has shown that the Organization is able to collect all amounts due.

Property and Equipment

Property and equipment are stated at acquisition cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. The Organization's policy is to capitalize renewals and betterments acquired for greater than \$500 and expense normal repairs and maintenance as incurred. The Organization's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Building and improvements	10-40 years
Parking lot	10 years

Property and equipment acquired with grant award funds is owned by the Organization while used in the program for which it was purchased or in other future authorized programs. The funding sources, however, have a reversionary interest in the property and equipment purchased with grant funds. The disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations.

Equipment acquired with grant award funds is charged to expense in the period of purchase instead of being depreciated over its useful life. US GAAP requires that equipment acquired with grant award funds be depreciated. If the equipment were capitalized and depreciated (using the straight-line method), the cost of equipment, net of depreciation, at June 30, 2021, would be \$4,533. This practice does not represent a material departure from US GAAP.

Funds Held in Trust

The Organization records unearned grant allotment balances from the Missouri Department of Health and Senior Services (DHSS) as a refundable advance until they are expended for the purpose of the grant and all other grant related requirements have been met.

Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021

Note 2 – Summary of Significant Accounting Policies (continued)

Compensated Absences

Employees of the Organization are entitled to paid vacation and paid sick days, depending on job classification, length of service, and other factors. The Organization's policy is to recognize the costs of compensated absences when incurred.

Net Assets

The excess or deficiency of assets over liabilities of a not-for-profit entity.

Public Support, Revenues and Expenses

Contributions of cash and other financial assets

Unconditional promises to give are recognized as contribution revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give are reported at net realizable value if expected to be received in one year or less and at the present value of their estimated future cash flows if expected to be collected in more than one year.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Conditional gifts received prior to the satisfaction of conditions are recorded as refundable advances.

Contributions received are recorded as net assets *without donor restrictions* or net assets *with donor restrictions*, depending on the existence and/or nature of any donor-imposed restrictions. All contributions are considered to be "without donor restrictions" unless specifically restricted by the donor or subject to legal restrictions.

Contributions are reported in the *with donor restriction* class of net assets if they are received with donor stipulations that limit their use through either purpose or time restrictions or both. When donor restrictions expire (that is, when the purpose restriction is fulfilled or the time restriction expires) 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 restrictions. Contributions that are restricted by the donor are reported as an increase in net assets *without donor restrictions* if the restriction expires in the reporting period in which the contribution is recognized. Contributions restricted to the purchase of property or equipment are considered to be met when the asset is placed in service.

Consequently, at June 30, 2021, grant funds advanced of \$80,516 have not been recognized in the accompanying statement of activities because the conditions on which they depend have not yet been met. The conditional contributions depend on incurring qualifying expenditures for the particular program funded.

Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021

Note 2 – Summary of Significant Accounting Policies (continued)

Public Support, Revenues and Expenses (continued)

Revenue from Contracts with Customers

Revenues from services are recognized when the performance obligations of providing the services are satisfied, and the Organization is not required to provide additional services. The Organization determines the transaction price based on standard charges for services provided, reduced by any discounts provided. Payments are due within 30 days.

Functional Allocation of Expenses

Expenses are summarized and categorized based upon their functional classification as either program services or supporting activities. Specific expenses that are readily identifiable to a single program or supporting activity are charged directly to that function. Certain categories of expenses are attributable to more than one program service or supporting activity. These expenses require allocation on a reasonable basis that is consistently applied.

The expenses that are allocated to program services and supporting activities on the following bases:

Personnel and fringe – Salaries and wages, leave, and fringe benefits are allocated to each program or activity in accordance with job descriptions and time analysis for various functions.

Travel, NAPIS user access fees, memberships and dues – Costs are billed directly to the program benefited.

Occupancy and communications, printing, supplies and postage, equipment, maintenance and repairs, professional services, insurance and bonding, subscriptions, and advertising – Costs are allocated to each program based on the weighted average of the salary allocation percentages times the square footage occupied percentages.

Advertising

The Organization's policy is to expense advertising costs as they are incurred. Total advertising costs expensed in 2021 was \$349.

Cash equivalents

For purposes of the Statement of Cash Flows, cash and cash equivalents include all highly liquid investments with original maturities of three months or less when acquired. The Organization has no cash equivalents at June 30, 2021.

Donated Facilities, Materials and Services

Donated services are recognized as contributions at their estimated fair value if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and the service would typically need to be purchased if not donated. There were no contributed services meeting the requirements for recognition in the financial statements.

Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021

Note 2 – Summary of Significant Accounting Policies (continued)

Donated Facilities, Materials and Services (continued)

Other donated services, which have not been included in the financial statements because they do not meet the criteria for recognition, were contributed by various individuals and organizations. The total estimated fair value of donated services that are not recognized in the financial statements is \$399,957 for 2021. Donated facilities, materials and services are used to meet non-Federal share matching requirements of the grant programs.

Concentration of Cash

The Organization maintains its cash deposits in one financial institution located in Kirksville, Missouri. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2021, the Organization's uninsured cash balance totals \$403,627. U.S. Treasury Notes, Macon County, Missouri lease certificates of participation, and an Adair County, Missouri School District general obligation bond, with a total market value on June 30, 2021, of \$816,633, are pledged as collateral for cash balances in excess of federally insured limits. The Organization has not experienced, nor does it anticipate, any losses with respect to bank deposit accounts.

Concentration of Credit Risk

The Organization receives support from various federal and state agencies. At June 30, 2021, 88% of the grants and contracts receivable balances were due from state governmental agencies.

Concentration of Revenue

The Organization receives approximately 75% of its revenues from federal and state governmental agencies. Of this amount, approximately 70% was received from the Missouri Department of Health and Senior Services and approximately 24% from the Missouri HealthNet Division. Approximately 25% of the Organization's revenues are from program income and other cash generated through awards to various organizations for the delivery of services to eligible recipients.

Income Taxes

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. It is also exempt from state income taxes under the Missouri Not-for-Profit Corporation Act.

Uncertain Tax Positions

US GAAP on accounting for uncertainty in income taxes address the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization shall recognize the tax benefit from an uncertain tax position when it is more likely than not, based on the technical merits, that the tax position will be sustained on examination by taxing authorities. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income.

**Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021**

Note 2 – Summary of Significant Accounting Policies (continued)

Uncertain Tax Positions

Management evaluates the Organization’s tax positions annually for any potential changes or issues that may result in uncertainty in the accounting for income taxes. As of June 30, 2021, management believes the Organization’s tax status to be that of a not-for-profit entity. Management has reviewed all sources of revenue and does not believe the Organization to be subject to income tax on unrelated business income. The Organization’s policy is to recognize interest and penalties related to income taxes as income tax expense in the statement of activities. The Organization did not recognize any interest or penalties for the year ended June 30, 2021.

Note 3 – Liquidity and Availability of Resources

Financial assets available for general expenditure within one year are as follows as of June 30, 2021:

Cash	\$ 462,653
Grants receivable	76,883
Accounts receivable	<u>162,498</u>
Financial assets, at year-end	702,034
Less those unavailable for general expenditures within one year, due to:	
Restricted by donor with purpose restriction	<u> -</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 702,034</u>

As part of its liquidity management, the Organization’s goal is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Note 4 – Cash

The Organization must comply with various restrictions on deposits which are imposed by federal and state regulations as follows:

Deposits: All deposits with financial institutions must be held in depositories insured by the FDIC and deposits in excess of FDIC coverage limits must be collateralized. Also, Federal regulations require that all advances of Federal funds shall be deposited and maintained in insured accounts whenever possible.

Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021

Note 5 – Grants Receivable

The following is a summary of grants receivable at June 30, 2021:

	<u>Contributions Receivable due in:</u>			<u>Total</u>	<u>Allowance</u>
	<u>Less than 1 year</u>	<u>1 to 5 years</u>	<u>More than 5 years</u>		
Missouri Department of Health and Senior Services					
Division of Senior Services	\$ 26,088	\$ -	\$ -	\$ 26,088	\$ -
Bureau of Senior Programs	21,864	-	-	21,864	-
Missouri Alliance of Area Agencies on Aging	<u>28,931</u>	<u>-</u>	<u>-</u>	<u>28,931</u>	<u>-</u>
Total	<u>\$ 76,883</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,883</u>	<u>\$ -</u>

Note 6 – Contracts with Customers

The following is a summary of contract balances with customers:

	<u>Beginning Balances</u>	<u>Ending Balances</u>
Accounts receivable	<u>\$175,626</u>	<u>\$162,498</u>
Contract assets	<u>-</u>	<u>-</u>
Contract liabilities	<u>\$ -</u>	<u>\$ -</u>

Note 7 – Property and Equipment

The following is a summary of property at June 30, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending Balance</u>
Land	\$ 25,000	\$ -	\$ -	\$ 25,000
Building and improvements	142,422	6,515	-	148,937
Parking lot	<u>7,000</u>	<u>-</u>	<u>-</u>	<u>7,000</u>
Total	174,422	6,515	-	180,937
Accumulated depreciation	<u>(64,236)</u>	<u>(4,599)</u>	<u>-</u>	<u>(68,835)</u>
Net	<u>\$ 110,186</u>	<u>\$ 1,916</u>	<u>\$ -</u>	<u>\$ 112,102</u>

The aggregate depreciation charged to operations for 2021 was \$4,599. The depreciation policies are described in Note 2.

Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021

Note 8 – Equipment Inventory

In accordance with grant regulations, the Organization has established an amount of \$500 for inventory control purposes only. The following is a summary of changes in equipment inventory for the fiscal year ended June 30, 2021:

Balance, beginning of year	\$ 29,232
Additions	-
Dispositions	-
Balance, end of year	<u>\$ 29,232</u>

Note 9 – Employee Benefit Plan

The Organization has a Simplified Employee Pension plan under section 408k of the Internal Revenue Code. Plan contributions are made to individual retirement accounts of all eligible employees. The Organization contributed 15% per month for the year ended June 30, 2021, for total plan contributions of \$26,856.

Note 10 – Commitments and Contingencies

Grant Awards

Financial awards from Federal and state governmental agencies in the form of grants are subject to audit by the appropriate grantor agency. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. The Organization believes that disallowed costs, if any, based upon subsequent audits by the grantor agencies will not have a material effect on the overall financial position of the Organization.

On February 7, 2022, the Missouri Department of Health and Senior Services, Division of Senior and Disability Services designated the Organization as a “high-risk” contractor. The board and management are working with the Division to satisfy all corrective action plan conditions so as to remove the high-risk designation.

Grants Payable to Others

The Organization is mandated by the Older Americans Act (OAA) to use subgrants or contracts with service providers to provide all services under OAA funding sources, unless the Organization is granted a waiver to provide services directly. The Organization has entered into subgrants with service providers for the provision of supportive, ombudsman, congregate, home delivered, disease prevention and health promotion, family caregivers services, and navigator assistance services for fiscal year 2021 – 2022.

Note 11 – Special Events

During 2021, the Organization did not conduct any special events that were peripheral or incidental to the Organization’s central activities.

Northeast Missouri Area Agency on Aging
Notes to Financial Statements
June 30, 2021

Note 12 – Adoption of Accounting Pronouncement

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09 *Revenue from Contracts with Customers* (Topic 606). Under the new guidance, an entity will recognize revenue, in an amount that reflects the consideration to which an entity expects to be entitled, when it satisfies a performance obligation by transferring a promised good or service to a customer. The guidance also specifies the accounting for some costs to obtain or fulfill a contract with a customer. Additionally, the guidance provides for disclosures about the nature, amount, time and uncertainty of revenue and cash flows arising from contracts with customers. The new standard is effective for the Organization's year ending June 30, 2021, and thereafter and must be applied on a retrospective basis. The Organization adopted the ASU effective July 1, 2020. Adoption of the ASU did not result in any reclassifications or restatements to net assets or changes in net assets.

Supplementary Information

**Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Financial Position
June 30, 2021**

	Grant Basis	GAAP Adjustments	GAAP Basis
Assets			
Cash	\$ 462,953	\$ -	\$ 462,953
Grants receivable:			
Missouri Department of Health and Senior Services	26,088	-	26,088
Other	50,795	-	50,795
Accounts receivable:			
Missouri HealthNet Division	162,498	-	162,498
Prepaid expenses	11,429	-	11,429
Property, net of accumulated depreciation	-	112,102	112,102
	<u>713,763</u>	<u>112,102</u>	<u>825,865</u>
Liabilities			
Refundable advances:			
Missouri Department of Health and Senior Services funds held in trust	80,516	-	80,516
Accounts payable	598,904	-	598,904
Accrued liabilities	25,337	-	25,337
	<u>704,757</u>	<u>-</u>	<u>704,757</u>
Net Assets			
Without donor restrictions	<u>9,006</u>	<u>112,102</u>	<u>121,108</u>
	<u>9,006</u>	<u>112,102</u>	<u>121,108</u>
Total net assets	<u>9,006</u>	<u>112,102</u>	<u>121,108</u>
Total liabilities and net assets	<u>\$ 713,763</u>	<u>\$ 112,102</u>	<u>\$ 825,865</u>

**Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Activities
For the Year Ended June 30, 2021**

	<u>Budget Basis</u>	<u>GAAP Adjustments</u>	<u>GAAP Basis</u>
Revenues			
Missouri Department of Health and Senior Services	\$ 2,977,600	\$ -	\$ 2,977,600
Other Federal Programs	171,599	-	171,599
Missouri HealthNet Division	1,016,364	-	1,016,364
Missouri Department of Transportation	98,971	-	98,971
Program Income	944,443	-	944,443
Interest on local funds	27	-	27
Interest	1,011	-	1,011
Other Cash - DHSS match	104,121	-	104,121
Other Cash - Non-DHSS match	408,451	-	408,451
Total Revenues	<u>5,722,587</u>	<u>-</u>	<u>5,722,587</u>
Expenditures			
Personnel and fringe	220,461	-	220,461
Travel	3,326	-	3,326
Occupancy and communications	9,928	-	9,928
Printing, supplies, postage	5,339	-	5,339
Equipment:			
Computer, fax, printing	-	-	-
Other Costs:			
Maintenance and repairs	8,611	(6,515)	2,096
Professional services	11,029	-	11,029
NAPIS	18,004	-	18,004
Insurance and bonding	5,991	-	5,991
Memberships, dues, subscriptions	4,442	-	4,442
Advertising	349	-	349
Contractual services	5,441,595	-	5,441,595
Depreciation	-	4,599	4,599
Total expenditures	<u>5,729,075</u>	<u>(1,916)</u>	<u>5,727,159</u>
Change in net assets	(6,488)	1,916	(4,572)
Net assets, beginning of year	<u>15,494</u>	<u>110,186</u>	<u>125,680</u>
Net assets, end of year	<u>\$ 9,006</u>	<u>\$ 112,102</u>	<u>\$ 121,108</u>

Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Financial Position - Fund Accounting
June 30, 2021

	Administration	Supportive	Ombudsman	Congregate Nutrition	Home Delivered Nutrition	Disease Prevention & Health Promotion	Family Caregivers	Special Programs	Area Agency Funds	Eliminations (Due to/From)	Total
Assets:											
Cash	\$ -	\$ 99,302	\$ -	\$ 33,524	\$ 253,977	\$ 14,810	\$ 51,188	\$ 1,146	\$ 9,006	\$ -	\$ 462,953
Grants receivable:											
Missouri Department of Health and Senior Services	994	21,184	6,376	7,147	(13,623)	(1,814)	5,824	-	-	-	26,088
Other	-	-	-	-	-	-	-	50,795	-	-	50,795
Accounts receivable:											
Missouri HealthNet Division					162,498						162,498
Prepaid Expense	8,604	2,825	-	-	-	-	-	-	-	-	11,429
Due from other funds	-	33	-	-	-	-	-	-	-	(33)	-
Total assets	9,598	123,344	6,376	40,671	402,852	12,996	57,012	51,941	9,006	(33)	713,763
Liabilities:											
Refundable advances:											
Missouri Department of Health and Senior Services funds held in trust	-	4,973	-	6,157	40,074	12,991	16,321	-	-	-	80,516
Accounts payable	1,183	110,825	6,130	31,590	357,776	5	39,454	51,941	-	-	598,904
Accrued liabilities	8,415	7,546	213	2,924	5,002	-	1,237	-	-	-	25,337
Due to other funds	-	-	33	-	-	-	-	-	-	(33)	-
Total liabilities	9,598	123,344	6,376	40,671	402,852	12,996	57,012	51,941	-	(33)	704,757
Net Assets:											
Without donor restrictions	-	-	-	-	-	-	-	-	9,006	-	9,006
Total net assets	-	-	-	-	-	-	-	-	9,006	-	9,006
Total liabilities and net assets	\$ 9,598	\$ 123,344	\$ 6,376	\$ 40,671	\$ 402,852	\$ 12,996	\$ 57,012	\$ 51,941	\$ 9,006	\$ (33)	\$ 713,763

**Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Activities - by Funding Source - Fund Accounting
For the Year Ended June 30, 2021**

