SIKICH®

VANTAGE AGING
(NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

September 30, 2022
With prior year summarized comparative information

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VANTAGE AGING

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
VANTAGE Aging:

Opinion

We have audited the accompanying financial statements of VANTAGE Aging (nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of VANTAGE Aging of September 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about VANTAGE Aging'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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of VANTAGE Aging's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about VANTAGE Aging'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.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 2022 statements of financial position and activities are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by the 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 audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2023 on our consideration of VANTAGE Aging'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 the effectiveness of VANTAGE Aging's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering VANTAGE Aging's internal control over financial reporting and compliance.

Summarized Comparative Information

We previously audited VANTAGE Aging's September 30, 2021 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated March 9, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Sikich LLP

Akron, Ohio
March 16, 2023

VANTAGE AGING

STATEMENT OF FINANCIAL POSITION
September 30, 2022
(with summarized comparative information as of September 30, 2021)

ASSETS	2022	2021
CURRENT ASSETS		
Cash and cash equivalents	$ 817,647	$ 1,253,142
Grants and contracts receivable, net	663,579	662,317
Inventories	68,793	88,248
Prepaid expenses	47,312	43,475
Total current assets	1,597,331	2,047,182
NONCURRENT ASSETS		
Property and equipment, net	1,294,390	2,394,031
Investments	2,276,949	2,617,630
Beneficial interests held by community foundations	166,307	191,436
Deposits	6,169	6,169
Total noncurrent assets	3,743,815	5,209,266
TOTAL ASSETS	$ 5,341,146	$ 7,256,448
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of note payable	$ -	$ 61,990
Current portion of capital lease	6,556	12,240
Accounts payable	268,255	183,545
Accrued payroll and related expenses	471,800	425,409
Deferred revenue	67,339	27,272
Total current liabilities	813,950	710,456
LONG-TERM LIABILITIES		
Note payable, net of current portion	-	955,685
Capital lease, net of current portion	1,265	8,195
Other noncurrent liabilities	24,791	62,362
Total liabilities	840,006	1,736,698
NET ASSETS		
Without donor restrictions	3,846,531	4,830,765
With donor restrictions	654,609	688,985
Total net assets	4,501,140	5,519,750
TOTAL LIABILITIES AND NET ASSETS	$ 5,341,146	$ 7,256,448

VANTAGE AGING

STATEMENT OF ACTIVITIES
for the year ended September 30, 2022
(with summarized comparative information for the year ended September 30, 2021)

	2022			
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	**2021**
PUBLIC SUPPORT AND REVENUE				
Grants	$ 8,818,452	$ -	$ 8,818,452	$ 9,697,802
Contributions	468,454	-	468,454	1,188,463
Program service fees	1,407,803	-	1,407,803	1,642,485
Event revenue	25,165	-	25,165	22,266
Other revenue	74,874	-	74,874	584,480
Loss of sale of property and equipment	(289,835)	-	(289,835)	-
Net assets released from restrictions	9,247	(9,247)	-	-
Total public support and revenue	10,514,160	(9,247)	10,504,913	13,135,496
EXPENSES				
Program services				
Home Wellness Solutions	268,176	-	268,176	283,434
RSVP	371,379	-	371,379	336,004
Meals on Wheels	2,814,826	-	2,814,826	3,058,041
Senior Community Service Employment Program	6,421,753	-	6,421,753	7,028,785
Encore Staffing Network	-	-	-	135,262
Total program services	9,876,134	-	9,876,134	10,841,526
Supporting services				
Management and general	1,180,231	-	1,180,231	1,320,089
Community engagement	219,186	-	219,186	109,510
Total expenses	11,275,551	-	11,275,551	12,271,125
Change in net assets from operations	(761,391)	(9,247)	(770,638)	864,371
Net (loss) income on investments	(222,843)	-	(222,843)	429,982
Change in beneficial interest held by community foundation	-	(25,129)	(25,129)	36,113
CHANGE IN NET ASSETS	(984,234)	(34,376)	(1,018,610)	1,330,466
NET ASSETS, BEGINNING OF YEAR	4,830,765	688,985	5,519,750	4,189,284
NET ASSETS, END OF YEAR	$ 3,846,531	$ 654,609	$ 4,501,140	$ 5,519,750

VANTAGE AGING

STATEMENT OF FUNCTIONAL EXPENSES
For the year ended September 30, 2022
(with summarized comparative information for the year ended September 30, 2021)

