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January 26, 2023

Board of Directors  
Lifespan Resources, Inc.  
33 State Street, PO Box 995  
New Albany, IN 47151

We have reviewed the audit report of Lifespan Resources, Inc., which was opined upon by Deming, Malone, Livesay & Ostroff, Independent Public Accountants, for the period July 1, 2020 to June 30, 2021. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of Lifespan Resources, Inc. as of June 30, 2021 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Deming, Malone, Livesay & Ostroff prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

The audit report is filed with this letter in our office as a matter of public record.

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner

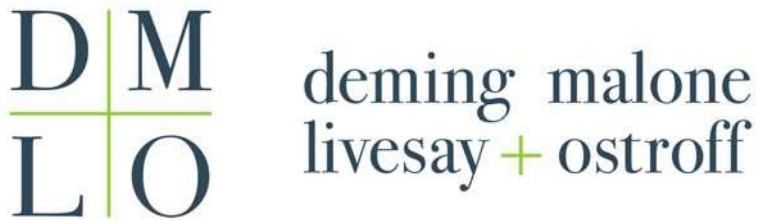
**LIFESPAN RESOURCES, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**Years Ended June 30, 2021 and 2020**

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## **Independent Auditors' Report**

To the Board of Directors  
LifeSpan Resources, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of LifeSpan Resources, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years 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; 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. 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. Those standards require that we plan and perform the audits 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 auditors' 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 auditors consider 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 LifeSpan Resources, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

We previously audited LifeSpan Resources, Inc.'s financial statements as of June 30, 2020 and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 9, 2020. In our opinion, the summarized comparative information on page 13 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.

## **Other Matters**

### *Other Information*

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021 on our consideration of LifeSpan Resources, 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 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 the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering LifeSpan Resources Inc.'s internal control over financial reporting and compliance.



Deming, Malone, Livesay & Ostroff  
New Albany, Indiana  
November 30, 2021

**LIFESPAN RESOURCES, INC.**

**STATEMENTS OF FINANCIAL POSITION**

June 30, 2021 and 2020

<b>Assets</b>	<u>2021</u>	<u>2020</u>
Cash	\$ 3,890,057	\$ 3,234,821
Investments	2,672,489	2,151,678
Contract and grants receivable	809,832	746,948
Medicaid receivable, net of allowance	19,875	39,352
Prepaid postage	2,797	2,951
Property and equipment, net of accumulated depreciation	<u>569,229</u>	<u>354,443</u>
<b>Total assets</b>	<u>\$ 7,964,279</u>	<u>\$ 6,530,193</u>
 <b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	\$ 130,082	\$ 139,243
Loan payable		656,117
Payroll withholdings	975	6,036
Accrued expenses	<u>214,492</u>	<u>338,465</u>
<b>Total liabilities</b>	<u>345,549</u>	<u>1,139,861</u>
 <b>Net Assets</b>		
With donor restrictions	76,785	149,548
Without donor restrictions	<u>7,541,945</u>	<u>5,240,784</u>
<b>Total net assets</b>	<u>7,618,730</u>	<u>5,390,332</u>
<b>Total liabilities and net assets</b>	<u>\$ 7,964,279</u>	<u>\$ 6,530,193</u>

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF ACTIVITIES**

Year Ended June 30, 2021

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
<b>Revenue, Gains, and Other Support</b>			
Contract/program	\$ 7,799,410	\$ 14,745	\$ 7,814,155
In-kind			
Services	131,895		131,895
Product discounts	3,658		3,658
Miscellaneous	12,412		12,412
Grant	444,513	37,476	481,989
Donations	248,879		248,879
Gain on sale of property and equipment	5,799		5,799
Net investment income	541,042	215	541,257
	9,187,608	52,436	9,240,044
<b>Net assets released from restrictions</b>	125,199	(125,199)	
<b>Total revenues, gains, and other support</b>	9,312,807	(72,763)	9,240,044
<b>Expenses</b>			
Program Services:			
Health Screening	14,773		14,773
Ombudsman	12,887		12,887
Legal Assistance	31,900		31,900
Services - Title IIIB	110,518		110,518
Program Funding - SBA	86,293		86,293
Options Counseling - IIIB	93,628		93,628
Ombudsman - A.L.	11,588		11,588
Ombudsman - Title VII	18,882		18,882
Transportation - IIIB	406,267		406,267
Family Caregiver	269,613		269,613
Case Management - SSBG	159,186		159,186
Information - SSBG	18,111		18,111
Transportation Service - SSBG			
Scott County - UW Outreach			
Case Management - IIIB	65,921		65,921
Case Management - PAS	1,858		1,858
Options Counseling - SSBG	72,074		72,074
Options Counseling - Choice	55,748		55,748
Case Management - Choice	217,010		217,010
Services - Choice	728,780		728,780
Congregate Meals	256,662		256,662
Home Delivered Meals	1,334,930		1,334,930
MFP-HUB			
Anthem	5,413		5,413
SHIP - Medicare Improvement	2,391		2,391
Services - Medicaid	2,209,840		2,209,840
Waiver Intake	255,789		255,789
Vaccine Outreach	49,834		49,834
<b>Total program service expenses</b>	6,489,896		6,489,896

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF ACTIVITIES, Continued**  
Year Ended June 30, 2021

