

Senior Connections, The Capital Area Agency on Aging

Financial Statements

September 30, 2021 and 2020



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SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

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REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors
Senior Connections, The Capital Area Agency on Aging
Richmond, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of Senior Connections, The Capital Area Agency on Aging (the "Agency"), which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years 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; 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States 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 audits 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 Agency'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 Agency'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 Senior Connections, The Capital Area Agency on Aging as of September 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information on pages 23 through 29 is presented for purposes of additional analysis of the financial statements rather than to present the financial position, activities, and cash flows of the Agency and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, 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*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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. 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 December 14, 2021, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Keith", with a stylized flourish at the end.

December 14, 2021
Glen Allen, Virginia

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Statements of Financial Position September 30, 2021 and 2020

<u>Assets</u>	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and cash equivalents	\$ 1,532,208	\$ 1,602,255
Accounts receivable:		
Commonwealth of Virginia - Department for Aging and Rehabilitative Services	26,071	70,978
Other	192,836	75,277
Prepaid expenses	<u>120,986</u>	<u>93,411</u>
Total current assets	<u>1,872,101</u>	<u>1,841,921</u>
Property and equipment:		
Land	400,188	400,188
Building	573,413	573,413
Building improvements	<u>307,013</u>	<u>297,203</u>
	1,280,614	1,270,804
Less - accumulated depreciation	<u>(536,311)</u>	<u>(512,771)</u>
Property and equipment, net	<u>744,303</u>	<u>758,033</u>
Beneficial interest in assets held by the Community Foundation	<u>960,139</u>	<u>682,565</u>
Total assets	<u>\$ 3,576,543</u>	<u>\$ 3,282,519</u>

See accompanying notes to financial statements.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Statements of Financial Position, Continued September 30, 2021 and 2020

<u>Liabilities and Net Assets</u>	<u>2021</u>	<u>2020</u>
Current liabilities:		
Accounts payable	\$ 185,041	\$ 140,116
Accrued wages and payroll liabilities	336,377	330,022
Unearned grant revenue	<u>221,248</u>	<u>357,546</u>
 Total liabilities	 <u>742,666</u>	 <u>827,684</u>
 Net assets:		
Without donor restrictions	1,472,617	1,348,950
With donor restrictions	<u>1,361,260</u>	<u>1,105,885</u>
 Total net assets	 <u>2,833,877</u>	 <u>2,454,835</u>
 Total liabilities and net assets	 <u>\$ 3,576,543</u>	 <u>\$ 3,282,519</u>

See accompanying notes to financial statements.

1 government grants

2 other contributions

3

4 other revenue

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY

Statement of Activities Year Ended September 30, 2021

1-0		
1-1		103,976.00
1-2		+ 209,237.00
1-3		+ 7,412.00
1-4		+ 429,335.00
1-T	Total	= 749,960.00
2-0		
2-1		749,960.00
2-2	LESS CW amount	- 97,960.00
2-T	Total	= 652,000.00
3-0		
3-1		652,000.00
3-2	Less in kind	- 17,053.00
3-T	Total	= 634,947.00

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Virginia Department for Aging and Rehabilitative Services programs:			
Federal funds	\$ 4,101,170	\$ -	\$ 4,101,170 1
State funds	1,927,438	-	1,927,438 1
Other grant funds	25,775	78,201	103,976 2
Donations and fundraising	151,376	57,861	209,237 2
Local funds	115,000	-	115,000 1
Cash program income	9,896	-	9,896 3
	<u>6,330,655</u>	<u>136,062</u>	<u>6,466,717</u>
Corporation for National and Community Services:			
Federal funds	332,074	-	332,074 1
Donations and fundraising	7,412	-	7,412 2
	<u>339,486</u>	<u>-</u>	<u>339,486</u>
Other support and revenue:			
Federal funds	160,303	-	160,303 1
Other grant funds	79,208	350,127	429,335 2
Rent	29,693	-	29,693
Corporate services	67,237	116,585	183,822 3
Interest income	74	-	74 4
Change in beneficial interest - Community Foundation	-	277,574	277,574
	<u>336,515</u>	<u>744,286</u>	<u>1,080,801</u>
Total support and revenue	<u>7,006,656</u>	<u>880,348</u>	<u>7,887,004</u>
Net assets released from restriction	<u>624,973</u>	<u>(624,973)</u>	<u>-</u>
Expenses:			
Program services	7,293,914	-	7,293,914
Management and general	207,078	-	207,078
Fundraising	6,970	-	6,970
Total expenses	<u>7,507,962</u>	<u>-</u>	<u>7,507,962</u>
Change in net assets	123,667	255,375	379,042
Net assets, beginning of year	<u>1,348,950</u>	<u>1,105,885</u>	<u>2,454,835</u>
Net assets, end of year	<u>\$ 1,472,617</u>	<u>\$ 1,361,260</u>	<u>\$ 2,833,877</u>

See accompanying notes to financial statements.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Statement of Activities Year Ended September 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Virginia Department for Aging and Rehabilitative Services programs:			
Federal funds	\$ 3,929,779	\$ -	\$ 3,929,779
State funds	1,918,556	-	1,918,556
Other grant funds	63,114	78,201	141,315
Donations and fundraising	193,978	36,516	230,494
Local funds	114,250	-	114,250
Cash program income	26,964	5,872	32,836
	<u>6,246,641</u>	<u>120,589</u>	<u>6,367,230</u>
Corporation for National and Community Services:			
Federal funds	318,332	-	318,332
Donations and fundraising	20,966	-	20,966
	<u>339,298</u>	<u>-</u>	<u>339,298</u>
Other support and revenue:			
Federal funds	147,602	-	147,602
Other grant funds	1,564	503,793	505,357
Rent	29,206	-	29,206
Corporate services	94,687	66,514	161,201
Interest Income	1,622	-	1,622
Change in beneficial interest - Community Foundation	-	(5,848)	(5,848)
	<u>274,681</u>	<u>564,459</u>	<u>839,140</u>
Total support and revenue	<u>6,860,620</u>	<u>685,048</u>	<u>7,545,668</u>
Net assets released from restriction	<u>432,076</u>	<u>(432,076)</u>	<u>-</u>
Expenses:			
Program services	6,837,056	-	6,837,056
Management and general	213,086	-	213,086
Fundraising	6,617	-	6,617
Total expenses	<u>7,056,759</u>	<u>-</u>	<u>7,056,759</u>
Change in net assets	235,937	252,972	488,909
Net assets, beginning of year	<u>1,113,013</u>	<u>852,913</u>	<u>1,965,926</u>
Net assets, end of year	<u>\$ 1,348,950</u>	<u>\$ 1,105,885</u>	<u>\$ 2,454,835</u>

