

**MEALS ON WHEELS ATLANTA, INC.
AND AFFILIATE**

COMBINED FINANCIAL REPORT

DECEMBER 31, 2022



MAULDIN & JENKINS

CPAs & ADVISORS

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Meals on Wheels Atlanta, Inc. and Affiliate
Atlanta, Georgia**

Opinion

We have audited the accompanying combined financial statements of **Meals on Wheels Atlanta, Inc. and Affiliate** (the "Organization") (a nonprofit organization), which comprise the combined statements of financial position as of December 31, 2022 and 2021 and the related combined statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2022 and 2021, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.

-
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
 - Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Meals on Wheels Atlanta, Inc. and Affiliate's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2024, on our consideration of Meals on Wheels Atlanta, Inc. and Affiliate'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Meals on Wheels Atlanta, Inc. and Affiliate's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Meals on Wheels Atlanta, Inc. and Affiliate's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 6, 2024

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE

COMBINED STATEMENTS OF FINANCIAL POSITION

(\$ in thousands)

	December 31	
	2022	2021
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 559	\$ 1,506
Accounts receivable:		
Grants and contracts receivable	475	709
Promises to give	-	52
	<u>475</u>	<u>761</u>
Prepaid expenses and deposits	6	46
Investments	666	1,236
Other current assets	1	1
Total current assets	<u>1,707</u>	<u>3,550</u>
Right of use asset - operating	77	-
Investments, long-term	37	37
Property and equipment, net of accumulated depreciation	7,939	6,826
Intangible assets	<u>11</u>	<u>11</u>
Total Assets	<u>\$ 9,771</u>	<u>\$ 10,424</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts payable	\$ 297	\$ 293
Accrued expenses and other liabilities	839	440
Current portion of operating lease liability	22	-
Line of credit	755	155
Total current liabilities	<u>1,913</u>	<u>888</u>
Operating lease liability, net of current portion	<u>55</u>	<u>-</u>
Total liabilities	<u>1,968</u>	<u>888</u>
Net Assets:		
Without donor restrictions	<u>7,803</u>	<u>9,536</u>
Total net assets	<u>7,803</u>	<u>9,536</u>
Total Liabilities and Net Assets	<u>\$ 9,771</u>	<u>\$ 10,424</u>

See accompanying notes to combined financial statements.

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE

COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (\$ in thousands)

	Year Ended December 31, 2022		
	Without Donor Restrictions	With Donor Restrictions	Totals
Support and revenue:			
General contributions	\$ 3,116	\$ -	\$ 3,116
Government fees, grants, and contracts	2,189	-	2,189
Special events revenues, net of \$472 in expenses	538	-	538
Social enterprise revenues, net of \$107 in expenses	183	-	183
In-kind contributions	50	-	50
Other	(45)	-	(45)
Investment loss	(174)	-	(174)
Total Support and Revenue	<u>5,857</u>	<u>-</u>	<u>5,857</u>
Expenses:			
Program services	4,707	-	4,707
Fundraising	2,410	-	2,410
General and administrative	473	-	473
Total Expenses	<u>7,590</u>	<u>-</u>	<u>7,590</u>
Change in Net Assets	(1,733)	-	(1,733)
Net Assets, beginning of year	<u>9,536</u>	<u>-</u>	<u>9,536</u>
Net Assets, end of year	<u>\$ 7,803</u>	<u>\$ -</u>	<u>\$ 7,803</u>

See accompanying notes to combined financial statements.

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE

COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (\$ in thousands)

	Year Ended December 31, 2021		
	Without Donor Restrictions	With Donor Restrictions	Totals
Support and revenue:			
General contributions	\$ 3,807	\$ 150	\$ 3,957
Government fees, grants and contracts	1,510	-	1,510
Special events revenues, net of \$335 in expenses	85	-	85
Social enterprise revenues, net of \$44 in expenses	170	-	170
In-kind contributions	916	-	916
Other	2	-	2
Investment gain	180	-	180
Net assets released from restrictions	150	(150)	-
Total Support and Revenue	<u>6,820</u>	<u>-</u>	<u>6,820</u>
Expenses:			
Program services	4,526	-	4,526
Fundraising	1,360	-	1,360
General and administrative	422	-	422
Total Expenses	<u>6,308</u>	<u>-</u>	<u>6,308</u>
Change in Net Assets	512	-	512
Net Assets, beginning of year	<u>9,024</u>	<u>-</u>	<u>9,024</u>
Net Assets, end of year	<u>\$ 9,536</u>	<u>\$ -</u>	<u>\$ 9,536</u>

See accompanying notes to combined financial statements.

