

# **Pro Seniors, Inc.**

**Financial Statements with Accompanying Information  
September 30, 2022 and 2021, and  
Independent Auditors' Report**

**PRO SENIORS, INC.**  
**September 30, 2022 and 2021**  
**Contents**

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	<b><u>Page(s)</u></b>
Independent Auditors' Report	1 - 2
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4 - 5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows	8
Notes to Financial Statements	9 - 16
Accompanying Information:	
Schedule of Expenditures of Federal Awards	17 - 18
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 <i>Government Auditing Standards</i>	19 - 20
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance required by the Uniform Guidance	21 - 23
Schedule of Findings and Questioned Costs	24
Summary Schedule of Prior Audit Findings	25

## Independent Auditors' Report

Board of Trustees  
Pro Seniors, Inc.  
Cincinnati, Ohio

### **Opinion**

We have audited the accompanying financial statements of Pro Seniors, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pro Seniors, Inc. as of September 30, 2022 and 2021, 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pro Seniors, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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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 Pro Seniors, Inc.'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 Pro Seniors, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

### **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2023 on our consideration of Pro Seniors, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Pro Seniors, Inc.'s internal control over financial reporting and compliance.



Cincinnati, Ohio

February 6, 2023

**PRO SENIORS, INC.**

**Statements of Financial Position  
September 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 593,066	\$ 577,114
Restricted cash for specified purpose	107,435	35,012
Grants and other receivables	304,942	212,843
Investments	858,661	1,273,196
Prepaid expenses	-	520
Office furniture and equipment, net of accumulated depreciation of \$106,466 and \$99,687 for 2022 and 2021, respectively	<u>64,013</u>	<u>74,859</u>
Total assets	<u>\$ 1,928,117</u>	<u>\$ 2,173,544</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 140,023	\$ 406,127
Refundable advances	17,858	60,099
Paycheck Protection Program loan	<u>-</u>	<u>126,950</u>
Total liabilities	<u>157,881</u>	<u>593,176</u>
<b>Net Assets</b>		
Without donor restrictions	1,662,801	1,545,356
With donor restrictions	<u>107,435</u>	<u>35,012</u>
Total net assets	<u>1,770,236</u>	<u>1,580,368</u>
Total liabilities and net assets	<u>\$ 1,928,117</u>	<u>\$ 2,173,544</u>

See accompanying notes to financial statements

**PRO SENIORS, INC.**

**Statement of Activities  
Year Ended September 30, 2022 with Comparative Totals for 2021**

	<b>2022</b>		<b>Total</b>	<b>2021</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>		
<b>Revenues, gains and other support</b>				
Grants and allocations:				
Council on Aging of Southwestern Ohio	\$ 443,636	\$ -	\$ 443,636	\$ 443,536
Ohio Senior Medicare Patrol Project	503,278	-	503,278	335,526
Ohio Access to Justice Foundation	370,652	117,337	487,989	311,090
Ohio Attorney General - Victim of Crimes Assistance	225,130	-	225,130	327,079
Ohio Department of Aging				
State Long-Term Care Ombudsman Grant	295,415	-	295,415	295,091
Ombudsman-Bed Fees Grant	249,849	-	249,849	83,463
MyCare Ohio Ombudsman Grant	69,573	-	69,573	85,231
CARES Act Ombudsman Supplemental Grant	71,716	-	71,716	9,397
United Way Greater Cincinnati	-	112,863	112,863	75,726
Pension Rights Project	78,994	-	78,994	91,413
City of Cincinnati Ombudsman Program	-	10,000	10,000	40,000
Hamilton County Senior Legal Project Grant	59,029	-	59,029	44,705
Ohio Supreme Court Grant	5,225	-	5,225	4,896
	<u>2,372,497</u>	<u>240,200</u>	<u>2,612,697</u>	<u>2,147,153</u>
Contributions	189,084	2,990	192,074	142,735
Donated services	55,010	-	55,010	66,481
Investment return, net	(163,175)	-	(163,175)	202,329
Miscellaneous revenues	34,639	-	34,639	108,423
Paycheck Protection Program loan forgiveness	126,950	-	126,950	308,800
Net assets released from restrictions	170,767	(170,767)	-	-
	<u>2,785,772</u>	<u>72,423</u>	<u>2,858,195</u>	<u>2,975,921</u>
<b>Expenses</b>				
Community services	2,164,532	-	2,164,532	1,921,000
Management and general	403,154	-	403,154	675,566
Fundraising	100,641	-	100,641	95,425
	<u>2,668,327</u>	<u>-</u>	<u>2,668,327</u>	<u>2,691,991</u>
<b>Change in net assets</b>	117,445	72,423	189,868	283,930
<b>Net assets, beginning of year</b>	<u>1,545,356</u>	<u>35,012</u>	<u>1,580,368</u>	<u>1,296,438</u>
<b>Net assets, end of year</b>	<u>\$ 1,662,801</u>	<u>\$ 107,435</u>	<u>\$ 1,770,236</u>	<u>\$ 1,580,368</u>