See accompanying notes to financial statements.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Statements of Functional Expenses Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Program services:		
Salaries and fringe benefits	\$ 3,883,462	\$ 3,590,367
Meals and delivery	1,196,380	1,138,500
Professional fees	452,518	401,396
Emergency services	306,911	147,243
Enrollee wages - senior employment program	243,494	242,724
Building, maintenance and space costs	212,941	217,417
Stipends - foster grandparents program	139,340	140,329
Short-term personal care services	126,491	115,248
Transportation	125,976	303,221
Adult day care services	112,029	94,354
Office	79,101	89,561
Insurance	75,495	61,029
Equipment	58,808	33,845
Other Program services	47,390	34,677
Legal aid services	42,250	28,000
Homemaker companion	40,615	22,650
Depreciation	33,939	31,984
Printing and publications	32,794	28,988
Travel	28,081	63,328
Employment and job training services	24,334	33,455
Training	16,537	8,814
Volunteer recognition	10,028	4,181
Contributions	5,000	5,000
Medical services	-	745
Total program services	<u>7,293,914</u>	<u>6,837,056</u>
Management and general:		
Salaries and fringe benefits	182,122	185,456
Office	10,889	14,046
Building, maintenance and space costs	14,067	13,584
Total management and general	<u>207,078</u>	<u>213,086</u>
Fundraising:		
Event costs	4,495	4,302
Salaries and fringe benefits	2,475	2,315
Total fundraising	<u>6,970</u>	<u>6,617</u>
Total expenses	<u>\$ 7,507,962</u>	<u>\$ 7,056,759</u>

See accompanying notes to financial statements.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Statements of Cash Flows Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 379,042	\$ 488,909
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	33,939	31,984
Donations restricted for long-term purposes	-	(100,000)
(Gain) loss on beneficial interest in assets held by the Community Foundation	(277,574)	5,848
Change in operating assets and liabilities:		
Accounts receivable	(72,652)	17,480
Prepaid expenses	(27,575)	(86,142)
Accounts payable	44,925	(119,587)
Accrued wages and payroll liabilities	6,355	107,252
Unearned grant revenue	<u>(136,298)</u>	<u>110,557</u>
Net cash (used in) provided by operating activities	<u>(49,838)</u>	<u>456,301</u>
Cash flows used in investing activities:		
Purchases of property and equipment	<u>(20,209)</u>	<u>(71,676)</u>
Cash flows provided by financing activities:		
Donations restricted for long-term purposes	<u>-</u>	<u>100,000</u>
Net change in cash and cash equivalents	(70,047)	484,625
Cash and cash equivalents, beginning of year	<u>1,602,255</u>	<u>1,117,630</u>
Cash and cash equivalents, end of year	<u>\$ 1,532,208</u>	<u>\$ 1,602,255</u>

See accompanying notes to financial statements.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements

1. Nature of Operations:

Senior Connections (the “Agency”) is the designated Area Agency on Aging for Planning District 15. The Planning District includes the City of Richmond and the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent and Powhatan. The Agency was established in 1973 as a private, nonprofit 501(c)(3) organization governed by a Board of Directors and receives additional guidance from a diverse Advisory Council. Senior Connections provides direct services, information and referral, education and advocacy for older adults, caregivers and persons with disabilities. The Agency receives federal funding under the provisions of the Older Americans Act and state funds administered by the Virginia Department for Aging and Rehabilitative Services (“DARS”). Federal funds from the Corporation for National and Community Service supports the Foster Grandparent Mentors Program and the Retired and Senior Volunteer Program (RSVP). Funding is also provided by city and county governments as well as the corporate and foundation community. As a nonprofit, the Agency accepts donations of items, services, monetary gifts and memorials. The Agency also serves as the Region’s No Wrong Door Services Program. Additionally, Senior Connections has joined with other community partners to develop and implement the first Age Wave Readiness Plan for the Richmond Region. This initiative is now known as the Longevity Project.

Senior Connections’ strategic focus areas for the next five years are:

- Visibility and Marketing
- Programs and Services
- Funding and Resources
- Sustainability
- Measurement and Evaluation

Our Vision

“Seniors with improved quality of life.”

Our Mission

“Empowering seniors to live with dignity and choice.”

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

2. Summary of Significant Accounting Policies:

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("GAAP") as determined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC").

Basis of Presentation: The financial statements are presented in accordance with FASB guidance, which establishes standards for financial statements issued by nonprofit organizations. It requires that net assets and related revenue and expenses be classified in two classes of net assets — net assets without donor restrictions and net assets with donor restrictions, based upon the existence or absence of donor-imposed restrictions. A definition and description of each net asset class follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions. Net assets without donor restrictions include the revenues and expenses of the primary operations of the Agency.

Net Assets With Donor Restrictions – Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions, or are restricted to be held into perpetuity. Net assets with donor restrictions include donor-imposed stipulations for specific operating purposes. When a donor restriction expires, meaning the Agency has met the purpose restriction or the stipulated time period has passed, net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. Other donor-imposed restrictions are perpetual in nature, whereby the donor stipulates that they be maintained permanently by the Agency to use all or part of the income earned on any related investments for general or specific purposes, in accordance with the conditions of each specific donation.

Use of Estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and disclosure of contingent assets and liabilities for the reported periods. Actual results could differ from those estimates and assumptions.

Cash and Cash Equivalents: Cash and cash equivalents include cash on hand and cash in banks with maturities of three months or less.

