

North Central Area Agency on Aging, Inc.

Financial Statements

*Years ended September 30, 2023 and 2022
With Independent Auditors' Report*



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North Central Area Agency on Aging, Inc.

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Independent Auditors' Report

Board of Directors
North Central Area Agency on Aging, Inc.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of North Central Area Agency on Aging, Inc. (the Agency), a not-for-profit organization, which comprise the statements of financial position as of September 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years 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 North Central Area Agency on Aging, Inc. at September 30, 2023 and 2022, and the changes in its net assets and its 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report (continued)

Responsibilities of Management for the Financial Statements (continued)

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 the Agency's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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, including omissions, 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 the Agency'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 the Agency'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.

Independent Auditors' Report (continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 15, 2025, on our consideration of North Central Area Agency on Aging's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 North Central Area Agency on Aging' 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 North Central Area Agency on Aging's internal control over financial reporting and compliance.

Fiondella, Milone & LaSaracina LLP

Glastonbury, Connecticut
September 15, 2025

North Central Connecticut Area Agency on Aging, Inc.
 Statements of Financial Position
 As of September 30, 2023 and 2022

	2023	2022
Assets		
Cash	\$ 373,692	\$ 570,099
Grants receivable	4,380,454	2,707,956
Other assets	3,600	3,600
Right of use	92,612	-
Total assets	\$ 4,850,358	\$ 3,281,655
 Liabilities and net assets		
Liabilities:		
Grants payable to subgrantees	\$ 1,831,559	\$ 1,302,684
Refundable advance	2,727,760	1,781,387
Operating lease liability	92,612	-
Total liabilities	4,651,931	3,084,071
 Net assets		
Net assets without donor restrictions	198,427	197,584
Total liabilities and net assets	\$ 4,850,358	\$ 3,281,655

See accompanying notes

North Central Connecticut Area Agency on Aging, Inc.
Statements of Activities

For the years ended September 30, 2023 and 2022

	2023	2022
Support and Revenue		
Government grants	\$ 6,494,250	\$ 6,972,200
Program fee income	95,372	58,495
Miscellaneous income	8,601	2,549
Total revenue	6,598,223	7,033,244
Expenses:		
Program services	5,808,023	6,725,021
Management and general	789,357	581,026
Total expenses	6,597,380	7,306,047
Change in net assets	843	(272,803)
Net assets - beginning of year	197,584	470,387
Net assets - end of year	\$ 198,427	\$ 197,584

See accompanying notes

North Central Connecticut Area Agency on Aging, Inc.
Statement of Functional Expenses
For the year ended September 30, 2023

	Program Services		Total Program Expense	Administration	Total
	Social Services	Nutrition			
Personnel:					
Wages	\$ 741,381	\$ 12,378	\$ 753,759	\$ 484,086	\$ 1,237,845
Employee benefits and taxes	138,058	2,353	140,411	94,896	235,307
Total personnel	879,439	14,732	894,171	578,981	1,473,152
Subgrantees and subcontractors	2,835,378	1,981,843	4,817,221	-	4,817,221
Equipment rental and maintenance	373	-	373	54,839	55,212
Occupancy	35,928	-	35,928	16,450	52,378
Professional fees	-	-	-	41,015	41,015
Dues and subscriptions	9,146	-	9,146	26,518	35,664
Audit	8,108	-	8,108	27,249	35,357
Insurance	17,047	-	17,047	8,396	25,443
Telephone	15,583	-	15,583	4,452	20,035
Travel	3,004	-	3,004	14,060	17,064
Supplies	3,451	-	3,451	8,989	12,440
Printing and publications	3,992	-	3,992	8,407	12,399
	\$ 3,811,449	\$ 1,996,575	\$ 5,808,023	\$ 789,357	\$ 6,597,380

See accompanying notes

North Central Connecticut Area Agency on Aging, Inc.
Statement of Functional Expenses
For the year ended September 30, 2022

	Program Services		Total Program Expense	Administration	Total
	Social Services	Nutrition			
Personnel:					
Wages	\$ 684,782	\$ 13,123	\$ 697,905	\$ 310,076	\$ 1,007,981
Employee benefits and taxes	104,817	1,117	105,934	77,827	183,761
Total personnel	789,599	14,240	803,839	387,903	1,191,742
Subgrantees and subcontractors	2,106,293	3,715,771	5,822,064	-	5,822,064
Equipment rental and maintenance	23,574	-	23,574	81,586	105,160
Occupancy	35,221	-	35,221	15,578	50,799
Professional fees	414	-	414	22,437	22,851
Dues and subscriptions	9,422	-	9,422	8,544	17,966
Audit	2,293	-	2,293	35,984	38,277
Insurance	8,460	-	8,460	4,192	12,652
Telephone	12,612	-	12,612	4,708	17,320
Travel	907	-	907	5,404	6,311
Supplies	2,407	-	2,407	5,386	7,793
Printing and publications	3,808	-	3,808	9,304	13,112
	\$ 2,995,010	\$ 3,730,011	\$ 6,725,021	\$ 581,026	\$ 7,306,047

See accompanying notes

North Central Connecticut Area Agency on Aging, Inc.
 Statements of Cash Flows
 Years Ended September 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 843	\$ (272,803)
Reduction in carrying amount of right of use asset	50,060	-
Changes in assets and liabilities		
Accounts receivable	-	2,717
Grants receivable	(1,672,498)	(910,582)
Other assets	-	2,411
Accounts payable and accruals	-	(22,377)
Grants payable to subgrantees	528,875	135,310
Refundable advance	946,373	1,585,391
Operating lease liability	(50,060)	-
Net cash (used in) provided by operating activities	(196,407)	520,067
 Net change in cash	 (196,407)	 520,067
 Cash - beginning of year	 570,099	 50,032
 Cash - end of year	 \$ 373,692	 \$ 570,099
 Supplemental cash flow information:		
 Implementation of ASC 842 Leases, ROU	 \$ 142,672	 \$ -

See accompanying notes

North Central Area Agency on Aging, Inc.
Notes to Financial Statements
Years ended September 30, 2023 and 2022

1. Organization

North Central Area Agency on Aging, Inc. (the Agency) was created to administer Federal and State grants for programs funded under Title III of the Older Americans Act. The Agency awards grants to other agencies (subgrantees) for the purpose of providing social services and nutrition programs for the elderly in the North Central Connecticut area.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Agency reports information regarding its financial position and activities according to two classes of net assets: Without donor restrictions and With donor restrictions. They are described as follows:

Without donor restrictions - Net assets that are not subject to donor-imposed restrictions. These funds are available for general operating purposes and/or to use at the discretion of the Board of Directors. From time to time the Board designates a portion of these net assets for specific purposes which makes them unavailable for general use by Management.

With donor restrictions - Net assets whose use is limited by donor-imposed, time and/or purpose restrictions.