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
<b>Expenses (Continued)</b>			
Supporting Services:			
Fundraising	\$ 86,019	\$	\$ 86,019
Administration - Title III	202,132		202,132
Administration - Choice	88,916		88,916
FFCRA Payroll Quarantine	11,550		11,550
Nonfederal	133,133		133,133
<b>Total supporting service expenses</b>	521,750		521,750
<b>Total expenses</b>	7,011,646		7,011,646
<b>Net change in net assets</b>	2,301,161	(72,763)	2,228,398
Net assets at the beginning of the year	5,240,784	149,548	5,390,332
Net assets at the end of the year	\$ 7,541,945	\$ 76,785	\$ 7,618,730

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF ACTIVITIES**

Year Ended June 30, 2020

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
<b>Revenue, Gains, and Other Support</b>			
Contract/program	\$ 7,234,154	\$	\$ 7,234,154
Grant	107,735	55,176	162,911
In-kind			
Services	177,372		177,372
Product discounts	2,926		2,926
Donations	93,204	71,249	164,453
Miscellaneous	33,950		33,950
Gain on sale of property and equipment			
Net investment loss	(274)		(274)
	7,649,067	126,425	7,775,492
<b>Net assets released from restrictions</b>	<b>49,020</b>	<b>(49,020)</b>	
<b>Total revenues, gains, and other support</b>	<b>7,698,087</b>	<b>77,405</b>	<b>7,775,492</b>
<b>Expenses</b>			
Program Services:			
Health Screening	20,374		20,374
Ombudsman	24,517		24,517
Legal Assistance	10,037		10,037
Services - Title IIIB	16,775		16,775
Program Funding - SBA	612,043		612,043
Options Counseling - IIIB	37,903		37,903
Ombudsman - A.L.	16,349		16,349
Ombudsman - Title VII	15,173		15,173
Transportation - IIIB	482,334		482,334
Family Caregiver	191,564		191,564
Case Management - SSBG	181,609		181,609
Information - SSBG	16,245		16,245
Transportation Service - SSBG	90,371		90,371
Scott County - UW Outreach	30		30
Case Management - IIIB	38,596		38,596
Case Management - PAS	2,349		2,349
Options Counseling - SSBG	83,835		83,835
Options Counseling - Choice	52,861		52,861
Case Management - Choice	170,795		170,795
Services - Choice	686,518		686,518
Congregate Meals	375,682		375,682
Home Delivered Meals	1,148,654		1,148,654
MFP-HUB	46		46
Anthem	1,533		1,533
SHIP - Medicare Improvement	3,006		3,006
Services - Medicaid	1,991,915		1,991,915
Waiver Intake	354,889		354,889
Vaccine Outreach			
	6,626,003		6,626,003
<b>Total program service expenses</b>	<b>6,626,003</b>		<b>6,626,003</b>

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF ACTIVITIES, Continued**

Year Ended June 30, 2020

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
<b>Expenses (Continued)</b>			
Supporting Services:			
Fundraising	\$ 50,255	\$	\$ 50,255
Administration - Title III	114,002		114,002
Administration - Choice	87,198		87,198
FFCRA Payroll Quarantine			
Nonfederal	119,260		119,260
<b>Total supporting service expenses</b>	370,715		370,715
<b>Total expenses</b>	6,996,718		6,996,718
<b>Net change in net assets</b>	701,369	77,405	778,774
Net assets at the beginning of the year	4,539,415	72,143	4,611,558
Net assets at the end of the year	\$ 5,240,784	\$ 149,548	\$ 5,390,332

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2021

(With Comparative Totals for 2020)

	Program Services						
	Health Screening	Ombudsman	Legal Assistance	Services - Title IIIB	Program Funding - SBA	Options Counseling - IIIB	Ombudsman - A.L.
Salaries and wages	\$ 9,379	\$ 7,292	\$	\$ 19,481	\$ 72,873	\$ 45,885	\$ 10,213
Employee benefits	1,634	1,205		36,868		28,049	433
Payroll taxes	690	511		1,995		3,574	805
Total salaries and related expenses	11,703	9,008		58,344	72,873	77,508	11,451
Catered food							
Service providers							
In-kind			20,735				
Repairs and maintenance	208	292		6,364	1,884	844	
Contractual allowance							
Computer	475	627		5,230		2,292	
Travel and transportation	4	31		7		117	41
Occupancy	505	1,153		1,565	10,400	2,405	
Depreciation							
Telephone	410	523		1,889	1,125	4,660	
Insurance	34			31,841		497	
Other	27	48		75		171	
Office	73	285		441		951	96
Contract services	452	313		168		162	
Dues and subscriptions	169	241		1,120		976	
Professional fees	15	2	11,165	2,215		793	
Postage	513	99		371		337	
Utilities	33	54		264	11		
Audit						1,639	
Rent	102	137		560		276	
Legal fees	38	54					
Advertising	12	20		64			
Total expenses	<u>\$ 14,773</u>	<u>\$ 12,887</u>	<u>\$ 31,900</u>	<u>\$ 110,518</u>	<u>\$ 86,293</u>	<u>\$ 93,628</u>	<u>\$ 11,588</u>
Expenses for the year							
ended June 30, 2020	<u>\$ 20,374</u>	<u>\$ 24,517</u>	<u>\$ 10,037</u>	<u>\$ 16,775</u>	<u>\$ 612,043</u>	<u>\$ 37,903</u>	<u>\$ 16,349</u>

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2021

(With Comparative Totals for 2020)