Accounts Receivable: Accounts receivable represent amounts due from grant revenues earned, billed and unbilled, but not yet received, and appropriations earned but unpaid from the local government entities in the Agency's service region as of the end of the fiscal year. The Agency uses the reserve method of accounting for doubtful accounts. The amount of doubtful accounts receivable was considered immaterial at September 30, 2021 and 2020, and no reserve was considered necessary.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

2. Summary of Significant Accounting Policies, Continued:

Concentration of Credit Risk: Financial instruments that potentially subject the Agency to concentration of credit risk consist principally of cash and cash equivalents, unsecured receivables, and investments. The Agency maintains its cash and cash equivalent balances in a large financial institution whose balances were fully insured by the Federal Deposit Insurance Corporation up to \$250,000. During 2021 and 2020, the Agency periodically had funds in excess of the insured limits.

Accounts receivable are from DARS, other federal agencies, local governments, and foundations. The Agency believes its credit risk related to these accounts receivable is limited due to the nature of its donors. The ability to collect receivables is affected by the general economic conditions.

Through its beneficial interest in assets held by the Community Foundation, the Agency invests in various investment securities, which are exposed to various risks, such as interest rate, credit, and overall volatility risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk in the near term would affect the investment balances and the amount reported in the financial statements.

Property and Equipment: Office and service equipment acquired with grant funds are not the property of the Agency and are therefore shown as current period program expenditures. To maintain proper accountability over the physical control and cost of property and equipment, the cost of equipment and a related reserve account are carried on the statements of financial position. Accordingly, there is no depreciation for grant funded office and service equipment reflected in these financial statements. In the event of termination of the Agency's contract with DARS, all personal property acquired with DARS grant funds shall be returned to or disposed of as directed by the DARS.

The building currently occupied by the Agency was acquired and placed in service in October 1992. Depreciation is computed using the straight-line method over the estimated useful life of 15 to 40 years for the building and building improvements.

The Agency follows the capitalization policy of DARS, which allows capital equipment items purchased after October 1, 1996 with a cost \$5,000 or more to be capitalized as property and equipment. Items purchased prior to October 1, 1996 are under the old policy, which allowed items with a cost of \$500 or more to be capitalized as property and equipment.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

2. Summary of Significant Accounting Policies, Continued:

Vacation and Sick Compensation Accrual: Full-time employees may accrue annual vacation leave up to 187.5 hours, while part-time employees may accrue up to 47 hours. The annual maximum accrual was temporarily suspended for 2020 as a benefit for employees during the COVID-19 pandemic. The annual maximum accrual was reinstated September 30, 2021. Full-time employees may accrue up to \$2,500 for unused sick leave if the employment period is for at least ten years and up to \$1,500 for more than five but less than ten years.

Unearned Revenue: The Agency receives federal funds in advance for certain programs. These federal funds are recorded as unearned revenue until the related expenditures are incurred.

Functional Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs, management and general, and fundraising based on recording organizational expenses in department categories that align with these functions. Direct program expenses represent payments for program partners and direct program salaries and fringe benefits. Indirect program expenses include administrative, development, IT personnel, and office and building costs. Management and general personnel, office, and computer equipment allocations are based on Agency salaries and fringe benefits. Building, maintenance, and depreciation allocations are based on square footage. Fundraising expenses represent salaries and fringe benefits, and costs directly related to fundraising event activities.

Income Taxes: The Agency is a qualifying non-profit entity as defined under section 501(c)(3) of the Internal Revenue Code and the tax statutes of the Commonwealth of Virginia and is therefore exempt from federal and state income taxation.

Income Tax Uncertainties: Management has evaluated the effects of accounting guidance related to uncertain income tax positions and concluded that the Agency had no significant financial statement exposure to uncertain income tax positions at September 30, 2021 or 2020. The Agency is not currently under audit by any tax jurisdictions.

Donations: Donations to the Agency consist of cash, donated services, supplies and equipment. Donations are recorded as support without donor restrictions or support with donor restrictions depending on the existence and/or nature of any donor restrictions.

All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

2. Summary of Significant Accounting Policies, Continued:

Donations, Continued: Donated services to the Agency include mentoring, routine physical exams, and lectures from qualified personnel. In order to be recognized in the financial statements of the Agency, donated services, supplies and equipment must have either (a) created or enhanced a nonfinancial asset or (b) required specialized skills, was provided by individuals possessing those skills, and would typically need to be purchased if they had not been contributed.

Donated services, supplies and equipment meeting these criteria are recorded as an expense or capitalized if applicable, at their fair market value at the time of donation, with an equivalent amount recorded as donated services, supplies and/or equipment.

The fair market value for services is based on the wage rates of comparable non-volunteer workers, and the fair market value for supplies and equipment is determined by the donor. For the year ended September 30, 2021, the Agency recognized \$17,053 of donated services, supplies, and equipment. For the year ended September 30, 2020, the Agency recognized \$31,661 of donated services, supplies, and equipment.

Subsequent Events: Management has evaluated subsequent events through December 14, 2021, the date the financial statements were available for issuance, and has determined there are no subsequent events to be reported in the accompanying financial statements.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

3. Fair Value Measurements:

The Agency follows FASB guidance for fair value measurements. The provisions of the guidance provides a framework for measuring fair value under GAAP and defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Such guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Agency has the ability to access.
- Level 2 Quoted prices for similar instruments in active and inactive markets; and model driven valuations with significant inputs and drivers derived from observable active markets.
- Level 3 Inputs to the valuation methodology are unobservable for the instrument and significant to the fair value measurement.

Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The beneficial interest in assets held by the Community Foundation is valued at fair value as determined by the Community Foundation whose investments are primarily invested with The Richmond Fund, LP (the "Fund"). The Fund is valued by the general partner of the Fund based on several criteria established in the Fund's operating agreement. The Fund operates as a fund of funds and, as such, the general partner reviews the fair values of each underlying funds based on available information. The Fund undergoes an independent audit twice per year (6/30 and 12/31). There are no additional funding requirements related to the Fund.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

3. Fair Value Measurements, Continued:

Assets and liabilities measured at fair value on a recurring basis at September 30, 2021, include the following:

	Fair Value Using			Assets at Fair Value
	Level 1	Level 2	Level 3	
Assets:				
Beneficial interest in assets held by the Community Foundation	\$ -	\$ -	\$ 960,139	\$ 960,139

Assets and liabilities measured at fair value on a recurring basis at September 30, 2020, include the following:

