

**KENOSHA AREA FAMILY
AND AGING SERVICES, INC.**

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT**

DECEMBER 31, 2025 AND 2024

KENOSHA AREA FAMILY AND AGING SERVICES, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Management
Kenosha Area Family and Aging Services, Inc.
Kenosha, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kenosha Area Family and Aging Services, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Kenosha Area Family and Aging Services, Inc. as of December 31, 2025 and 2024, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Wisconsin Department of Administration Audit Guide*. 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 Kenosha Area Family and Aging Services, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 Kenosha Area Family and Aging Services, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS, *Government Auditing Standards* and the *Wisconsin Department of Administration Audit Guide* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the *Wisconsin Department of Administration Audit Guide*, 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 Kenosha Area Family and Aging Services, 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 Kenosha Area Family and Aging Services, 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.

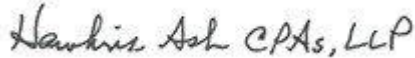
Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, included on pages 21 to 28, is presented for additional analysis and is not a required part of the financial statements. The schedule of expenditures of federal and state 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 and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration 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 schedule of expenditures of federal and state awards and other supplementary 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* and the *Wisconsin Department of Administration Audit Guide*, we have also issued our report dated August 20, 2026 on our consideration Kenosha Area Family and Aging Services, Inc.'s internal control over financial reporting and on our tests in 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 Kenosha Area Family and Aging Services, Inc.'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* and the *Wisconsin Department of Administration Audit Guide* in considering Kenosha Area Family and Aging Services, Inc.'s internal control over financial reporting and compliance.

HAWKINS ASH CPAS, LLP

A handwritten signature in dark ink that reads "Hawkins Ash CPAs, LLP". The signature is written in a cursive, flowing style.

Manitowoc, Wisconsin
August 20, 2026

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
STATEMENTS OF FINANCIAL POSITION

	DECEMBER 31,	
	2025	2024
<u>ASSETS</u>		
Cash and cash equivalents	\$ 661,990	\$ 745,650
Accounts receivable	29,433	27,327
Grants receivable	212,685	235,597
Unconditional promises to give	32,208	42,580
Prepaid expenses	8,125	9,370
Beneficial interest in Community Foundation	197,348	175,611
Property and equipment, net	405,454	436,261
Operating lease right-of-use asset	45,910	-
TOTAL ASSETS	\$ 1,593,153	\$ 1,672,396
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Accounts payable	\$ 46,534	\$ 34,043
Accrued payroll liabilities	94,930	181,208
Accrued retirement liabilities	2,718	9,052
Other accrued liabilities	-	3,539
Operating lease liability	45,910	-
Program advances	227,781	227,781
Tax credit payable	657,463	657,463
Note payable	212,463	217,968
TOTAL LIABILITIES	1,287,799	1,331,054
NET ASSETS		
Without donor restrictions	160,054	233,800
With donor restrictions	145,300	107,542
TOTAL NET ASSETS	305,354	341,342
TOTAL LIABILITIES AND NET ASSETS	\$ 1,593,153	\$ 1,672,396

The accompanying notes are an integral part of these statements.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
STATEMENTS OF ACTIVITIES

	YEAR ENDED DECEMBER 31,					
	2025			2024		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE, GAINS AND OTHER SUPPORT						
Contributions	\$ 199,462	\$ 117,658	\$ 317,120	\$ 255,671	\$ 102,261	\$ 357,932
Program revenue	251,736	-	251,736	271,229	-	271,229
Grant revenue	2,886,798	-	2,886,798	2,719,294	-	2,719,294
Special events, net of direct benefit to donors of \$2,695 and \$1,574, respectively	35,763	-	35,763	23,748	-	23,748
Change in beneficial interest	21,737	-	21,737	21,863	-	21,863
Interest income	3,840	-	3,840	7,151	-	7,151
Miscellaneous revenue	2,517	-	2,517	29,782	-	29,782
Net assets released from restrictions	79,900	(79,900)	-	12,278	(12,278)	-
TOTAL REVENUE, GAINS AND OTHER SUPPORT	3,481,753	37,758	3,519,511	3,341,016	89,983	3,430,999
EXPENSES						
Program	2,930,389	-	2,930,389	2,912,165	-	2,912,165
Management and general	592,005	-	592,005	580,139	-	580,139
Fundraising	33,105	-	33,105	63,188	-	63,188
TOTAL EXPENSES	3,555,499	-	3,555,499	3,555,492	-	3,555,492
CHANGE IN NET ASSETS	(73,746)	37,758	(35,988)	(214,476)	89,983	(124,493)
NET ASSETS AT BEGINNING OF YEAR	233,800	107,542	341,342	448,276	17,559	465,835
NET ASSETS AT END OF YEAR	\$ 160,054	\$ 145,300	\$ 305,354	\$ 233,800	\$ 107,542	\$ 341,342

The accompanying notes are an integral part of these statements.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES****YEAR ENDED DECEMBER 31, 2025**

	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Salaries and wages	\$ 1,744,116	\$ 293,365	\$ 23,950	\$ 2,061,431
Payroll taxes	139,391	23,446	1,914	164,751
Employee benefits	253,743	42,982	3,509	300,234
Program expenses	484,312	-	-	484,312
Client support	3,118	-	-	3,118
Credit loss	-	5,097	-	5,097
Professional fees	17,577	155,836	-	173,413
Supplies	24,626	4,142	338	29,106
Telephone	11,554	1,944	159	13,657
Postage and shipping	4,713	793	65	5,571
Occupancy	30,192	5,078	415	35,685
Insurance	24,923	4,192	342	29,457
Repairs and maintenance	75,838	13,337	1,089	90,264
Printing and publications	4,652	782	64	5,498
Advertising and promotions	19,911	-	-	19,911
Travel	40,906	6,881	562	48,349
Conferences and training	11,744	1,975	161	13,880
Depreciation	26,065	4,384	358	30,807
Bank fees	-	8,883	-	8,883
Interest	-	16,700	-	16,700
Miscellaneous	13,008	2,188	179	15,375
TOTAL EXPENSES	<u>\$ 2,930,389</u>	<u>\$ 592,005</u>	<u>\$ 33,105</u>	<u>\$ 3,555,499</u>

The accompanying notes are an integral part of these statements.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES****YEAR ENDED DECEMBER 31, 2024**