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022
(\$ in thousands)

	Program Services	Supporting Services		Totals
		General and Administrative	Fundraising	
Salaries and wages	\$ 1,305	\$ 296	\$ 622	\$ 2,223
Employee benefits	125	16	44	185
Payroll taxes	146	18	45	209
Total compensation	<u>1,576</u>	<u>330</u>	<u>711</u>	<u>2,617</u>
Meals	844	-	-	844
Home repairs	969	-	-	969
Supplies	50	4	92	146
Occupancy	518	4	20	542
Insurance	108	11	40	159
Professional fees and contract labor	114	62	737	913
Technology	56	7	62	125
Travel	6	3	17	26
Interest expense and bank fees	16	10	31	57
Other	70	42	700	812
Total expenses before depreciation	<u>4,327</u>	<u>473</u>	<u>2,410</u>	<u>7,210</u>
Depreciation	<u>380</u>	<u>-</u>	<u>-</u>	<u>380</u>
Total expenses	<u>\$ 4,707</u>	<u>\$ 473</u>	<u>\$ 2,410</u>	<u>\$ 7,590</u>

See accompanying notes to combined financial statements.

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021
(\$ in thousands)

	Program Services	Supporting Services		Totals
		General and Administrative	Fundraising	
Salaries and wages	\$ 1,332	\$ 285	\$ 513	\$ 2,130
Employee benefits	116	7	52	175
Payroll taxes	167	18	38	223
Total compensation	<u>1,615</u>	<u>310</u>	<u>603</u>	<u>2,528</u>
Meals	1,129	-	-	1,129
Home repairs	1,090	-	-	1,090
Supplies	33	7	38	78
Occupancy	173	1	5	179
Insurance	53	7	15	75
Professional fees and contract labor	121	78	619	818
Technology	80	12	57	149
Travel	1	1	3	5
Interest expense and bank fees	10	5	19	34
Other	2	1	1	4
Total expenses before depreciation	<u>4,307</u>	<u>422</u>	<u>1,360</u>	<u>6,089</u>
Depreciation	<u>219</u>	<u>-</u>	<u>-</u>	<u>219</u>
Total expenses	<u>\$ 4,526</u>	<u>\$ 422</u>	<u>\$ 1,360</u>	<u>\$ 6,308</u>

See accompanying notes to combined financial statements.

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE
COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(\$ in thousands)

	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Change in net assets	\$ (1,733)	\$ 512
Adjustments to reconcile change in net assets to net cash (used in) operating activities:		
Depreciation	380	219
Realized (gain) on investments	(182)	(79)
Unrealized loss (gain) on investments	357	(100)
Income from receipt of donated fixed assets	-	(864)
Decrease (increase) in grants and contracts receivable	234	(511)
Decrease (increase) in promises to give	52	(52)
Decrease (increase) in prepaid expenses and deposits	40	(38)
(Decrease) increase in accounts payable	4	(86)
Increase in accrued expenses and other liabilities	399	344
Net cash (used in) operating activities	<u>(449)</u>	<u>(655)</u>
INVESTING ACTIVITIES		
Purchase of fixed assets	(1,493)	(4,693)
Sale of investments	395	19
Net cash (used in) investing activities	<u>(1,098)</u>	<u>(4,674)</u>
FINANCING ACTIVITIES		
Proceeds from line of credit	600	-
Net cash provided by financing activities	<u>600</u>	<u>-</u>
 (Decrease) in cash and cash equivalents	 (947)	 (5,329)
Cash and cash equivalents, beginning of year	<u>1,506</u>	<u>6,835</u>
Cash and cash equivalents, end of year	<u>\$ 559</u>	<u>\$ 1,506</u>
Supplemental disclosures of amounts paid for:		
Interest	<u>\$ 23</u>	<u>\$ 7</u>

See accompanying notes to combined financial statements.