	Administration	Supportive	Ombudsman	Congregate Nutrition	Home Delivered Nutrition	Disease Prevention & Health Promotion	Family Caregivers	Special Programs	Area Agency Funds	Eliminations (Other In-Kind)	Total
Revenues:											
MO Dept of Health & Senior Services	\$ 90,031	\$ 542,967	\$ 77,040	\$ 151,983	\$ 1,909,415	\$ 2,837	\$ 182,857	\$ 20,470	\$ -	\$ -	\$ 2,977,600
Other Federal Programs	-	-	-	-	-	-	-	171,599	-	-	171,599
Missouri HealthNet Division	-	-	-	-	1,016,364	-	-	-	-	-	1,016,364
MO Department of Transportation	-	98,971	-	-	-	-	-	-	-	-	98,971
Program Income	-	49,072	-	175,679	703,222	-	16,470	-	-	-	944,443
Interest on local funds	-	-	-	-	-	-	-	-	27	-	27
Interest	-	218	25	241	438	23	66	-	-	-	1,011
Other Cash - DHSS match	-	-	-	2	104,119	-	-	-	-	-	104,121
Other Cash - Non-DHSS match	-	24,117	-	23,929	360,405	-	-	-	-	-	408,451
Other In-Kind - DHSS Match	6,894	92,869	7,462	5,612	220,728	-	66,392	-	-	(399,957)	-
Total Revenues	96,925	808,214	84,527	357,446	4,314,691	2,860	265,785	192,069	27	(399,957)	5,722,587
Expenditures:											
MO Dept of Health & Senior Services	90,031	542,967	77,040	151,983	1,909,415	2,837	182,857	20,470	-	-	2,977,600
Other Federal Programs	-	-	-	-	-	-	-	171,599	-	-	171,599
Missouri HealthNet Division	-	-	-	-	1,016,364	-	-	-	-	-	1,016,364
MO Highway and Transportation	-	98,971	-	-	-	-	-	-	-	-	98,971
Program Income	-	49,072	-	175,679	703,222	-	16,470	-	-	-	944,443
Interest on local funds	-	-	-	-	-	-	-	-	-	-	-
Interest	-	218	25	241	438	23	66	-	-	-	1,011
Other Cash - DHSS match	-	-	-	2	104,119	-	-	-	-	-	104,121
Other Cash - Non-DHSS match	-	24,117	-	23,929	360,405	-	-	-	-	-	414,966
Other In-Kind - DHSS match	6,894	92,869	7,462	5,612	220,728	-	66,392	-	-	(399,957)	-
Total Expenditures	96,925	808,214	84,527	357,446	4,314,691	2,860	265,785	192,069	6,515	(399,957)	5,729,075
Change in net assets	-	-	-	-	-	-	-	-	(6,488)	-	(6,488)
Net assets, beginning of year											
Other Cash - Non-DHSS match	-	-	-	-	-	-	-	-	15,494	-	15,494
Total net assets, beginning of year	-	-	-	-	-	-	-	-	15,494	-	15,494
Net assets, end of year											
Other Cash - Non-DHSS match	-	-	-	-	-	-	-	-	9,006	-	9,006
Total net assets, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,006	\$ -	\$ 9,006

Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Expenditures - Actual - Fund Accounting
For the Year Ended June 30, 2021

	Total	Administration	Supportive	Ombudsman	Congregate Nutrition	Home Delivered Nutrition	Disease Prevention & Health Promotion	Family Caregivers	Special Programs	Area Agency Funds
Personnel and fringe	\$ 220,461	\$ 72,934	\$ 54,462	\$ 1,860	\$ 25,494	\$ 45,312	\$ -	\$ 20,399	\$ -	\$ -
Travel	3,326	3,326	-	-	-	-	-	-	-	-
Occupancy and communications	9,928	2,940	2,651	103	1,186	2,064	-	984	-	-
Printing, supplies, postage	5,339	1,715	1,264	14	567	1,307	-	472	-	-
Equipment	-	-	-	-	-	-	-	-	-	-
Computer, fax, printing	-	-	-	-	-	-	-	-	-	-
Other Costs:	-	-	-	-	-	-	-	-	-	-
Maintenance and repairs	8,611	625	563	25	252	420	-	211	-	6,515
Professional services	11,029	3,292	2,968	96	1,329	2,244	-	1,100	-	-
NAPIS	18,004	2,507	2,890	1,380	5,009	4,940	-	1,278	-	-
Insurance and bonding	5,991	1,706	1,643	52	736	1,244	-	610	-	-
Memberships, dues, subscriptions	4,442	810	709	32	318	527	-	263	1,783	-
Advertising	349	176	67	3	30	49	-	24	-	-
Contractual services	5,441,595	-	648,128	73,500	316,913	4,035,856	2,860	174,052	190,286	-
Total cash expenditures	5,729,075	90,031	715,345	77,065	351,834	4,093,963	2,860	199,393	192,069	6,515
In-Kind - DHSS match	399,957	6,894	92,869	7,462	5,612	220,728	-	66,392	-	-
Total Expenditures	\$6,129,032	\$ 96,925	\$808,214	\$ 84,527	\$ 357,446	\$4,314,691	\$ 2,860	\$265,785	\$192,069	\$6,515

Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Expenditures - Actual - Fund Accounting
Supportive Program
For the Year Ended June 30, 2021