	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Salaries and wages	\$ 1,716,478	\$ 299,035	\$ 44,267	\$ 2,059,780
Payroll taxes	139,244	24,258	3,591	167,093
Employee benefits	317,147	55,251	8,179	380,577
Program expenses	410,887	-	-	410,887
Client support	3,883	-	-	3,883
Credit loss	-	39,225	-	39,225
Professional fees	31,658	90,659	-	122,317
Supplies	41,968	7,311	1,082	50,361
Telephone	11,137	1,940	287	13,364
Postage and shipping	2,830	493	73	3,396
Occupancy	28,336	4,936	731	34,003
Insurance	23,308	4,061	601	27,970
Repairs and maintenance	67,000	11,672	1,728	80,400
Printing and publications	867	151	22	1,040
Advertising and promotions	15,586	-	-	15,586
Travel	30,612	5,333	789	36,734
Conferences and training	31,816	5,543	821	38,180
Depreciation	25,417	4,428	656	30,501
Bank fees	-	6,004	-	6,004
Interest	-	17,401	-	17,401
Miscellaneous	13,991	2,438	361	16,790
TOTAL EXPENSES	<u>\$ 2,912,165</u>	<u>\$ 580,139</u>	<u>\$ 63,188</u>	<u>\$ 3,555,492</u>

The accompanying notes are an integral part of these statements.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
STATEMENTS OF CASH FLOWS

	<u>YEAR ENDED DECEMBER 31,</u>	
	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (35,988)	\$ (124,493)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	30,807	30,501
Credit loss expense	5,097	39,225
Change in beneficial interest	(21,737)	(21,863)
Changes in assets and liabilities:		
(Increase) decrease in current assets		
Accounts receivable	(7,203)	(32,232)
Grants receivable	22,912	80,960
Unconditional promises to give	10,372	(38,413)
Prepaid expenses	1,245	(211)
Operating lease right-of-use asset	(45,910)	-
Increase (decrease) in current liabilities		
Accounts payable	12,491	(369,627)
Accrued payroll liabilities	(86,278)	28,796
Accrued retirement liabilities	(6,334)	7,100
Other accrued liabilities	(3,539)	3,264
Program advances	-	227,781
Operating lease liability	45,910	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(78,155)</u>	<u>(169,212)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	-	(13,644)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>-</u>	<u>(13,644)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	-	147,228
Principal payments on note payable	(5,505)	(2,148)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>(5,505)</u>	<u>145,080</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(83,660)	(37,776)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>745,650</u>	<u>783,426</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 661,990</u>	<u>\$ 745,650</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
Cash paid during the year for interest	\$ 16,700	\$ 17,787
<u>SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES</u>		
Conversion of a line of credit agreement to a long-term promissory note	\$ -	\$ 220,116

The accompanying notes are an integral part of these statements.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 - Nature of Organization and Significant Accounting Policies

Nature of Organization - Kenosha Area Family and Aging Services, Inc. (the "Organization") was established in 1969 to serve residents of Kenosha County, Wisconsin. The Organization's mission is to support the development of healthy families and prevent abuse and neglect of children and the elderly by providing services such as home delivered meals, congregate meals, transportation, friendly visitors, group respite care, benefit assistance information and assistance, outreach, parenting training and classes, and volunteer management. The Organization is exempt from federal income taxes under its present method of operation provided for in Section 501(c)(3) of the Internal Revenue Code. Having qualified for exemption under provisions of the Internal Revenue Code, the Organization is also exempt from Wisconsin income taxes as provided in Chapter 181 of the Wisconsin Statutes. The Organization's revenue comes primarily from state, local, and federal government grants. During the years ended December 31, 2025 and 2024, approximately 72.79% and 68.05% of total revenue came from various divisions of Kenosha County, respectively.

Basis of Accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all receivables, payables and other liabilities.

Basis of Presentation - The accompanying financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America (U.S. GAAP) as codified by the Financial Accounting Standards Board.

The Organization is required to report information regarding its net assets and its activities based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor or certain grantor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

Net Assets With Donor Restrictions - Net assets subject to donor or certain grantor imposed restrictions. Some 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. 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

Cash and Cash Equivalents - The Organization's cash and cash equivalents consist of cash on deposit with banks. For purposes of the statements of cash flows, the Organization considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents. However, the Organization does not consider cash, money market accounts, or certificates of deposit included as a beneficial interest in Community Foundation to be cash equivalents for the statements of cash flows.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2025 AND 2024

NOTE 1 - Nature of Organization and Significant Accounting Policies - Continued

Accounts Receivable - Receivables are stated at the amount management expects to collect from outstanding balances. Management uses the direct write-off method to recognize uncollectible accounts. Under this method, receivables are written off when management determines that collection is unlikely. This approach differs from U.S. GAAP, which requires a current expected credit loss (CECL) model that incorporates historical loss experience, current conditions and reasonable forecasts of future economic factors to estimate expected losses through an allowance. Management believes the effect of using the direct write-off method is not materially different from the CECL method due to the immaterial amount of credit losses historically experienced and the short-term nature of collections. The Organization's accounts receivable balance at December 31, 2023 was \$34,320.

Grants Receivable - The Organization receives government grants that are on a reimbursement basis. Grants receivable include claims made on the grant for the current year spending. Management believes the balance in grants receivable is fully collectible as of December 31, 2025 and 2024.

Promises to Give - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a nominal interest rate applicable to the year in which the promise is received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. Management provides for uncollectible amounts through a provision for uncollectible pledge expense from outstanding balances and an adjustment to a valuation allowance based on its assessment of the current status of individual pledges. Balances that are still outstanding after management used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to unconditional promises to give. Management believes all receivables are collectible; accordingly, no allowance has been recorded.

Beneficial Interest in Community Foundation - The beneficial interest in Community Foundation represents a share of the Kenosha Community Foundation's pooled investments and is carried at fair value. Investment return is included as change in beneficial interest in the accompanying statements of activities. See additional detail provided in Note 6.