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION

Meals On Wheels Atlanta, Inc. and Affiliate (“MOWA” or the “Organization”) is a voluntary health and welfare organization. MOWA’s mission is to assess, promote, and care for the interests and welfare of seniors in the metropolitan Atlanta area through programs to provide meals and home-repair services. MOWA’s main sources of revenues are: 1) public and private donations, 2) program grants from public, private, and governmental entities, and 3) revenues from social enterprise initiatives.

MOWA’s combined financial statements include its affiliate, the Senior Citizens Foundation, Inc. (the “Foundation”), which provides financial support to MOWA and is affiliated through common board members and MOWA’s authority to elect board members of the Foundation. MOWA and the Foundation are legally separate entities, and they file separate tax returns with different fiscal year ends.

MOWA has two primary program activities:

- The Meals Services program provides seniors with meals delivered to home or to unrelated private or government providers of senior services.
- The Home Repairs program provides home repair services to seniors to enable them to live safely and comfortably at home.

To provide financial support to these program activities, MOWA solicits grants, service contracts, and contributions. All contributions are available without donor restriction, unless specifically restricted by the donor. MOWA also raises financial support through revenues from special events and from social enterprise initiatives, such as meal distribution to seniors for third-party providers, Chef’s Table catering, and the sale of Purposeful Gourmet Foods.

In addition to seeking monetary support, MOWA solicits in-kind contributions of food items, equipment, and services. MOWA also solicits and coordinates the assistance of volunteers, particularly for Meals Services programs.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

MOWA’s combined financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”).

Cash and Cash Equivalents

Cash equivalents consist of money market accounts that are readily convertible into cash and purchased with original maturities of three months or less.

MOWA maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits of \$250 thousand. MOWA has not experienced any losses in such accounts.

The Foundation holds cash and investments of \$559 thousand and \$1,506 thousand at December 31, 2022 and 2021 respectively, for the benefit of the MOWA, as determined in the bylaws of the Foundation. The investments held by the Foundation are subject to an average annual spending rate calculation of 5%, to be adjusted annually by direction of the Board of the Foundation.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

In accordance with FASB's *Accounting for Certain Investments Held by Not-for-Profit Organizations*, investments in equity securities with readily determinable fair values and all investments in debt securities shall be measured at fair value in the combined statements of financial position. Realized and unrealized gains and losses are recognized as changes in net assets in the periods in which they occur, and investment income is recognized as revenue in the period earned. Gains and investment income that are limited to specific uses by donor-restrictions are reflected as increases in net assets without donor-restriction, if the restrictions are met in the same reporting period.

Property and Equipment

Property and equipment is recorded at cost, or if donated, at the fair market value on the date the asset is donated. Depreciation is computed over the estimated useful lives of these assets (3 to 30 years) using the straight-line method. Depreciation expense charged to operations was \$380 thousand and \$219 thousand for the years ended December 31, 2022 and 2021, respectively. Maintenance and repairs are charged to operations when incurred. Betterments and renewals in excess of \$3 thousand are capitalized. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation are removed, and any gain or loss is included in operations.

MOWA reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Intangible Assets

MOWA amortizes intangible assets on a straight-line basis over their estimated useful lives. Intangible assets include package design costs for the Purposeful Gourmet Foods program, which are being amortized using the straight-line method over twenty years.

Expense Allocation

MOWA charges directly identifiable expenses to programs. MOWA also allocates to programs expenses that are not directly identifiable but provide for program support and management, such as personnel costs, occupancy, professional fees, and technology. The basis of allocation includes estimated time devoted to program support, relative square-footage of space used, or other reasonable relative measures based on the type of expense.

Contributions of Goods and Services

MOWA's combined financial statements reflect in-kind contributions of goods or services at estimated fair value on the date of receipt. Typically, donors offer the same goods or services commercially, and so MOWA relies on the donor's estimate of the fair value of the in-kind item. Recognition of in-kind contributions of services depends on the following criteria: (a) the services create or increase nonfinancial assets, or (b) the services require specialized skills that MOWA would otherwise have to obtain from an independent service-provider.

Volunteers donate significant amounts of time to MOWA's program services. The value of this donated time is not included in the value of contributed services, as it does not meet the criteria for recognition.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

MOWA classifies net assets, revenues, gains, and losses based on whether there are specific restrictions imposed by a donor or grantor. Accordingly, MOWA reflects the following two asset classifications in reporting net assets and changes to net assets:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor or grantor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor or grantor restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as if the donor limits program-spending to earnings from assets that are to be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires (i.e., the stipulated time for the restriction has elapsed, or when the stipulated purpose for which the resource was restricted has been fulfilled, or both). There were no net assets with donor restrictions at December 31, 2022 or December 31, 2021.