	2022									
	Program Services					Supporting Services				
	Home Wellness Solutions	AmeriCorp Seniors	Meals on Wheels	Senior Community Service Employment Program	Total Program Services	Management and General	Community Engagement	Total Supporting Services	2022 Total	2021 Total
SALARIES, BENEFITS AND RELATED EXPENSES										
Salaries	$ 190,474	$ 214,499	$ 864,508	$ 854,722	$ 2,124,203	$ 797,126	$ 56,057	$ 853,183	$ 2,977,386	$ 3,098,401
SCSEP participant salaries	-	-	-	4,342,257	4,342,257	-	-	-	4,342,257	5,123,153
Payroll taxes and related expenses	31,702	50,492	222,103	599,362	903,659	199,538	16,085	215,623	1,119,282	1,006,969
Total salaries, benefits and related expenses	222,176	264,991	1,086,611	5,796,341	7,370,119	996,664	72,142	1,068,806	8,438,925	9,228,523
OTHER EXPENSES										
Program supplies	1,346	484	113,994	22,926	138,750	-	-	-	138,750	218,010
Food and packaging	-	18	1,017,147	-	1,017,165	-	601	601	1,017,766	979,019
Training	23	260	2,688	6,545	9,516	4,487	54	4,541	14,057	58,074
Travel	4,529	2,946	28,933	42,169	78,577	5,145	1,899	7,044	85,621	41,450
Fleet vehicle and other travel	2,905	-	70,579	-	73,484	-	-	-	73,484	53,051
Postage and printing	1,970	6,009	13,256	19,315	40,550	6,423	6,038	12,461	53,011	53,938
Recruitment	3,065	45,936	19,774	41,735	110,510	10,116	12,460	22,576	133,086	216,172
Rent	1,435	17,298	101,656	156,841	277,230	57,844	11,039	68,883	346,113	210,454
Utilities and property taxes	2,820	4,235	64,276	83,457	154,788	21,994	4,205	26,199	180,987	179,195
Repairs and maintenance	290	437	22,305	2,975	26,007	7,086	1,161	8,247	34,254	120,431
Interest	-	-	3,549	-	3,549	-	34,065	34,065	37,614	56,427
Contract services	6,295	4,990	37,277	105,748	154,310	12,881	55,358	68,239	222,549	212,341
Office supplies	61	401	3,406	5,943	9,811	3,000	1,481	4,481	14,292	19,769
Insurance	2,979	6,654	49,586	38,665	97,884	10,911	971	11,882	109,766	105,248
IT expenses	14,390	15,821	47,621	93,732	171,564	18,000	14,516	32,516	204,080	282,746
Bad debt	3,424	-	10,741	-	14,165	-	45	45	14,210	35,103
Other expenses	1	3	5,807	94	5,905	4,072	1,493	5,565	11,470	13,585
Total other expenses	45,533	105,492	1,612,595	620,145	2,383,765	161,959	145,386	307,345	2,691,110	2,855,013
Total expenses before depreciation	267,709	370,483	2,699,206	6,416,486	9,753,884	1,158,623	217,528	1,376,151	11,130,035	12,083,536
Depreciation	467	896	115,620	5,267	122,250	21,608	1,658	23,266	145,516	187,589
TOTAL FUNCTIONAL EXPENSES	$ 268,176	$ 371,379	$ 2,814,826	$ 6,421,753	$ 9,876,134	$ 1,180,231	$ 219,186	$ 1,399,417	$ 11,275,551	$ 12,271,125

VANTAGE AGING

STATEMENT OF CASH FLOWS
for the year ended September 30, 2022
(with summarized comparative information for the year ended September 30, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (1,018,610)	$ 1,330,466
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	145,515	187,589
Contributed in-kind investment	-	(497,549)
Loss on disposal of property and equipment	289,835	-
Net loss (gain) on investments	222,843	(429,982)
Change in beneficial interest in perpetual trust	25,129	(36,113)
(Increase) decrease in operating assets:		
Grants and contracts receivable	(1,262)	(45,728)
Inventory	19,455	18,170
Prepaid expenses	(3,837)	(25,182)
Increase (decrease) in operating liabilities:		
Accounts payable	84,710	41,647
Accrued payroll and related expenses	46,391	(391,342)
Other liabilities	(37,571)	(30,462)
Deferred revenue	40,067	(153,643)
Net cash from operating activities	(187,335)	(32,129)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	825,552	-
Proceeds from sale of investments	1,719,174	481,505
Purchases of investments	(1,601,336)	(529,107)
Purchases of property and equipment	(161,261)	(112,983)
Net cash from investing activities	782,129	(160,585)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments on capital lease	(12,614)	(9,948)
Repayments on note payable	(1,017,675)	(61,990)
Net cash from financing activities	(1,030,289)	(71,938)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(435,495)	(264,652)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,253,142	1,517,794
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 817,647	$ 1,253,142
SUPPLEMENTAL DISCLOSURE:		
Cash paid during the year for interest	$ 37,614	$ 51,588

See accompanying notes to financial statements.