Property and Equipment - All acquisitions of property and equipment in excess of \$1,500 with useful lives greater than one year are capitalized. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed on the straight-line method based on the following estimated useful lives:

<u>Asset</u>	<u>Life</u>
Furniture, fixtures and equipment	3 - 10 years
Buildings and improvements	7 - 35 years

Valuation of Long-lived Assets - U.S. GAAP requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management reviews all material assets annually for possible impairment. If such assets are considered to be impaired, the impairment recognized is measured as the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. No assets are considered to be impaired at December 31, 2025 and 2024.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2025 AND 2024

NOTE 1 - Nature of Organization and Significant Accounting Policies - Continued

Grant Awards/Program Advances – Grants are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related expenses are incurred. Amounts received or receivable in excess of expenses are reflected as unearned revenue.

Revenue Recognition - The Organization records the following exchange transaction revenue in its statements of activities and changes in net assets:

Program Revenue: The Organization provides services to support the development of healthy families and prevent abuse and neglect of children and the elderly by providing services such as home delivered meals, congregate meals, transportation, family services and many other programs. Payments for these services are recognized at the time the service is provided.

Special Event Revenue: The Organization conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event - exchange component, and a portion represents a contribution to the Organization. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at the special events is measured at the actual cost to the Organization. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The performance obligation is the delivery of the event. The event fee is set by the Organization. The Organization combines in the statements of activities the exchange and contribution components of the gross proceeds from special events.

Contribution Recognition - Contributions are recognized when received or unconditionally pledged. Conditional contributions and promises to give are recognized as revenue when the barriers to entitlement are overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets is removed. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized. Contributions restricted by donors are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. Contributions that are not restricted by the donor are reported as an increase in net assets without donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Grant Recognition - Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award:

Grant awards that are contributions - Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2025 AND 2024

NOTE 1 - Nature of Organization and Significant Accounting Policies - Continued

Grant awards that are exchange transactions - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer

(grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

In-Kind Contributions - The Organization records the value of donated goods when there is an objective basis to measure the value. Donated fundraising items are valued using the final amount received from the sale or raffle of the item.

Donated services are recognized as contributions if the services a) create or enhance nonfinancial assets or b) require specialized skills that are performed by people with those skills and would otherwise be purchased by the Organization. Such amounts, which are based upon information provided by third-party service providers, are recorded at their estimated fair value determined on the date of contribution.

A substantial number of volunteers have made significant contributions of their time to the Organization's program and supporting services. The value of this contributed time is not reflected in these financial statements because the criteria for recognition have not been satisfied.

No significant contributions of such goods or services were received during the years ended December 31, 2025 and 2024.

Functional Allocation of Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Those expenses include occupancy and depreciation, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, insurance, and other expenses, which are allocated based on estimates of time and effort.

Advertising Costs - Advertising costs are expensed as incurred.

Use of Estimates - Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Tax Status - The Organization is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for charitable contribution deductions and has been classified as an organization other than a private foundation. The Organization is also exempt from State taxation.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2025 AND 2024

NOTE 1 - Nature of Organization and Significant Accounting Policies - Continued

Accounting for Uncertainty in Income Taxes - U.S. GAAP requires management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by a taxing authority. Management has analyzed the tax positions taken by the Organization and has concluded that as of December 31, 2025 and 2024 there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax period. The Organization will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred.

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

Subsequent Events - The Organization evaluated subsequent events through August 20, 2026, the date on which the financial statements were available to be issued.

NOTE 2 - Concentration of Cash and Credit Risk

The Organization may have deposits with a financial institution at times during the year that exceed the Federal Deposit Insurance Corporation (FDIC) insurance threshold of \$250,000. The amount of the accounting loss that the Organization would have incurred had the financial institution not been able to return monies in excess of \$250,000 amounted to \$330,531 and \$324,590 as of December 31, 2025 and 2024, respectively. The Organization does not require collateral or other security to support deposits subject to this credit risk.

NOTE 3 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following as of December 31:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 661,990	\$ 745,650
Accounts receivable	29,433	27,327
Grants receivable	212,685	235,597
Unconditional promises to give receivable		
in less than one year	32,208	42,580
Beneficial interest in Community Foundation	<u>197,348</u>	<u>175,611</u>
 Total financial assets available within one year	 1,133,664	 1,226,765
 Less amounts not available for general expenditure within one year:		
Board designated endowment	197,348	175,611
Net assets with donor restrictions	<u>145,300</u>	<u>107,542</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 791,016</u>	<u>\$ 943,612</u>

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2025 AND 2024

NOTE 3 - Liquidity and Availability - Continued

Liquidity Management

The Organization maintains a policy of structuring its financial assets to be available to meet its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of weekly requirements in a money market account.

Although the Organization does not intend to spend from the board designated endowment (other than amounts appropriated for general expenditures as part of the Board's budget approval and appropriation), these amounts could be made available if necessary.

To help manage unanticipated liquidity needs, the Organization has a committed line of credit, which it could draw upon. See additional details in Note 9.

NOTE 4 - Unconditional Promises to Give

The aggregate collections of promises to give are as follows at December 31:

	<u>2025</u>	<u>2024</u>
Receivable in less than one year	\$ 32,208	\$ 42,580
Receivables in one to five years	-	-
Total unconditional promises to give	32,208	42,580
Less: Allowance for unconditional promises to give	-	-
Less: Discount to net present value	-	-
NET UNCONDITIONAL PROMISES TO GIVE	<u>\$ 32,208</u>	<u>\$ 42,580</u>

There is no allowance for uncollectible promises to give as management considers all unconditional promises to give to be collectible.

NOTE 5 - Property and Equipment

A summary of property and equipment is as follows as of December 31:

	<u>2025</u>	<u>2024</u>
Land	\$ 33,500	\$ 33,500
Buildings and improvements	697,839	697,839
Furniture, fixtures and equipment	86,935	86,935
	818,274	818,274
Less: Accumulated depreciation	412,820	382,013
NET PROPERTY AND EQUIPMENT	<u>\$ 405,454</u>	<u>\$ 436,261</u>

Depreciation expense amounted to \$ 30,807 and \$30,501 for years ended December 31, 2025 and 2024, respectively.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2025 AND 2024

NOTE 6 - Beneficial Interest in Community Foundation

The Organization holds a beneficial interest in assets held by the Kenosha Community Foundation. The balance of the fund was \$197,348 and \$175,611 as of December 31, 2025 and 2024, respectively.