See accompanying notes to financial statements

**PRO SENIORS, INC.**

**Statement of Activities  
Year Ended September 30, 2021**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues, gains and other support</b>			
Grants and allocations:			
Council on Aging of Southwestern Ohio	\$ 443,536	\$ -	\$ 443,536
Ohio Senior Medicare Patrol Project	335,526	-	335,526
Ohio Access to Justice Foundation	195,372	115,718	311,090
Ohio Attorney General - Victim of Crimes Assistance	327,079	-	327,079
Ohio Department of Aging			
State Long-Term Care Ombudsman Grant	295,091	-	295,091
Ombudsman-Bed Fees Grant	83,463	-	83,463
MyCare Ohio Ombudsman Grant	85,231	-	85,231
CARES Act Ombudsman Supplemental Grant	9,397	-	9,397
United Way Greater Cincinnati	-	75,726	75,726
Pension Rights Project	91,413	-	91,413
City of Cincinnati Ombudsman Program	40,000	-	40,000
Hamilton County Senior Legal Project Grant	44,705	-	44,705
Ohio Supreme Court Grant	4,896	-	4,896
Total grants and allocations	1,955,709	191,444	2,147,153
Contributions	140,015	2,720	142,735
Donated services	66,481	-	66,481
Investment return, net	202,329	-	202,329
Miscellaneous revenues	108,423	-	108,423
Paycheck Protection Program loan forgiveness	308,800	-	308,800
Net assets released from restrictions	193,060	(193,060)	-
Total revenues, gains and other support	2,974,817	1,104	2,975,921
<b>Expenses</b>			
Community services	1,921,000	-	1,921,000
Management and general	675,566	-	675,566
Fundraising	95,425	-	95,425
Total expenses	2,691,991	-	2,691,991
<b>Change in net assets</b>	282,826	1,104	283,930
<b>Net assets, beginning of year</b>	1,262,530	33,908	1,296,438
<b>Net assets, end of year</b>	\$ 1,545,356	\$ 35,012	\$ 1,580,368

See accompanying notes to financial statements

**PRO SENIORS, INC.**

**Statement of Functional Expenses  
Year Ended September 30, 2022 with Comparative Totals for 2021**

	<b>2022</b>			<b>Total</b>	<b>2021</b>
	<b>Community Services</b>	<b>Management and General</b>	<b>Fundraising</b>		
Salaries and wages	\$ 1,365,562	\$ 289,084	\$ 70,291	\$ 1,724,937	\$ 1,611,773
Employee benefits	323,479	43,830	18,306	385,615	697,997
 Total salaries and related	 1,689,041	 332,914	 88,597	 2,110,552	 2,309,770
 Community and public relations	 141,901	 536	 9,213	 151,650	 76,688
Office rent	63,317	11,333	-	74,650	74,650
Donated services	55,010	-	-	55,010	66,481
Travel	27,470	273	-	27,743	10,126
Professional services	61,063	25,850	-	86,913	35,141
Office supplies	21,683	958	1,104	23,745	17,885
Equipment and maintenance	14,099	2,439	-	16,538	8,309
Postage	9,465	76	908	10,449	10,053
Insurance	6,705	3,164	-	9,869	10,046
Depreciation	1,832	19,452	-	21,284	19,685
Telephone	34,093	-	-	34,093	14,809
Reference publications	4,875	-	-	4,875	4,528
Miscellaneous	2,039	4,861	-	6,900	4,526
Professional development	4,146	306	414	4,866	5,129
Printing and copying	256	-	-	256	932
Organization dues	3,848	992	405	5,245	7,814
Volunteer expense	23,689	-	-	23,689	15,419
	<u>\$ 2,164,532</u>	<u>\$ 403,154</u>	<u>\$ 100,641</u>	<u>\$ 2,668,327</u>	<u>\$ 2,691,991</u>