	Fair Value Using			Assets at Fair Value
	Level 1	Level 2	Level 3	
Assets:				
Beneficial interest in assets held by The Community Foundation	\$ -	\$ -	\$ 682,565	\$ 682,565

There were no contributions to or distributions from the Fund during the years ended September 30, 2021 and 2020.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

4. Net Assets With Donor Restrictions:

Net assets with donor restrictions are restricted to be used towards the following specified program services at September 30:

	2021	2020
Care Transitions	\$ 80,139	\$ 130,952
Guardianship	78,228	47,573
Capital Campaign	69,639	100,000
Rosie's Give Back	21,513	-
Age Wave	115,942	62,037
Adopt a Café	18,110	14,734
Housing Stability	15,000	24,834
No Wrong Door	2,550	5,221
Ride Connection	-	31,664
IIB I&A	-	5,038
VICAP Basic	-	1,267
Total subject to expenditure for a specified purpose	401,121	423,320
Beneficial interest in assets held by the Community Foundation		
	960,139	682,565
	\$ 1,361,260	\$ 1,105,885

Net assets with donor restrictions were released from donor restrictions by incurring expenses to satisfy the following restricted purposes for the years ended September 30:

	2021	2020
Care Transitions	\$ 255,813	\$ 133,977
Age Wave	87,505	192,035
Guardianship	74,845	39,704
Rosie's Give Back	78,487	-
Ride Connection	32,679	7,293
IIB I&A	36,123	-
Capital Campaign	30,361	-
Housing Stability	24,834	24,700
No Wrong Door	2,671	7,191
COVID-19: RMHF	1,267	18,733
Adopt a Café	360	1,641
Other Program Services	28	5,872
VICAP Basic	-	930
	\$ 624,973	\$ 432,076

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

5. Federal and State Funding:

The major federal and state funding sources for the Agency are the Commonwealth of Virginia, including a significant portion from the Department for Aging and Rehabilitative Services and the United States Departments of Health & Human Services and Labor.

Revenues are recorded for major grants as received based on authorized expenditures, as requested advances against future expenditures are received, and at year-end as earned, based on authorized expenditures. The Agency's major grants are on an advance basis for earned revenue. Grant funds recorded in excess of applicable expenditures are considered unearned at year-end and subject to the carryover provisions of the funding source.

6. Retirement Plan:

Effective January 1, 1998, the Agency converted its money purchase pension plan to a 401(k) retirement plan covering all employees who are at least 21 years old and have been employed by the Agency for more than one year. The amendment to the plan allows employees to reduce their compensation and have these amounts contributed to the plan on their behalf. Effective October 1, 2007, this plan was converted to a 403(b) defined contribution retirement plan. The Agency's current contribution and cost are 8% of covered employees' compensation and totaled \$220,415 for 2021 and \$184,969 for 2020.

7. Beneficial Interest in Assets Held by the Community Foundation:

The CAAA Foundation (the "Foundation") was organized in March 1993 with the objective of receiving and soliciting donations from various sources to help meet the basic human needs mission of the Agency. Prior to the year ended September 30, 1997, three of the fifteen members of the Board were appointed by the Board of Directors of the Agency.

Effective during the year ended September 30, 1997, the by-laws of the Foundation and the Agency were amended to provide for the election of twelve (12) of the fifteen (15) members of the Foundation's Board by the Agency's Board. As a result of this change, the Foundation's financial position, changes in its net assets, and cash flows were consolidated with that of the Agency for financial statement purposes.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

7. **Beneficial Interest in Assets Held by the Community Foundation, Continued:**

On March 28, 2001, the State Corporation Commission of Virginia accepted the Foundation's application of its dissolution. The Foundation's Board continued to meet after this date for the purpose of transferring net assets. The Foundation's Board resolved to transfer the remaining assets of the Foundation to the Agency. In lieu of the Agency's Board establishing a development committee for the purpose of continuing to further the objectives of the Foundation, the Foundation and Agency's Boards resolved to transfer the assets to a separate, unaffiliated non-profit entity, the Community Foundation for a Greater Richmond (the "Community Foundation").

The Community Foundation established the "Senior Connections Endowment Fund" (the "Fund") as a "permanent endowment". "So long as the Senior Connections or any successor agency is carrying out its mission of serving persons in Virginia Planning Region 15 age 60 and older, it shall be entitled to request and receive each year, beginning 2002, up to 5% of the value of the Fund as determined on December 31 of the preceding calendar year. This right shall be "non-cumulative." If the Agency, or any successor agency, should cease operation, then the Community Foundation may distribute up to 5% to organizations serving the needs of persons age 60 and older located in Virginia Planning District 15." The Community Foundation's Board of Governors has full authority and discretion as to the investment of the assets, as well as certain variance power as defined in the agreement. The Fund is recognized in the Agency's financial statements as a beneficial interest in assets held by the Community Foundation.

Interpretation of Relevant Law: The Board of Directors of the Agency has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Agency classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b), the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

As the Agency is permitted to take a distribution of up to 5% per calendar year, non-cumulative, the distributions taken in the current year are shown as releases of net assets with donor restrictions in the accompanying statement of activities. There were no distributions during 2021 or 2020.

Return Objectives and Risk Parameters: The Agency has adopted investment and spending policies for some donor-restricted endowment funds that attempt to provide a predictable stream of funding to the Agency, not to exceed 5% per year. In addition to providing a predictable stream of funding, the adopted investment and spending policies also seek to maintain the purchasing power of the endowment assets. Endowment assets include donor-restricted funds that the Agency must hold in perpetuity.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

7. Beneficial Interest in Assets Held by the Community Foundation, Continued:

The following table provides reconciliation between the beginning and ending balances of the beneficial interest in assets held by the Community Foundation:

Balance at October 1, 2019	\$ 688,413
Change in value	<u>(5,848)</u>
Balance at September 30, 2020	682,565
Change in value	<u>277,574</u>
Balance at September 30, 2021	<u>\$ 960,139</u>

8. Commitments and Contingencies:

The Agency has several operating leases for office equipment, expiring in 2025. Future minimum payments required under the leases are as follows:

2022	\$ 15,448
2023	15,448
2024	15,448
2025	<u>8,763</u>
	<u>\$ 55,107</u>

Total expense under these leases was \$15,448 for 2021 and \$17,151 for 2020.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

8. Commitments and Contingencies, Continued:

The Agency is heavily dependent upon government grants and contracts for its operation. If government funds were curtailed it would be necessary to curtail or eliminate several programs. For 2021, 60% of the Agency's revenue was derived from the federal government. For 2020, 58% of the Agency's revenue was derived from the federal government. The expectation is that government entities will continue funding many of the programs. Amounts received or receivable for federal grants are subject to audit and adjustment by the granting federal agency. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. It is management's belief that adjustments, if any, would not materially affect the Agency's financial position.