The Foundation is to distribute the funds to the Organization as the Organization requests the funds. The Foundation has variance power over the funds. The Foundation has power to modify any restriction or condition on the distribution of funds, if, in its sole judgment, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or becomes inconsistent with the charitable needs of the Organization, or the Foundation. The beneficial interest is recognized in the accompanying statements of financial position and is valued at the fair market value.

NOTE 7 - Fair Value Measurements

The Organization has determined the fair value of certain assets and liabilities in accordance with the provisions of U.S. GAAP, which provides a framework for measuring fair value under generally accepted accounting principles.

U.S. GAAP defines fair value as the exchange price that would be received for an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. U.S. GAAP requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. U.S. GAAP also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

Level 1 inputs consist of quoted prices in active markets for identical assets that the reporting organization has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset. Level 3 inputs are unobservable inputs related to the asset.

The asset's fair value measurement within the fair value hierarchy is based on the lowest of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2025 and 2024.

Beneficial interest in Community Foundation: Investments held with a community foundation are valued at fair value based on the closing price for securities listed on a securities exchange, the closing bid or asking price for over-the-counter securities not listed on a securities exchange, or at cost or obtained from an independent pricing service for securities not listed or traded on any exchange or on the over-the-counter market. The custodian of the investments in the community foundation also has the ability to determine the fair value of securities not listed or traded on any exchange or on the over-the-counter market based on available information.

The methods described above may produce a fair value calculation that may be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

DECEMBER 31, 2025 AND 2024

NOTE 7 - Fair Value Measurements - Continued

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value on a recurring basis as of December 31, 2025 and 2024.

	DECEMBER 31, 2025	QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)
Beneficial interest in Community Foundation	\$ 197,348	\$ -	\$ -	\$ 197,348
TOTALS	\$ 197,348	\$ -	\$ -	\$ 197,348

	DECEMBER 31, 2024	QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)
Beneficial interest in Community Foundation	\$ 175,611	\$ -	\$ -	\$ 175,611
TOTALS	\$ 175,611	\$ -	\$ -	\$ 175,611

The following is a reconciliation of activity for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs):

Beneficial interest in Community Foundation

	2025	2024
Balance, beginning of year	\$ 175,611	\$ 153,748
Change in beneficial interest	21,737	21,863
Balance, end of year	\$ 197,348	\$ 175,611

NOTE 8 - Employee Retention Credit

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) provided an employee retention credit (the Credit) which is a refundable tax credit against certain employment taxes of up to \$5,000 per employee for eligible employers. The Consolidated Appropriations Act of 2021 and the American Rescue Plan Act of 2021 expanded the availability of the credit and extended the credit through the third quarter of 2021 and increased the credit to 70% of qualified wages, capped at \$10,000 per quarter. During the year ended December 31, 2023 the Organization received \$587,529 for the credit as well as \$69,934 in interest. The Organization's credit filings remain open for potential examination by the Internal Revenue Service through the statute of limitations, which has varying expiration dates extending through 2026. Any disallowed claims resulting from such examinations could be subject to repayment to the federal government. Due to the uncertainty surrounding the eligibility of the credit, the Organization has a liability recorded on the statements of financial position of \$657,463 at December 31, 2025 and 2024.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2025 AND 2024

NOTE 9 - Line of Credit

The Organization has a line of credit of \$200,000 that matured on October 27, 2025 and was not renewed. The interest rate at December 31, 2024 was 8.50%. The agreement is collateralized by substantially all assets of the Organization. There was no balance outstanding at December 31, 2024.

NOTE 10 - Leases

In September 2025, the Organization entered into an agreement for copiers and printers under a long-term, non-cancelable operating lease that expires December 2031.

The weighted-average discount rate is based on the discount rate implicit in the lease, or if the implicit rate is not readily determinable from the lease, then the Organization elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate.

The Organization rents space at various locations throughout Kenosha County for various programs under short-term operating lease agreements. Monthly rent payments ranged from \$100 to \$500.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a straight-line basis.

Total lease expense is as follows for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Operating lease expense	\$ 812	\$ -
Short-term lease expense	12,900	12,400
TOTAL	<u>\$ 13,712</u>	<u>\$ 12,400</u>

Other lease information is as follows for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ 812	\$ -
Right-of-use assets obtained in exchange for new lease liabilities		
Operating lease liabilities	\$ 45,770	\$ -
Weighted-average remaining lease term in years		
Operating leases	5.17	-
Weighted-average discount rate		
Operating leases	3.67%	-

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2025 AND 2024

NOTE 10 - Leases - Continued

The future minimum lease payments under operating leases are as follows as of December 31, 2025:

2026	\$ 9,739
2027	9,739
2028	9,739
2029	9,738
2030	9,738
Thereafter	<u>1,623</u>
Total minimum lease payments	50,316
Less amounts representing interest	<u>4,406</u>
TOTAL LEASE LIABILITIES	<u>\$ 45,910</u>

NOTE 11 - Net Assets

Included in net assets without donor restrictions are amounts designated by the board for the following purposes at December 31:

	<u>2025</u>	<u>2024</u>
Quasi-endowment	\$ 197,348	\$ 175,611
TOTAL BOARD DESIGNATED NET ASSETS	<u>\$ 197,348</u>	<u>\$ 175,611</u>

The Organization's Board of Directors has designated funds be set aside to establish and maintain a quasi-endowment for the purpose of securing the Organization's long-term financial viability and continuing to meet the needs of the Organization.

Net assets with donor restrictions are restricted for the following purposes or periods at December 31:

	<u>2025</u>	<u>2024</u>
Subject to expenditure for specified purpose:		
Meals on wheels, including pledges	\$ 26,601	\$ 18,590
Socialization and tech support, including pledges	-	50,281
Home repair program	56,732	34,671
Family services - women's intimates	2,000	4,000
Senior and veteran home repairs, including pledges	25,000	-
Senior services	30,000	-
Future Forward	404	-
Volunteer transportation	<u>4,563</u>	<u>-</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 145,300</u>	<u>\$ 107,542</u>

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2025 AND 2024

NOTE 11 - Net Assets - Continued

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31, 2025:

	<u>2025</u>	<u>2024</u>
Satisfaction of purpose restrictions:		
Meals on wheels	\$ 18,590	\$ 12,278
Socialization and tech support	50,281	-
Family services	2,000	-
Home repairs	9,029	-
TOTAL RESTRICTIONS RELEASED	<u>\$ 79,900</u>	<u>\$ 12,278</u>

NOTE 12 - Defined Contribution Pension Plan

The Organization has a 403(b) retirement plan. Upon the employee meeting the minimum requirements of 21 years of age and two (2) years of 2,080 hours, the employee is eligible to participate in the Plan. The Organization will contribute to the Plan beginning the first month after the month in which the employee completes their second year of employment and is enrolled in the Plan. The Organization reserves the right to amend or terminate this Plan at the discretion of the Board of Directors. For the years ended December 31, 2025 and 2024, the Organization contributed \$5,811 and \$15,231 to the retirement plan, respectively.