Recently Adopted Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842). The standard requires lessees to recognize the assets and liabilities that arise from leases in the statement of financial position. Additionally, in July 2018, the FASB issued ASU 2018-11, Leases (Topic 842) – Targeted Improvements, which, among other things, provides an additional transition method that would allow entities to not apply the guidance in ASU 2016-02 in the comparative periods presented in the financial statements and instead recognize a cumulative-effect adjustment to the opening balance of net assets in the period of adoption. The Agency adopted ASU 2016-02 and its related amendments as of October 1, 2022, which resulted in the recognition of operating right-of-use (ROU) assets totaling \$92,612, as well as operating liabilities totaling \$92,612. The Agency elected to adopt the transition relief provisions from ASU 2018-11 and recorded the impact of adoption as of October 1, 2022, without restating any prior-year amounts or disclosures. Additional lease disclosures can be found in Note 3. There was no cumulative effect adjustment to the opening balance of net assets required.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

North Central Area Agency on Aging, Inc.
Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Grants and Accounts Receivable

Grants and accounts receivable, which principally represent monies due from grantors and other third parties, are stated net of an allowance for doubtful accounts (estimates for credit losses) when applicable. Estimates for credit losses are determined by management based on an assessment of their collectability. Management considers past history, current economic conditions and overall viability of the third party when considering estimates for credit losses. Receivables are written off when management determines amounts will not be collected.

Revenue Recognition

Grants

The Agency receives grant and contract funding from various federal, state, and local governments to provide a variety of program services to the public based on specific requirements included in the agreement, including eligibility, procurement, reimbursement, staffing and other requirements. Such government grants and contracts are nonreciprocal transactions and include conditions stipulated by the government agencies and are, therefore, accounted for as conditional contributions. Public support is recognized as conditions are satisfied, primarily as expenses are incurred. Receipts of grant awards in advance, which are payable back to the funding agency if not used, are classified as refundable advance in the accompanying statements of financial position.

Program Fees

Program service fees are recognized and billed when services are performed.

Expenses by Function

The costs of providing various programs and activities have been summarized on a functional basis in the accompanying statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Wages, benefits, payroll taxes, subgrantees and program fees are allocated by time and effort. All other expenses are allocated by percentage of employees per program.

North Central Area Agency on Aging, Inc.
Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Leases

Short Term Leases - Short term leases are expensed on a straight-line basis over the lease term, with differences between lease payments and lease expenses being recorded to deferred rent.

Operating Leases - Operating leases are recorded through a right-of-use asset and lease liability on the statements of financial position. The lease liability is recorded at a present value using the risk-free discount rate (or rate implicit in the lease). The lease liability is reduced as lease payments are made throughout the life of the lease. The ROU asset are reduced as lease expense is recognized on a straight- line basis throughout the life of the lease. The total lease expense is equal to the total lease component payments made for the lease.

Finance Leases - Finance leases are recorded through a right-of-use asset and lease liability on the statements of financial position (same as operating leases). The lease liability is recorded at a present value with a risk-free discount rate (or rate implicit in the lease). The lease liability is reduced as lease payments are made throughout the life of the lease. The initial right-of-use asset value is amortized over the life of the lease on a straight-line basis. Interest expense is recognized based on the lease liability and the rate used. The sum of the right-of-use amortization and the lease expense will equal the total lease component payments made for the lease.

Variable Payments - Variable lease payments are recognized as lease expenses in the period in which they are incurred.

The Agency has elected to not separate lease and nonlease components. The Agency accounts for lease and nonlease components as a single combined lease component.

The Agency has elected (by asset class) not to record on the statements of financial position a lease whose term is 12 months or less and does not include a purchase option that the lessee is reasonably certain to exercise.

The Agency has elected to use a risk-free discount rate when determining the present value of the lease payments for purposes of calculating the ROU asset and lease liability. The Agency has elected to use hindsight in determining the lease term, including lease renewal, termination, and purchase options, as well as in assessing any impairment of the ROU asset by taking into consideration all available information prior to the effective date but not the events or circumstances after the effective date.

North Central Area Agency on Aging, Inc.
Notes to Financial Statements (continued)

3. Right-of-Use Assets and Lease Liabilities

The Agency determines if an arrangement is a lease at inception. Operating leases consisting of one facility agreement is included in operating lease ROU assets and operating lease liabilities in the Agency's statements of financial position. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. The Agency has a facility agreement effective August 1, 2020 through July 31, 2025. Rent expense for the years ended September 30, 2023 and 2022 was \$50,799 and \$50,978, respectively.

Supplemental statement of financial position information related to leases were as follows at September 30:

	2023	2022
Operating lease ROU assets	\$ 142,672	\$ -
Accumulated amortization	(50,060)	-
Net operating ROU assets	\$ 92,612	\$ -
Operating lease liabilities:		
Current operating liabilities	\$ 50,381	\$ -
Noncurrent operating lease liabilities	42,231	-
Total operating lease liabilities	\$ 92,612	\$ -
	2023	2022
Weighted average remaining lease term – operating leases	1.8 years	-
Weighted average discount rate – operating leases	.64 %	-

Maturities of lease liabilities under lease agreements are as follows for the years ended December 31:

2024	\$ 50,799
2025	42,333
Total future undiscounted lease payments	93,132
Less: interest	(520)
Present value of lease liabilities	\$ 92,612

4. Employee Retirement Plan

The Agency has a 403(b) thrift plan (the Plan). The Plan covers all employees who have completed one year of service, worked 1,000 hours during the year and have attained age 21. Employer contributions are made based on a percentage of employee compensation. The Agency's contributions to the years ended September 30, 2023 and 2022, were \$95,729 and \$60,049, respectively.

North Central Area Agency on Aging, Inc.
Notes to Financial Statements (continued)

5. Concentrations and Uncertainties

Cash and Cash Equivalents

The Agency maintains cash balances at a financial institution located in Connecticut. At various times during the year, cash held at the Agency's banking institutions may exceed the federally insured limits.

Revenue

The Agency's income is derived from Federal and State grants which are renewed on an annual basis. Grants require the fulfillment of certain conditions as set forth in the grant. Failure to fulfill the conditions can result in the return of funds to the grantors. Management believes that the conditions of the grants will be fulfilled.

Grant revenue earned from the Federal Contracts represents 84% and 82% of total revenue for the years September 30, 2023 and 2022, respectively. State of Connecticut represented 15% and 17% of total revenues, gains and public support for the years ended September 30, 2023 and 2022, respectively. Reduction of this support would have a significant effect on the Agency's programs and activities.

5. Income Taxes

The Agency has received an exemption from the Internal Revenue Service (IRS) from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Agency is required to make the appropriate tax payments on any income considered unrelated to its exempt purpose.

Management of the Agency evaluates all significant tax positions required by accounting principles generally accepted in the United States of America. At September 30, 2023 and 2022, management does not believe that it has taken any tax position that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months.

