

**AUDITED FINANCIAL STATEMENTS**

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

*Easthampton, Massachusetts*

**JUNE 30, 2021**

***Boisselle, Morton & Wolkowicz, LLP***  
*Certified Public Accountants*

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

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### **Independent Auditors' Report**

To the Board of Directors  
**Massachusetts Association of Council on Aging  
and Senior Center Directors, Inc.**  
Easthampton, Massachusetts

We have audited the accompanying financial statements of Massachusetts Association of Council on Aging and Senior Center Directors, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, cash flows for the year then ended, and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Massachusetts Association of Council on Aging and Senior Center Directors, Inc. as of June 30, 2021, and changes in its net assets, the result of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Report on Summarized Comparative Information**

We have previously audited Massachusetts Association of Council on Aging and Senior Center Directors, Inc.'s June 30, 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 25, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Boisselle, Morton & Wolkowicz, LLP*

Hadley, Massachusetts  
October 19, 2021

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

Statement of Financial Position

June 30, 2021 (with comparative totals for June 30, 2020)

Assets

	<u>2021</u>	<u>2020</u>
Cash	\$ 147,116	\$ 413,131
Short-term investments	26,699	26,572
Grants receivable	1,096,924	703,258
Membership dues receivable	100	1,859
Prepaid expenses	40,242	40,998
Equipment, net	3,692	4,911
Funds held as fiscal agent for others	<u>5,542</u>	<u>2,973</u>
 Total assets	 <u><u>\$ 1,320,315</u></u>	 <u><u>\$ 1,193,702</u></u>

Liabilities and Net Assets

Liabilities		
Accounts payable and accrued expenses	\$ 867,977	\$ 438,514
Prepaid conference fees and dues	7,856	3,750
Funds held as fiscal agent for others	<u>5,542</u>	<u>2,973</u>
Total liabilities	<u><u>881,375</u></u>	<u><u>445,237</u></u>
 Net assets		
Without donor restrictions		
Available for operations	410,104	622,670
Board-designated	<u>7,953</u>	<u>7,953</u>
Total without donor restrictions	<u>418,057</u>	<u>630,623</u>
With donor restrictions	<u>20,883</u>	<u>117,842</u>
Total net assets	<u><u>438,940</u></u>	<u><u>748,465</u></u>
 Total liabilities and net assets	 <u><u>\$ 1,320,315</u></u>	 <u><u>\$ 1,193,702</u></u>

The accompanying notes are an integral part of these financial statements.

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

Statement of Activities

Year Ended June 30, 2021 (with comparative totals for the year ended June 30, 2020)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
	<b>Revenues and other support</b>			
MA Executive Office of Elder Affairs grants	\$ 2,214,922		\$ 2,214,922	\$ 2,355,014
Federal grant	220,590		220,590	299,857
Non-governmental grants	2,844	\$ 56,192	59,036	125,650
Conference registrations	43,605		43,605	139,275
Conference sponsors and advertisements	16,000		16,000	22,300
Membership dues	2,300		2,300	302,191
Conference vendors	1,500		1,500	31,375
Space rental and other income	219		219	1,465
Interest	128		128	371
Net assets released from restrictions	153,151	(153,151)		
Total revenues and other support	2,655,259	(96,959)	2,558,300	3,277,498
<b>Expenses</b>				
Program	2,757,906		2,757,906	2,723,366
Administration	60,069		60,069	79,134
Fundraising	49,850		49,850	11,939
Total expenses	2,867,825		2,867,825	2,814,439
Change in net assets	(212,566)	(96,959)	(309,525)	463,059
Net assets - beginning of year	630,623	117,842	748,465	285,406
Net assets - end of year	\$ 418,057	\$ 20,883	\$ 438,940	\$ 748,465

The accompanying notes are an integral part of these financial statements.