See accompanying notes to financial statements



**PRO SENIORS, INC.**

**Statement of Functional Expenses  
Year Ended September 30, 2021**

	<u>Community Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 1,284,721	\$ 256,131	\$ 70,921	\$ 1,611,773
Employee benefits	310,868	370,907	16,222	697,997
 Total salaries and related	 1,595,589	 627,038	 87,143	 2,309,770
 Community and public relations	 71,450	 -	 5,238	 76,688
Office rent	66,469	8,181	-	74,650
Donated services	66,481	-	-	66,481
Travel	10,026	53	47	10,126
Professional services	17,101	18,040	-	35,141
Office supplies	16,156	260	1,469	17,885
Equipment and maintenance	8,301	8	-	8,309
Postage	9,223	52	778	10,053
Insurance	6,702	3,344	-	10,046
Depreciation	8,607	11,078	-	19,685
Telephone	14,809	-	-	14,809
Reference publications	4,528	-	-	4,528
Miscellaneous	(71)	4,562	35	4,526
Professional development	2,854	2,275	-	5,129
Printing and copying	217	-	715	932
Organization dues	7,139	675	-	7,814
Volunteer expense	15,419	-	-	15,419
	<u>\$ 1,921,000</u>	<u>\$ 675,566</u>	<u>\$ 95,425</u>	<u>\$ 2,691,991</u>

See accompanying notes to financial statements

**PRO SENIORS, INC.**

**Statements of Cash Flows  
Years Ended September 30, 2022 and 2021**

	2022	2021
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 189,868	\$ 283,930
Adjustments to reconcile change in net assets to net cash from operating activities:		
Cash from operating activities:		
Depreciation	21,284	19,685
Net realized and unrealized (gains) losses on investments	184,666	(183,499)
Paycheck Protection Program loan forgiveness	(126,950)	(308,800)
Changes in:		
Grants and other receivables	(92,099)	(110,856)
Prepaid expenses	520	(20)
Accounts payable and accrued expenses	(266,104)	199,610
Refundable advances	(42,241)	39,276
Net cash used in operating activities	(131,056)	(60,674)
<b>Cash flows from investing activities</b>		
Purchases of office furniture and equipment	(10,438)	(12,782)
Purchases of investments	(21,481)	(18,754)
Proceeds from sale of investments	251,350	-
Net cash provided by (used in) investing activities	219,431	(31,536)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of Paycheck Protection Program loan	-	126,950
Net cash provided by financing activities	-	126,950
<b>Net change in cash and cash equivalents and restricted cash and cash equivalents</b>	88,375	34,740
<b>Cash and cash equivalents and restricted cash and cash equivalents, beginning of year</b>	612,126	577,386
<b>Cash and cash equivalents and restricted cash and cash equivalents, end of year</b>	\$ 700,501	\$ 612,126

See accompanying notes to financial statements

# PRO SENIORS, INC.

## Notes to Financial Statements

### NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Nature of Operations*

Pro Seniors, Inc. (the "Organization") is a not-for-profit corporation whose mission is to enhance the independence and quality of life of Ohio seniors by empowering them, by protecting their interests and by facilitating their access to resources. The Organization's activities include the provision of legal advocacy and education throughout Ohio, as well as long-term care advocacy in Southwestern Ohio. The Organization's revenues and other support are derived principally from federal and state grants.