The Agency's tax returns are subject to examination by the appropriate taxing jurisdictions. The Agency is no longer subject to tax examinations for years prior to September 30, 2022.

North Central Area Agency on Aging, Inc.
Notes to Financial Statements (continued)

6. Liquidity and Availability

The Agency manages its liquidity by preparing annual budgets that provide sufficient funds to operate within a prudent range of financial soundness and stability and meet other obligations as they become due. The availability of liquid funds to meet general expenditures is subject to the government funding the programs. At this time, the Agency anticipates there being sufficient liquidity to meet its general expenditures as contracts have been executed through September 30, 2026.

For the year ended September 30, 2024, the Agency incurred a net loss of \$216,071, primarily due to overspending on certain contracts, and has negative working capital of \$17,644 as of year-end, which are factors that raise doubt about the Organization's ability to continue as a going concern. Management recognizes these factors and the importance of maintaining adequate liquidity and is taking steps to improve financial oversight. Specifically, management has and will continue to implement enhanced monitoring of expenditures on a contract-by-contract basis to help mitigate the risk of future losses and ensure alignment with approved budgets. The Agency is committed to maintaining financial stability and will continue to evaluate its liquidity needs to support ongoing operations.

The Agency's financial assets to meet general expenditures available in the next 12 months are not limited through board designations or restricted net assets. Total liquid assets available at September 30, 2023 and 2022, was \$4,754,146 and \$3,278,055, respectively.

7. Subsequent Events

The Agency monitored and evaluated any subsequent events for footnote disclosures or adjustments required in its financial statements for the year ended September 30, 2023 through September 15, 2025, the date on which financial statements were available to be issued.

The Agency entered into a new lease agreement effective August 1, 2025 through July 31, 2028 with escalating monthly rental payment of \$4,300 to \$4,430.

**II. Reports in Accordance with *Government Auditing Standards*
and the *State Single Audit Act***



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

Board of Directors
North Central Area Agency on Aging, Inc.
Hartford, Connecticut

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 North Central Area Agency on Aging, Inc., which comprise the statement of financial position as of September 30, 2023, 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 September 15, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered North Central Area Agency on Aging, Inc's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Central Area Agency on Aging, Inc's internal control. Accordingly, we do not express an opinion on the effectiveness of North Central Area Agency on Aging, Inc'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 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 item 2023-001 that we consider to be material weaknesses.

Independent Auditors' 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* (continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Central Area Agency on Aging, Inc's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs 2023-001.

North Central Area Agency on Aging, Inc's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the North Central Area Agency on Aging, Inc's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. North Central Area Agency on Aging, 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 North Central Area Agency on Aging's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Central Area Agency on Aging, Inc's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fiondella, Milone & LaSaracina LLP

Glastonbury, Connecticut
September 15, 2025

**Reports in Accordance with
Uniform Guidance for State Awards**



Independent Auditors' Report on Compliance for Each Major State Program;
Report on Internal Control over Compliance; and Report on the Schedule of
Expenditures of State Financial Assistance Required by the State Single Audit Act

Board of Directors
North Central Area Agency on Aging Hartford, Connecticut

Report on Compliance for Each Major State Program

We have audited North Central Area Agency on Aging's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of North Central Area Agency on Aging's major state programs for the year ended September 30, 2023. North Central Area Agency on Aging's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of North Central Area Agency on Aging's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about North Central Area Agency on Aging's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Independent Auditors' Report on Compliance for Each Major State Program;
Report on Internal Control over Compliance; and Report on the Schedule of
Expenditures of State Financial Assistance Required by the State Single Audit Act
(continued)

Basis for Qualified Opinion on Major Programs

As described in the accompanying schedule of findings and questioned costs, North Central Area Agency on Aging did not comply with requirements regarding reporting and subrecipient monitoring as described in finding numbers 2023-002, 2023-003 and 2023-004. Compliance with such requirements is necessary, in our opinion, for North Central Area Agency on Aging to comply with the requirements applicable to that program.

Qualified Opinion on Major Programs

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, North Central Area Agency on Aging complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on area agencies on Elderly Nutrition & Discretionary and Statewide Respite Care programs for the year ended September 30, 2023.

Report on Internal Control over Compliance

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

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

Independent Auditors' Report on Compliance for Each Major State Program;
Report on Internal Control over Compliance; and Report on the Schedule of
Expenditures of State Financial Assistance Required by the State Single Audit Act
(continued)

Report on Internal Control over Compliance (continued)

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2023-002, 2023-003 and 2023-004, that we consider to be material weaknesses.

North Central Area Agency on Aging's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. North Central Area Agency on Aging's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Other Matters

North Central Area Agency on Aging, Inc.'s response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. North Central Area Agency on Aging, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Independent Auditors' Report on Compliance for Each Major State Program;
Report on Internal Control over Compliance; and Report on the Schedule of
Expenditures of State Financial Assistance Required by the State Single Audit Act
(continued)

**Report on Schedule of Expenditures of State Financial Assistance Required by the
State Single Audit Act**

We have audited the financial statements of North Central Area Agency on Aging as of and for the year ended September 30, 2023, and have issued our report thereon dated September 15, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act 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 state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

Fiondella, Milone & LaSaracina LLP

Glastonbury, Connecticut
September 15, 2025

North Central Area Agency on Aging, Inc.
 Schedule of Expenditures of State Financial Assistance
 For the Fiscal Year Ended September 30, 2023

State Grantor/Program Title	State Grant Program CORE CT Number	Passed through to Subrecipients	Expenditures
Department of Aging and Disability Services			
Area Agencies on Aging			
Elderly Nutrition & Discretionary	11000-SDR63901-16278-10105	\$ 71,899	\$ 340,288
Statewide Respite Care	11000-SDR63901-16260-10402	314,418	366,737
Choices- Support	11000-SDR62500-16260-10723	-	100,966
Federal Title III Match	11000-SDR63901-16260-17025		71,899
Alzheimer's Aide	11000-SDR63901-16260-10403	-	42,090
Area Agency on Aging			
Administrative Funding	11000-SDR63901-16260-10601	-	29,585
Health Promotion Services	11000-SDR63901-16260-10305	-	6,053
Total State Financial Assistance		<u>\$ 386,317</u>	<u>\$ 957,618</u>

The accompanying notes are an integral part of this schedule.

North Central Area Agency on Aging, Inc.
Notes to Schedule of Expenditures of State Financial Assistance
for the Year Ended September 30, 2023

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state grant activity of North Central Area Agency on Aging under programs of the State of Connecticut for the year ended September 30, 2023. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. Because the Schedule presents only a selected portion of the operations of North Central Area Agency on Aging, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of North Central Area Agency on Aging.