1. NATURE OF OPERATIONS

Nature of Activities – VANTAGE Aging (the "Organization") provides high-quality programs to empower the economic, social, physical, and mental well-being of adults as they age.

On January 1, 2019, Meals on Wheels of Stark and Wayne Counties ("MOW") merged with VANTAGE Aging, with VANTAGE Aging as the surviving Organization.

Programs of the Organization include Senior Community Service Employment Program (SCSEP), AmeriCorps Seniors Retired and Senior Volunteer Program (RSVP), Meals on Wheels of Northeast Ohio, Home Wellness Solutions, and Encore Staffing Network (through September 30, 2021).

Nature of Programs –

Senior Community Service Employment Program (SCSEP) – The Senior Community Service Employment Program (SCSEP) is a job training program for older adults located in 38 Ohio counties. Funded under grants from the U.S. Department of Labor (DOL) and Ohio Department of Aging (ODA), the program provides paid, part-time job training in community service assignments. Program participants are low-income adults aged 55 and older placed with nonprofit and government agencies (host sites) for training. SCSEP provides a dual benefit to the communities it serves, improving job readiness of older workers while expanding the services provided by local host sites. In 2020, the Organization secured a grant from DOL in collaboration with ODA to perform the Shrinking the Digital Divide for Older Ohioans demonstration project. The purpose of this 2-year innovative project is to further develop the individual capacity of older Ohioans by providing computer hardware, expanding internet access, upskilling digital literacy competencies, and better preparing job seekers for unsubsidized employment. Digital Learners earn skills-tested digital certificates that enhance their resumes and bolster digital confidence.

AmeriCorps Seniors Retired and Senior Volunteer Program (RSVP) – As one of the largest networks in the nation, RSVP is a program of the Corporation for National and Community Service and provides volunteers aged 55 and older with meaningful service opportunities. RSVP volunteers address critical community needs and take on new national initiatives to meet those needs. With a strong corps of experienced volunteers, RSVP helps to build capacity and outreach efforts for over 70 organizations including food pantries, health and wellness programs, and social service agencies. VANTAGE Aging provides RSVP programming in Summit, Medina, Geauga, Wayne, Delaware, Franklin, and Hamilton counties.

1. NATURE OF OPERATIONS, (Continued)

Nature of Programs, (Continued)

Meals on Wheels of Northeast Ohio – Supporting the nutritional needs of older adults in Summit, Stark and Wayne Counties, the Meals on Wheels of Northeast Ohio program provides homebound and disabled clients the opportunity for delicious and nutritious meals to be delivered to their home to support their health and well-being. As part of the Organization's continuum of care, each visit includes a wellness check, where trained drivers can assess potential health issues, such as fall-risk assessments. Congregate dining options are provided at several locations to provide healthy meal alternatives and socialization opportunities to prevent social isolation. Additionally, the Ohio Senior Farmers' Market Nutrition Program provides vouchers to seniors age 60 and older who meet income guidelines for the purchase of up to $50 in fresh produce at local farmer's markets. During the COVID-19 pandemic, Meals on Wheels of Northeast Ohio provided continuous, safe meal service.

Home Wellness Solutions – The Organization provides non-medical home care and wellness support services in the homes of older adults and individuals with disabilities. Individual plans are customized according to an assessment of the client's needs and care coordination with the Organization identifies additional programs that may benefit the client. Home health aides provide hands-on care for activities of daily living (ADLs) within the client's home, including bathing, dressing, feeding, toileting, grooming, oral care, walking or use of a wheelchair. Homemaker services provide housekeeping, laundry, shopping, and meal preparation to support client independence. Chore services help with heavy household cleaning. During the COVID-19 pandemic, the Vantage Aging Home Wellness team implemented safety precautions to continue service to clients while protecting their health.