	Program Services						
	Ombudsman - Title VII	Transportation - IIB	Family Caregiver	Case Management - SSBG	Information - SSBG	Transportation Service - SSBG	Scott County - UW Outreach
Salaries and wages	\$ 13,804	\$ 245,002	\$ 97,433	\$ 103,060	\$ 9,173	\$	\$
Employee benefits	1,027	36,589	76,490	31,841	2,189		
Payroll taxes	1,062	20,747	7,964	7,229	737		
Total salaries and related expenses	15,893	302,338	181,887	142,130	12,099		
Catered food							
Service providers		1,285	15,875				
In-kind		10,518	35,294				
Repairs and maintenance	206	53,462	762	931	180		
Contractual allowance							
Computer	556	12,989	4,289	2,713	1,387		
Travel and transportation	99	368	115	230	4		
Occupancy	555	3,706	3,552	2,234	1,671		
Depreciation							
Telephone	467	3,475	7,930	5,026	1,057		
Insurance		3,196	8,784	441			
Other	23	1,172	205	272	58		
Office	210	1,813	1,224	844	285		
Contract services	156	3,615	2,019	342	213		
Dues and subscriptions	291	1,766	1,959	1,545	527		
Professional fees	180	277	1,203	224	13		
Postage	93	917	522	603	197		
Utilities	13	1,807		845			
Audit		2,235	3,278				
Rent	119	948	544	525	251		
Legal fees	21	313	135	209	135		
Advertising		67	36	72	34		
Total expenses	<u>\$ 18,882</u>	<u>\$ 406,267</u>	<u>\$ 269,613</u>	<u>\$ 159,186</u>	<u>\$ 18,111</u>	<u>\$</u>	<u>\$</u>
Expenses for the year ended June 30, 2020	<u>\$ 15,173</u>	<u>\$ 482,334</u>	<u>\$ 191,564</u>	<u>\$ 181,609</u>	<u>\$ 16,245</u>	<u>\$ 90,371</u>	<u>\$ 30</u>

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2021

(With Comparative Totals for 2020)

	Program Services					
	Case Management - IIB	Case Management - PAS	Options Counseling - SSBG	Options Counseling - Choice	Case Management - Choice	Services - Choice
Salaries and wages	\$ 14,363	\$ 617	\$ 66,126	\$ 35,132	\$ 149,464	\$
Employee benefits	34,583		753	13,265	38,940	
Payroll taxes	<u>1,229</u>	<u>47</u>	<u>4,737</u>	<u>3,098</u>	<u>12,800</u>	
Total salaries and related expenses	50,175	664	71,616	51,495	201,204	
Catered food						
Service providers						728,780
In-kind						
Repairs and maintenance	122			67	298	
Contractual allowance						
Computer	2,114			739	2,329	
Travel and transportation	129			1	75	
Occupancy	1,881			495	2,352	
Depreciation						
Telephone	5,098		77	1,756	5,116	
Insurance	538					
Other	162			56	308	
Office	632	2	351	312	1,390	
Contract services	176			59	434	
Dues and subscriptions	1,230		12	232	1,130	
Professional fees	665		18	193	542	
Postage	309			130	711	
Utilities	202			92	367	
Audit	2,235	1,192				
Rent	253			73	445	
Legal fees				38	260	
Advertising				10	49	
Total expenses	<u>\$ 65,921</u>	<u>\$ 1,858</u>	<u>\$ 72,074</u>	<u>\$ 55,748</u>	<u>\$ 217,010</u>	<u>\$ 728,780</u>
Expenses for the year ended June 30, 2020	<u>\$ 38,596</u>	<u>\$ 2,349</u>	<u>\$ 83,835</u>	<u>\$ 52,861</u>	<u>\$ 170,795</u>	<u>\$ 686,518</u>

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2021

(With Comparative Totals for 2020)

	Program Services					
	Congregate Meals	Home Delivered Meals	MFP-HUB	Anthem	SHIP - Medicare Improvement	Services - Medicaid
Salaries and wages	\$ 91,558	\$ 160,197	\$	\$ 4,868	\$ 2,003	\$ 1,440,205
Employee benefits	29,808	19,646			128	131,553
Payroll taxes	6,525	11,826		365	150	109,642
Total salaries and related expenses	127,891	191,669		5,233	2,281	1,681,400
Catered food	21,600	1,037,876		175		
Service providers						243,461
In-kind	7,620	43,040				
Repairs and maintenance	6,180	7,275				34,413
Contractual allowance						97,785
Computer	20,579	7,496			99	81,613
Travel and transportation	153	326				4,343
Occupancy	24,944	5,898				4,670
Depreciation						
Telephone	16,850	7,488				13,284
Insurance		11,592				2,413
Other	1,918	664				1,311
Office	4,487	2,938		4	11	5,967
Contract services	7,112	5,672				12,105
Dues and subscriptions	5,593	4,463				3,141
Professional fees	347	1,012		1		4,009
Postage	3,449	1,488				13,919
Utilities	2,439	2,669				2,545
Audit		1,490				1,192
Rent	3,514	1,373				1,693
Legal fees	1,439	335				462
Advertising	547	166				114
Total expenses	<u>\$ 256,662</u>	<u>\$ 1,334,930</u>	<u>\$</u>	<u>\$ 5,413</u>	<u>\$ 2,391</u>	<u>\$ 2,209,840</u>
Expenses for the year ended June 30, 2020	<u>\$ 375,682</u>	<u>\$ 1,148,654</u>	<u>\$ 46</u>	<u>\$ 1,533</u>	<u>\$ 3,006</u>	<u>\$ 1,991,915</u>