Basis of Accounting

The accounting policies of North Central Area Agency on Aging conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations. The information in the Schedule is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Expenditures reported on the Schedule are presented on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

North Central Area Agency on Aging, Inc.
 Schedule of Findings and Questioned Costs
 For the Year Ended September 30, 2023

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified? Yes X None reported
- Noncompliance material to financial statements noted? Yes X No

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified? Yes X None reported

Type of auditors' report issued on compliance for major programs: Qualified

State Financial Assistance

Internal control over major programs:
 Any audit findings disclosed that are required to be reported
 in accordance with Section 4-236-24 of the Regulations to
 the State Single Audit Act? X Yes No

The following schedule reflects the major programs included in the audit:

State Grantor and Program	State Core-CT Number	Expenditures
Area Agencies on Aging		
Elderly Nutrition & Discretionary	11000-SDR63901-16278-10105	\$ 340,288
Statewide Respite Care	11000-SDR63901-16260-10402	366,737
Dollar threshold used to distinguish between type A and type B programs		\$ 200,000

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

II – Financial Statement Findings

2023 – 001

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed. In addition, there was turnover within the accounting department which resulted in additional time to reconcile the activity for the year under audit.

Criteria or Specific Requirement: Internal controls over financial reporting are required to be designed to provide reasonable assurance that financial statement misstatements are prevented or detected and corrected. Our audit procedures revealed a continued need for improvement of a timely and complete monthly or periodic reconciliation and closing process. Lack of a complete monthly or periodic close led to a continuing and growing backlog of transactions and journal entries that were not posted into the accounting system, which initially rendered the accounting information inadequate.

Effect: Material adjustments were required to be made by management prior to providing a trial balance for audit. Because financial information was not being tracked within the accounting system, it took management a significant amount of time to reconcile and record activity and therefore, the audit was delayed.

Cause: The prior Director of Finance had been with the organization for a long period of time and did not utilize the accounting system as was intended. Many reconciliations were performed manually, and the current finance team was unable to reproduce the work of the previous Director of Finance.

Repeat Finding: Yes, 2022-001

Recommendation: We recommend that the Organization fully utilize the accounting system as intended to track daily financial activity. We also recommend that they formalize monthly account reconciliations and year-end closing procedures to ensure that all transactions are properly recorded in the appropriate account and the correct period.

Views of Responsible Officials: There is no disagreement with the audit finding.

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

III – Findings and Questioned Costs – State Financial Assistance

2023 – 002

State Agency: Department of Aging and Disability Services

State Program Name:

Elderly Nutrition & Discretionary

11000-SDR63901-16278-10105

Statewide Respite Care

11000-SDR63901-16260-10402

Award Period: 10/1/2022 – 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Compliance
- Material Noncompliance (Modified Opinion)

Condition: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed. In addition, there was turnover within the accounting department which resulted in additional time to reconcile the activity for the year under audit.

Questioned costs: None.

Criteria or Specific Requirement: Internal controls over financial reporting are required to be designed to provide reasonable assurance that financial statement misstatements are prevented or detected and corrected. Our audit procedures revealed a continued need for improvement of a timely and complete monthly or periodic reconciliation and closing process. Lack of a complete monthly or periodic close led to a continuing and growing backlog of transactions and journal entries that were not posted into the accounting system, which rendered the accounting information inadequate, and the State Single Audit report not being filed timely and accurate quarterly reporting.

Effect: Material adjustments were required to be made by management prior to providing a trial balance for audit. Because financial information was not being tracked within the accounting system, it took management a significant amount of time to reconcile and record activity and therefore, the audit was delayed.

Cause: The prior Director of Finance had been with the organization for a long period of time and did not utilize the accounting system as was intended. Many reconciliations were performed manually, and the current finance team was unable to reproduce the work of the previous Director of Finance.

Repeat Finding: Yes, 2022-002

Recommendation: We recommend that the Organization fully utilize the accounting system as intended to track daily financial activity. We also recommend that they formalize monthly account reconciliations and year-end closing procedures to ensure that all transactions are properly recorded in the appropriate account and the correct period.

Views of Responsible Officials: There is no disagreement with the audit finding.

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

III – Findings and Questioned Costs – State Financial Assistance (continued)

2023 – 003

State Agency: Department of Aging and Disability Services

State Program Name:

Elderly Nutrition & Discretionary

11000-SDR63901-16278-10105

Statewide Respite Care

11000-SDR63901-16260-10402

Award Period: 10/1/2022 – 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Compliance
- Material Noncompliance (Modified Opinion)

Criteria or specific requirement: Per the State of Connecticut Office of Policy and management, when an Organization is making a subaward, they are required to provide the recipient with all identifying award information, including the Core-CT number, award name, and name of state awarding agency. If a subaward is funded by both state and federal funds, the Organization is required to provide the recipient with sufficient information to determine the breakout of the state and federal funds.

Condition: A sample of five subrecipient agreements were selected for testing. Upon review, the agreements did not fully disclose the Core-CT number, award name, name of state awarding agency and the allocation of the award between state and federal funding, if applicable.

Questioned costs: None

Context: The Organization passes through a significant portion of all governmental grants received to subrecipients and subcontractors.

Cause: Management was not aware of the detailed requirements surrounding subrecipient agreements,

Effect: The effect is that subrecipients may not be in compliance with federal or state single audit requirements due to their agreements not containing accurate award information.

Repeat Finding: Yes, 2022-003

Recommendation: We recommend that management amend each subaward agreement to include all required identifying award information, including the allocation of state and federal funds to the award.

Views of responsible officials: There is no disagreement with the audit finding.

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

III – Findings and Questioned Costs – State Financial Assistance (continued)

2023 – 004

State Agency: Department of Aging and Disability Services

State Program Name:

Elderly Nutrition & Discretionary 11000-SDR63901-16278-10105

Statewide Respite Care 11000-SDR63901-16260-10402

Award Period: 10/1/2022 – 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Compliance
- Material Noncompliance (Modified Opinion)

Criteria or Specific Requirement: The Organization is required to submit quarterly expenditure reports to the funding agency. These reports were timely filed however the amount of expenditures was not accurate due to allocations of expenditures made at year-end.

Condition: The Organization has an approved Cost Allocation Plan, however nonpayroll expenses were not allocated following the approved plan and were required to be allocated at year-end. Therefore, the total quarterly report expenditures does not agree with actual total expenses.

Questioned costs: None

Context: The fourth quarter expenditures reports were obtained and compared to actual reported expenses for each major program.

Cause: Management was not aware of the allocation compliance.

Effect: The effect is that expenses charged to the federal awards potentially could be in excess of actual allocated expense incurred.

Repeat Finding: No

Recommendation: We recommend that the Organization fully utilize the accounting system as intended to track daily financial activity. We also recommend that they formalize monthly account reconciliations and year-end closing procedures to ensure that all transactions are properly recorded in the appropriate account and the correct period.

Views of Responsible Officials: There is no disagreement with the audit finding.