Encore Staffing Network – The Encore Staffing Network is a program funded in part by The Cleveland Foundation that provides placement of older workers who want to stay engaged in the workforce while dedicating their skills and talents to a variety of employers with profits being re-invested into the Organization's mission. This program was eliminated at the end of 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Financial Statement Presentation – The Organization reports information regarding their financial position and activities according to two classes of net assets:

Net assets without donor restrictions are for general operations and board-designated net assets of the Organization and are not subject to donor-imposed restrictions. These net assets of the Organization may be used at the discretion of management to support the Organization's purposes and operations. The Organization has designated, from net assets without donor restrictions, net assets for Meals on Wheels and capital purchases.

Net assets with donor restrictions are subject to stipulations imposed by donors, and grantors. Some donor restrictions are for actions of the Organization or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Functional Expenses – The costs of providing the various programs and other activities of the Organization have been summarized on a functional basis in the statement of activities and functional expenses. Accordingly, certain costs have been allocated to the program and supporting services benefited. The expenses allocated include depreciation, rent, utilities, repairs and maintenance, IT expenses, and insurance costs which are allocated based on square footage as well as certain salaries and benefits which are allocated based on time spent on each program. All other expenses are charged directly to the corresponding function by account.

Cash and Cash Equivalents – Cash and cash equivalents include cash and all highly liquid investments which have an original maturity of three months or less.

Concentration of Credit Risk and Funding – The Organization maintains its cash and cash equivalents in deposit accounts in commercial banks in Ohio, which, at times, may exceed federally insured limits. Amounts in excess of federally insured limits totaled approximately $470,000 and $1,190,000 at September 30, 2022 and 2021, respectively. The Organization has not experienced any significant losses in such accounts. Management of the Organization believes it is not exposed to any significant credit risk on its cash and cash equivalents.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Comparative Financial Information – The financial statements include certain prior year summarized comparative information in total but not by net asset class and entity. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended September 30, 2021, from which the summarized information was derived.

Support and Revenue Recognition –Unconditional contributions are recognized immediately and classified as either net assets with or without donor restrictions, while conditional contributions received are accounted for as a liability until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with or without restrictions. There were no conditional grants awarded but not yet received as of September 30, 2022, and 2021, respectively.

Contributions and grants that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions and grants are recognized. All other donor-restricted contributions and grants are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Government agency grants are conditioned upon the incurrence of allowable qualifying expenses, and revenue is recognized when the conditions are met. As of September 30, 2022 and 2021, the Organization had $6,825,875 and $7,480,919, respectively, of conditional contributions that have not been recorded as qualifying expenses have not yet been incurred.

Grants and contracts receivable include funds due from various funding sources. These amounts are stated at the amount management expects to collect from balances outstanding at year end. The carrying amount of receivables is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management has recorded an allowance for doubtful accounts of $6,736 at September 30, 2022 and $10,409 at September 30, 2021. Management expects to collect balances within one year.

The Organization records the following exchange transaction revenue in its statement of activities and changes in net assets:

Program service fees – Revenue from program service fees represents fees from the delivery of meals to recipients. Revenue is recognized at the point in time when the meal or service is provided. Third party payors which include Medicaid and other insignificant insurance and self-pay payors, are billed at least monthly and collectible within 30-45 days.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Support and Revenue Recognition, Continued

Medicaid – Medicaid pays the Agency under a prospective payment system (PPS). Payment for services is based on 100% of the average reasonable costs per service rate, adjusted by the Medicare Economic Index and any changes in the scope of services provided. Estimated settlements are accrued in the period in which the related services are rendered and adjusted in future periods as final settlements are determined. The Medicaid per-service amount is an all-inclusive rate that covers all defined services. Collections are made 30-45 days subsequent to the billing, during which period outstanding balances are included on the balance sheet as contract assets or accounts receivable.

Other revenue consists primarily of workers compensation dividends which are recognized at the time they are received.

Contract balances – The timing of revenue recognition, billings, and cash collections results in billed contracts receivable (contract assets) and deferred revenue (contract liabilities) on the statement of financial position. Contract liabilities are released as the performance obligations are met.

The beginning and ending contract balances were as follows at September 30:

	2022	2021	2020
Contracts receivable	$ 172,305	$ 176,476	$ 246,244
Deferred revenue	67,339	27,272	180,915

Significant judgments – There are no significant judgments involved in the recognition of revenue.

Various economic factors affect the recognition of revenue and cash flows. These economic factors consist of the general economy of the Akron area and government regulations, among others.