Income Tax Status

MOWA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to MOWA's tax-exempt purpose is subject to taxation as unrelated business income. In addition, MOWA qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Foundation, which is included in the combined financial statements, is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has a fiscal year end of June 30, 2022. The activity included in the combined financial statements reflects activity as of December 31, 2022. The Foundation has been determined by the Internal Revenue Service to be a "Private Foundation" within the meaning of Section 509(a) of the code and is subject to excise taxes on net investment income, including realized gains, as defined in the act. Accordingly, federal excise taxes have either been paid or accrued. The tax reform act requires that certain minimum distributions be made in accordance with a specified formula. As of June 30, 2022, the Foundation had made the appropriate distributions.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in MOWA's tax returns. Management has determined that MOWA does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures.

Since tax matters are subject to some degree of uncertainty, there can be no assurance that MOWA's tax returns will not be challenged by the taxing authorities and that MOWA will not be subject to additional tax, penalties, and interest as a result of such challenge.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with the basis of accounting described above requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may vary from these estimates.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets or decreases of liabilities or expenses, depending on the form of the benefits received. Contributions received are recorded as with donor restriction or without donor restriction support, depending on the existence and/or nature of any donor restrictions. There are \$ - and \$52 thousand of unconditional promises to give at December 31, 2022 and 2021, respectively.

Grants and Contracts Receivable

Grants and contracts receivable represent amounts billed or due under contractual agreements. Any provision for uncollectible accounts is based on management estimates and past experience. MOWA considers grants and contracts receivable as of December 31, 2022 and 2021 to be fully collectible. Therefore, no provision for uncollectible accounts is recorded. Since all grants and contracts receivable are expected to be collected within one year, they are recorded at net realizable value.

For grants under cost-reimbursement agreements, MOWA recognizes grant revenue in the period that it spends grant funds on related program costs. MOWA reports unexpended grant funds, if any, as deferred revenue.

Benefits Received by Donors through Special Events and Social Enterprise

MOWA also solicits contributions through: (1) attendance fees to special events and (2) sales of food products and distribution services offered by MOWA's social enterprise initiatives. MOWA considers the fair value of benefits (such as meals, entertainment, activities, merchandise, food products, or distribution services) purchased by donors to be equal to MOWA's direct cost of providing these benefits. MOWA reports the excess of donations over direct costs of donor benefits as: (1) special events revenue, or (2) social enterprise revenue.

Recent Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update No. 2016-02 ("ASU 2016-02"), *Leases* (Topic 842), which supersedes the lease recognition requirements in Accounting Standards Codification Topic 840, *Leases*. Several updates to the ASU have subsequently been issued.

Effective January 1, 2022, the Organization adopted FASB ASC 842, *Leases*. The Organization adopted FASB ASC 842, *Leases*. The Organization determines if an arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. The Organization elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements (Continued)

The adoption of FASB ASC 842 resulted in the recognition of right-of-use assets of \$99 thousand and operating lease liabilities of \$99 thousand as of January 1, 2022. Results for periods beginning prior to January 1, 2022 continue to be reported in accordance with our historical accounting treatment. The adoption of FASB ASC 842 did not have a material impact on the Organization's results of operations, cash flows or debt covenants.

NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

MOWA reduces its reported financial assets by amounts not available for general use (because of contractual or donor-imposed restrictions or internal designations) within one year of the statement of financial position date. The following reflects MOWA's financial assets at December 31:

	<i>(in thousands)</i>	
	2022	2021
Cash and cash equivalents	\$ 559	\$ 1,505
Accounts receivable	475	760
Spending rate appropriation from the Foundation	52	56
	<u>\$ 1,086</u>	<u>\$ 2,321</u>

MOWA manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. MOWA expects to meet its cash needs on a monthly basis from program donations, grants, and revenues from social enterprise initiatives. In general, MOWA maintains sufficient financial assets on hand to meet at least 30 days of normal operating expenses.

The Foundation holds cash and investments for the benefit of MOWA, and these investments are subject to an average annual spending rate calculation of 5%, to be adjusted annually by direction of the Board of the Foundation.

NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2022 and 2021:

	<i>(in thousands)</i>	
	2022	2021
Building and improvements	\$ 7,766	\$ 3,302
Construction in progress	-	5,680
Land	196	196
Equipment and vehicles	1,628	619
Furniture and fixtures	1,574	175
Technology	341	38
	<u>11,505</u>	<u>10,010</u>
Less: accumulated depreciation	<u>(3,566)</u>	<u>(3,184)</u>
Net property and equipment	<u>\$ 7,939</u>	<u>\$ 6,826</u>

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 5. PROMISES TO GIVE

Promises to give at December 31, 2022 and 2021 were \$ - and \$52 thousand, respectively.

All outstanding promises to give at December 31, 2021 were due within one year, therefore there was no present value discount recorded at year end.

NOTE 6. RETIREMENT PLAN AND CONTINGENCY

MOWA sponsors a voluntary 403(b) defined contribution retirement plan for all eligible employees. Participant contributions are matched 50% by MOWA up to a maximum of 6% of the employee's salary. MOWA's contributions to these plans totaled \$37 thousand and \$32 thousand for the years ended December 31, 2022 and 2021, respectively.

The employee contributions are 100% vested and the employer contributions are vested as follows:

<u>Years of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	25%
2	50%
3	75%
4 or more	100%

NOTE 7. EFFECT OF CURRENT ECONOMIC CONDITIONS ON CONTRIBUTIONS AND GRANT FUNDING SOURCES

MOWA relies on contributions and grants from a well-established network of public, private, and government sources and the Foundation for its revenue. MOWA works continually to remain engaged with, and add to, its network of supporters, which enable the Organization to continue to grow its programs; but MOWA's ability to attract new contributors and grantors, or for current contributors and grantors to continue giving amounts comparable with prior years, also depends upon circumstances beyond MOWA's control, such as 1) favorable economic and equity market conditions, 2) continued deductibility for income tax purposes of contributions and grants to the Organization, 3) and government budget priorities.

The Organization is subject to possible examination by federal, state and county agencies to determine compliance with terms, conditions, laws and regulations governing the grants given to the Organization.

The Organization obtained approximately 34% and 23% of its total revenue from government assistance programs for the years ended December 31, 2022 and 2021, respectively. A decrease in funding of government assistance programs could adversely affect MOWA's current programs, and operations could be affected; however, MOWA receives numerous grants from various unrelated government entities and grant agencies, which enables MOWA to manage concentration risk to an acceptable level.

NOTE 8. LINE OF CREDIT

MOWA has an open line of credit with a financial institution. The outstanding balance on the lines of credit at December 31, 2022 and 2021 were \$755 thousand and \$155 thousand, respectively.

The \$250,000 line of credit includes the following terms: (1) maximum borrowing arrangement of \$250 thousand, (2) all unpaid principal and interest is due on demand as an open-ended borrowing arrangement with no fixed maturity date, and (3) the line of credit carries at interest rate of prime plus 1.25% (8.75% at December 31, 2022).

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 8. LINE OF CREDIT (Continued)

The \$600,000 line of credit includes the following terms: (1) maximum borrowing arrangement of \$600 thousand, (2) all unpaid principal and interest is due on June 8, 2024, and (3) the line of credit carries an interest rate of prime plus 0.31% (7.81 % at December 31, 2022).

NOTE 9. NET ASSETS WITH DONOR RESTRICTIONS

There were no net assets with donor restrictions at December 31, 2022 and 2021.

There were releases from restrictions during the years ended December 31, 2022 and 2021 of \$ - and \$150 thousand, respectively. For the year ended December 31, 2021, the releases were related to purchases of equipment.

NOTE 10. FAIR VALUE MEASUREMENTS

GAAP (ASC Topic 820) prescribes that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value is therefore a market-based measurement that should be determined based on the same assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the guidance establishes a three-tier fair-value hierarchy that prioritizes the inputs used in measuring fair value, as follows:

Level 1 – Observable inputs consisting of quoted prices in active markets;

Level 2 – Inputs, other than quoted prices in active markets, that are directly or indirectly observable; and

Level 3 – Unobservable inputs for which there is little or no market data, and which require the reporting entity to develop its own assumptions.