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2021

(With Comparative Totals for 2020)

	Program Services			Supporting Services		
	Waiver Intake	Vaccine Outreach	Subtotal	Fundraising	Admin. - Title III	Admin. - Choice
Salaries and wages	\$ 213,411	\$ 46,640	\$ 2,858,179	\$ 18,950	\$ 124,208	\$ 62,583
Employee benefits	20,078	74	505,153	4,197	24,100	12,105
Payroll taxes	<u>16,223</u>	<u>3,034</u>	<u>214,990</u>	<u>1,342</u>	<u>8,524</u>	<u>5,702</u>
Total salaries and related expenses	249,712	49,748	3,578,322	24,489	156,832	80,390
Catered food			1,059,651			
Service providers			989,401			
In-kind			117,207	5,688	12,658	
Repairs and maintenance	45		113,533	1,444	632	109
Contractual allowance			97,785			
Computer	1,307		146,834	7,110	3,998	2,023
Travel and transportation	1	8	6,052	425	202	45
Occupancy	495		68,481		3,372	1,921
Depreciation						
Telephone	2,484		78,715	77	3,423	1,883
Insurance			59,336		11,313	497
Other	57		6,527	16,962	152	37
Office	870	50	23,236	2,193	1,007	235
Contract services	59		33,057		1,216	1,049
Dues and subscriptions	130		24,525		1,873	264
Professional fees	154	28	23,056		1,458	25
Postage	185		23,843	3,637	1,397	197
Utilities			11,341			
Audit			13,261		1,639	
Rent	242		11,055		724	146
Legal fees	38		3,477	250	164	75
Advertising	<u>10</u>		<u>1,201</u>	<u>23,744</u>	<u>72</u>	<u>20</u>
Total expenses	<u>\$ 255,789</u>	<u>\$ 49,834</u>	<u>\$ 6,489,896</u>	<u>\$ 86,019</u>	<u>\$ 202,132</u>	<u>\$ 88,916</u>
Expenses for the year ended June 30, 2020	<u>\$ 354,889</u>	<u>\$</u>	<u>\$ 6,626,003</u>	<u>\$ 50,255</u>	<u>\$ 114,002</u>	<u>\$ 87,198</u>

See Notes to Financial Statements.

**LIFESPAN RESOURCES, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2021

(With Comparative Totals for 2020)

	Supporting Services			Total Program and Supporting Services 2021	2020 All Funds (Memorandum Only)
	FFCRA Payroll Quarantine	Nonfederal	Subtotal		
Salaries and wages	\$ 10,634	\$	\$ 216,375	\$ 3,074,554	\$ 2,918,818
Employee benefits	78		40,480	545,633	541,929
Payroll taxes	838	4,299	20,705	235,695	221,644
Total salaries and related expenses	11,550	4,299	277,560	3,855,882	3,682,391
Catered food		431	431	1,060,082	805,423
Service providers				989,401	1,318,360
In-kind			18,346	135,553	180,298
Repairs and maintenance		722	2,907	116,440	169,312
Contractual allowance				97,785	125,011
Computer		754	13,885	160,719	120,229
Travel and transportation		597	1,269	7,321	81,558
Occupancy		500	5,793	74,274	73,830
Depreciation		83,661	83,661	83,661	73,761
Telephone		347	5,730	84,445	58,365
Insurance		17	11,827	71,163	57,829
Other		15,447	32,598	39,125	49,969
Office		1,063	4,498	27,734	48,579
Contract services		22,347	24,612	57,669	32,689
Dues and subscriptions		2,434	4,571	29,096	23,792
Professional fees		111	1,594	24,650	18,492
Postage		241	5,472	29,315	16,910
Utilities				11,341	12,944
Audit			1,639	14,900	14,500
Rent		113	983	12,038	12,533
Legal fees		38	527	4,004	12,429
Advertising		11	23,847	25,048	7,514
Total expenses	\$ 11,550	\$ 133,133	\$ 521,750	\$ 7,011,646	\$ 6,996,718
Expenses for the year ended June 30, 2020	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
	11,550	119,260	370,715	6,996,718	6,996,718

See Notes to Financial Statements.

**LIFESPAN REOSURCES, INC.**

**STATEMENTS OF CASH FLOWS**

Years Ended June 30, 2021 and 2020

	2021	2020
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ 2,228,398	\$ 778,774
Adjustments to reconcile change in net assets to net cash flows provided by operating activities:		
Depreciation	83,661	73,761
Gain on sale of property and equipment	(5,799)	
Small Business Administration PPP loan forgiveness	(656,117)	
Investment income, net of investment fees	(101,083)	(86,401)
Realized and unrealized (gain) loss on investments	(440,174)	86,675
Decrease (increase) in assets:		
Contract and grants receivable	(62,884)	353,453
Medicaid receivable	19,477	115,749
Prepaid postage	154	(317)
Increase (decrease) in liabilities:		
Accounts payable	(9,161)	20,762
Payroll withholdings	(5,061)	6,036
Accrued expenses	(123,973)	53,401
<b>Net cash flows provided by operating activities</b>	<b>927,438</b>	<b>1,401,893</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of investments	(76,583)	(175,020)
Proceeds from sale of investments	97,828	312,289
Proceeds from sale of property and equipment	4,999	
Purchases of property and equipment	(298,446)	(127,125)
<b>Net cash flows (used in) provided by investing activities</b>	<b>(272,202)</b>	<b>10,144</b>
<b>Cash flows from Financing Activities</b>		
Proceeds from long-term debt		656,117
<b>Net cash flows provided by financing activities</b>		656,117
<b>Net change in cash and cash equivalents</b>	<b>655,236</b>	<b>2,068,154</b>
Cash at the beginning of the year	3,234,821	1,166,667
Cash at the end of the year	<b>\$ 3,890,057</b>	<b>\$ 3,234,821</b>

See Notes to Financial Statements.