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

Statement of Functional Expenses

Year Ended June 30, 2021 (with comparative totals for the year ended June 30, 2020)

	2021				2020
	Program	Administration	Fundraising	Total	Total
Payroll and related	\$ 998,024	\$ 42,818	\$ 48,089	\$ 1,088,931	\$ 976,542
Program subcontracts	1,668,956			1,668,956	1,509,196
Information technology	34,040	1,461	112	35,613	26,966
Facilities and equipment	15,756	1,969	179	17,904	19,416
Business expenses	10,301	4,276	1,425	16,002	9,697
Office	6,946	1,906		8,852	32,974
Telephone	6,998	365	28	7,391	7,338
Accounting and legal		6,400		6,400	6,450
Program supplies	5,590			5,590	32,815
Postage and printing	4,894	63	5	4,962	17,303
Other consultants	3,000			3,000	5,520
Other direct expenses	2,186			2,186	20,179
Depreciation	1,049	158	12	1,219	3,122
Travel and meetings	166	653		819	38,386
Function space					108,535
<b>Total expenses</b>	<b>\$ 2,757,906</b>	<b>\$ 60,069</b>	<b>\$ 49,850</b>	<b>\$ 2,867,825</b>	<b>\$ 2,814,439</b>

The accompanying notes are an integral part of these financial statements.

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

Statement of Cash Flows

Year Ended June 30, 2021 (with comparative totals for the year ended June 30, 2020)

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ (309,525)	\$ 463,059
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation	1,219	3,122
Other changes in assets and liabilities:		
Grants receivable	(393,666)	(256,031)
Membership dues receivable	1,759	(659)
Prepaid expenses	756	(26,722)
Accounts payable and accrued expenses	429,463	(8,430)
Prepaid conference fees and dues	4,106	(23,264)
Net cash (used) provided by operating activities	<u>(265,888)</u>	<u>151,075</u>
 Cash flows from investing activities		
Reinvested interest on short-term investments	<u>(127)</u>	<u>(372)</u>
Net cash used by investing activities	<u>(127)</u>	<u>(372)</u>
 Net (decrease) increase in cash	(266,015)	150,703
 Cash - beginning of year	<u>413,131</u>	<u>262,428</u>
 Cash - end of year	<u>\$ 147,116</u>	<u>\$ 413,131</u>

The accompanying notes are an integral part of these financial statements.



**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

Notes to Financial Statements  
June 30, 2021

**1. Summary of Significant Accounting Policies**

*Nature of Business:* Massachusetts Association of Council on Aging and Senior Center Directors, Inc. (the “Organization”) was formed in 1979 to provide voice, leadership, and service to Massachusetts Council on Aging. The Organization provides training, as well as technical assistance and coordination of legislative advocacy, on issues related to Massachusetts’ elders.

*Income Taxes:* The Organization is a nonprofit corporation organized under Chapter 180 of the laws of the Commonwealth of Massachusetts and is exempt from federal and state taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1).

*Basis of Presentation:* The financial statements of the Organization have been prepared on the accrual basis. The Organization presents its financial statements according to two classes of net assets: those with donor restrictions and those without donor restrictions. Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. The restrictions are temporary in nature and will be met by actions of the Organization. All other net assets are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. Support that is restricted by the donor is reported as an increase in net assets without restrictions if the restriction expires in the reporting period in which the support is recognized.

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

*Funds Held as Fiscal Agent for Others:* The Organization had cash at June 30, 2021 and 2020, that was being held as the Organization acted as a fiscal agent for several agencies and, therefore, is presented separately as an asset and a liability on the statement of financial position.

*Short-term Investments:* The Organization considers certificates of deposit to be short-term investments.

*Grants Receivable:* Grants receivable are the result of timing differences of governmental grants awarded during the fiscal year and received in the next fiscal year. The Organization’s management considers these grants to be fully collectible.

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

Notes to Financial Statements (Continued)

June 30, 2021

1. Summary of Significant Accounting Policies (Continued)

*Equipment:* Equipment is recorded at cost. Expenditures that result in significant renewals and betterments of equipment are capitalized. Expenditures for maintenance and repairs are expensed against income as incurred. The cost and related accumulated depreciation of assets retired or otherwise disposed of are removed from the accounts. Any resulting gain or loss is recognized in revenue or expenses, respectively, for the period.

*Depreciation:* The cost of equipment is depreciated on the straight-line basis over estimated lives of 3-10 years.

*Revenue Recognition:* The Organization recognizes contributions and grants when they are received or an unconditional promise to give is made. Contributions and grants with a right of return and measurable performance or other barriers are not recognized until the conditions on which they depend have been met. The Organization recognizes other revenue as it is earned rather than received. Annual membership dues and conference fees received in advance result in deferred revenue on the statement of financial position.

*Allocation of Expenses:* The costs of providing the various program services and supporting services of the Organization have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated, based mostly on employee time, among the program services and supporting activities benefited.