Following is a description of valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

In-kind contributions: Donors of in-kind contributions of goods or services typically offer for commercial sale the same or similar goods or services. Therefore, MOWA relies on the donor's estimate of the fair value of an in-kind item, which is based on the pricing of the same or similar items in previous commercial transactions.

Land held as investment: The carrying amount represents historical cost since the investment has not received a recent appraisal. In accordance with GAAP, carrying amount represents lower of cost or market of the investment.

Equities, fixed income, and inflation hedges: These assets are valued at the closing price reported in the active market in which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although MOWA believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 10. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, MOWA's assets measured at fair value on a recurring basis as of December 31, 2022, in thousands:

	<i>(in thousands)</i>			
	Level 1	Level 2	Level 3	Total
U.S. equities	\$ 417	\$ -	\$ -	\$ 417
International equities	120	-	-	120
Fixed income	105	-	-	105
Inflation hedges	24	-	-	24
Land held as investment	-	37	-	37
Total assets as fair value	\$ 666	\$ 37	\$ -	\$ 703

The following table sets forth by level, within the fair value hierarchy, MOWA's assets measured at fair value on a recurring basis as of December 31, 2021:

	<i>(in thousands)</i>			
	Level 1	Level 2	Level 3	Total
U.S. equities	\$ 898	\$ -	\$ -	\$ 898
International equities	165	-	-	165
Fixed income	124	-	-	124
Inflation hedges	49	-	-	49
Land held as investment	-	37	-	37
Total assets as fair value	\$ 1,236	\$ 37	\$ -	\$ 1,273

NOTE 11. LEASES

The Organization elected to adopt FASB ASC 842, *Leases*, using the optional transition method that allows the Organization to initially apply the new leases standard at the adoption date and recognize a cumulative effect adjustment to the opening balance of retained earnings in the period of adoption. The Organization elected to adopt the package of practical expedients available under the transition guidance with the new standard. This package includes the following: relief from determination of lease contracts included in existing or expiring leases at the point of adoption, relief from having to reevaluate the classification of leases in effect at the point of adoption, and relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract. The Organization also elected to adopt the practical expedient to use hindsight to determine the lease term and assess the impairment of the right-of-use assets as well as the practical expedient to use the risk-free rate when determining the present value of lease payments over the lease terms.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 11. LEASES (Continued)

The adoption of FASB ASC 842. *Leases*, resulted in the following impact (in thousands) at January 1, 2022:

Noncurrent operating ROU assets	\$	99
Total assets	\$	99
Current lease liability	\$	22
Noncurrent lease liability		77
Total liabilities	\$	99

MOWA leases equipment under operating leases expiring in May 2026. The Organization has elected to use the risk-free rate as the discount rate for the lease. This rate was determined to be 1.37%.

The following is a schedule by years of minimum future rentals on the operating lease and the amortization of the net present value (NPV) (in thousands) of the lease liability as of December 31, 2022:

	Minimum annual lease payments	Amortization of NPV of lease liability
2023	\$ 23	\$ 22
2024	23	22
2025	23	23
2026	10	10
	\$ 79	\$ 77

The carrying value of the related right-of-use assets (in thousand) as of December 31, 2022 are:

Accumulated basis	\$	99
Less – accumulated amortization		(22)
	\$	77

The total expenses charged to operations for the years ended December 31, 2022 and 2021 on these leases were \$23 thousand and \$19 thousand, respectively.

NOTE 12. SUBSEQUENT EVENTS

Management has evaluated subsequent events occurring through June 6, 2024, the date the financial statements were available to be issued.

SINGLE AUDIT SECTION

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Health and Human Services</u>		
Senior Services Capacity Expansion in Atlanta, GA	93.493	\$ 589,837
<u>U.S. Department of Housing and Urban Development</u>		
Community Development Grant (Pass-Through from City of Atlanta)	14.218	50,000
Community Development Grant (Pass-Through from Fulton County)	14.218	61,728
<u>Federal Emergency Management Agency</u>		
Meal Services - Emergency Food and Shelter	97.024	<u>54,000</u>
TOTAL FEDERAL EXPENDITURES		<u>\$ 755,565</u>

See Notes to Schedule of Expenditures of Federal Awards.

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of Meals on Wheels Atlanta, Inc. and Affiliate under programs of the federal government for the year ended December 31, 2022. The information in the 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 the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 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.