## LIFESPAN RESOURCES, INC.

### NOTES TO FINANCIAL STATEMENTS

#### Note 1. Nature of Activities and Summary of Significant Accounting Policies

##### **Organization activities:**

LifeSpan Resources, Inc. (the "Organization") is a designated Area Agency on Aging for Scott, Clark, Floyd, and Harrison counties in the State of Indiana. The Organization's mission statement is as follows: "Promoting independent living for people of all ages." The Organization provides a comprehensive network of services to persons age sixty and older, as well as providing services for persons of all ages with disabilities.

##### **Basis of accounting:**

The financial statements of the Organization has been prepared on the accrual basis of accounting.

##### **Basis of presentation:**

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

##### **Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures, contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Accordingly, actual results could differ from those estimates.

##### **Cash and cash equivalents:**

The Organization considers cash equivalents to be short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase. There were no cash equivalents as of June 30, 2021 and 2020.

##### **Contract and grants receivable:**

Contract and grants receivable are reported at the amount management expects to collect on balances outstanding at year-end. Management closely monitors outstanding balances and deems all contract income and grants receivable to be fully collectible at year-end.

##### **Medicaid receivable:**

Medicaid receivable is stated at the amount management expects to collect from outstanding balances at year-end. The Organization provides for probable contractual allowance through an adjustment to revenue based on its assessment of the current status of individual accounts. The contractual allowance as of June 30, 2021 and 2020 was \$97,785 and \$125,011, respectively.

## NOTES TO FINANCIAL STATEMENTS

### **Net assets without donor restrictions:**

Net assets available for use in general operations and not subject to donor restrictions.

### **Net assets with donor restrictions:**

The Organization's donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

### **Property and equipment:**

Property and equipment are stated at cost less accumulated depreciation. The costs of additions and betterments are capitalized and expenditures for repairs and maintenance are expensed in the period incurred. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in income. Depreciation is provided over the estimated useful lives of the assets on the straight-line basis. The range of estimated useful lives for assets is 5-15 years. The Organization's policy is to expense assets costing \$5,000 or less.

### **Promises to give:**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

### **Contributed services, materials, vehicles, and facilities:**

Certain contributed materials are recorded as support and expensed at fair market value when determinable, otherwise at values indicated by the donor. Contributions of services are recognized in the financial statements if the services enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, or would typically need to be purchased if not provided by donation. Contributed facilities are recorded as support and expensed at fair market value. Contributed vehicles are capitalized at fair market value and depreciated over their estimated useful lives. For the years ended June 30, 2021 and 2020, the Organization received donated services, materials and facilities valued at \$135,553 and \$180,298 respectively.

## NOTES TO FINANCIAL STATEMENTS

### Revenue recognition:

Several of the Organization's revenue streams involve the transfer of goods and services, including client fees and transportation services. The Organization recognizes revenue from contracts with customers under a five-step model. The five steps used in this process are: 1) identify the contract, 2) identify the performance obligations in the contract, 3) determine the transaction price, 4) allocate the price to the performance obligations, and 5) recognize the revenue, as defined under Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers*. Under this standard, recognition of revenue occurs when a customer obtains control of promised services or goods in an amount that reflects the consideration which the Organization expects to receive in exchange for those goods or services.

The Organization recognizes revenue when the service is invoiced. The time between invoicing and when the performance obligations are satisfied is not significant, and there is not a significant financing component or significant payment terms.

### Income taxes:

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes is included in the accompanying financial statements. The Organization evaluates its uncertain tax positions in accordance with applicable standards. It has evaluated its tax positions, and believes that it has none that are uncertain.

### Functional allocation of expenses:

The Statement of Functional Expenses presents expenses by both natural and functional classification. Costs are allocated under their respective functional department based on a variety of factors, such as time analysis.

The June 30, 2021 Statement of Functional Expenses presents summarized comparative information from the prior year. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

### Advertising:

The Organization uses advertising for employee recruitment purposes and to promote various programs. The costs of advertising are expensed as incurred. For the years ending June 30, 2021 and 2020, advertising costs totaled \$25,048 and \$7,514, respectively.

## NOTES TO FINANCIAL STATEMENTS

### Reclassifications:

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

### Recent accounting pronouncements:

The Financial Accounting Standards Board issued the following accounting standards, which will be effective in subsequent years: 1) ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, effective for fiscal years beginning after June 15, 2021; 2) ASU No. 2016-02, *Leases*, effective for fiscal years beginning after December 15, 2021; and 3) ASU No. 2016-13, *Financial Instruments-Credit Losses*, effective for fiscal years beginning after December 15, 2022.

The Organization is evaluating the impact of these standards on future financial statements.

### Date of management's review:

Management has evaluated events and transactions occurring subsequent to the Statement of Financial Position date for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through the date of the report, which is the date these financial statements were available to be issued.