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

IV- Prior Year Findings

Financial Statement Findings:

2022-001

Condition: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed. In addition, there was turnover within the accounting department which resulted in additional time to gain comfort over beginning balances and reconcile the activity for the year under audit.

Current Status: The finding is continuing to be mitigated by management.

State Program Findings

2022 – 002

Condition: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed. In addition, there was turnover within the accounting department which resulted in additional time to gain comfort over beginning balances and reconcile the activity for the year under audit.

Current Status: The finding is continuing to be mitigated by management.

2022 – 003

Condition: A sample of five subrecipient agreements were selected for testing. Upon review, the agreements did not fully disclose the Core-CT number, award name, name of state awarding agency and the allocation of the award between state and federal funding, if applicable.

Current Status: The finding is continuing to be mitigated by management.

*Federal Single Audit Report
Year Ended September 30, 2023*



Independent Auditors' Report on Compliance for each Major Federal Program;
Report on Internal Control over Compliance; and Report on Schedule of
Expenditures of Federal Award Required by The Uniform Guidance

Board of Directors
North Central Area Agency on Aging Hartford, Connecticut

Report on Compliance for Each Major Federal Program

We have audited North Central Area Agency on Aging's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on North Central Area Agency on Aging's major federal program for the year ended September 30, 2023. North Central Area Agency on Aging's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Independent Auditors' Report on Compliance for each Major Federal Program;
Report on Internal Control over Compliance; and Report on Schedule of
Expenditures of Federal Award Required by The Uniform Guidance (continued)

Basis for Qualified Opinion on Aging Cluster

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 North Central Area Agency on Aging, Inc. 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 qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of North Central Area Agency on Aging, Inc.'s compliance with the compliance requirements referred to above.

As described in the accompanying schedule of findings and questioned costs, North Central Area Agency on Aging, Inc. did not comply with requirements regarding assistance listing numbers 93.044, 93.045 and 93.053 - Aging Cluster as described in finding numbers 2023-002 and 2023-004 for reporting and 2023-003 for subrecipient monitoring; Compliance with such requirements is necessary, in our opinion, for North Central Area Agency on Aging, Inc. to comply with the requirements applicable to that program.

Qualified Opinion on Aging Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, North Central Area Agency on Aging, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Aging Cluster for the year ended September 30, 2023.

Other Matters

North Central Area Agency on Aging, Inc.'s response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. North Central Area Agency on Aging, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Independent Auditors' Report on Compliance for each Major Federal Program;
Report on Internal Control over Compliance; and Report on Schedule of
Expenditures of Federal Award Required by The Uniform Guidance (continued)

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-002 through 2023-004 to be material weaknesses.

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. We did not identify any significant deficiencies.

Independent Auditors' Report on Compliance for each Major Federal Program;
Report on Internal Control over Compliance; and Report on Schedule of
Expenditures of Federal Award Required by The Uniform Guidance (continued)

Report on Internal Control over Compliance (continued)

North Central Area Agency on Aging, Inc.'s response to the internal control over compliance findings identified in our audit is described in the accompanying corrective action plan. North Central Area Agency on Aging, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

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

We have audited the financial statements of North Central Area Agency on Aging as of and for the year ended September 30, 2023, and have issued our report thereon dated September 15, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Fiondella, Milone & LaSaracina LLP

Glastonbury, Connecticut
September 15, 2025

North Central Area Agency on Aging, Inc.
Schedule of Expenditures of Federal Awards
For the year ended September 30, 2023

State Grantor/Program Title	Federal Assistance Listing Number	Passed through to Subrecipients	Expenditures
U.S. Department of Health and Human Services			
Passed through the State of Connecticut Department of Aging and Disability Services			
Aging Cluster:			
Special Programs for the Aging - Title III, Part B- Grants for Supportive Services and Senior Centers			
	93.044	\$ 583,333	\$ 1,054,117
Special Programs for the Aging - Title III, Part B- Grants for Supportive Services and Senior Centers - American Rescue Plan Act (ARPA)			
	93.044	526,250	542,420
Special Programs for the Aging - Title III, Part C - Nutrition Services			
	93.045	1,754,125	2,077,738
Special Programs for the Aging - Title III, Part C - Nutrition Services ARPA			
	93.045	949,388	949,388
Nutrition Services Incentive Program			
	93.053	237,631	237,631
Total Aging Cluster		4,050,272	4,861,294
Special Program for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect and Exploitation			
	93.041	3,291	10,000
Special Program for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services			
	93.043	59,220	70,359
Special Program for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services American Rescue Plan Act (ARPA)			
	93.043	33,646	33,646
National Family Caregiver Support, Title III, Part E			
	93.052	217,272	395,009
National Family Caregiver Support, Title III, Part E American Rescue Plan Act (ARPA)			
	93.052	11,263	11,263
State Health Insurance Assistance Program			
	93.324	20,907	52,740
Social Services Block Grant			
	93.667	78,966	78,966
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects			
	93.048	-	23,355
Total Expenditures of Federal Awards		\$ 4,475,292	\$ 5,536,632

The accompanying notes are an integral part of this schedule.

North Central Area Agency on Aging, Inc.
Notes to Schedule of Expenditures of Federal Awards
for the Year Ended September 30, 2023

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 North Central Area Agency on Aging under programs of the federal government for the year ended September 30, 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 North Central Area Agency on Aging, it is not intended to and does not present the financial position, changes in net assets or cash flows of North Central Area Agency on Aging.

Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. For cost-reimbursement awards, 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. For performance-based awards, expenditures reported represent amounts earned.

2. Indirect Cost Recovery

North Central Area Agency on Aging has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

North Central Area Agency on Aging, Inc.
 Schedule of Findings and Questioned Costs
 For the Year Ended September 30, 2023

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified? Yes X None reported
- Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified? Yes X None reported

Type of auditors' report issued on compliance for major programs: Qualified

Federal Financial Assistance

Internal control over major programs:

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, Section 510(a)? X Yes No

Major programs:

Assistance Listing #	Name of Federal Program or Cluster
<i>Aging Cluster</i>	
93.044	Special Programs for the Aging – Title III, Part B- Grants for Supportive Services and Senior Centers
93.045	Special Programs for the Aging – Title III, Part C – Nutrition Services
93.053	Nutrition Services Incentive Program

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

Auditee qualified as a low-risk auditee? Yes X No

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

II. Financial Statement Findings

2023 – 001

Federal Agency: Department of Health and Human Services

Federal Program Name: Aging Cluster

Assistance Listing Number: 93.044, 93.045 and, 93.053

Pass-Through Agency: State of Connecticut Department of Aging and Disability Services

Award Period: 10/1/2023 to 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed. In addition, there was turnover within the accounting department which resulted in additional time to the activity for the year under audit.