NOTE 13 - Risks and Uncertainties

The Organization's beneficial interest in Community Foundation is exposed to various risks, such as interest rate risk, and market and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the values of investments, it is reasonably possible that changes in risks in the near term could materially affect the amounts reported in the statements of financial position and the statements of activities.

NOTE 14 - Commitments and Contingent Liabilities

The Organization has contracts from Kenosha County and other sources for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the contracts. The amount of these reimbursement requests, if any, are not determinable.

SUPPLEMENTARY INFORMATION

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Source of Contract Funds: Grantor Pass-Through Program or Cluster Title	Assistance Listing Number	State Identifying Number or Pass -Through	Federal Expenditures	Subrecipient Pass-Through Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Pass-Through Program From:				
Kenosha County Division of Aging & Disability Services				
Medical Assistance Program	93.778	Various	\$ 423,356	\$ -
Kenosha County Division of Aging & Disability Services				
Special Programs for the Aging, Title III, Part B	93.044	560340	74,215	-
Special Programs for the Aging, Title III, Part C	93.045	Various	273,826	-
Nutrition Services Incentive Program	93.053	560422	40,827	-
Total Aging Cluster			388,868	-
Pass-Through Program From:				
Kenosha County Division of Children & Families				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	Various	42,827	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Various	22,652	-
Foster Care Title IV-E	93.658	Various	144,326	-
Social Services Block Grant	93.667	Various	11,480	-
Total U.S. Department of Health and Human Services			1,033,509	-
CORPORATION FOR NATIONAL AND COMMUNITY SERVICES				
Retired and Senior Volunteer Program (RSVP)	94.002	Direct	20,344	-
Foster Grandparent Program (FGP)	94.011	Direct	420,169	-
Total Corporation for National and Community Services			440,513	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Pass-Through Program From:				
City of Kenosha				
Community Development Block Grant	14.218	Unknown	16,957	-
Total U.S. Department of Housing and Urban Development			16,957	-
Total Expenditures of Federal Awards			\$ 1,490,979	\$ -

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS - Continued
FOR THE YEAR ENDED DECEMBER 31, 2025

<u>State Grantor/Pass-Through Grantor/Program</u>	<u>State ID</u>	<u>State Identifying Number or Pass -Through</u>	<u>State Expenditures</u>	<u>Subrecipient Pass-Through Expenditures</u>
WISCONSIN DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Retired Senior Volunteer Program	435.560390	560390	\$ 9,290	\$ -
Foster Grandparent	435.560450	560450	56,895	-
Minority Health Program	None	None	39,167	-
Pass-Through Program From:				
Kenosha County Division of Aging & Disability Services				
ADRC Base GPR Reimb	435.560100	560100	700,333	-
ADRC DCS GPR Reimb	435.560158	560158	48,254	-
ADR EBS GPR Reimb	435.560320	560320	14,233	-
Senior Community Services Program	435.560330	560330	9,445	-
Title 3C-1 Congruent Meal Program	435.560355	560355	39,974	-
Nutrition Services Incentive Program	435.560360	560360	75,459	-
WISCONSIN DEPARTMENT OF CHILDREN AND FAMILIES				
Pass-Through Program From:				
Kenosha County Division of Children & Families				
CW Children and Families Allocation	437.3561	Various	130,985	-
WISCONSIN DEPARTMENT OF TRANSPORTATION				
Pass-Through Program From:				
Kenosha County Division of Aging & Disability Services				
Specialized Transit	Statute 85.21	N/A	69,125	-
Total Expenditures of State Awards			\$ 1,193,160	\$ -
Total Expenditures of Federal and State Awards			\$ 2,684,139	\$ -

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2025

NOTE 1 - Basis of Presentation

The accompanying "Schedule of Federal and State Awards" includes the federal and state grant activity of Kenosha Area Family and Aging Services, Inc., and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the U.S. Office of Management and Budget (OMB) *Compliance Supplement*, and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration. Supplemental schedules are also presented by Kenosha Area Family and Aging Services, Inc. in regard to federal, state and local financial assistance programs administered by the Organization. Additional information on the Organization's unrestricted activity is also presented in the schedules.

NOTE 2 - Summary of Significant Accounting Policies

Expenditures reported on the schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable and are limited as to reimbursement.