NOTE 3. INDIRECT COST RATE

Meals on Wheels Atlanta, Inc. and Affiliate has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



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

**To the Board of Directors
Meals on Wheels, Inc. and Affiliate**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Meals on Wheels, Inc. and Affiliate (the "Organization"), which comprise the combined statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated June 6, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's combined 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 the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, with which noncompliance could have a direct and material effect on the combined 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*.

Meals on Wheels Atlanta, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Meals on Wheels Atlanta, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Meals on Wheels Atlanta, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 6, 2024



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
Meals on Wheels, Inc. and Affiliate

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Meals on Wheels Atlanta, Inc. and Affiliate'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 the Organization's major federal programs for the year ended December 31, 2022. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Meals on Wheels Atlanta, Inc. and Affiliate 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 December 31, 2022.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Meals on Wheels Atlanta, Inc. and Affiliate and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Meals on Wheels Atlanta, Inc. and Affiliate's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Meals on Wheels Atlanta, Inc. and Affiliate's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Meals on Wheels Atlanta, Inc. and Affiliate's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Meals on Wheels Atlanta, Inc. and Affiliate's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Meals on Wheels Atlanta, Inc. and Affiliate's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Meals on Wheels Atlanta, Inc. and Affiliate's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Meals on Wheels Atlanta, Inc. and Affiliate's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Meals on Wheels Atlanta, Inc. and Affiliate's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Meals on Wheels Atlanta, Inc. and Affiliate's response was not subjected to the other auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 6, 2024

**MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**I. SUMMARY OF INDEPENDENT AUDITOR’S RESULTS:
Financial Statements:**

Type of auditor’s report issued	<u>Unmodified</u>	
	<u>Yes</u>	<u>No</u>
Internal control over financial reporting:		
Material weaknesses identified?	<u>X</u>	<u> </u>
Significant deficiencies identified not considered to be material weaknesses?	<u> </u>	<u>None Reported</u>
Noncompliance material to the financial statements noted?	<u> </u>	<u>X</u>
Federal Awards:		
Internal controls over major programs:		
Material weaknesses identified?	<u>X</u>	<u> </u>
Significant deficiencies identified not considered to be material weaknesses?	<u> </u>	<u>None Reported</u>
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>	
Audit findings required to be reported in accordance with 2 CFR Section 200.516(a)	<u>None</u>	
Identification of major programs:		
93.493 U.S. Department of Health and Human Services – Senior Services Capacity Expansion		
Dollar threshold used to distinguish between Type A and Type B programs	\$ 750,000	
	<u>Yes</u>	<u>No</u>
Auditee qualified as low-risk auditee?	<u> </u>	<u>X</u>
Financial Statement Findings?	<u>X</u>	<u> </u>
Federal Award Findings Questioned Costs?	<u>X</u>	<u> </u>

MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

II. FINANCIAL STATEMENT FINDINGS:

2022-001 Deferred Revenue for Grants

Condition: Generally accepted accounting principles require that deferred revenue be recorded for all amounts of grant funds received that have not yet been earned.

Context: The improper recording of deferred revenues were identified during our audit work surrounding the revenue recognition of the major program.

Effect: The adjustment to deferred revenues had the effect of increasing deferred revenues by \$236,250 and decreasing grant revenue by \$236,250.

Recommendation: The Organization should review all grant agreements related to grant payments received and based upon the terms of the agreement determine if deferral is appropriate.

Managements Response: We agree with finding, and will follow prescribed recommendation.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

2022-002 Cash Management and Period of Availability

Condition: The grant is a reimbursement type grant, as the grant agreement does not specifically indicate that it is an advance type grant. As such, all expenses should be recognized before applying for funding, or expended within a “reasonable” period subsequent to receipt of funds.

Context: The Organization applied for grant drawdowns based on projections and expended funds greater than 30 days beyond receipt, resulting in the expenditure occurring in a different fiscal year than when the funds were received.

Effect: The receipt of funds before expenditure was \$708,288.

Recommendation: The Organization should review internal policies related to drawdowns to ensure that drawdowns occur in compliance with Uniform Guidance.

Managements Response: We agree with finding, and will follow prescribed recommendation.

**MEALS ON WHEELS ATLANTA, INC. AND AFFILIATE
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**

II. FINANCIAL STATEMENT FINDINGS:

No single audit performed or required in prior year.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

No single audit performed or required in prior year.