In-Kind Support – In-kind support is recognized as revenues at their estimated fair value only when they create or enhance nonfinancial assets or they require specialized skills which would need to be purchased if they were not donated. The Organization receives volunteer services primarily to assist in serving their clients. In accordance with generally accepted accounting principles, this in-kind support is not recognized in the statement of activities. The fair value of this in-kind support totaled $1,420,908 and $151,973 for the years ended September 30, 2022, and 2021, respectively.

Investments – Investments in marketable equity securities and mutual funds with readily determinable fair values are reported at their fair values in the statement of financial position. In addition, gains and losses (realized or unrealized) 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. Investment income restricted by the donor is reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the income is recognized. Investment income is reported net of external and direct internal investment expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Beneficial Interest Held by Community Foundation – The Organization transferred funds to Stark Community Foundation and Akron Community Foundation to establish trusts with the Organization named as the beneficiary. The Community Foundations maintain variance power over these assets. The Organization reports distributions received as investment income on the accompanying statement of activities.

Property and Equipment – Property and equipment is stated at cost, or as to contributions in kind at the market value prevailing at the date of donation. Major additions and betterments are capitalized while maintenance and repairs that do not improve or extend the lives of the respective assets are expensed currently. The Organization follows the policy of capitalizing expenditures in excess of $5,000 and those items which substantially increase the useful lives of existing assets. When property is retired or otherwise disposed of, the cost of the property is removed from the asset account, accumulated depreciation is charged with an amount equivalent to the depreciation provided, and the difference is charged or credited to operations. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets as follows

Buildings and improvements	20 - 40 years
Furniture and fixtures	5 - 20 years
Leasehold improvements	3 years

Inventories – Inventories consist of food and related supplies and are carried at the lower of cost or net realizable value with costs determined by the first-in, first-out (FIFO) method.

Deferred Revenue – Deferred revenue represents federal funding received relating to services served subsequent to September 30, 2022.

Income Taxes – The Organization is a nonprofit organization exempt from federal income taxes under the current provisions of the Internal Revenue Code Section 501(c)(3). Therefore, no provisions for federal and state income taxes have been recorded in the financial statements. The Organization is not classified as a private foundation.

Subsequent Events – Management of the Organization has evaluated subsequent events through March 16, 2023 the date the financial statements were available to be issued and determined that there were no significant non-recognized subsequent events through that date

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

New Accounting Pronouncements - In February 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, "Leases (Topic 842)" (ASU 2016-02), to increase the transparency and comparability about leases among entities. The new guidance requires lessees to recognize a lease liability and a corresponding lease asset for virtually all lease contracts. It also requires additional disclosures about leasing arrangements. ASU 2016-02, as amended by ASU 2020-05, is effective for non-public entities for fiscal years beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022. ASU 2016-02 originally specified a modified retrospective transition method which requires the entity to initially apply the new leases standard at the beginning of the earliest period presented in the financial statements. In July 2018, FASB issued ASU No. 2018-11, "Leases (Topic 842): Targeted Improvements" providing a second, optional transition method which allows the entity to apply the new 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 is currently assessing the impact of this new standard, including the two optional transition methods.

3. FINANCING ARRANGEMENTS

The Organization has a $250,000 revolving line of credit with a bank. The was no outstanding balance on this line of credit at September 30, 2022 and 2021. Advances outstanding on the credit line are due on demand, with interest due monthly at the prime rate plus one quarter percent (6.50% at September 30, 2022 and 3.50% at September 30, 2021). The credit line is collateralized by all assets of the Organization.

Long-term debt consists of the following as of September 30:

	2022	2021
Mortgage payable, due in monthly installments of $5,166 plus interest at LIBOR plus 2% (4.92% at September 30, 2022), through February 2023, collateralized by related property. The liability was eliminated during 2022 through sale of the related property.	$ -	$ 1,017,675
Less current maturities	-	61,990
Long-term debt, net of current maturities	$ -	$ 955,685

The Organization entered into an interest swap agreement to fix the interest rate at 2.89% on the variable interest note payable, to reduce exposure to interest rate fluctuations. The term of this swap agreement were to expire in February 2023. As of September 30, 2021, the fair value of the interest rate swap was a liability of $37,571. The related interest rate swap liability is included in other liabilities on the statement of financial position at September 30, 2021. The liability was eliminated during 2022 as a result of the sale of property which resulted in the pay down of related debt.