### Note 2. Liquidity and Availability

Funds available for general expenditures without donor or other restrictions limiting their use as of June 30, 2021 and 2020 include the following:

	<u>June 30</u>	
	<u>2021</u>	<u>2020</u>
Cash	\$ 3,890,057	\$ 3,234,821
Investments	2,665,401	2,144,590
Contracts and grants receivables	809,832	746,948
Medicaid receivable, net of allowance	<u>19,875</u>	<u>39,352</u>
	<u>\$ 7,385,165</u>	<u>\$ 6,165,711</u>

The Organization is supported by contributions through various government programs. The revenue for these contracts are either cost reimbursement or rate based programs. The Organization has \$7,385,165 and \$6,165,711 in cash, investments, and receivables available to be used within one year of the Statement of Financial Position date to meet cash needs for general expenditures as of June 30, 2021 and 2020, respectively.

## NOTES TO FINANCIAL STATEMENTS

### Note 3. Fair Value Measurements and Investments

The carrying amounts of the Organization’s investments approximate fair value because of the short-term maturity of these instruments. These financial assets are measured at fair value on the financial statements using inputs from the three levels of the fair value hierarchy. A financial asset or liability classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The three levels are as follows:

- Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities the Organization has the ability to access at the measurement date.
- Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).
- Level 3 - Unobservable inputs reflect the Organization’s judgments about the assumptions market participants would use in pricing the asset or liability since limited market data exists. The Organization develops these inputs based on the best information available, including its own data.

Investments are valued at the closing price reported on the active market on which the individual securities are traded. There have been no changes in the methodologies used to value investments at June 30, 2021.

In accordance with the Fair Value Measurements Topic of the FASB Accounting Standards Codification, the following tables represent the Organization’s fair value hierarchy for financial assets measured at fair value on a recurring basis as of June 30, 2021 and 2020. The tables also set forth the respective levels to which the fair value measurements are classified within the fair value hierarchy.

	June 30, 2021	
	Level 1	Total
Mutual fund/debt investments	\$ 1,711,413	\$ 1,711,413
Equities	961,076	961,076
	<b>\$ 2,672,489</b>	<b>\$ 2,672,489</b>
	June 30, 2020	
	Level 1	Total
Mutual fund/debt investments	\$ 1,367,365	\$ 1,367,365
Equities	784,313	784,313
	<b>\$ 2,151,678</b>	<b>\$ 2,151,678</b>

**NOTES TO FINANCIAL STATEMENTS**

The following table summarizes the Organization’s investments and accumulated unrealized appreciation (depreciation) by investment class:

	June 30, 2021		
	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Mutual fund/debt investments	\$ 1,555,448	\$ 1,711,413	\$ 155,965
Equities	<u>648,012</u>	<u>961,076</u>	<u>313,064</u>
	<u>\$ 2,203,460</u>	<u>\$ 2,672,489</u>	<u>\$ 469,029</u>
	June 30, 2020		
	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Mutual fund/debt investments	\$ 1,440,053	\$ 1,367,365	\$ (72,688)
Equities	<u>669,291</u>	<u>784,313</u>	<u>115,022</u>
	<u>\$ 2,109,344</u>	<u>\$ 2,151,678</u>	<u>\$ 42,334</u>

**Note 4. Contract and Grants Receivable**

Contract and grants receivable consists of the following:

	June 30	
	<u>2021</u>	<u>2020</u>
Family and Social Services Administration	\$ 470,558	\$ 683,021
Other	301,798	20,452
United Way	<u>37,476</u>	<u>43,475</u>
	<u>\$ 809,832</u>	<u>\$ 746,948</u>

**NOTES TO FINANCIAL STATEMENTS**

**Note 5. Property And Equipment**

Property and equipment consists of the following:

	June 30	
	2021	2020
Furniture and fixtures	\$ 77,477	\$ 77,477
Vehicles	712,339	439,893
Computer equipment	50,998	50,998
Leasehold improvements	136,220	136,220
Total	977,034	704,588
Less accumulated depreciation	(407,805)	(350,145)
Total	\$ 569,229	\$ 354,443

**Note 6. Net Assets With Donor Restrictions**

Net assets with donor restrictions were available for the following purposes:

	June 30	
	2021	2020
United Way	\$ 37,476	\$ 43,476
Voice & Vino	14,745	5,973
IAAA SMP	11,126	12,400
CFSI Endowment Fund	7,303	7,088
Bacala Comm Funds	5,066	5,066
Angel Tree	524	524
Scott County UW Outreach Funds	345	345
Pet Food Grant	200	200
Senior Games		23,335
Vehicle Match		12,500
Transportation Donations		10,000
Disaster Relief Trans		10,000
Culbertson Ladies Discretionary		9,200
Rauch Trans		7,151
III-C Donation		2,290
	\$ 76,785	\$ 149,548

**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Loan Payable**

In April 2020, the Organization qualified for and received a loan pursuant to the Paycheck Protection Program, a program implemented by the U.S. Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified lender, for an aggregate principal amount of \$656,117 (the “PPP Loan”). The PPP loan bears interest at a fixed rate of 1.0% per annum. Interest is deferred during the deferral period, which ends on the date that the loan forgiveness amount is remitted by the U.S. Small Business Administration to the lender, or ten months after the end of the covered period, for those borrowers who do not apply for forgiveness. The loan is unsecured and guaranteed by the U.S. Small Business Administration. The principal amount of the PPP Loan is subject to forgiveness under the Paycheck Protection Program upon the Organization’s request, to the extent that the PPP loan proceeds are used to pay expenses permitted by the Paycheck Protection Program, including payroll costs, covered rent obligations, and covered utility payments incurred by the Organization.

