

**MID-OHIO FOODBANK**  
**CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**For the Years Ended June 30, 2021 and 2020**  
  
(With Independent Auditor's Report Thereon)

# MID-OHIO FOODBANK

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Mid-Ohio Foodbank  
Grove City, Ohio

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

We have audited the accompanying consolidated financial statements of Mid-Ohio Foodbank (a nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, consolidated functional expenses, and consolidated cash flows for the years then ended, and the related notes to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of these consolidated 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated 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 audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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





**INDEPENDENT AUDITORS' REPORT  
(CONTINUED)**

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Mid-Ohio Foodbank as of June 30, 2021 and 2020, and the changes in its consolidated net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2021, on our consideration of Mid-Ohio Foodbank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mid-Ohio Foodbank's internal control over financial reporting and compliance.

*HWA Alliance of CPA Firms, Inc*

Westerville, Ohio  
November 22, 2021



**MID-OHIO FOODBANK**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Cash & Cash Equivalents	\$ 3,231,701	\$ 11,551,560
Investments (Note 11)	28,657,375	5,128,949
Pledges Receivable (Note 18)	12,262,584	957,163
Accounts Receivable (Net of allowance for doubtful accounts of \$2,000)	27,741	203,845
Accounts Receivable-Government	589,988	1,463,467
Inventory (Note 4)	4,672,729	4,230,146
Prepaid Expenses	107,689	143,689
Assets Held by Others (Note 5)	566,337	437,007
Property, Plant and Equipment, Net (Note 6)	16,623,409	16,876,342
<b>TOTAL ASSETS</b>	<b>\$ 66,739,553</b>	<b>\$ 40,992,168</b>
 <b>LIABILITIES &amp; NET ASSETS</b>		
Accounts Payable	\$ 885,063	\$ 973,476
Accounts Payable-Pension	173,540	145,043
Accrued Salaries and Other Payroll Liabilities	714,364	523,640
Other Liabilities	232,742	90,876
Loan Payable - Payroll Protection Program (Note 13)	-	1,600,700
Deferred Revenue (Note 8)	193,599	101,187
<b>TOTAL LIABILITIES</b>	<b>2,199,308</b>	<b>3,434,922</b>
 <b>NET ASSETS</b>		
Without Donor Restrictions:		
Board Designated	552,679	428,776
Operating Reserve - Board Designated	6,920,145	5,268,931
Undesignated	32,283,219	30,396,073
Total Without Donor Restrictions	39,756,043	36,093,780
With Donor Restrictions	24,784,202	1,463,466
<b>TOTAL NET ASSETS</b>	<b>\$ 64,540,245</b>	<b>\$ 37,557,246</b>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <b>\$ 66,739,553</b>	 <b>\$ 40,992,168</b>

See Accompanying Notes to Financial Statements

**MID-OHIO FOODBANK**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2021**

	<b>WITHOUT DONOR RESTRICTIONS</b>	<b>WITH DONOR RESTRICTIONS</b>	<b>TOTAL</b>
<b>REVENUE AND PUBLIC SUPPORT</b>			
Food Contributions	\$ 87,075,393	\$ -	\$ 87,075,393
Operation Feed Campaign	1,016,228	-	1,016,228
Donations & Grants	28,431,956	24,429,122	52,861,078
Shared Maintenance Fees	1,100,245	-	1,100,245
Program Earned Income	680,835	-	680,835
The Emergency Food Assistance Program (USDA TEFAP)	2,627,844	252,919	2,880,763
Ohio Food Purchase and Agricultural Clearance Program (OFPACP)	626,261	14,866	641,127
Commodity Supplemental Food Program (CSFP)	467,189	48,922	516,111
Child and Adult Care Food Program (CACFP)	78,608	38,373	116,981
Investment Income	1,527,379	-	1,527,379
Rental & Other Income	698,664	-	698,664
Gain on Extinguishment of Debt	1,600,700	-	1,600,700
Net Assets Released from Restrictions	1,463,466	(1,463,466)	-
<b>TOTAL REVENUE AND PUBLIC SUPPORT</b>	<b>127,394,768</b>	<b>23,320,736</b>	<b>150,715,504</b>
<b>EXPENSES</b>			
Program Services			
Collection Storage and Distribution of Food and Nonfood Items	114,982,997	-	114,982,997
Total Program Services	114,982,997	-	114,982,997
Supporting Services			
Management & General	5,627,572	-	5,627,572
Fundraising	3,121,936	-	3,121,936
Total Supporting Services	8,749,508	-	8,749,508
<b>TOTAL EXPENSES</b>	<b>123,732,505</b>	<b>-</b>	<b>123,732,505</b>
Change in Net Assets	3,662,263	23,320,736	26,982,999
Net Assets at Beginning of Year	36,093,780	1,463,466	37,557,246
<b>Net Assets at End of Year</b>	<b>\$ 39,756,043</b>	<b>\$ 24,784,202</b>	<b>\$ 64,540,245</b>