4. LIQUIDITY

The following represents the Organization's financial assets available for operating expenses and capital expenditures on fixed assets within one year of the statement of financial position date at September 30:

	2022	2021
Cash and cash equivalents	$ 817,647	$ 1,253,142
Grants and contracts receivable, net	663,579	662,317
Total current liquid assets	1,481,226	1,915,459
Less: Assets with board designations not in investments	(605,927)	(350,157)
Total financial assets liquid within one year	$ 875,299	$ 1,565,302

As described in Note 3, the Organization also has a $250,000 line of credit available to meet cash flow needs.

5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at September 30:

	2022	2021
Furniture and equipment	$ 1,222,082	$ 1,465,311
Leasehold improvement	6,600	6,600
Buildings and improvements	1,176,640	1,904,403
Land	288,987	720,800
	2,694,309	4,097,114
Less accumulated depreciation	(1,399,919)	(1,703,083)
	$ 1,294,390	$ 2,394,031

6. OPERATING LEASES

The Organization has entered into agreements to lease office space and other equipment for various periods through 2031. Future minimum rental payments required under this lease are as follows:

2023	$ 171,464
2024	164,079
2025	134,502
2026	135,954
2027	136,245
Thereafter	531,325
	$ 1,273,569

6. OPERATING LEASES, (Continued)

Rent expense under these leasing agreements along with several month to month leases totaled $346,113 for 2022 and $210,454 for 2021. The Organization has entered into various capital leases for a vehicle and copier.

The obligation under capital lease has been recorded in the financial statements at the present value of future minimum lease payments. Future minimum payments under capital leases are as follows:

2023	$ 6,556
2024	1,265
Total minimum lease payments	7,821
Less current maturities of capital lease obligations	6,556
Long-term capital lease obligations	$ 1,265

7. RETIREMENT PLAN

The Organization maintains a tax deferred savings plan covering substantially all of its employees. Employees are permitted to make pre-tax deferrals of up to 25% of compensation or maximum amounts as allowed by law. The plan does not provide for an employer contribution.

8. NET ASSETS

Net assets consist of the following amounts as of September 30:

	2022	2021
Net assets without donor restrictions:		
Board designated for operations	$ 74,663	$ 74,663
Board designated for Meals on Wheels	2,319,911	2,395,523
Net investment in property and equipment	1,286,569	1,355,921
Operating surplus	165,388	1,004,658
	$ 3,846,531	$ 4,830,765

Net assets with donor restrictions for purpose:

	2022	2021
Meals on Wheels	$ 488,302	$ 497,549
	$ 488,302	$ 497,549

8. NET ASSETS, (Continued)

Net assets totaling $9,247 in 2022 and $2,093 in 2021 were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Net assets with donor restrictions in perpetuity, the income from which is restricted for the following purpose:		
General program activities	$ 166,307	$ 191,436

9. FAIR VALUE MEASUREMENTS

GAAP establishes a framework for measuring fair value. That framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. GAAP requires the Organization to maximize the use of observable inputs when measuring fair value. The hierarchy describes three levels of inputs, which are as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Significant unobservable inputs.

In many cases, a valuation technique used to measure fair value includes inputs from more than one level of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The categorization of an investment within the hierarchy reflects the relative ability to observe the fair value measure and does not necessarily correspond to the perceived risk of that investment.

If an investment that is measured using net asset value (NAV) has a readily determinable fair value (that is, it can be traded at the measurement date at its published NAV), it is included in Level 1 of the hierarchy. Otherwise, investments measured using NAVs are not included in Level 1, 2, or 3, but are separately reported.

The Organization recognizes transfers into and out of levels within the fair value hierarchy at the end of the reporting period. There were no transfers between levels in the year ended September 30, 2022 and 2021.

9. FAIR VALUE MEASUREMENTS, (Continued)

Valuation Techniques

Following is a description of the valuation techniques used for assets measured at fair value on a recurring basis. There have been no changes to the techniques used during the year ended September 30, 2022 and 2021.

Mutual funds - Valued at the NAV of shares on the last trading day of the fiscal year.

Equity securities - Valued at the closing quoted price in an active market.

Interests in assets held by Community Foundations - Valued using the fair value of the assets held in the trust reported by the foundation as of September 30, 2022 and 2021. The Organization considers the measurement of its beneficial interest held by community foundation to be a Level 3 measurement within the hierarchy because even though that measurement is based on the unadjusted fair value of trust assets reported by the foundation, the Organization will never receive those assets or have the ability to direct the foundation to redeem them.