*Retirement Plan:* The Organization has a 403(b) retirement plan (the "Plan"). All employees are eligible to participate and make tax-deferred contributions to the Plan. The participant is fully and immediately vested. The Organization does not contribute to the Plan.

*Comparative Totals:* The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's audited financial statements for the year ended June 30, 2020, from which the summarized information was derived.

2. Equipment

Equipment consisting of office and program equipment, at cost, was the following at June 30:

	<u>2021</u>	<u>2020</u>
Equipment	\$41,238	\$52,462
Less accumulated depreciation	<u>37,546</u>	<u>47,551</u>
Equipment, net	<u>\$ 3,692</u>	<u>\$ 4,911</u>

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

Notes to Financial Statements (Continued)

June 30, 2021

2. Equipment, Net (Continued)

Depreciation expense was \$1,219 and \$3,122 for the years ended June 30, 2021 and 2020, respectively.

3. Board-designated Net Assets

Board designated net assets consisted of \$7,953 at June 30, 2021 and 2020, for purchasing more assistive listening devices to benefit the Councils on Aging.

4. Net Assets With Donor Restrictions

Net assets with donor restrictions consisted of the following at June 30:

	<u>2021</u>	<u>2020</u>
Dementia Friendly Massachusetts Program		\$103,655
Keep Moving Program	\$ <u>20,883</u>	<u>14,187</u>
	\$ <u>20,883</u>	<u>\$117,842</u>

Net assets released from restrictions consisted of the following purpose accomplishments for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Dementia Friendly Massachusetts Program	\$149,848	\$ 80,056
Keep Moving Program	<u>3,303</u>	<u>15,609</u>
	\$ <u>153,151</u>	\$ <u>95,665</u>

5. Funds Held as Fiscal Agent for Others

The Organization had \$5,542 and \$2,973 included at June 30, 2021 and 2020, respectively, that were held for other agencies. These funds are being held as the Organization acts as a fiscal agent for several agencies and, therefore, are also recorded as liabilities on the statement of financial position.

6. Rent

The Organization rents office and storage space under a multi-year lease that expires on June 30, 2023. The lease is subject to annual increases each fiscal year based on the Consumer Price Index or 3.5%, whichever is greater.

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

Notes to Financial Statements (Continued)

June 30, 2021

6. Rent (Continued)

The rent expense, which is included in facilities and equipment on the statement of functional expenses, was \$15,216 and \$15,240 for the years ended June 30, 2021 and 2020, respectively. The estimated minimum rental commitment is the following for the years ended June 30:

2022	\$17,285
2023	<u>17,890</u>
	<u>\$35,175</u>

7. Available Resources and Liquidity

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

	<u>2021</u>	<u>2020</u>
Cash	\$ 147,116	\$ 413,131
Short-term investments	26,699	26,572
Grants and membership receivable	1,096,183	705,117
Less donor restrictions	<u>(20,883)</u>	<u>(117,842)</u>
Total financials assets available for general expenditures within one year	<u>\$1,249,956</u>	<u>\$1,026,978</u>

8. Contingencies

The Organization receives some of its support from government grants. The grants permit the grantor to audit both the financial operation of the grant and compliance with terms of the grant agreements. Such audits could result in the disallowance of some costs. Liabilities resulting from these audits, if any, will be recorded in the period in which the amount of the liability is ascertained.

The global outbreak of COVID-19 continues to rapidly evolve, and the ultimate impact of the pandemic is highly uncertain. Any potential direct or indirect negative impact to the Organization from an economic downturn cannot be determined; however, it could have a prospective material impact on the Organization's business, cash flows, and liquidity.

9. Concentrations

Contributions from one funding source represented approximately 87% and 72% of the Organization's total revenues and other support for the years ended June 30, 2021 and 2020, respectively. Grants receivable from one funding source comprised approximately 99% and 94% of total accounts receivable at June 30, 2021 and 2020, respectively.

**MASSACHUSETTS ASSOCIATION OF COUNCIL ON AGING  
AND SENIOR CENTER DIRECTORS, INC.**

Notes to Financial Statements (Continued)

June 30, 2021

10. Subsequent Events

Management has evaluated subsequent events after the statement of financial position date of June 30, 2021, through October 19, 2021, the date on which the financial statements were available to be issued, and concluded that no additional disclosures were required.