#### *Financial Statement Presentation*

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions which are available for use in general operations and not subject to donor restrictions; and net asset with donor restrictions, which are either temporary in nature, such as those that will be met by the passage of time or other events specified by the donor, or are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

#### *Fair Value Measurements*

GAAP has established a three-level hierarchy for fair value measurements based on transparency of valuation inputs as of the measurement date. The hierarchy is based on the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows: Level 1 inputs are unadjusted quoted prices for identical assets in active markets; Level 2 inputs are observable quoted prices for similar assets in active markets; Level 3 inputs are unobservable and reflect management's best estimate of what market participants would use as fair value.

#### *Cash and Cash Equivalents*

The Organization considers bank deposits and all highly liquid investments with original maturities of three months or less to be cash and cash equivalents. At September 30, 2022 and 2021, cash equivalents consisted primarily of money market accounts. The Organization maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

**PRO SENIORS, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Cash and Cash Equivalents (Continued)***

The following table provides a reconciliation of cash and cash equivalents and restricted cash and cash equivalents reported within the Statement of Financial Position that total the same amount presented in the Statement of Cash Flows.

	2022	2021
Cash and cash equivalents	\$ 593,066	\$ 577,114
Restricted cash for specified purpose	107,435	35,012
Total cash and cash equivalents and restricted cash and cash equivalents presented in the Statement of Cash Flows	\$ 700,501	\$ 612,126

***Investments and Investment Return***

Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Investment return includes dividends, interest and realized and unrealized gains and losses on investments carried at fair value.

Investments are managed by investment professionals with oversight from the Finance and Administration Committee.

Investment return that is initially restricted by donor stipulation and for which will be satisfied in the same year is included in net assets with donor restrictions and then released from restriction. Other investment return is reflected in the statements of activities as with donor restrictions or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

***Office Furniture and Equipment***

Office furniture and equipment are recorded at cost, and depreciated on a straight-line basis over the estimated useful life of each asset. The cost of maintenance and repairs is expensed as incurred while significant improvements are capitalized.

***Contributions***

Gifts of cash and other assets received without donor stipulations are reported as revenue without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue with donor restrictions and net assets with donor restrictions. Gifts that are originally restricted by the donor and for which the restriction is met in the same period are recorded as revenue with donor restrictions and then released from restriction.

Gifts of land, buildings, equipment and other long-lived assets are reported as unrestricted revenue and net assets unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue with donor restrictions and net assets with donor restrictions.

## PRO SENIORS, INC.

### Notes to Financial Statements (Continued)

#### NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### ***Donated Services***

Contributions of services are recognized as revenue at their estimated fair value based on current rates for similar professional services only when the services received create or enhance nonfinancial assets or require specialized skill possessed by the individuals providing the service and the service would typically need to be purchased if not donated. Contribution revenue recognized from contributed services consisted of ombudsman and legal services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

##### ***Government Grants***

Support funded by grants is recognized as the Organization performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

##### ***Income Taxes***

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of Ohio state law. However, the Organization is subject to federal income tax on any unrelated business taxable income.

The Organization's IRS Form 990 is subject to review and examination by federal and state authorities. The Organization believes it has appropriate support for any tax positions taken, and therefore, does not have any uncertain income tax positions that are material to the financial statements.

##### ***Functional Allocation of Expenses***

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. Expenses have been classified based upon the actual direct expenditures and cost allocations. The most significant allocations are salaries and related expenses, which were allocated based upon estimates of time spent by Organization personnel.

##### ***Use of Estimates***

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

## PRO SENIORS, INC.

### Notes to Financial Statements (Continued)

#### NOTE 1 NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *Effect of Adopting New Accounting Standards*

During 2022, the Organization adopted FASB ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which increases transparency of contributed nonfinancial assets through enhancements to presentation and disclosure. These include separate presentation in the statement of activities, disaggregation by type, policy and qualitative information about monetization and utilization, description of valuation techniques and inputs used to arrive at a fair value measure, and donor-imposed restrictions associated with the contributed nonfinancial assets. The Organization adopted the ASU using the retrospective approach as of October 1, 2020. The most significant impact of adoption of ASU 2020-07 is expanded disclosures for contributions of nonfinancial assets.