The loan was forgiven on January 19, 2021. The Organization recognized \$656,117 of debt forgiveness as revenue. \$576,973 was recognized as program revenue and \$79,144 was recognized as grant revenue based upon its usage.

**Note 8. Revenue from Contracts with Customers**

Revenue from contracts with customers includes the following:

	<u>2021</u>	<u>2020</u>
Aging Cluster	\$ 1,634,345	\$ 1,214,431
Medicaid Waiver & Social Security Block Grant	4,119,943	4,225,772
National Family Caregiver Support	<u>161,568</u>	<u>154,613</u>
	<u>\$ 5,915,856</u>	<u>\$ 5,594,816</u>

A description of the Organization’s revenue streams accounted for under ASC 2014-09 follows:

Aging Cluster Revenue - This revenue consists of fees for services provided to individuals to coordinate care within the state long-term care system. It also consists of fees for in-home care and transportation services. The performance obligations are satisfied at a point in time for each service. Transaction prices are determined each month and payment is made monthly.

## NOTES TO FINANCIAL STATEMENTS

Medicare Waiver and Social Security Block Grant Revenue - This revenue consists of fees for case management services provided for the state's elderly population. The performance obligations are satisfied at a point in time for each service. Transaction prices are determined each month and payment is made monthly.

National Family Caregiver Support Revenue - This revenue consists of fees for support services provided to family and older relative caregivers. The performance obligations are satisfied at a point in time for each service. Transaction prices are determined each month and payment is made monthly.

The Organization's contract revenue is based on the timing of satisfaction of performance obligations, which is entirely recognized at a point in time for the years ended June 30, 2021 and 2020.

The time between invoicing and when the performance obligations are satisfied is not significant, and there is not a significant financing component or significant payments terms.

### **Note 9. Related Party Transactions**

Board members contribute funds to the Organization.

### **Note 10. Operating Leases**

On November 1, 2008, the Organization entered into a lease agreement to lease office space located in the YMCA of Southern Indiana building located at 33 State Street, New Albany, Indiana. The lease is for ninety-nine (99) years ending November 1, 2107. Beginning July 1, 2009, the monthly rent, occupancy, and operating costs totaled \$4,858 per month. The occupancy costs will be reviewed on an annual basis and the monthly rent expense will be adjusted accordingly. For the years ending June 30, 2021 and 2020, the monthly fixed amount totaled \$5,200. In addition, the Organization is responsible for a portion of the cleaning labor expense for the building. For the years ending June 30, 2021 and 2020, the Organization paid \$62,274 and \$62,399 in rent expense which is included in occupancy and operating costs.

On September 1, 2011, the Organization entered into an operating agreement with the City of Scottsburg for the use of donated space in the Bacala Building located at 69 East Wardell Street, Scottsburg, Indiana. The operating agreement is for ten (10) years ending August 31, 2021. Under the operating agreement, the Organization is not required to pay rent, but must provide a meal site and Aging and Disabilities Resource Center site for senior citizens. The Organization recognizes the donated value for the use of the space as in-kind revenue and in-kind expense. The agreement was renewed subsequent to year-end.

## NOTES TO FINANCIAL STATEMENTS

During the year ended June 30, 2015, the Organization entered into lease agreements with Better Quality Business, Inc. for equipment leases. These leases were renewed in fiscal year 2020. Under the renewed agreements, the Organization was to pay 60 payments of \$1,472, \$463, and \$204 for the leases for three printers. The leases expire in 2023, 2024, and 2025, respectively. During the years ended June 30, 2021 and 2020, the Organization paid \$25,673 and \$12,533, respectively, in rent expense in relation to these operating leases.

The following schedule represents estimated future minimum lease payments over the next five fiscal years based on the information provided at the date of this report:

<u>Years ending June 30</u>	
2022	\$ 88,697
2023	88,073
2024	74,823
2025	66,700
2026	<u>62,604</u>
	<u>\$ 380,897</u>

### **Note 11. Retirement Plan**

The Organization maintains a 401(k) retirement plan that is available to all employees. For full-time employees, the Organization contributes either 3% of gross salaries or \$350 per month (for employees not participating in the health insurance program). For part-time employees, the Organization contributes \$35 per month for the 401(k) plan. Plan expense was \$166,321 and \$122,637 for the years ending June 30, 2021 and 2020, respectively.

### **Note 12. Significant Third-Party Reimbursements**

The Organization receives significant fees from Medicaid and CHOICE programs for the services it provides to its clients. In the years ended June 30, 2021 and 2020, it received 38 percent and 44 percent from Medicaid and 10 percent and 18 percent from CHOICE of its revenue and support, respectively.

## NOTES TO FINANCIAL STATEMENTS

### **Note 13. Concentrations and Contingencies**

Financial instruments that potentially subject the Organization to concentrations of credit risk are primarily cash. Cash deposits are held in financial institutions and may at times exceed federally insured amounts.

The COVID-19 outbreak in the United States has caused disruptions to businesses and organizations through mandated and voluntary closures. While these disruptions are expected to be temporary, there is considerable uncertainty about the duration of the outbreak, the federal and state government responses, and the impact on the economy and the Organization's revenue streams. While the Organization experienced increased revenues during the year, the extent of the impact on the Organization's future operations and cash flows is uncertain.