NOTE 3 - Oversight Agency

The Federal oversight agency for Kenosha Area Family and Aging Services, Inc. is the U.S. Department of Health and Human Services.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
SCHEDULE OF REVENUE AND EXPENSES, BY PROGRAM AND SUPPORTING ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Information, Assistance, and Access	R.S.V.P	Meals on Wheels	Adult Nutrition	Volunteer Transportation	Foster Grandparent	FGP Milwaukee	Future Forward	Music and Memory	Other Aging Services	Friendly Visitor
Public Support and Revenue											
Government Support											
Kenosha County Department of Children and Family Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Kenosha County Division of Aging and Disability Services	1,178,409	-	338,239	151,844	98,825	-	-	-	7,767	-	83,660
Corporation for National Service	-	20,344	-	-	-	210,464	266,600	-	-	-	-
Wisconsin Department of Health Services	-	9,290	-	-	-	-	-	-	-	-	-
Community Development Block Grant	-	-	12,934	4,023	-	-	-	-	-	-	-
Community Support											
Contributions	-	-	63,229	14,300	14,156	-	-	2,000	-	42,776	-
Special Events	-	-	2,343	-	-	100	-	-	-	125	-
Revenue											
Community and Family Care	-	-	183,184	-	-	-	-	-	-	-	-
IRIS	-	-	10,986	-	-	-	-	-	-	-	-
Client Program Contribution Revenue	-	-	27,582	86,187	-	-	-	-	-	-	-
Fee for service payments	-	-	19,844	-	34,964	-	-	-	-	-	-
Miscellaneous Income	250	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	140	-	-	-	-	-	-	-
Change in beneficial interest	-	-	-	1,837	-	-	-	-	-	-	-
Total Public Support and Revenue	1,178,659	29,634	658,341	258,331	147,945	210,564	266,600	2,000	7,767	42,901	83,660
Operating Expenses											
Salaries	830,723	17,161	150,755	125,161	62,825	103,722	92,932	618	4,166	-	49,860
Payroll Taxes	63,723	1,426	11,843	10,319	5,155	7,827	7,133	44	316	-	3,754
Employee Benefits	140,229	2,038	16,244	7,369	1,333	16,413	11,233	130	511	-	10,868
Professional Fees	22,197	157	10,774	7,331	6,526	3,175	2,928	5	98	44	1,328
Food Costs	-	-	309,743	-	-	-	-	-	-	-	-
Stipend	-	-	-	-	-	46,598	104,793	-	-	-	-
Supplies	97	38	5,153	13,043	335	435	1,007	-	98	-	302
Telephone	-	-	1,063	2,558	-	289	457	-	289	-	934
Postage and Delivery	-	-	-	-	-	-	-	-	-	-	-
Site Rent	-	-	1,200	11,700	-	-	-	-	-	-	-
Utilities	-	304	3,286	3,190	1,343	1,485	1,531	-	77	-	868
Computer, Copier, and Equipment											
Maintenance and Rental	284	2,208	11,702	5,863	5,942	3,666	2,575	610	475	-	3,208
Repairs and Maintenance	-	228	3,233	3,874	1,323	1,485	1,528	-	76	-	858
Printing and Publications	-	-	1,314	1,736	-	55	5	-	-	-	676
Travel Expense	3,239	-	870	681	32,047	2,479	4,131	-	32	-	624
Conferences and Training	1,256	-	2,198	75	286	1,680	1,101	-	1	-	197
Insurance	8,694	376	2,297	2,267	1,308	1,377	1,398	189	688	-	1,087
Client Support	-	-	-	-	-	-	-	-	-	-	-
Volunteer Recognition	166	614	3,694	555	393	1,876	4,550	-	10	-	442
Advertising	636	-	1,215	128	370	59	4,455	-	99	-	315
Credit Loss Expense	-	-	2,687	-	2,166	-	-	-	-	-	-
Donated Expense	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	1,542	365	369	-	-	-	-	-	-
Depreciation Expense	-	567	3,853	3,227	2,435	1,842	2,041	-	91	-	683
Admin Allocation	274,336	4,517	55,816	54,190	23,421	24,936	25,609	-	1,331	-	14,940
Total Operating Expenses	1,345,580	29,634	600,482	253,632	147,577	219,399	269,407	1,596	8,358	44	90,944
Total Excess (Deficit)	\$ (166,921)	\$ -	\$ 57,859	\$ 4,699	\$ 368	\$ (8,835)	\$ (2,807)	\$ 404	\$ (591)	\$ 42,857	\$ (7,284)

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
SCHEDULE OF REVENUE AND EXPENSES, BY PROGRAM AND SUPPORTING ACTIVITIES - Continued
FOR THE YEAR ENDED DECEMBER 31, 2025

	Family Services						Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
	CCS	Family Preservation	Family Support	Minority Health Program	Nurturing Parents	Other Family Services					
Public Support and Revenue											
Government Support											
Kenosha County Department of Children and Family Services	\$ 9,317	\$ 199,871	\$ 200,826	\$ -	\$ 55,218	\$ -	\$ 465,232	\$ -	\$ -	\$ -	\$ 465,232
Kenosha County Division of Aging and Disability Services	-	-	-	-	-	-	1,858,744	-	-	-	1,858,744
Corporation for National Service	-	-	-	-	-	-	497,408	-	-	-	497,408
Wisconsin Department of Health Services	-	-	-	39,167	-	-	48,457	-	-	-	48,457
Community Development Block Grant	-	-	-	-	-	-	16,957	-	-	-	16,957
Community Support											
Contributions	-	-	-	-	-	1,060	137,521	6,410	57,107	63,517	201,038
Special Events	-	-	-	-	-	-	2,568	(480)	33,675	33,195	35,763
Revenue											
Community and Family Care	-	-	-	-	-	-	183,184	-	-	-	183,184
IRIS	-	-	-	-	-	-	10,986	-	-	-	10,986
Client Program Contribution Revenue	-	-	-	-	-	-	113,769	2,313	-	2,313	116,082
Fee for service payments	-	1,820	-	-	555	340	57,523	43	-	43	57,566
Miscellaneous Income	-	-	-	-	-	-	250	2,267	-	2,267	2,517
Interest income	-	-	-	-	-	-	140	3,700	-	3,700	3,840
Change in beneficial interest	-	-	-	-	-	-	1,837	19,900	-	19,900	21,737
Total Public Support and Revenue	9,317	201,691	200,826	39,167	55,773	1,400	3,394,576	34,153	90,782	124,935	3,519,511
Operating Expenses											
Salaries	4,982	125,381	145,113	6,468	34,081	-	1,753,948	304,830	2,653	307,483	2,061,431
Payroll Taxes	393	9,539	10,934	495	2,637	-	135,538	28,976	237	29,213	164,751
Employee Benefits	193	21,230	21,295	1,741	1,171	-	251,998	48,189	47	48,236	300,234
Professional Fees	177	5,742	3,706	27,078	586	-	91,852	103,472	138	103,610	195,462
Food Costs	-	-	-	-	-	-	309,743	-	-	-	309,743
Stipend	-	-	-	-	-	-	151,391	-	-	-	151,391
Supplies	-	740	662	574	68	-	22,552	3,629	10,312	13,941	36,493
Telephone	-	1,132	1,057	-	-	-	7,779	5,878	-	5,878	13,657
Postage and Delivery	-	1	-	-	-	-	1	5,402	-	5,402	5,403
Site Rent	-	-	-	-	-	-	12,900	-	-	-	12,900
Utilities	-	2,935	2,722	-	322	-	18,063	4,700	22	4,722	22,785
Computer, Copier, and Equipment											
Maintenance and Rental	-	3,683	3,311	1,049	388	-	44,964	10,945	2,267	13,212	58,176
Repairs and Maintenance	-	2,844	2,674	-	317	-	18,440	8,091	-	8,091	26,531
Printing and Publications	-	-	-	-	780	-	4,566	155	778	933	5,499
Travel Expense	-	1,928	1,837	-	68	-	47,936	169	244	413	48,349
Conferences and Training	-	38	-	-	-	-	6,832	5,141	-	5,141	11,973
Insurance	-	1,450	1,364	-	162	-	22,657	6,503	298	6,801	29,458
Client Support	-	813	809	-	-	-	1,622	877	619	1,496	3,118
Volunteer Recognition	-	-	-	1,046	-	2,000	15,346	6,287	78	6,365	21,711
Advertising	-	251	385	20	12	-	7,945	11,457	508	11,965	19,910
Credit Loss Expense	-	-	-	-	-	-	4,853	200	-	200	5,053
Donated Expense	-	-	-	-	-	-	-	1,637	-	1,637	1,637
Interest	-	-	-	-	-	-	-	16,700	-	16,700	16,700
Other Expenses	-	-	-	-	-	-	2,276	51	-	51	2,327
Depreciation Expense	-	5,404	2,979	-	302	-	23,424	7,383	-	7,383	30,807
Admin Allocation	-	49,505	46,547	-	5,524	-	580,672	(580,672)	-	(580,672)	-
Total Operating Expenses	5,745	232,616	245,395	38,471	46,418	2,000	3,537,298	-	18,201	18,201	3,555,499
Total Excess (Deficit)	\$ 3,572	\$ (30,925)	\$ (44,569)	\$ 696	\$ 9,355	\$ (600)	\$ (142,722)	\$ 34,153	\$ 72,581	\$ 106,734	\$ (35,988)