Interest rate swap agreement - The fair value is estimated using forward-looking interest rate curves and discounted cash flows that are observable or that can be corroborated by observable market data.

The following table presents the assets carried on the statement of financial position by level within the fair value hierarchy:

	2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Mutual funds	$ 1,227,108	$ -	$ -	$ 1,227,108
Equity securities	978,099	-	-	978,099
Total investments	2,205,207	-	-	2,205,207
Investments held by Community foundations	-	-	166,307	166,307
Total assets at fair value	$ 2,205,207	$ -	$ 166,307	2,371,514
Investments in money market (a)				71,742
Total				$ 2,443,256

9. FAIR VALUE MEASUREMENTS, (Continued)

	2021			
	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds	$ 652,908	$ -	$ -	$ 652,908
Equity securities	1,799,897	-	-	1,799,897
Total investments	2,452,805	-	-	2,452,805
Investments held by Community foundations	-	-	191,436	191,436
Total assets at fair value	$ 2,452,805	$ -	$ 191,436	2,644,241
Investments in money market (a)				164,825
Total				$ 2,809,066
Liabilities				
Interest rate swap	$ -	$ 37,571	$ -	$ 37,571

(a) The amount presented is at cost. The amount presented in this table is intended to permit reconciliation of the fair value hierarchy to the line item presented in the statements of financial position

10. ENDOWMENT

The Organization's endowment includes the Meals on Wheels of Northeast Ohio Endowment Fund held by the Stark Community Foundation and the VANTAGE Aging Endowment Fund held by the Akron Community Foundation. Both of the funds are restricted for perpetuity endowment funds. Income received from these funds are for general operations of the Organization. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Funds functioning as endowment totaled $166,307 and $191,436 at September 30, 2022 and 2021, respectively.

10. ENDOWMENT, (Continued)

Interpretation of Relevant Law – The Board of Directors of the Foundation has interpreted state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (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. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets. In accordance with state law, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Foundation and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Foundation
(7) The investment policies of the Foundation.

It is the Board of Directors' practice to immediately designate for future expenditures all investment income earned on the endowment. Therefore, all investment income is recorded as net assets without restrictions.

Changes in Endowment Net Assets for the Years Ended September 30:

	With Donor Restrictions Restricted for Perpetuity
Endowment net assets, September 30, 2020	$ 155,323
Change in interest in assets held at a foundation	36,113
Endowment net assets, September 30, 2021	191,436
Change in interest in assets held at a foundation	(25,129)
Endowment net assets, September 30, 2022	$ 166,307

Return Objectives and Risk Parameters – The Organization has adopted investment and spending policies for endowment assets based on the policies held at the Stark Community Foundation and the Akron Community Foundation that attempt to provide a predictable stream of funding for Organization operations and programs.

10. ENDOWMENT, (Continued)

Strategies Employed for Achieving Objectives – The Organization relies on a total return strategy at the Stark Community Foundation and the Akron Community Foundation in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

11. LEGAL MATTERS

During the normal course of business, the Organization is involved in routine legal matters that management intends to aggressively defend. Management believes the likelihood of any material adverse outcome to be remote.

12. CONCENTRATION OF CONTRIBUTIONS OR GRANTS

The Organization is funded from grants and reimbursements from various governmental agencies. The Organization anticipates the renewal of all its grants and federal awards. The Organization received approximately 66% and 58% of their revenue from the Department of Labor for the years ended September 30, 2022 and 2021, respectively. However, if there were changes in funding sources this could have a significant impact on the Organization.

VANTAGE AGING

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the year ended September 30, 2022