9. Related Party Transactions:

On October 1, 2018, the Agency entered, as landlord, into a three-year office space lease agreement with an association of which the Agency is a member. The tenant paid annual rent and parking of \$29,693 to the Agency for the fiscal year ended September 30, 2021 and \$29,206 to the Agency for the fiscal year ended September 30, 2020. The lease agreement calls for a 3% increase in rental payments at each October 1 through 2021. The lease agreement was renewed on October 1, 2021 through September 30, 2024.

10. Guarantees:

The Agency has certain obligations to indemnify its current officers and directors for certain events or occurrences while the officer or director is, or was serving, at the Agency's request in such capacities. The maximum liability under these obligations is limited by the Code of Virginia. The Agency's insurance policies serve to further limit its exposure.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

11. Liquidity and Availability of Financial Assets:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position at September 30 comprise of the following:

	<u>2021</u>	<u>2020</u>
Financial assets available within one year:		
Cash and cash equivalents	\$ 1,532,208	\$ 1,602,255
Accounts receivable:		
Commonwealth of Virginia - Department for		
Aging and Rehabilitative Services	26,071	70,978
Other	<u>192,836</u>	<u>75,277</u>
Total	1,751,115	1,748,510
Less those unavailable for general expenditure		
within one year:		
Net assets with donor restrictions, less beneficial		
interest	<u>401,121</u>	<u>423,320</u>
Financial assets available within one year		
for general expenditure	<u>\$ 1,349,994</u>	<u>\$ 1,325,190</u>

As a part of the Agency's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

12. New Accounting Guidance:

Leases: In February 2016, the FASB issued a new accounting standard for leases that will impact both lessees and lessors. The new lease standard will require leases with terms more than 12 months to be recognized on the statement of financial position of lessees by recording a right of use asset with a corresponding obligation to pay rent liability which will be calculated based on the net present value of rental payments. This change is expected to be effective starting with years beginning after December 15, 2021. The Agency is calculating the impact that this pronouncement will have on its financial statements and determining the best way to account for the new standard.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Financial Statements, Continued

12. New Accounting Guidance, Continued:

Disclosures of Gifts in Kind: In September 2020, the FASB issued ASU 2020-07: Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets, which aims to increase transparency of contributed nonfinancial assets, commonly known as gifts in kind, through enhancements to presentation and disclosures and is effective for years beginning after June 15, 2021, with early adoption permitted. With the new ASU, organizations receiving contributions of nonfinancial assets are now required to present such contributions as a separate line item on the statement of activities. Previously these were allowed to be included in the contributions line item. This ASU also adds additional disclosure requirements for these gifts. The previous disclosure requirements were less detailed and primarily related only to contributed services. The new, more detailed requirements are for contributions of all nonfinancial assets, including both goods and services. Under the new guidance, organizations must disclose in their financial statements:

- a.) A disaggregation of the total amount of contributed nonfinancial assets recognized within the statement of activities by category.
- b.) For each such category disaggregated by Part (a):
 - 1. Qualitative information about whether the contributed nonfinancial assets were either “monetized” (sold or held for sale) or “utilized” (used) during the reporting period. If utilized, the organization is required to disclose a description of the programs or activities in which the contributed assets were used.
 - 2. The organization’s policy (if any) about monetizing rather than utilizing contributed nonfinancial assets.
 - 3. A description of any donor-imposed restrictions associated with the contributed nonfinancial assets.
 - 4. A description of the valuation techniques and inputs used to arrive at a fair value measurement, in accordance with Topic 820, Fair Value Measurement.
 - 5. The principal market used to arrive at a fair value measurement if it is a market in which the recipient organization is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial asset.

The Agency is currently evaluating the implications of this new standard.

SUPPLEMENTAL INFORMATION

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Supplemental Schedule of Status of DARS Funds – Modified Accrual Basis From October 1, 2020 to September 30, 2021

<u>Fund</u>	Unencumbered Funds on Hand October 1, 2020	Total Funds Received During Period	Funds in Transit at September 30, 2021	Total of Funds Available During Period	Accrued Costs to Contract Period	Unencumbered Funds on Hand September 30, 2021
Older Americans Act:						
Title III-B	\$ 24,130	\$ 1,000,071	\$ -	\$ 1,024,201	\$ 985,698	\$ 38,503
Title III-C(1)	78,177	438,199	-	516,376	482,970	33,406
Title III-C(2)	83,876	444,216	-	528,092	451,719	76,373
Title III-D	4,549	62,500	-	67,049	69,233	(2,184)
Title III-E	30,543	306,000	-	336,543	349,041	(12,498)
Title VII-Elder Abuse	-	5,900	-	5,900	10,704	(4,804)
Title VII-Ombudsman	-	32,000	-	32,000	24,081	7,919
NSIP	-	95,695	-	95,695	95,695	-
Families First COVID Response C(1)	-	-	-	-	-	-
Families First COVID Response C(2)	(9,297)	9,297	-	-	-	-
CARES Act III-B	-	-	-	-	-	-
CARES Act III-C2	(36,994)	1,053,569	-	1,016,575	1,016,575	-
CARES Act III-E	-	46,490	-	46,490	46,490	-
CARES Act VII-Ombudsman	-	47,367	-	47,367	47,367	-
Supplemental Nutrition C2	-	-	-	-	-	-
Vaccine Access	-	-	-	-	949	(949)
Other federal:						
Title V-(PY 06/30/21 Award)	918	357,383	-	358,301	358,301	-
Title V-(PY 06/30/22 Award)	-	82,500	-	82,500	77,788	4,712
VICAP-(PY 03/31/21 Award)	(8,481)	61,716	-	53,235	53,235	-
VICAP-(PY 03/31/22 Award)	-	11,500	-	11,500	10,135	1,365
DMAS Ombudsman FY 19	-	-	-	-	-	-
DMAS Ombudsman FY 20	-	-	-	-	-	-
DMAS Ombudsman FY 21	-	19,470	-	19,470	23,162	(3,692)
MIPPA - Priority 1 - SHIP	-	-	-	-	-	-
MIPPA - Priority 2 - AAA	-	73,799	-	73,799	73,799	-
MIPPA - Priority 3 - ADRC	-	-	-	-	-	-
SNAP	-	6,283	-	6,283	6,283	-
Senior Farmers Market	-	-	-	-	-	-
CDSME Grant	57,257	100	-	57,357	5,047	52,310
Falls Prevention Grant	16,922	375	-	17,297	1,766	15,531
NWD Grant	(3,500)	-	-	(3,500)	-	(3,500)