	Totals	Legal Assistance	Transportation	Information and Assistance	Homemaker	Personal Care	Public Education and Information
Personnel and fringe	\$ 54,462	\$ 2,740	\$ 3,760	\$ 14,473	\$ 10,584	\$ 10,558	\$ 12,347
Travel	-	-	-	-	-	-	-
Occupancy and communications	2,651	128	171	735	487	513	617
Printing, supplies, postage	1,264	53	81	338	244	258	290
Equipment	-	-	-	-	-	-	-
Computer, fax, printing	-	-	-	-	-	-	-
Other Costs:							
Maintenance and repairs	563	27	36	151	109	109	131
Professional services	2,968	143	191	794	575	575	690
NAPIS	2,890	222	222	112	1,167	1,167	-
Insurance and bonding	1,643	79	106	440	318	318	382
Memberships, dues, subscriptions	709	34	46	190	137	137	165
Advertising	67	3	4	18	13	13	16
Contractual services	648,128	48,344	298,046	-	257,397	44,341	-
Total cash expenditures	715,345	51,773	302,663	17,251	271,031	57,989	14,638
In-Kind - DHSS match	92,869	7,209	25,928	3,123	42,408	11,547	2,654
Total Expenditures	\$ 808,214	\$ 58,982	\$ 328,591	\$ 20,374	\$ 313,439	\$ 69,536	\$ 17,292

Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Expenditures - Actual - Fund Accounting
Disease Prevention Health Promotions Program
For the Year Ended June 30, 2021

	Totals	EB Education/ Presentations
Personnel and fringe	\$ -	\$ -
Travel	-	-
Occupancy and communications	-	-
Printing, supplies, postage	-	-
Equipment:	-	-
Computer, fax, printing	-	-
Other Costs:	-	-
Maintenance and repairs	-	-
Professional services	-	-
NAPIS	-	-
Insurance and bonding	-	-
Memberships, dues, subscriptions	-	-
Advertising	-	-
Contractual services	2,860	2,860
Total cash expenditures	2,860	2,860
In-Kind - DHSS match	-	-
Total Expenditures	\$ 2,860	\$ 2,860

Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Expenditures - Actual - Fund Accounting
Family Caregiver Support Program
For the Year Ended June 30, 2021

	Totals	Information and Assistance	In-Home Respite
Personnel and fringe	\$ 20,399	\$ 9,609	\$ 10,790
Travel	-	-	-
Occupancy and communications	984	457	527
Printing, supplies, postage	472	215	257
Equipment:			
Computer, fax, printing	-	-	-
Other Costs:			
Maintenance and repairs	211	99	112
Professional services	1,100	510	590
NAPIS	1,278	111	1,167
Insurance and bonding	610	283	327
Memberships, dues, subscriptions	263	122	141
Advertising	24	11	13
Contractual services	174,052	-	174,052
Total cash expenditures	199,393	11,417	187,976
In-Kind - DHSS match	66,392	3,911	62,481
Total Expenditures	\$ 265,785	\$ 15,328	\$ 250,457

Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Expenditures - Actual - Fund Accounting
Special Programs
For the Year Ended June 30, 2021

	Totals	MIPPA	Navigator Grant	COVID-19 Vaccine Registry	Missouri No Wrong Door Partnership	Benefit Enrollment Center
Personnel and fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	-	-	-	-	-	-
Occupancy and communications	-	-	-	-	-	-
Printing, supplies, postage	-	-	-	-	-	-
Equipment:	-	-	-	-	-	-
Computer, fax, printing	-	-	-	-	-	-
Other Costs:	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-
Professional services	-	-	-	-	-	-
NAPIS	-	-	-	-	-	-
Insurance and bonding	-	-	-	-	-	-
Memberships, dues, subscriptions	1,783	-	-	1,783	-	-
Advertising	-	-	-	-	-	-
Contractual services	190,286	20,470	84,438	59,438	10,000	15,940
Total cash expenditures	192,069	20,470	84,438	61,221	10,000	15,940
In-Kind - DHSS match	-	-	-	-	-	-
Total Expenditures	\$ 192,069	\$ 20,470	\$ 84,438	\$ 61,221	\$ 10,000	\$ 15,940

Northeast Missouri Area Agency on Aging
Supplementary Information
Schedule of Priority Supportive Program Expenditures
By Services and Funding Sources
For the Year Ended June 30, 2021

	Mo Department of Health and Senior Services	Missouri Department of Transportation	Missouri HealthNet Division	Program Income	Interest	Other Cash-Non-DHSS Match	In-kind DHSS Match	Total
Access Services:								
Transportation	\$ 160,461	\$ 98,971	\$ -	\$ 32,405	\$ 62	\$ 10,764	\$ 25,928	\$ 328,591
Information and Events	14,638	-	-	-	-	-	2,654	17,292
Information & Assistance	17,251	-	-	-	-	-	3,123	20,374
Total Access Services	192,350	98,971	-	32,405	62	10,764	31,705	366,257
In-Home Services:								
Homemaker	249,456	-	-	14,372	107	7,096	42,408	313,439
Personal Care	52,288	-	-	2,145	27	3,529	11,547	69,536
Total In-Home Services	301,744	-	-	16,517	134	10,625	53,955	382,975
Legal Services	48,874	-	-	150	22	2,727	7,209	58,982
Total Priority Services	542,968	98,971	-	49,072	218	24,116	92,869	808,214
Reconciliation:								
Total Expenditures	542,968	98,971	-	49,072	218	24,116	92,869	808,214
Per Schedule of Activities- by Funding Source - Fund Accounting	542,968	98,971	-	49,072	218	24,116	92,869	808,214
Variance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Section II
Single Audit Reporting