##### *Recently Issued Accounting Standards*

In February 2016, the FASB issued ASU 2016-02, *Leases*. The standard requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the statement of financial position at the date of lease commencement. Leases will be classified as either finance or operating. This distinction will be relevant for the pattern of expense recognition in the income statement. This standard will be effective for the calendar year ending September 30, 2023. The Organization is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

##### *Subsequent Event Evaluation*

In preparing its financial statements, the Organization has evaluated events subsequent to the statement of financial position date through February 6, 2023, which is the date the financial statements were available to be issued.

#### NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of September 30, comprise the following:

	2022	2021
Cash	\$ 593,066	\$ 577,114
Grants and other receivables	304,942	212,843
Investments	858,661	1,273,196
	<u>\$ 1,756,669</u>	<u>\$ 2,063,153</u>

The Organization regularly monitors liquidity required to meet its operating needs, while also striving to maximize the investment of its available funds. In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting significant revenue to cover general expenditures during that period. Refer to the statement of cash flows which identifies the sources and uses of the Organization's cash.

**PRO SENIORS, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 3 INVESTMENTS**

Investment valuations as of September 30 are summarized as follows:

	2022	2021
<b>Level 1:</b>		
Equity mutual funds	\$ 217,545	\$ 267,742
Fixed income mutual funds	89,275	108,122
Exchange traded funds	538,413	672,021
<b>Level 2:</b>		
Money market mutual funds	13,428	225,311
	\$ 858,661	\$ 1,273,196

Fair values of equity mutual funds, fixed income mutual funds and exchange traded funds are determined by reference to quoted market prices available in an active market. Equity mutual funds, fixed income mutual funds and exchange traded funds are categorized as using Level 1 inputs.

Fair values for money market mutual funds are estimated using the net asset value ("NAV") of shares held at year end and are categorized as using Level 2 inputs.

There were no valuations using Level 3 inputs.

**NOTE 4 CONDITIONAL CONTRIBUTIONS**

The Organization has numerous grants for which the grantor agencies' promise to give are conditioned upon the Organization incurring certain qualifying expenses under the grant programs. At September 30, 2022 and 2021, the Organization had remaining available award balances conditional grants of \$798,646 and \$790,478, respectively. These award balances are not recognized as assets and will be recognized as revenue as the conditions are met, generally as qualifying expenses are incurred.

**NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions at September 30 are available for the following purposes:

	2022	2021
Ohio Access to Justice Foundation Program Assistance	\$ 35,973	\$ 25,000
Ohio State Bar Foundation	7,897	-
United Way	56,250	5,687
Medicare Part D	2,475	2,475
Rhonda Y. Moore Fellowship	4,840	1,850
	\$ 107,435	\$ 35,012

**PRO SENIORS, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	2022	2021
United Way	\$ 62,301	\$ 100,224
Ohio Access to Justice Foundation NetDocs Grant	23,225	-
Ohio Access to Justice Foundation SharePoint Grant	5,250	-
Ohio Access to Justice Foundation Program Assistance	25,000	-
Ohio Access to Justice Foundation - Medicaid (CareSource)	-	50,000
Ohio Access to Justice Foundation - Summer Clerk Internship	5,000	5,000
Ohio State Bar Foundation	4,275	2,120
City of Cincinnati Funding	10,000	-
Ohio Access to Justice Foundation Veteran's Grant	35,716	35,716
	\$ 170,767	\$ 193,060

**NOTE 6 OPERATING LEASES**

The Organization leases office space under a noncancelable lease that expires in September 2028. The Organization also leases office equipment under a lease that expires in August 2025. Rent expense for these operating leases was \$74,650 for the years ended September 30, 2022 and 2021, respectively.