See report of independent accountants.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Supplemental Schedule of Status of DARS Funds – Modified Accrual Basis, Continued From October 1, 2020 to September 30, 2021

<u>Fund</u>	Unencumbered Funds on Hand October 1, 2020	Total Funds Received During Period	Funds in Transit at September 30, 2021	Total of Funds Available During Period	Accrued Costs to Contract Period	Unencumbered Funds on Hand September 30, 2021
General funds:						
OAA General-(PY 06/30/21)	\$ -	\$ 326,965	\$ -	\$ 326,965	\$ 326,965	\$ -
OAA General-(PY 06/30/22)	-	110,347	-	110,347	110,347	-
Community Based-(PY 06/30/21)	-	203,904	-	203,904	203,904	-
Community Based-(PY 06/30/22)	-	67,968	-	67,968	67,968	-
Transportation-(PY 06/30/21)	-	112,338	-	112,338	112,338	-
Transportation-(PY 06/30/22)	-	-	-	-	-	-
Home Delivered Meals-(PY 06/30/21)	-	396,279	-	396,279	396,279	-
Home Delivered Meals-(PY 06/30/22)	-	132,093	-	132,093	132,093	-
Supplemental Nutrition-(PY 06/30/21)	-	101,500	-	101,500	101,500	-
Supplemental Nutrition-(PY 06/30/22)	-	33,833	-	33,833	33,833	-
Ombudsman-(PY 06/30/21)	-	78,270	-	78,270	78,270	-
Ombudsman-(PY 06/30/22)	-	10,649	-	10,649	10,649	-
Care Coordination CCEVP-(PY 06/30/21)	-	43,367	-	43,367	43,367	-
Care Coordination CCEVP-(PY 06/30/22)	-	14,456	-	14,456	14,456	-
Respite Care Initiative-(PY 06/30/21)	(2,835)	48,150	-	45,315	45,315	-
Respite Care Initiative-(PY 06/30/22)	-	7,300	-	7,300	2,580	4,720
Guardianship VDA-(PY 06/30/21)	-	51,256	-	51,256	51,256	-
Guardianship VDA-(PY 06/30/22)	-	13,231	-	13,231	13,231	-
Guardianship VDA Mental Health-(PY 06/30/21)	6,422	57,521	-	63,943	55,157	8,786
Guardianship VDA Mental Health-(PY 06/30/22)	(13,564)	13,231	-	(333)	16,347	(16,680)
Guardianship DBHDS ID/DDS-(PY 06/30/21)	-	50,000	-	50,000	50,000	-
Guardianship DBHDS ID/DDS-(PY 06/30/22)	-	13,231	-	13,231	13,231	-
Senior Cool Care	(6,843)	19,463	-	12,620	12,900	(280)
Totals	\$ 221,280	\$ 6,059,782	\$ -	\$ 6,281,062	\$ 6,082,024	\$ 199,038

See report of independent accountants.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Supplemental Schedule of Costs by Program Activity – Modified Accrual Basis From October 1, 2020 to September 30, 2021

Fund	Costs to Federal III B Funds	Costs to Federal III C-1 Funds	Costs to Federal III C-2 Funds	Costs to Federal III D Funds	Costs to Federal III E Funds	Costs to Federal VII Eld. Abuse	Costs to Federal VII OMB Funds
Title III, (Except Title III-E)							
Older Americans Act Funds							
Adult Day Care	\$ 11,969	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Checking	4,350	-	-	-	-	-	-
Chore	11,516	-	-	-	-	-	-
Homemaker	15,689	-	-	-	-	-	-
Personal Care	16,079	-	-	-	-	-	-
Res. Repair and Renovation	91,352	-	-	-	-	-	-
Care Coordination Level 2	64,371	-	-	-	-	-	-
Care Transitions	124,318	-	-	-	-	-	-
Comm. Referral Info. & Assist	335,071	-	-	-	-	-	-
Options Counseling	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Congregate Meals	-	401,504	-	-	-	-	-
Home Delivered Meals	-	-	370,253	-	-	-	-
Nutrition Counseling	-	20,817	20,817	-	-	-	-
Other "EB" Disease Prevention	-	-	-	69,233	-	-	-
Emergency Services	39,157	-	-	-	-	-	-
Employment	17,311	-	-	-	-	-	-
Money Management	38,686	-	-	-	-	-	-
Outreach/Public Information & Education	70,207	-	-	-	-	-	-
Socialization/Recreation	6,258	-	-	-	-	-	-
Volunteer Programs	42,704	-	-	-	-	-	-
Legal Assistance	42,057	-	-	-	-	-	-
Elder Abuse Prevention	13,697	-	-	-	-	-	-
LTC Ombudsman Program	7,025	-	-	-	-	10,704	24,081
Prep. and Admin.	33,881	60,649	60,649	-	-	-	-
Title III-E Older Americans Act Funds							
Individual Counseling	-	-	-	-	22,858	-	-
Caregiver Training	-	-	-	-	9,065	-	-
Outreach/Public Information/Education	-	-	-	-	55,564	-	-
Adult Day Care	-	-	-	-	12,427	-	-
Homemaker	-	-	-	-	522	-	-
Personal Care	-	-	-	-	9,205	-	-
Direct Supplemental Service Pymnts	-	-	-	-	7,761	-	-
Comm. Referral Info. & Assist	-	-	-	-	231,639	-	-
Total Title III & Title VII	\$ 985,698	\$ 482,970	\$ 451,719	\$ 69,233	\$ 349,041	\$ 10,704	\$ 24,081