**Northeast Missouri Area Agency on Aging
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2021**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Carryover From Prior Year	Current Year Grant Award/ P.I. Received	Expenditures	Unexpended Balance at June 30, 2021		Passed Through to Subrecipients
						Unremitted	Remitted	
U.S. Department of Health and Human Services:								
<i>Passed Through Missouri Department of Health and Senior Services:</i>								
<i>Division of Senior & Disability Services:</i>								
Aging Cluster:								
Administration for Community Living:								
Special Programs for the Aging:								
Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	ERS10521005	\$ 271,446	\$ 403,703	\$ 447,509	\$ 222,667	\$ 4,973	\$ 375,975
Title III, Part B - Program Income	93.044	ERS10521005	-	49,072	49,072	-	-	49,072
Program total					<u>496,581</u>			<u>425,047</u>
Title III, Part C, Subpart 1 - Nutrition Services	93.045	ERS10521005	425,334	200,000	426,324	192,853	6,157	423,614
Title III, Part C, Subpart 1 - Program Income	93.045	ERS10521005	-	175,679	175,679	-	-	175,679
Title III, Part C, Subpart 2, Nutrition Services	93.045	ERS10521005	358,053	626,389	397,551	546,816	40,075	339,882
COVID-19 Title III, Part C, Subpart 2, Nutrition Services-CRRSAA	93.045	ERS10521005	-	162,665	162,665	-	-	162,665
COVID-19 Title III, Part C, Subpart 2, Nutrition Services-CARES Act	93.045	ERS10521005	63,614	-	63,614	-	-	63,614
Title III, Part C, Subpart 2 - Program Income	93.045	ERS10521005	-	703,222	703,222	-	-	703,222
Program total					<u>1,929,055</u>			<u>1,888,876</u>
Nutrition Services Incentive Program	93.053	ERS10521005	-	277,159	277,159	-	-	277,159
Total Aging Cluster					<u>2,702,795</u>			<u>2,570,882</u>
Other Programs:								
Administration for Community Living:								
Special Programs for the Aging:								
Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	ERS10521005	-	2,157	2,157	-	-	2,157
Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	ERS10521005	4,741	10,232	14,973	-	-	14,973
COVID-19 Title VII, Chapter 2, Long Term Care Ombudsman Services-CARES Act	93.042	ERS1052005	4,631	-	4,631	-	-	4,631
Program total					<u>19,604</u>			<u>19,604</u>
Title III, Part D, Disease Prevention and Health Promotion Services	93.043	ERS10521005	59,910	31,272	42,155	36,035	12,992	42,155

(continued)

Northeast Missouri Area Agency on Aging
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Carryover From Prior Year	Current Year Grant Award/ P.I. Received	Expenditures	Unexpended Balance at June 30, 2021		Passed Through to Subrecipients
						Unremitted	Remitted	
National Family Caregiver Support, Title III, Part E COVID-19 National Family Caregiver Support, Title III, Part E-CARES Act	93.052	ERS10521005	278,648	195,646	297,715	160,258	16,321	252,876
Title III, Part E - Program Income	93.052	ERS10521005	37,156	-	37,156	-	-	37,156
Program total	93.052	ERS10521005	-	16,470	16,470	-	-	16,470
Administration for Children and Families:								
Social Services Block Grant	93.667	ERS10521005	-	68,733	68,733	-	-	43,178
Administration for Community Living:								
Medicare Enrollment Assistance Program	93.071	ERS10521005	3,360	24,294	20,470	7,184	-	20,470
<i>Passed Through Missouri Alliance of Area Agencies on Aging:</i>								
Medicare Enrollment Assistance Program	93.071	None	4,120	-	4,120	-	-	4,120
Medicare Enrollment Assistance Program	93.071	None	-	16,471	11,820	4,651	-	11,820
Program total	93.071	None	-	10,000	36,410	-	-	36,410
<i>Passed Through University of Missouri-Kansas City:</i>								
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	None	-	10,000	10,000	-	-	10,000
Centers for Medicare and Medicaid Services:								
<i>Passed Through Missouri Alliance of Area Agencies on Aging:</i>								
Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges	93.332	1NAVCA190351-01-00	1,583	-	1,583	-	-	1,583
Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges	93.332	1NAVCA190351-01-00	-	63,025	63,025	-	-	63,025
Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges	93.332	1NAVCA190351-02-02	-	19,830	19,830	-	-	19,830
Program total					84,438			84,438
<i>Passed Through Missouri Department of Health and Senior Services:</i>								
Bureau of Senior Programs:								
Centers for Disease Control and Prevention: Immunization Cooperative Agreements	93.268	DH210049684	-	87,457	61,221	26,236	-	59,438
Total Department of Health and Human Services					3,378,854			
Total Federal Awards			1,512,596	3,143,476	3,378,854	1,196,700	80,518	3,174,764