Criteria or Specific Requirement: Internal controls over financial reporting are required to be designed to provide reasonable assurance that financial statement misstatements are prevented or detected and corrected. Our audit procedures revealed a continued need for improvement of a timely and complete monthly or periodic reconciliation and closing process. Lack of a complete monthly or periodic close led to a continuing and growing backlog of transactions and journal entries that were not posted into the accounting system, which rendered the accounting information inadequate.

Effect: Material adjustments were required to be made by management prior to providing a trial balance for audit. Because financial information was not being tracked within the accounting system, it took management a significant amount of time to reconcile and record activity and therefore, the audit was delayed.

Cause: The prior Director of Finance had been with the organization for a long period of time and did not utilize the accounting system as intended. Many reconciliations were performed manually, and the current finance team was unable to reproduce the work of the previous Director of Finance.

Repeat Finding: Yes, 2022-001

Recommendation: We recommend that the Organization fully utilize the accounting system as intended to track daily financial activity. We also recommend that they formalize monthly account reconciliations and year-end closing procedures to ensure that all transactions are properly recorded in the appropriate account and the correct period.

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

III – Findings and Questioned Costs – Federal Awards

2023 – 002

Federal Agency: Department of Health and Human Services

Federal Program Name: Aging Cluster

Assistance Listing Number: 93.044, 93.045 and 93.053

Pass-Through Agency: State of Connecticut Department of Aging and Disability Services

Award Period: 10/1/2023 to 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Compliance

Condition: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed. In addition, there was turnover within the accounting department which resulted in additional time to reconcile the activity for the year under audit.

Questioned costs: None

Criteria or Specific Requirement: Internal controls over financial reporting are required to be designed to provide reasonable assurance that financial statement misstatements are prevented or detected and corrected. Our audit procedures revealed a continued need for improvement of a timely and complete monthly or periodic reconciliation and closing process. Lack of a complete monthly or periodic close led to a continuing and growing backlog of transactions and journal entries that were not posted into the accounting system, which rendered the accounting information inadequate and unable to complete the Federal Single Audit timely and accurate quarterly reporting.

Effect: Material adjustments were required to be made by management prior to providing a trial balance for audit. Because financial information was not being tracked within the accounting system, it took management a significant amount of time to reconcile and record activity and therefore, the audit was delayed.

Cause: The prior Director of Finance had been with the organization for a long period of time and did not utilize the accounting system as intended. Many reconciliations were performed manually, and the current finance team was unable to reproduce the work of the previous Director of Finance.

Repeat Finding: Yes , 2022-002

Recommendation: We recommend that the Organization fully utilize the accounting system as intended to track daily financial activity. We also recommend that they formalize monthly account reconciliations and year-end closing procedures to ensure that all transactions are properly recorded in the appropriate account and the correct period.

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

III – Findings and Questioned Costs – Federal Awards (continued)

2023 – 003

Federal Agency: Department of Health and Human Services
Federal Program Name: Aging Cluster
Assistance Listing Number: 93.044, 93.045 and 93.053
Pass-Through Agency: State of Connecticut Department of Aging and Disability Services
Award Period: 10/1/2023 to 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Compliance

Criteria or Specific Requirement: Per Uniform Guidance, when an Organization is making a subaward, they are required to provide the recipient with all identifying award information, including the Assistance Listing number, award name, whether the award is research and development; and name of Federal awarding agency. If a subaward is funded by both state and federal funds, the Organization is required to provide the recipient with sufficient information to determine the breakout of the state and federal funds.

Condition: A sample of five subrecipient agreements were selected for testing. Upon review, the agreements did not fully disclose the assistance listing number, award name, whether the award is research and development, name of Federal awarding agency and the allocation of the award between state and federal funding, if applicable.

Questioned costs: None

Context: The Organization passes through a significant portion of all governmental grants received to subrecipients and subcontractors.

Cause: The prior Director of Finance had been with the organization for a long period of time and did not utilize the accounting system as intended. Many reconciliations were performed manually, and the current finance team created manual journal entries to correct the allocations of expenses.

Effect: The effect is that subrecipients may not be in compliance with federal or state single audit requirements due to their agreements not containing accurate award information.

Repeat Finding: Yes, 2022-003

Recommendation: We recommend that management amend each subaward agreement to include all required identifying award information, including the allocation of state and federal funds to the award.

Views of Responsible Officials: There is no disagreement with the audit finding.

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

III – Findings and Questioned Costs – Federal Awards (continued)

2023 – 004

Federal Agency: Department of Health and Human Services

Federal Program Name: Aging Cluster

Assistance Listing Number: 93.044, 93.045, 93.053

Pass-Through Agency: State of Connecticut Department of Aging and Disability Services

Award Period: 10/1/2023 9/30/2025 Type of Finding:

- Material Weakness in Internal Control over Compliance

Criteria or Specific Requirement: The Organization is required to submit quarterly expenditure reports to the funding agency. These reports were timely filed however the amount of expenditures was not accurate due to allocations of expenditures made at year-end.

Condition: The Organization has an approved Cost Allocation Plan, however nonpayroll expenses were not allocated following the approved plan and were required to be allocated at year-end. Therefore, the total quarterly report expenditures does not agree with actual total expenses.

Questioned costs: None

Context: The fourth quarter expenditures reports were obtained and compared to actual reported expenses for each major program.

Cause: Management was not aware of the allocation compliance.

Effect: The effect is that expenses charged to the federal awards potentially could be in excess of actual allocated expense incurred.

Repeat Finding: No

Recommendation: We recommend that the Organization fully utilize the accounting system as intended to track daily financial activity. We also recommend that they formalize monthly account reconciliations and year-end closing procedures to ensure that all transactions are properly recorded in the appropriate account and the correct period.

Views of Responsible Officials: There is no disagreement with the audit finding.

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

IV- Prior Year Findings

Financial Statement Findings:

2022-001

Condition: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed so that the new finance team could gain comfort over beginning balances and reconcile the activity for the year under audit.

Current Status: The finding is continuing to be mitigated by management.

Federal Program Findings

2022-002

Condition: Internal controls over financial reporting are required to be designed to provide reasonable assurance that financial statement misstatements are prevented or detected and corrected. Our audit procedures revealed a continued need for improvement of a timely and complete monthly or periodic reconciliation and closing process. Lack of a complete monthly or periodic close led to a continuing and growing backlog of transactions and journal entries that were not posted into the accounting system, which rendered the accounting information inadequate and unable to complete the Federal Single Audit timely and accurate quarterly reporting.

Current Status: The finding is continuing to be mitigated by management.

2022-003

Condition: A sample of five subrecipient agreements were selected for testing. Upon review, the agreements did not fully disclose the assistance listing number, award name, whether the award is research and development, name of Federal awarding agency and the allocation of the award between state and federal funding, if applicable.

Current Status: The finding has been mitigated by management.

2022 – 004

Condition: The Organization has an approved Cost Allocation Plan, however nonpayroll expenses were not allocated following the approved plan.