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
RESERVE SCHEDULE - KCHS (FAMILY PRESERVATION)
YEAR ENDED DECEMBER 31, 2025

1. Total units of service	4,124
2. Allowable expenses for rate-based services	\$ 185,399
3. Total revenue for rate-based service	\$ 160,751
4. Excess (deficiency) revenue over expenses (line 3 less line 2)	\$ (24,648)
5. Surplus retention per WI Statutes 5%	\$ 8,038
6. Calculation of amounts due to purchaser:	

Purchaser (6a)	Revenue from purchaser (6b)	Purchaser's share of total revenue (6c)	Portion of surplus retention to agency (6d)	Purchaser's share of excess retention surplus (6e)	Amount due to purchaser (6f)
Kenosha County Human Services	\$ 160,751	100.00%	\$ 8,038	\$ (24,648)	\$ -

KENOSHA AREA FAMILY AND AGING SERVICES, INC.**RESERVE SCHEDULE - KCHS (FAMILY SUPPORT)****YEAR ENDED DECEMBER 31, 2025**

1. Total units of service	4,798
2. Allowable expenses for rate-based services	\$ 179,739
3. Total revenue for rate-based service	\$ 147,095
4. Excess (deficiency) revenue over expenses (line 3 less line 2)	\$ (32,644)
5. Surplus retention per WI Statutes 5%	\$ 7,355
6. Calculation of amounts due to purchaser:	

Purchaser (6a)	Revenue from purchaser (6b)	Purchaser's share of total revenue (6c)	Portion of surplus retention to agency (6d)	Purchaser's share of excess retention surplus (6e)	Amount due to purchaser (6f)
Kenosha County Human Services	\$ 147,095	100.00%	\$ 7,355	\$ (32,644)	\$ -

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
RESERVE SCHEDULE - KCHS (NURTURING PARENTING CLASSES)
YEAR ENDED DECEMBER 31, 2025

1. Total units of service	1,140
2. Allowable expenses for rate-based services	\$ 31,293
3. Total revenue for rate-based service	\$ 37,599
4. Excess (deficiency) revenue over expenses (line 3 less line 2)	\$ 6,306
5. Surplus retention per WI Statutes 5%	\$ 1,880
6. Calculation of amounts due to purchaser:	

Purchaser (6a)	Revenue from purchaser (6b)	Purchaser's share of total revenue (6c)	Portion of surplus retention to agency (6d)	Purchaser's share of excess retention surplus (6e)	Amount due to purchaser (6f)
Kenosha County Human Services	\$ 37,599	100.00%	\$ 1,880	\$ 6,306	\$ 4,426

COMPLIANCE SECTION



**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 AND THE
WISCONSIN DEPARTMENT OF ADMINISTRATION AUDIT GUIDE**

To the Board of Directors and Management
Kenosha Area Family and Aging Services, Inc.
Kenosha, Wisconsin

We have audited, 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, and the *Wisconsin Department of Administration Audit Guide*, the financial statements of Kenosha Area Family and Aging Services, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, 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 August 20, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Kenosha Area Family and Aging Services, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Kenosha Area Family and Aging Services, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Kenosha Area Family and Aging Services, Inc.'s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control over financial reporting that we consider to be a material weakness and a significant deficiency.

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 organization'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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2025-001 to be a material weakness and item 2025-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Kenosha Area Family and Aging Services, 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* or the *Wisconsin Department of Administration Audit Guide*.

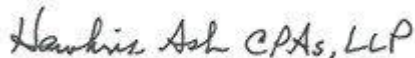
Kenosha Area Family and Aging Services, Inc.'s Response to Findings

Kenosha Area Family and Aging Services, Inc.'s response to the findings identified in our audit is described in the accompanying corrective action plan. Kenosha Area Family and Aging Services, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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* and the *Wisconsin Department of Administration Audit Guide* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HAWKINS ASH CPAS, LLP

A handwritten signature in dark ink that reads "Hawkins Ash CPAs, LLP". The signature is written in a cursive, flowing style.

Manitowoc, Wisconsin
August 20, 2026



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

To the Board of Directors and Management
Kenosha Area Family and Aging Services, Inc.
Kenosha, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion for Each Major Federal and State Program

We have audited Kenosha Area Family and Aging Services, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of Kenosha Area Family and Aging Services, Inc.'s major federal and state programs for the year ended December 31, 2025. Kenosha Area Family and Aging Services, Inc.'s major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Kenosha Area Family and Aging Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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) and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. 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 Kenosha Area Family and Aging Services, 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 and state program. Our audit does not provide a legal determination of Kenosha Area Family and Aging Services, 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 Kenosha Area Family and Aging Services, Inc.'s federal and state programs.