See report of independent accountants.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Supplemental Schedule of Costs by Program Activity – Modified Accrual Basis, Continued From October 1, 2020 to September 30, 2021

Fund	Costs to Federal Cares Act III C-2	Costs to Federal Cares Act III-E	Costs to Federal Cares Act VII	Voluntary Contributions	Costs to Other Non- Fed Funds	Fees	DMAS Ombudsman
Title III, (Except Title III-E)							
Older Americans Act Funds							
Adult Day Care	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,200	\$ -
Checking	3,000	-	-	-	-	-	-
Chore	125	-	-	-	-	-	-
Homemaker	12,500	-	-	-	-	-	-
Personal Care	7,100	-	-	-	-	31	-
Res. Repair and Renovation	-	-	-	-	-	-	-
Care Coordination Level 2	15,200	-	-	-	-	-	-
Care Transitions	74,000	-	-	-	45,498	-	-
Comm. Referral Info. & Assist	206,565	46,490	-	-	36,123	-	-
Options Counseling	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Congregate Meals	263,175	-	-	28	5,250	-	-
Home Delivered Meals	280,500	-	-	-	1,155	-	-
Nutrition Counseling	-	-	-	-	-	-	-
Other "EB" Disease Prevention	21,500	-	-	-	-	-	-
Emergency Services	16,400	-	-	-	76,076	-	-
Employment	20,000	-	-	-	-	-	-
Money Management	-	-	-	61	-	-	-
Outreach/Public Information & Education	-	-	-	-	-	-	-
Socialization/Recreation	400	-	-	-	-	-	-
Volunteer Programs	34,000	-	-	-	-	-	-
Legal Assistance	-	-	-	-	-	-	-
Elder Abuse Prevention	-	-	-	-	-	-	-
LTC Ombudsman Program	-	-	47,367	-	-	-	23,162
Prep. and Admin.	-	-	-	-	37,900	-	-
Title III-E Older Americans Act Funds							
Individual Counseling	7,800	-	-	-	-	-	-
Caregiver Training	-	-	-	-	-	-	-
Outreach/Public Information/Education	-	-	-	-	-	-	-
Adult Day Care	-	-	-	-	-	-	-
Homemaker	2,700	-	-	-	-	-	-
Personal Care	2,500	-	-	-	1,189	637	-
Direct Supplemental Service Pymnts	-	-	-	-	-	-	-
Comm. Referral Info. & Assist	49,110	-	-	-	-	-	-
Total Title III & Title VII	\$ 1,016,575	\$ 46,490	\$ 47,367	\$ 89	\$ 203,191	\$ 9,868	\$ 23,162

See report of independent accountants.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Supplemental Schedule of Costs by Program Activity – Modified Accrual Basis, Continued From October 1, 2020 to September 30, 2021

Fund	Costs to Fed Vaxx Access	Costs to NSIP Funds	Costs to G.F. OAA General Funds	Costs to G.F. Comm. Based Funds	Costs to G.F. Transport Funds	Costs to G.F. HD Meals Funds	Costs to G.F. Supp. Nutr. Funds	Costs to G.F. CCEVP Funds
Title III, (Except Title III-E)								
Older Americans Act Funds								
Adult Day Care	\$ -	\$ -	\$ -	\$ 39,784	\$ -	\$ -	\$ -	\$ -
Checking	-	-	-	1,807	-	-	-	-
Chore	-	-	-	-	-	-	-	-
Homemaker	-	-	-	5,912	-	-	-	-
Personal Care	-	-	-	29,183	-	-	-	-
Res. Repair and Renovation	-	-	-	-	-	-	-	-
Care Coordination Level 2	-	-	-	-	-	-	-	-
Care Transitions	-	-	-	-	-	-	-	42,102
Comm. Referral Info. & Assist	-	-	210,312	-	-	-	-	-
Options Counseling	-	-	-	-	-	-	-	15,721
Transportation	949	0	-	-	112,338	-	-	-
Congregate Meals	-	95,695	-	-	-	-	135,333	-
Home Delivered Meals	-	-	-	-	-	528,372	-	-
Nutrition Counseling	-	-	-	-	-	-	-	-
Other "EB" Disease Prevention	-	-	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-	-	-
Employment	-	-	50,000	-	-	-	-	-
Money Management	-	-	-	86,690	-	-	-	-
Outreach/Public Information & Education	-	-	50,000	-	-	-	-	-
Socialization/Recreation	-	-	-	-	-	-	-	-
Volunteer Programs	-	-	50,000	-	-	-	-	-
Legal Assistance	-	-	-	-	-	-	-	-
Elder Abuse Prevention	-	-	10,000	-	-	-	-	-
LTC Ombudsman Program	-	-	-	-	-	-	-	-
Prep. and Admin.	-	-	14,000	-	-	-	-	-
Title III-E Older Americans Act Funds								
Individual Counseling	-	-	-	-	-	-	-	-
Caregiver Training	-	-	-	-	-	-	-	-
Outreach/Public Information/Education	-	-	-	-	-	-	-	-
Adult Day Care	-	-	-	70,900	-	-	-	-
Homemaker	-	-	-	5,286	-	-	-	-
Personal Care	-	-	-	32,310	-	-	-	-
Direct Supplemental Service Pymnts	-	-	-	-	-	-	-	-
Comm. Referral Info. & Assist	-	-	53,000	-	-	-	-	-
Total Title III & Title VII	\$ 949	\$ 95,695	\$ 437,312	\$ 271,872	\$ 112,338	\$ 528,372	\$ 135,333	\$ 57,823

See report of independent accountants.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Supplemental Schedule of Costs by Program Activity – Modified Accrual Basis, Continued From October 1, 2020 to September 30, 2021