**LIFESPAN RESOURCES, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, 2021

Federal Grantor/Pass Through Grantor/ Program Title	Federal AL Number	Pass-Through Grantor's Number	Federal Award
Department of Health and Human Services			
Passed through State of Indiana Family and Social Services Administration			
Title VII - Ombudsman	93.042	22-16-2V-1651-04	\$ 13,225
Title IIID - Health Services	93.043	22-16-OV-1651-10	18,692
Title IIIA - Administration	93.044	22-16-OV-1651-02	103,312
Title IIIB - Support Services	93.044	22-16-OV-1651-04	263,645
COVID-19 - Title IIIB - Support Services	93.044		209,475
Title IIIC1 - Congregate Meals	93.045	22-16-OV-1651-06	357,723
Title IIIC2 - Home Delivered Meals	93.045	22-16-OV-1651-08	186,701
COVID-19 - Title IIIC1 - Congregate Meals	93.045		560,872
HDM Vaccine Outreach	93.045		136,914
CARES - Title VII - Ombudsman	93.045		8,000
Title IIIE - Family Caregiver	93.052	22-16-OV-1651-12	123,104
Nutrition Services Incentive Program	93.053	22-16-02-1651-02	48,755
SSBG	93.667	22-16-OG-1651-02	338,851
PASRR	93.778	22-17-KM-1651-02	<u>22,204</u>
Total			<u>\$ 2,391,473</u>

**LIFESPAN RESOURCES, INC.**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, 2021

**Note A. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of Lifespan Resources, Inc. under programs of the federal government for the year ended June 30, 2021. The information in this 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 LifeSpan Resources, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**Note B. Summary of Significant Accounting Policies**

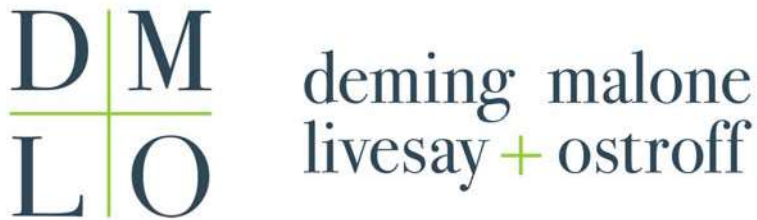
Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note C. Indirect Cost Rate**

Lifespan Resources, Inc. has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note D. Subrecipients**

Lifespan Resources, Inc. provided no federal funding to subrecipients for the year ended June 30, 2021.



**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**

To the Board of Directors  
LifeSpan Resources, 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 LifeSpan Resources, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 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, and have issued our report thereon dated November 30, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered LifeSpan Resources, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of LifeSpan Resources, 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 have not been identified.

## **Compliance and Other Matters**

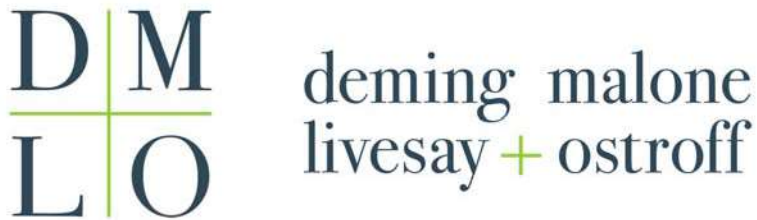
As part of obtaining reasonable assurance about whether LifeSpan Resources, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

A handwritten signature in black ink that reads "Deming, Malone, Livesay & Ostroff". The signature is written in a cursive, flowing style.

Deming, Malone, Livesay & Ostroff  
New Albany, Indiana  
November 30, 2021



**Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance required by the Uniform Guidance**

To the Board of Directors  
LifeSpan Resources, Inc.

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

We have audited LifeSpan Resources, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of LifeSpan Resources, Inc.'s major federal programs for the year ended June 30, 2021. LifeSpan Resources, Inc.'s major federal 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 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 each of the Lifespan Resources, Inc.'s major federal 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 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 the Organization'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 federal program. However, our audit does not provide a legal determination of LifeSpan Resources, Inc.'s compliance.

## Opinion on Each Major Federal Program

In our opinion, LifeSpan Resources, 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 June 30, 2021.

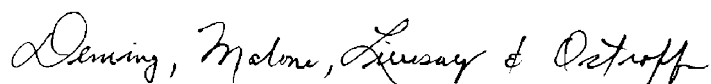
## Report on Internal Control Over Compliance

Management of LifeSpan Resources, Inc. 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 LifeSpan Resources, Inc.'s 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 LifeSpan Resources, Inc.'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 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.



Deming, Malone, Livesay & Ostroff  
New Albany, Indiana  
November 30, 2021

LIFESPAN RESOURCES, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516 (a)? yes X no

Identification of major programs:

Table with 2 columns: AL Number(s) and Name of Federal Program or Cluster. Rows include 93.044 (Title IIIA - Administration), 93.044 (Title IIIB - Support Services), 93.045 (Title IIIC1 - Congregate Meals), 93.045 (Title IIIC2 - Home Delivered Meals), 93.045 (HDM - Vaccine Outreach), 93.045 (CARES - Title VII - Ombudsman), and 93.053 (Nutritional Services Incentive Program).

**LIFESPAN RESOURCES, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended June 30, 2021

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

Auditee qualified as low-risk auditee? Xyes \_\_no

**Section II - Financial Statement Findings**

There are no findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

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

There are no findings or questioned costs required to be reported.