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number		Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Labor				
Passed through Ohio Department of Labor:				
Senior Community Service Employment Program:				
United States Department of Labor	17.235	*	$ 3,807,984	$ -
Ohio Department of Aging	17.235	*	3,138,992	-
			6,946,976	
U.S. Department of Health and Human Resources				
Meals on Wheels America and Public Health Institute	93.011		10,683	
Passed through Direction Home Akron Canton Area Agency on Aging:				
Aging Cluster:				
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	*	1,390	-
Nutrition Services and CARES Act for Nutrition Services under Title III-C of the Older Americans Act	93.045	*	674,144	-
American Rescue Plan for Nutrition Services Under Title III-C of the Older American Act	93.045	*	276,705	-
Nutrition Services Incentive Program (NSIP)	93.053	*	107,100	-
			1,059,339	
National Family Caregiver Support Title III Part E	93.052		10,255	-
Passed through Summit County Department of Job and Family Services:				
Social Services Block Grant	93.667		18,333	-
Passed through Portage County Department of Job and Family Services:				
Social Services Block Grant	93.667		6,003	-
Passed through Wayne County Department of Job and Family Services:				
Social Services Block Grant	93.667		492	-
			24,828	
U.S. Department of Housing and Urban Development				
Passed through Stark County Regional Planning Commission:				
Community Development Block Grants - Entitlement Grants	14.218		23,500	-
Passed through Summit County Department of Community and Economic Development:				
Community Development Block Grants - Entitlement Grants	14.218		9,916	-
Passed through City of Canton:				
Community Development Block Grants - Entitlement Grants	14.218		10,000	-
Passed through City of Cuyahoga Falls:				
Community Development Block Grants - Entitlement Grants	14.218		7,280	-
Passed through City of Massillon:				
Community Development Block Grants - Entitlement Grants	14.218		4,000	-
			54,696	
Corporation of National and Community Service				
Retired and Senior Volunteer Program	94.002		419,270	-
U.S. Department of Agriculture				
Passed through Direction Home Akron Canton Area Agency on Aging:				
Senior Farmers Market Nutrition Program (SFMNP)	10.576		34,832	-
			$ 8,560,879	$ -

* Denotes major federal program

See accompanying notes to financial statements.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the year ended September 30, 2022
(with summarized comparative information for the year ended September 30, 2021)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of VANTAGE Aging (the Organization) under programs of the federal government for the year ended September 30, 2022. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of VANTAGE Aging; it is not intended to and does not present the financial position, changes in net assets, functional expenses, or cash flows of VANTAGE Aging.

Basis of Accounting – 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.

2. SUBRECIPIENTS

The Organization does not pass certain federal awards received to another not-for-profit, as noted on the supplemental schedule of expenditures of federal awards.

3. NON-CASH ASSISTANCE, LOANS OUTSTANDING, AND INSURANCE

The Organization did not receive any federal non-cash assistance, federal loans or federal insurance for the year ended September 30, 2022.

4. DE MINIMIS RATE

The Organization did not elect to use the de minimis rate of 10% for the year ended September 30, 2022.

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

To the Board of Directors of
VANTAGE Aging:

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 VANTAGE Aging (nonprofit organizations), which comprise the statement of financial position as of September 30, 2022, 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 March 16, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered VANTAGE Aging's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of VANTAGE Aging's internal control. Accordingly, we do not express an opinion on the effectiveness of VANTAGE Aging'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 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. 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether VANTAGE Aging's financial statements are free of 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 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.

Sikich LLP

Akron, Ohio
March 16, 2023

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

To the Board of Directors of
VANTAGE Aging:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

We have audited VANTAGE Aging's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of VANTAGE Aging's major federal programs for the year ended September 30, 2022. VANTAGE Aging'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, VANTAGE Aging complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 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 VANTAGE Aging 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 VANTAGE Aging'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 VANTAGE Aging'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 VANTAGE Aging'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 VANTAGE Aging'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 VANTAGE Aging'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 VANTAGE Aging'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 VANTAGE Aging's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program 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.

Sikich LLP

Akron, Ohio
March 16, 2023

VANTAGE AGING

SUPPLEMENTAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the year ended September 30, 2022

Section I – Summary of Auditor's Results

Financial Statements

	Yes	No	None Reported
Type of auditor's report issued – unmodified			
Internal control over financial reporting:			
• Material weakness(es) identified?		√	
• Significant deficiency(ies) identified that are not considered to be material weaknesses?			√
Noncompliance material to financial statements noted?		√	
Federal Awards			
Internal control over major programs:			
• Material weakness(es) identified?		√	
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?			√
Type of auditor's report issued on compliance for major programs – unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2CFR Section 200. 516(a)?		√	

Identification of major programs:
U.S. Department of Labor
Passed through the Ohio Department of Labor:
Senior Community Service Employment Program:
ALN 17.235
U.S. Department of Health and Human Resources
Passed through the Direction Home Akron Canton Area Agency on Aging:
Aging Cluster:
ALN 93.044, 93.045, 93.053

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

	Yes	No	None Reported
Auditee qualified as low-risk auditee?	√		

SUPPLEMENTAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the year ended September 30, 2022

Section II – Financial Statement Findings

None

Section III –Major Federal Award Programs Finding and Questioned Costs

None

Section IV – Summary of Prior Audit Findings

None