

AgeWell Services of West Michigan
**SINGLE AUDIT OF FEDERAL
FINANCIAL ASSISTANCE PROGRAMS**
Financial Report and
Independent Auditor's Reports
September 30, 2021



CONTENTS

FINANCIAL REPORT AND INDEPENDENT AUDITOR'S REPORTS

INTERNAL CONTROL AND COMPLIANCE REPORTS

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 <i>GOVERNMENT AUDITING STANDARDS</i>	3
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE.....	5
---	---

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	8
---	---

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	10
--	----

SCHEDULE OF FINDINGS AND RESPONSES	11
--	----

CLIENT DOCUMENTS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	13
--	----

CORRECTIVE ACTION PLAN	14
------------------------------	----

**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***

Board of Directors
AgeWell Services of West Michigan
Muskegon, Michigan

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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of AgeWell Services of West Michigan (a nonprofit organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 24, 2022.

Internal Control Over Financial Reporting

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

Board of Directors
AgeWell Services of West Michigan
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether AgeWell Services of West Michigan’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 entity’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 entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Muskegon, Michigan
January 24, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
AgeWell Services of West Michigan
Muskegon, Michigan

Report on Compliance for Each Major Federal Program

We have audited AgeWell Services of West Michigan'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 AgeWell Services of West Michigan's major federal programs for the year ended September 30, 2021. AgeWell Services of West Michigan's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Responses.

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 AgeWell Services of West Michigan'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 AgeWell Services of West Michigan'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 AgeWell Services of West Michigan's compliance.

Board of Directors
AgeWell Services of West Michigan
Page 2

Opinion on Each Major Federal Program

In our opinion, AgeWell Services of West Michigan 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 AgeWell Services of West Michigan 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 AgeWell Services of West Michigan’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 AgeWell Services of West Michigan’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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program 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.

Board of Directors
AgeWell Services of West Michigan
Page 3

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of AgeWell Services of West Michigan as of and for the year ended September 30, 2021, and have issued our report thereon dated January 24, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.



Muskegon, Michigan
January 24, 2022

AgeWell Services of West Michigan
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
Year ended September 30, 2021

Federal grantor/pass-through grantor/ program or cluster title/identifying number	CFDA/ Assistance Listing Number	Program or award amount	Accrued (deferred) revenue October 1, 2020	Adjustments and transfers	Cash or payments in kind received (cash basis)	Amount of grant expenditures	Accrued (deferred) revenue September 30, 2021	Passed through to subrecipients
<i>U.S. Department of Housing and Urban Development</i>								
Passed through City of Muskegon								
CDBG - Entitlement Grants Cluster								
Community Development Block Grants/ Entitlement Grants								
COVID-19 B-20-MW-26-0026	14.218	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -
Passed through City of Norton Shores								
CDBG - Entitlement Grants Cluster								
Community Development Block Grants/ Entitlement Grants								
B-20-MC-26-0031	14.218	41,017	-	-	28,202	28,202	-	-
COVID-19 B-20-MC-26-0031		6,000	-	-	6,000	6,000	-	-
		<u>47,017</u>	<u>-</u>	<u>-</u>	<u>34,202</u>	<u>34,202</u>	<u>-</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development		97,017	-	-	84,202	84,202	-	-
<i>U.S. Department of Justice</i>								
Passed through Michigan Department of Health and Human Services								
Crime Victim Assistance	16.575							
2018V2GX0067		106,099	-	-	69,863	90,245	20,382	-
<i>U.S. Department of Health and Human Services</i>								
Passed through Senior Resources of West Michigan Aging Cluster								
Special Programs for the Aging—Title III, Part B, Grants for Supportive Services and Senior Centers								
Dynamic Transport								
2019-2020		24,225	3,720	-	3,720	-	-	-
2020-2021		50,930	-	-	33,155	50,930	17,775	-
Elder Abuse Prevention								
2020-2021		12,000	-	-	236	9,410	9,174	-
Senior Center Staffing								
2020-2021		50,433	-	-	50,433	50,433	-	-
Volunteer Transport								
2019-2020		2,278	186	-	186	-	-	-
2020-2021		2,173	-	-	1,389	2,173	784	-
		<u>142,039</u>	<u>3,906</u>	<u>-</u>	<u>89,119</u>	<u>112,946</u>	<u>27,733</u>	<u>-</u>

AgeWell Services of West Michigan
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS—Continued
Year ended September 30, 2021