Fund	Costs to G.F. Ombudsman Funds	Grand Total
Title III, (Except Title III-E)		
Older Americans Act Funds		
Adult Day Care	\$ -	\$ 60,953
Checking	-	9,157
Chore	-	11,641
Homemaker	-	34,101
Personal Care	-	52,393
Res. Repair and Renovation	-	91,352
Care Coordination Level 2	-	79,571
Care Transitions	-	285,918
Comm. Referral Info. & Assist	-	834,561
Options Counseling	-	15,721
Transportation	-	113,287
Congregate Meals	-	900,985
Home Delivered Meals	-	1,180,280
Nutrition Counseling	-	41,634
Other "EB" Disease Prevention	-	90,733
Emergency Services	-	131,633
Employment	-	87,311
Money Management	-	125,437
Outreach/Public Information & Education	-	120,207
Socialization/Recreation	-	6,658
Volunteer Programs	-	126,704
Legal Assistance	-	42,057
Elder Abuse Prevention	-	23,697
LTC Ombudsman Program	88,919	201,258
Prep. and Admin.	-	207,079
Title III-E Older Americans Act Funds		
Individual Counseling	-	30,658
Caregiver Training	-	9,065
Outreach/Public Information/Education	-	55,564
Adult Day Care	-	83,327
Homemaker	-	8,508
Personal Care	-	45,841
Direct Supplemental Service Pymnts	-	7,761
Comm. Referral Info. & Assist	-	333,749
Total Title III & Title VII	\$ 88,919	\$ 5,448,801

See report of independent accountants.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Status of Inventories
From October 1, 2020 to September 30, 2021

			(1)
	Value on Hand	Increase	Value on hand
	October 1, 2020	(Decrease)	September 30,
<u>Fund Source</u>		During Period	2021
Title III-B, Older Americans Act	\$ -	\$ -	\$ -
Title III-C(1), Older Americans Act	-	-	-
Title III-C(2), Older Americans Act	-	-	-
Title III-D, Older Americans Act	-	-	-
Title III-E, Older Americans Act	-	-	-
Title VII, Ombudsman	-	-	-
Title VII, Elder Abuse	-	-	-
Totals	\$ -	\$ -	\$ -

(1) Assets acquired with DARS funds with a net book value of \$5,000 or more as of 9/30/21.

See report of independent accountants.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Schedule of Expenditures of Federal Awards Year Ended September 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Department of Health and Human Services:				
Passed through Virginia Department for Aging and Rehabilitative Services:				
Aging Cluster:				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	42017/42018 42217/42218	\$ -	\$ 985,698
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	42317/42318	765,716	934,687
COVID-19 - Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	42317/42318	-	1,016,575
Total Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	42317/42318	765,716	2,936,960
Nutrition Services Incentive Program	93.053	42717/42718	-	95,695
			765,716	3,032,655
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	42417/42418	-	69,233
National Family Caregiver Support, Title III, Part E	93.052	42517/42518	-	349,040
COVID-19 - National Family Caregiver Support, Title III, Part E	93.052	42517/42518	-	46,490
Total National Family Caregiver Support, Title III, Part E	93.052	42517/42518	-	395,530
Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	43717/43718	-	10,704
Special Programs for the Aging - Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	43617/43618	-	47,367
COVID-19 - Special Programs for the Aging - Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	43617/43618	-	24,081
Total Special Programs for the Aging - Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	43617/43618	-	71,448
State Health Insurance Assistance Program	93.324	44118	-	63,370
Medical Assistance Program	93.778	46200	-	23,162
Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs - Financed by Prevention and Public Health Funds	93.734	45818	-	100
State Administration Matching Grants for the Supplemental Nutrition Assistance Program	10.561	46318	-	6,283
Medical Enrollment Assistance Program	93.071	44978	-	133,799
Evidence-Based Falls Prevention Program	93.761	45620	-	-
Passed through Virginia Association of Area Agencies on Aging:				
Special Programs for the Aging - Title IV and Title II - Discretionary Projects	93.048	GY18	-	4,473
			765,716	3,810,757
Department of Labor:				
Passed through Virginia Department for Aging and Rehabilitative Services:				
Senior Community Service Employment Program	17.235	43518/43519	-	349,089
Corporation for National and Community Services:				
Foster Grandparent Program	94.011	N/A	-	266,947
Retired and Senior Volunteer Program	94.002	N/A	-	65,127
			-	332,074
Department of Transportation:				
Passed through Greater Richmond Transit Authority:				
Transit Services Program Cluster:				
Enhanced Mobility of Senior and Individuals with Disabilities	20.513	N/A	-	160,303
Total			\$ 765,716	\$ 4,652,223

See report of independent accountants.

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Notes to Schedule of Expenditures of Federal Awards
Year Ended September 30, 2021

1. **Basis of Presentation:**

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

2. **Summary of Significant Accounting Policies:**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. **Indirect Cost Rate:**

The Agency has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

See report of independent accountants.

**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
Senior Connections, The Capital Area Agency on Aging
Richmond, Virginia:

We have audited, in accordance with the auditing standards generally accepted in the United States 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 Senior Connections, The Capital Area Agency on Aging, (the "Agency") which comprise the statement of financial position as of September 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 December 14, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink, appearing to read "Keita", with a stylized, flowing script.

December 14, 2021
Glen Allen, Virginia

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
Senior Connections, The Capital Area Agency on Aging
Richmond, Virginia:

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

Management is responsible for compliance with the requirements of 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 the Agency'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; the standards applicable to financial audits contained in *Governmental 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 the Agency'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 on the Agency's compliance.

Opinion of Each Major Federal Program

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Report on Internal Control Over Compliance

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

Purpose of this Report

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 purposes.



December 14, 2021
Glen Allen, Virginia

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Schedule of Findings and Questioned Costs Year Ended September 30, 2021

A. SUMMARY OF AUDIT RESULTS:

- (1) Unmodified opinion on the basic financial statements.
- (2) No material weaknesses or significant deficiencies in internal control were disclosed during the audit.
- (3) No noncompliance which is material to the financial statements was disclosed by the audit.
- (4) No material weaknesses or significant deficiencies relating to the audit of the major federal award programs were disclosed by the audit.
- (5) Unmodified opinion on compliance for major programs.
- (6) No audit findings were disclosed by the audit.
- (7) Major Programs:

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

- (8) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (9) The auditee did qualify as a low risk auditee.

B. FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS:

None

C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

None

D. PRIOR YEAR FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

None

SENIOR CONNECTIONS, THE CAPITAL AREA AGENCY ON AGING

Corrective Action Plan
Year Ended September 30, 2021

Not Applicable