Current Status: The finding has been mitigated.

North Central Area Agency on Aging, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2023

IV- Prior Year Findings (continued)

Federal Program Findings (continued)

2022 – 005

Condition: The Organization has not maintained documentation for certain expenditures that have been charged again the major programs.

Current Status: The finding has been mitigated by management.

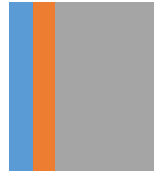
2022 – 006

Condition: The Organization and payroll provider miscalculated overtime wages

Current Status: The finding has been mitigated by management.



151 New Park Avenue, Box 75, Hartford, CT 06106
Phone: 860-724-6443/800-994-9422
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Website: www.ncaaact.org



September 15, 2025

**North Central Area Agency on Aging
State Single Audit Corrective Action Plan
For the Fiscal Year Ended September 30, 2023**

To: Office of Policy and Management
450 Capital Avenue MS-54MFS,
Hartford, CT 06106-1379

Municipal Finance Services Unit – Attn William Plummer

Findings – Financial Statement Audit

Finding reference number: 2023-001 Material Weakness in Internal Control over Financial Reporting

Description of Finding: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed. In addition, there was turnover within the accounting department which resulted in additional time to gain comfort over beginning balances and reconcile the activity for the year under audit. The prior Director of Finance had been with the organization for a long period of time and did not utilize the accounting system as was intended. Many reconciliations were performed manually, and the current finance team was unable to reproduce the work of the previous Director of Finance.

Statement of Concurrence or Nonconcurrence: NCAAA is in concurrence with this finding.

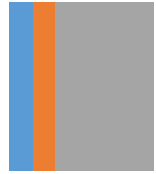
Corrective Action: NCAAA has hired a full-time Finance Director coupled with a Consultant who is an expert in the Accounting system being utilized. The Consultant has been assisting and training the finance department ensuring timely beginning balances and reconciliations.

Projected Completion Date: This will be finalized by September 30, 2025.

Name of Contact Person: Maureen McIntyre, CEO, Maureen.McIntyre@ncaaact.org



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Finding Reference number: 2023-002

State Agency: Department of Aging and Disability Services

State Program Name:

Elderly Nutrition & Discretionary

11000-SDR63901-16278-10105

Statewide Respite Care

11000-SDR63901-16260-10402

Award Period: 10/1/2022 – 9/30/2025

- Material Weakness in Internal Control over Compliance
- Material Noncompliance (Modified Opinion)

Description of Finding: The prior Director of Finance had been with the organization for a long period of time and did not utilize the accounting system as was intended. Many reconciliations were performed manually, and the current finance team was unable to reproduce the work of the previous Director of Finance. Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed. In addition, there was turnover within the accounting department which resulted in additional time to gain comfort over beginning balances and reconcile the activity for the year under audit.

Statement of Concurrence or Nonconcurrence: NCAAA is in concurrence with this finding

Corrective Action: As previously stated, NCAAA has hired another Finance Director coupled with a Consultant an expert in the Accounting system being utilized to ensure full use. In addition, procedures will be implemented to formalized monthly account reconciliations and year end closed to ensure transactions are properly recorded in the appreciate account and correct period.

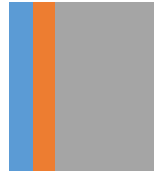
Projected Completion Date: This will be finalized by September 30, 2025.

Name of Contact Person: Maureen McIntyre, CEO, Maureen.McIntyre@ncaaact.org

If the Agency has questions regarding this plan, please call Maureen McIntyre at (860)724-6443 ext. 283.



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Website: www.ncaaact.org



Finding Reference number: 2023-003

State Agency: Department of Aging and Disability Services

State Program Name:

Elderly Nutrition & Discretionary

11000-SDR63901-16278-10105

Statewide Respite Care

11000-SDR63901-16260-10402

Award Period: 10/1/2022 – 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Compliance
- Material Noncompliance (Modified Opinion)

Description of Finding: Per the State of Connecticut Office of Policy and management, when an Organization is making a subaward, they are required to provide the recipient with all identifying award information, including the Core-CT number, award name, and name of state awarding agency. If a subaward is funded by both state and federal funds, the Organization is required to provide the recipient with sufficient information to determine the breakout of the state and federal funds. A sample of five subrecipient agreements were selected for testing. Upon review, the agreements did not fully disclose the Core-CT number, award name, name of state awarding agency and the allocation of the award between state and federal funding, if applicable.

Statement of Concurrence or Nonconcurrence: NCAAA is in concurrence with this finding

Corrective Action: Keeping in mind the timing of the conclusion of the audit to the and the year in review going forward management will amend each subaward agreement to include all required identifying award information, including the allocation of state and federal funds to the award.

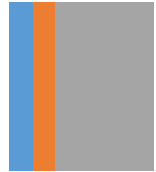
Projected Completion Date: This will be implemented for FY2026.

Name of Contact Person: Maureen McIntyre, CEO, Maureen.McIntyre@ncaaact.org

If the Agency has questions regarding this plan, please call Maureen McIntyre at (860)724-6443 ext. 283.



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Finding Reference number: 2023-004

State Agency: Department of Aging and Disability Services

State Program Name:

Elderly Nutrition & Discretionary

11000-SDR63901-16278-10105

Statewide Respite Care

11000-SDR63901-16260-10402

Award Period: 10/1/2022 – 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Compliance
- Material Noncompliance (Modified Opinion)

Description of Finding: The Organization is required to submit quarterly expenditure reports to the funding agency. These reports were timely filed however the amount of expenditures was not accurate due to allocations of expenditures made at year-end. The Organization has an approved Cost Allocation Plan, however nonpayroll expenses were not allocated following the approved plan and were required to be allocated at year-end. Therefore the total quarterly report expenditures does not agree with actual total expenses.

Statement of Concurrence or Nonconcurrence: NCAAA is in concurrence with this finding

Corrective Action: As previously stated, NCAAA has hired another Finance Director coupled with a Consultant an expert in the Accounting system being utilized to ensure full use. In addition, procedures will be implemented to formalized monthly account reconciliations and year end closed to ensure transactions are properly recorded in the appreciate account and correct period

Projected Completion Date: This will be implemented for FY2025.

Name of Contact Person: Maureen McIntyre, CEO, Maureen.McIntyre@ncaaact.org

If the Agency has questions regarding this plan, please call Maureen McIntyre at (860)724-6443 ext. 283.

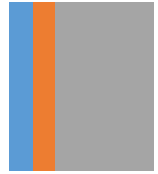
Sincerely yours,

A handwritten signature in blue ink that reads "Maureen C. McIntyre".