Federal grantor/pass-through grantor/ program or cluster title/identifying number	CFDA/ Assistance Listing Number	Program or award amount	Accrued (deferred) revenue October 1, 2020	Adjustments and transfers	Cash or payments in kind received (cash basis)	Amount of grant expenditures	Accrued (deferred) revenue September 30, 2021	Passed through to subrecipients
<i>U.S. Department of Health and Human Services—Continued</i>								
Passed through Senior Resources of West Michigan—Continued								
Aging Cluster—Continued								
Special Programs for the Aging—Title III, Part C,								
Nutrition Services								
93.045								
Title III C-1 Congregate Meals								
2019-2020								
		\$ 557,398	\$ 18,050	\$ -	\$ 18,050	\$ -	\$ -	\$ -
COVID-19 2019-2020								
		18,406	18,406	-	18,406	-	-	-
2020-2021								
		451,988	-	-	407,590	440,676	33,086	-
Title III C-2 Home Delivered Meals								
2019-2020								
		280,182	10,752	-	10,752	-	-	-
COVID-19 2019-2020								
		34,190	34,190	-	34,190	-	-	-
2020-2021								
		354,660	-	-	320,916	354,660	33,744	-
COVID-19 2020-2021								
		303,830	-	-	303,830	303,830	-	-
		<u>2,000,654</u>	<u>81,398</u>	<u>-</u>	<u>1,113,734</u>	<u>1,099,166</u>	<u>66,830</u>	<u>-</u>
Nutrition Services Incentive Program								
93.053								
Title III C-1 Congregate Meals								
2019-2020								
		68,822	2,136	-	2,136	-	-	-
2020-2021								
		60,021	-	-	55,117	59,568	4,451	-
Title III C-2 Home Delivered Meals								
2019-2020								
		95,946	3,559	-	3,559	-	-	-
2020-2021								
		103,443	-	-	92,872	102,642	9,770	-
		<u>328,232</u>	<u>5,695</u>	<u>-</u>	<u>153,684</u>	<u>162,210</u>	<u>14,221</u>	<u>-</u>
Total Aging Cluster								
		2,470,925	90,999	-	1,356,537	1,374,322	108,784	-
Special Programs for the Aging—Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation								
93.041								
2019-2020								
		6,591	3,536	-	3,536	-	-	-
2020-2021								
		6,591	-	-	4,674	6,591	1,917	-
		<u>13,182</u>	<u>3,536</u>	<u>-</u>	<u>8,210</u>	<u>6,591</u>	<u>1,917</u>	<u>-</u>
Total U.S. Department of Health and Human Services								
		2,484,107	94,535	-	1,364,747	1,380,913	110,701	-
<i>U.S. Department of Homeland Security</i>								
Passed through United Way Worldwide								
Emergency Food and Shelter National Board Program								
97.024								
Phase 37 Muskegon 477800-2020								
		1,827	-	-	1,827	1,827	-	-
Phase 38 Muskegon 477800-010								
		8,400	-	-	8,400	8,400	-	-
Phase 38 Oceana 479600-017								
		3,000	-	-	3,000	3,000	-	-
		<u>13,227</u>	<u>-</u>	<u>-</u>	<u>13,227</u>	<u>13,227</u>	<u>-</u>	<u>-</u>
TOTAL FEDERAL ASSISTANCE		\$ 2,700,450	\$ 94,535	\$ -	\$ 1,532,039	\$ 1,568,587	\$ 131,083	\$ -

The accompanying notes are an integral part of this schedule.

AgeWell Services of West Michigan
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the year ended September 30, 2021

1. The accompanying Schedule of Expenditures of Federal Awards (the “schedule”) includes the federal award activity of AgeWell 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 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 AgeWell, it is not intended to and does not present the financial position or change in net position of AgeWell.

2. Please see the financial statement footnotes for the significant accounting policies used in preparing this schedule. 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. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. AgeWell is not using the ten-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

3. Reconciliation of unrestricted revenues from federal sources per financial statements and expenditures per single audit report Schedule of Expenditures of Federal Awards.

Revenues from federal sources per September 30, 2021 financial statements	<u><u>\$ 1,568,587</u></u>
Expenditures per single audit report Schedule of Expenditures of Federal Awards	<u><u>\$ 1,568,587</u></u>

AgeWell Services of West Michigan
SCHEDULE OF FINDINGS AND RESPONSES
For the year ended September 30, 2021

SECTION I—SUMMARY OF AUDITOR’S RESULTS

A. Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: **Unmodified**
2. Internal control over financial reporting:
 - Material weakness(es) identified? yes no
 - Significant deficiency(ies) identified? yes none reported
3. Noncompliance material to financial statements noted? yes no

B. Federal Awards

1. Internal control over major federal programs:
 - Material weakness(es) identified? yes no
 - Significant deficiency(ies) identified? yes none reported
2. Type of auditor's report issued on compliance for major federal programs: **Unmodified**
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no
4. Identification of major programs:

<u>CFDA/Assistance Listing Number(s)</u>	<u>Name of Federal Program/Cluster</u>
93.044, 93.045 and 93.053	U.S. Department of Health and Human Services
	<ul style="list-style-type: none">• Aging Cluster
5. Dollar threshold used to distinguish between type A and type B programs: **\$750,000**
6. Auditee qualified as low-risk auditee? yes no

SECTION II – FINANCIAL STATEMENT FINDINGS

NONE

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

CLIENT DOCUMENTS



275 W. Clay Ave., Suite 100, Muskegon, MI 49440

PH 231-755-0434 www.agewellservices.org

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

January 24, 2022

Senior Resources of West Michigan
Muskegon, Michigan

AgeWell Services of West Michigan respectfully advises you that there were **no** audit findings reported in our single audit report, dated January 21, 2021, for the year ended September 30, 2020.

Sincerely,

A handwritten signature in black ink that reads "Kristen M. Collee".

Kristen M. Collee
Executive Director



CORRECTIVE ACTION PLAN

January 24, 2022

Senior Resources of West Michigan
Muskegon, Michigan

AgeWell Services of West Michigan respectfully submits the following Corrective Action Plan for the year ended September 30, 2021.

Name and address of independent public accounting firm:

Brickley DeLong, P.C.
P.O. Box 999
Muskegon, Michigan 49443

Audit period: September 30, 2021

The findings from the Schedule of Findings and Responses for the year ended September 30, 2021 provided *no* findings in either Section II or Section III. Accordingly, there are *no* matters requiring corrective action as shown below.

SECTION II – FINANCIAL STATEMENT FINDINGS

There were *no* findings in relation to the financial statement audit.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were *no* findings in relation to the major federal award programs.

If the Senior Resources of West Michigan has questions regarding this plan, please call Kristen M. Collee at (231) 733-8630.

Sincerely,

A handwritten signature in black ink that reads "Kristen M. Collee".

Kristen M. Collee
Executive Director