Future minimum lease payments at September 30, 2022 were:

2023	\$	88,493
2024		100,602
2025		100,602
2026		98,868
2027		98,868
Thereafter		98,868
	\$	586,301



## PRO SENIORS, INC.

### Notes to Financial Statements (Continued)

#### NOTE 7 PENSION LIABILITY

The Organization participated in the Pension Plan for Employees of United Way of Greater Cincinnati, Inc. and Affiliated Agencies (Plan) (EIN: 31-0537502; Plan No. 333). This defined benefit plan was administered by the United Way, which allocated pension plan costs based on the ratio of the aggregate salaries of participating employees of the Organization to the total salaries of all employees of the agencies included in the Plan. Because of the nature of the Plan, it was treated as a multi-employer pension plan under GAAP. The Plan was funded through payments to the United Way. Pension costs for the years ended September 30, 2022 and 2021 was \$-0- and \$377,094, respectively.

The amount of the monthly benefit to be paid for life is based on one of the following:

1. A monthly life annuity equal to 2.6% of final average monthly earnings less 0.65% of social security final average compensation up to covered compensation, multiplied by years of credited service up to 25 years;
2. A monthly life annuity equal to 1.75% of final average monthly earnings less 0.50% social security final average compensation up to covered compensation, multiplied by years of credited service up to 25 years;
3. 0.75% of final average monthly earnings multiplied by years of service up to 25 years.

The plan is frozen as of December 31, 2004.

The risks of participating in a multiemployer plan are different from single-employer plans in the following aspects:

1. Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
3. If the Organization chooses to stop participating in its multi-employer plan, the Organization may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

In December 2021, the plan was terminated and all plan liabilities were settled through lump sum pay outs and the purchase of annuities. In order to fund the settlement, the Organization was required to contribute an additional \$251,350 to the plan based on pension plan settlement information provided by the United Way of Greater Cincinnati. This final payment was paid on December 6, 2021. The Organization has no further obligations to the plan.

#### NOTE 8 RETIREMENT PLAN

The Organization has a defined contribution 401(k) plan covering substantially all employees. The Board of Trustees annually determines the amount, if any, of the Organization's contributions to the Plan. Pension expense for this Plan was \$58,222 and \$57,434 in 2022 and 2021, respectively.

## **PRO SENIORS, INC.**

### **Notes to Financial Statements (Continued)**

#### **NOTE 9 CONCENTRATIONS**

For the year ended September 30, 2022, four funding sources accounted for approximately 65% of total revenues and 82% of grant and other receivables. For the year ended September 30, 2021, five funding sources accounted for approximately 63% of total revenues and 77% of grant and other receivables.

#### **NOTE 10 PAYMENT PROTECTION PROGRAM LOANS**

On May 4, 2020, the Organization qualified for and received a loan pursuant to the Paycheck Protection Program (the "Program"), a program implemented by the U.S. Small Business Administration under the Coronavirus Aid, Relief and Economic Security's Act, from a qualified lender (the "PPP Lender"), for an aggregate principal amount of \$308,800 (the "PPP Loan"). The PPP Loan bears interest at a fixed rate of 1.00% per annum, with the first six months of interest deferred, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration. The principal amount of the PPP Loan was forgiven by the SBA in July 2021 and recorded as debt forgiveness income in 2021.

On March 3, 2021, the Organization qualified for and received a second loan pursuant to the Paycheck Protection Program (the "Program"), for an aggregate principal amount of \$126,950 (the "PPP Loan"). The PPP Loan bears interest at a fixed rate of 1.00% per annum, has a term of five years, and is unsecured and guaranteed by the U.S. Small Business Administration. On January 20, 2022, the Organization received notice that the second Paycheck Protection Program loan received was forgiven in full. The funds will be recognized as debt forgiveness income in fiscal year 2022.

#### **NOTE 11 RISKS AND UNCERTAINTIES**

The Organization's investments consist of funds noted in Note 3 above. Investment securities are exposed to various risks, such as credit, market, and interest rate. Due to the level of uncertainty related to changes in interest rates, market volatility and credit risks, it is at least reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position at September 30, 2022. However, the diversification of the Organization's investments among various asset class should mitigate the impact of any adverse changes on any one asset class. Investments are managed by the Board of Trustees with advice and assistance from investment professionals.