(continued)

**Northeast Missouri Area Agency on Aging
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2021**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Carryover From Prior Year	Current Year Grant Award/ P.I. Received	Expenditures	Unexpended Balance at June 30, 2021		Passed Through to Subrecipients
						Unremitted	Remitted	
State of Missouri Funds:								
Missouri Department of Health and Senior Services:								
General Revenue	N/A	ERS10521005	-	713,221	713,221	-	-	637,334
Elderly Home Delivered Meals Trust Fund	N/A	ERS10521005	-	1,567	1,567	-	-	1,567
Missouri Department of Transportation:								
Missouri Highways and Transportation Commission								
Elderly and Handicapped Transportation Assistance Program	N/A	TMEHTP21	-	98,971	98,971	-	-	98,971
Total State Awards			-	813,759	813,759	-	-	737,872
Total Federal and State Awards			\$ 1,512,596	\$ 3,957,235	\$ 4,192,613	\$ 1,196,700	\$ 80,518	\$ 3,912,636

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

Northeast Missouri Area Agency on Aging
Notes to Schedule of Expenditures of
Federal and State Awards
For the Year Ended June 30, 2021

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (the "Schedule") includes the federal and state award activity of Northeast Missouri Area Agency on Aging under programs of the federal and state governments for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Northeast Missouri Area Agency on Aging, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Northeast Missouri Area Agency on Aging.

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* 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.

Note C – Indirect Cost Rate

Northeast Missouri Area Agency on Aging has elected not to use the 10-percent de minimis indirect cost rate allowed under the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Note D – Reconciliation of Schedule to Financial Statements

Expenditures of federal and state sources per page 20 of supplementary information:

Missouri Department of Health and Senior Services	\$2,977,600
Other federal programs	171,599
Missouri Department of Transportation	98,971
Program income	<u>944,443</u>
Total expenditures of Federal and State Awards	<u>\$4,192,613</u>



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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
Northeast Missouri Area Agency on Aging
Kirksville, Missouri

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 Northeast Missouri Area Agency on Aging (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 13, 2022.

Compliance and Other Matters

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

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Northeast Missouri Area Agency on Aging'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 Northeast Missouri Area Agency on Aging's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Purpose of this Report

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

Marsh, Espey & Merrill, P.C.

Maryville, Missouri
July 13, 2022



Marsh, Espey & Merrill, P.C.

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**Independent Auditor's Report on Compliance for Each Major Federal Program
and on Internal Control over Compliance Required by the Uniform Guidance**

To the Board of Directors
Northeast Missouri Area Agency on Aging
Kirksville, Missouri

Report on Compliance for Each Major Federal Program

We have audited Northeast Missouri Area Agency on Aging's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Northeast Missouri Area Agency on Aging's major federal programs for the year ended June 30, 2021. Northeast Missouri Area Agency on Aging's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Northeast Missouri Area Agency on Aging's compliance.

Opinion on Each Major Federal Program

In our opinion, Northeast Missouri Area Agency on Aging 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 for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Northeast Missouri Area Agency on Aging is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Northeast Missouri Area Agency on Aging's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Northeast Missouri Area Agency on Aging's internal control over compliance.

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

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

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

Marsh, Espey & Merrill, P.C.

Maryville, Missouri
July 13, 2022

**Northeast Missouri Area Agency on Aging
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021**

Section I – Summary of Auditors' Results

Financial Statements

The type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP?

Unmodified Qualified Adverse Disclaimer

Internal control over financial reporting:

Material weaknesses identified? Yes No

Significant deficiencies identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified? Yes No

Significant deficiencies identified? Yes None reported

Type of report the auditor issued on compliance for major federal programs?

Unmodified Qualified Adverse Disclaimer

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

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.044; 93.045; 93.053	Aging Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

Prior Audit Findings

There were no findings or questioned costs reported in Section II or Section III of the prior year's Schedule of Findings and Questioned Costs.