Auditors' 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 Kenosha Area Family and Aging Services, 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 GAAS, *Government Auditing Standards*, the Uniform Guidance and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than 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 Kenosha Area Family and Aging Services, Inc.'s compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, 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 Kenosha Area Family and Aging Services, 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 Kenosha Area Family and Aging Services, 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 Kenosha Area Family and Aging Services, 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 and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis.

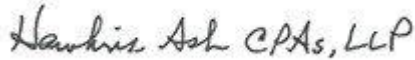
A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

HAWKINS ASH CPAS, LLP

A handwritten signature in dark ink that reads "Hawkins Ash CPAs, LLP". The signature is written in a cursive, flowing style.

Manitowoc, Wisconsin
August 20, 2026

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025

A. Summary of Auditors' Results

Financial Statements

- | | |
|--|------------|
| 1. Type of auditors' report issued? | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| 3. Noncompliance material to the financial statements noted? | No |

Federal and State Awards

- | | | | | | | | | | | |
|---|--|---------------|------------|---------------|------------------|--------|------------|----------------------------|--------|------------|
| 4. Internal control over major programs: | | | | | | | | | | |
| a. Material weakness(es) identified? | No | | | | | | | | | |
| b. Significant deficiency(ies) identified not considered to be material weakness(es)? | No | | | | | | | | | |
| 5. Type of auditors' report issued on compliance for major programs? | Unmodified | | | | | | | | | |
| 6. Any audit findings disclosures that are required to be reported in accordance with the Uniform Guidance? | No | | | | | | | | | |
| 7. Identification of major federal programs: | <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;"></td> <td style="width: 20%; text-align: right;"><u>ALN</u></td> <td style="width: 20%; text-align: right;"><u>Amount</u></td> </tr> <tr> <td> Medicaid Cluster</td> <td style="text-align: right;">93.778</td> <td style="text-align: right;">\$ 423,356</td> </tr> <tr> <td> Foster Grandparent Program</td> <td style="text-align: right;">94.011</td> <td style="text-align: right;">\$ 420,169</td> </tr> </table> | | <u>ALN</u> | <u>Amount</u> | Medicaid Cluster | 93.778 | \$ 423,356 | Foster Grandparent Program | 94.011 | \$ 420,169 |
| | <u>ALN</u> | <u>Amount</u> | | | | | | | | |
| Medicaid Cluster | 93.778 | \$ 423,356 | | | | | | | | |
| Foster Grandparent Program | 94.011 | \$ 420,169 | | | | | | | | |
| Identification of major state programs: | | | | | | | | | | |
| ADRC Base GPR Reimb | 435.560100 \$ 700,333 | | | | | | | | | |
| 8. Dollar threshold used to distinguish between | | | | | | | | | | |
| Type A and Type B federal programs? | \$1,000,000 | | | | | | | | | |
| Type A and Type B state programs? | \$330,000 | | | | | | | | | |
| 9. Auditee qualified as low-risk auditee? | No | | | | | | | | | |

B. Financial Statement Findings See Schedule on Page 36

C. Federal and State Award Findings and Questioned Costs None

D. Prior Year Findings See Schedule on Page 37

E. Other Issues

- | | |
|--|----|
| 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | No |
|--|----|

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
YEAR ENDED DECEMBER 31, 2025

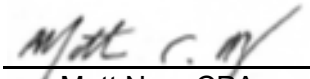
2. Does the audit report show audit issues (i.e. material non-compliance, significant deficiencies, material weaknesses, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Wisconsin Department of Children and Families	Yes
Wisconsin Department of Health and Human Services	Yes
Kenosha County Division of Children and Families	Yes
Kenosha County Division of Aging & Disability Services	Yes

3. Was a management letter, or other document, conveying audit comments issued as a result of this audit?

Yes

4. Name and signature of partner



Matt Neu, CPA

5. Date of report

August 20, 2026

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued
YEAR ENDED DECEMBER 31, 2025

2025-001 Material Audit Adjustments

Federal Program: Agency-wide

Criteria: Generally accepted accounting principles.

Condition: Material audit adjustments were required to prevent the Organization's financial statements from being misstated.

Questioned Costs: Not applicable.

Cause: Internal controls did not identify that adjustments should be recorded.

Effect: This weakness could result in undetected errors and irregularities and misstated interim financial reports.

Information: Systemic

Prior Year Finding: Prior year finding 2024-001.

Recommendation: Improve the Organization's financial reporting internal controls to prevent these types of adjustments from occurring in the future. Document which accounting procedures are needed to be completed on a recurring basis to detect material adjustments.

2025-002 Preparation of Financial Statements

Federal Program: Agency-wide

Criteria: Preparation of the financial statements and footnotes in accordance with GAAP.

Condition: Adequate internal controls necessitate personnel of your Organization to have adequate training and knowledge which would enable them to prepare financial statements and footnotes in accordance with generally accepted accounting principles (GAAP).

Questioned Costs: Not applicable.

Cause: The training and knowledge of your personnel limits the Organization's ability to prepare GAAP basis financial statements.

Effect: This weakness could result in the possibility of undetected errors or irregularities.

Information: Systemic

Prior Year Finding: Prior year finding 2024-002.

Recommendation: Without additional training of personnel, adequate internal control over financial reporting is not possible. The Organization has hired our firm to assist management in the preparation of the financial statements.

KENOSHA AREA FAMILY AND AGING SERVICES, INC.
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2025

2024-001 Material Audit Adjustments - Repeat Finding at 2025-001

2024-002 Preparation of Financial Statements - Repeat Finding at 2025-002



Corrective Action Plan

2025-001 Material Audit Adjustments

Management will review the current year audit adjustments that were made and will attempt to adjust the accounts affected for the 2026 audit year. The Business Office has started to complete a deep month end review to catch adjustments within that month to avoid undetected errors and irregularities moving forward.

Executive Director for the Organization and the Business Office, will be the responsible party for this corrective action plan. The anticipated complete date for finding 2025-001 will be December 31, 2026.

2025-002 Preparation of the Financial Statements

We will continue to outsource the preparation of our yearly financial statements to our external audit firm. Organization management will continue to review and approve the externally prepared financial statements.

Executive Director and Business Office for the Organization, will be the responsible party for this corrective action plan. The anticipated complete date for finding 2025-002 will be December 31, 2026.