**ACCOMPANYING INFORMATION**

**PRO SENIORS, INC.**

**Schedule of Expenditures of Federal Awards  
Year Ended September 30, 2022**

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Health and Human Services</b>			
<i>Pass-through Council on Aging of Southwestern Ohio:</i>			
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	\$ -	\$ 390,750
Special Programs for the Aging Title VII, Chapter 2 Long Term Care, Ombudsman Services for Older Individuals	93.042	-	101,813
Special Programs for the Aging Title VII, Chapter 3 Programs for the Prevention of Elder Abuse, Neglect and Exploitation	93.041	-	22,789
<i>Pass-through Ohio Department of Aging:</i>			
ACA Support for Demonstration Ombudsman Programs Serving Beneficiaries of State Demonstrations to Integrate Care for Medicare-Medicaid	93.634	-	69,573
<i>Direct award:</i>			
Special Programs for the Aging, Title IV and Title II - Discretionary Projects	93.048	-	503,279
<i>Pass-through Elder Care of Michigan:</i>			
Special Programs for the Aging, Title IV and Title II - Discretionary Projects	93.048	-	78,994
Total CFDA # 93.048		-	582,273
Total U.S. Department of Health and Human Services		-	1,167,198
<b>U.S. Department of Justice</b>			
<i>Pass-through Ohio Legal Association Foundation:</i>			
Crime Victim Assistance	16.575	-	125,641
<i>Pass-through State Victim Assistance Academy:</i>			
Crime Victim Assistance	16.575	-	30,000
<i>Pass-through Elder Justice Initiative:</i>			
Crime Victim Assistance	16.575	-	69,489
Total U.S. Department of Justice		-	225,130
<b>U.S. Department of Justice</b>			
<i>Pass-through Board of County Commissioners Hamilton County:</i>			
Community Development Block Grants/Entitlement Grants	14.218	-	59,029
Total Expenditures of Federal Awards		\$ -	\$ 1,451,357

See notes to Schedule of Expenditures of Federal Awards

## **PRO SENIORS, INC.**

### **Notes to Schedule of Expenditures of Federal Awards**

#### **NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Pro Seniors, Inc. ("the Organization") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

#### **NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the accrual basis of accounting in accordance with generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### **NOTE 3 INDIRECT COST RATE**

The Organization has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

**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 Trustees  
Pro Seniors, Inc.

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 Pro Seniors, Inc., which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 6, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Pro Seniors, 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 Pro Seniors, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Pro Seniors, 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**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)**

**Purpose of this Report**

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

*Barnes, Dennig & Co., Ltd.*

Cincinnati, Ohio  
February 6, 2023

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees  
Pro Seniors, Inc.

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited Pro Seniors, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Pro Seniors, Inc.'s major federal programs for the year ended September 30, 2022. Pro Seniors, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Pro Seniors, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

#### ***Basis for Opinion of Each major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Pro Seniors, 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Pro Seniors, Inc.'s compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

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

#### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Pro Seniors, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE (CONTINUED)**

Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Pro Seniors, Inc.'s compliance with the requirements of each major federal program as a whole.

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

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

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

**Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE (CONTINUED)**

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.

*Barnes, Dennig & Co., Ltd.*

Cincinnati, Ohio  
February 6, 2023

**PRO SENIORS, INC.**

**Schedule of Findings and Questioned Costs  
Year Ended September 30, 2022**

**Section I – Summary of Auditor’s Results**

***Financial Statements***

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None noted
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

***Federal Awards***

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None noted

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR Section 200.516(a)? \_\_\_\_\_ Yes   X   No

***Identification of Major Programs***

CFDA No.	Name of Federal Programs or Clusters
93.048	Special Programs for the Aging, Title IV and Title II – Discretionary Projects

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

Auditee qualified as low-risk auditee?   X   Yes \_\_\_\_\_ No

**Section II – Financial Statement Findings**

No matters are reportable

**Section III – Federal Award Findings and Questioned Costs**

No matters are reportable

**PRO SENIORS, INC.**

**Summary Schedule of Prior Audit Findings  
Year Ended September 30, 2022**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
No matters are reportable		