Maureen McIntyre
Chief Executive Officer



151 New Park Avenue, Box 75, Hartford, CT 06106
Phone: 860-724-6443/800-994-9422
Fax: 860-251-6107
Website: www.ncaaact.org



**North Central Area Agency on Aging
Federal Single Audit Corrective Action Plan
For the Fiscal Year Ended September 30, 2023**

To Whom it May Concern:

Findings - Financial Statement Audit

Finding Reference number: 2023 – 001

Federal Agency: Department of Health and Human Services

Federal Program Name: Aging Cluster

Assistance Listing Number: 93.044, 93.045, 93.053

Pass-Through Agency: State of Connecticut Department of Aging and Disability Services

Award Period: 10/1/2022 to 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Description of Finding: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed so that the new fiancé team could gain comfort over beginning balances and reconcile the activity for the year under audit. The prior Director of Finance had been with the organization for a long period of time and did not utilize the accounting system as intended. Many reconciliations were performed manually, and the current finance team was unable to reproduce the work of the previous Director of Finance.

Statement of Concurrence or Nonconcurrence: NCAAA is in concurrence with this finding

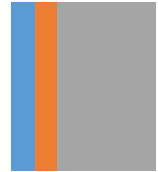
Corrective Action: NCAAA has hired a full-time Finance Director coupled with a Consultant who is an expert in the Accounting system being utilized to ensure the system is being for its full intent. Inclusive of financial activities. As previously mentioned, procedures will be implemented to formalized monthly account reconciliations and year end closed to ensure transactions are properly recorded in the appreciate account and correct period.

Projected Completion Date: This will be finalized by September 30, 2025.

Name of Contact Person: Maureen McIntyre, CEO, Maureen.McIntyre@ncaaact.org



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Findings – Federal Award Programs

Finding Reference number: 2023 – 002

Federal Agency: Department of Health and Human Services

Federal Program Name: Aging Cluster

Assistance Listing Number: 93.044, 93.045, 93.053

Pass-Through Agency: State of Connecticut Department of Aging and Disability Services

Award Period: 10/1/2022 to 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Compliance

Description of Finding: Due to the organization not fully utilizing the capacity of their accounting system, the audit was significantly delayed. In addition, there was turnover within the accounting department which resulted in additional time to gain comfort over beginning balances and reconcile the activity for the year under audit. Lack of a complete monthly or periodic close led to a continuing and growing backlog of transactions and journal entries that were not posted into the accounting system, which rendered the accounting information inadequate and unable to complete the Federal Single Audit timely and accurate quarterly reporting. The prior Director of Finance had been with the organization for a long period of time and did not utilize the accounting system as was intended. Many reconciliations were performed manually, and the current finance team was unable to reproduce the work of the previous Director of Finance.

Statement of Concurrence or Nonconcurrence: NCAAA is in concurrence with this finding

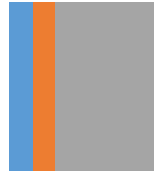
Corrective Action: As previously stated, NCAAA has hired another Finance Director coupled with a Consultant an expert in the Accounting system being utilized to ensure full use. In addition, procedures will be implemented to formalized monthly account reconciliations and year end closed to ensure transactions are properly recorded in the appreciate account and correct period.

Projected Completion Date: This will be finalized by September 30, 2025.

Name of Contact Person: Maureen McIntyre, CEO, Maureen.McIntyre@ncaaact.org



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Phone: 860-724-6443/800-994-9422
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Finding Reference number: 2023 – 003

Federal Agency: Department of Health and Human Services

Federal Program Name: Aging Cluster

Assistance Listing Number: 93.044, 93.045, 93.053

Pass-Through Agency: State of Connecticut Department of Aging and Disability Services

Award Period: 10/1/2022 to 9/30/2025

Type of Finding:

- Material Weakness in Internal Control over Compliance

Description of Finding: A sample of five subrecipient agreements were selected for testing. Upon review, the agreements did not fully disclose the assistance listing number, award name, whether the award is research and development, name of Federal awarding agency and the allocation of the award between state and federal funding, if applicable.

Statement of Concurrence or Nonconcurrence: NCAAA is in concurrence with this finding

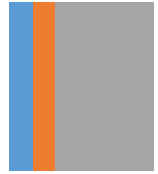
Corrective Action: Management will amend each subaward agreement to include all required identifying award information, including the allocation of state and federal funds to the award.

Projected Completion Date: This will be implemented for FY2025.

Name of Contact Person: Maureen McIntyre, CEO, Maureen.McIntyre@ncaaact.org



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Finding Reference number: 2023 – 004

Federal Agency: Department of Health and Human Services
Federal Program Name: Aging Cluster
Assistance Listing Number: 93.044, 93.045, 93.053
Pass-Through Agency: State of Connecticut Department of Aging and Disability Services
Award Period: 10/1/2022 to 9/30/2025 Type of Finding:

- Material Weakness in Internal Control over Compliance

Description of Finding: The Organization is required to submit quarterly expenditure reports to the funding agency. These reports were timely filed however the amount of expenditures was not accurate due to allocations of expenditures made at year-end. The Organization has an approved Cost Allocation Plan, however nonpayroll expenses were not allocated following the approved plan and were required to be allocated at year-end. Therefore the total quarterly report expenditures does not agree with actual total expenses.

Statement of Concurrence or Nonconcurrence: NCAAA is in concurrence with this finding

Corrective Action: As previously stated, NCAAA has hired another Finance Director coupled with a Consultant an expert in the Accounting system being utilized to ensure full use. In addition, procedures will be implemented to formalized monthly account reconciliations and year end closed to ensure transactions are properly recorded in the appreciate account and correct period

Projected Completion Date: This will be implemented for FY2025.

Name of Contact Person: Maureen McIntyre, CEO, Maureen.McIntyre@ncaaact.org

If the Agency has questions regarding this plan, please call Maureen McIntyre at (860)724-6443 ext. 283.

If you require any additional information or have any questions regarding this plan please contact me at (860) 724-6443 ext. 283 or Maureen.McIntyre@ncaaact.org.

Sincerely,

A handwritten signature in blue ink that reads "Maureen C. McIntyre".

Maureen McIntyre
Chief Executive Officer



September 15, 2024

To the Board of Directors and Management of
North Central Area Agency on Aging, Inc.
151 New Park Avenue #75
Hartford, CT 06106

We have audited the financial statements of North Central Area Agency on Aging, Inc. (the Agency) for the years ended September 30, 2024 and 2023, and we will issue our report thereon dated September 15, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 20, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimates noted in the financial statements. We evaluated the key factors and assumptions used to develop the management's estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements not corrected during the audit process. There were significant journal entries recorded to accurately state on a material level revenue, accounts receivables and deferred revenues.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 15, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Agency’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements (Schedule of Expenditures of Federal Awards and Schedule of State Financial Assistance) we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles and the *Government Accounting Standards*, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and Management of North Central Area Agency on Aging, Inc. and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Fiondella, Milone & LaSaracina LLP

Glastonbury, Connecticut