See Accompanying Notes to Financial Statements

**MID-OHIO FOODBANK**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2020**

	<b>WITHOUT DONOR RESTRICTIONS</b>	<b>WITH DONOR RESTRICTIONS</b>	<b>TOTAL</b>
<b>REVENUE AND PUBLIC SUPPORT</b>			
Food Contributions	\$ 91,962,060	\$ -	\$ 91,962,060
Operation Feed Campaign	1,152,423	-	1,152,423
Donations & Grants	23,113,228	140,921	23,254,149
Shared Maintenance Fees	2,518,729	-	2,518,729
Program Earned Income	660,417	-	660,417
The Emergency Food Assistance Program (USDA TEFAP)	1,678,339	863,276	2,541,615
Ohio Food Purchase and Agricultural Clearance Program (OFPACP)	460,195	273,270	733,465
Commodity Supplemental Food Program (CSFP)	479,633	94,099	573,732
Child and Adult Care Food Program (CACFP)	148,920	91,900	240,820
Investment Income	165,887	-	165,887
Rental & Other Income	603,408	-	603,408
Net Assets Released from Restrictions	780,765	(780,765)	-
<b>TOTAL REVENUE AND PUBLIC SUPPORT</b>	<b>123,724,004</b>	<b>682,701</b>	<b>124,406,705</b>
<b>EXPENSES</b>			
Program Services			
Collection Storage and Distribution of Food and Nonfood Items	108,617,597	-	108,617,597
Total Program Services	108,617,597	-	108,617,597
Supporting Services			
Management & General	5,027,883	-	5,027,883
Fundraising	2,179,398	-	2,179,398
Total Supporting Services	7,207,281	-	7,207,281
<b>TOTAL EXPENSES</b>	<b>115,824,878</b>	<b>-</b>	<b>115,824,878</b>
Change in Net Assets	7,899,126	682,701	8,581,827
Net Assets at Beginning of Year	28,194,654	780,765	28,975,419
<b>Net Assets at End of Year</b>	<b>\$ 36,093,780</b>	<b>\$ 1,463,466</b>	<b>\$ 37,557,246</b>

See Accompanying Notes to Financial Statements

**MID-OHIO FOODBANK**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended June 30, 2021**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising Expense</u>	<u>Total Expenses</u>
<b>Food</b>	\$ 98,975,790	\$ -	\$ -	\$ 98,975,790
<b>Labor Costs</b>				
Salaries and Wages	7,232,663	3,107,225	1,185,173	11,525,061
Payroll Taxes	482,252	238,548	100,043	820,843
Employee Benefits	1,207,726	597,407	250,542	2,055,675
<b>Total Labor Costs</b>	<u>8,922,641</u>	<u>3,943,180</u>	<u>1,535,758</u>	<u>14,401,579</u>
<b>Fees for Services</b>				
Professional Fees	130,885	225,203	151,073	507,161
Accounting/Payroll	-	76,282	-	76,282
FreshTrak	1,368,007	-	-	1,368,007
Data Analytics	-	513,765	-	513,765
ReadySkill	412,812	-	-	412,812
Other	280,623	3,060	-	283,683
<b>Total Fees for Services</b>	<u>2,192,327</u>	<u>818,310</u>	<u>151,073</u>	<u>3,161,710</u>
<b>Other Expenses</b>				
Advertising and Promotion	-	31,044	210,639	241,683
Office Expenses	87,331	30,332	10,134	127,797
Information Technology	162,615	285,607	50,863	499,085
Occupancy	1,249,304	61,302	6,811	1,317,417
Travel	26,590	35	899	27,524
Conferences & Development	515,518	26,260	8,346	550,124
Insurance	98,712	2,772	308	101,792
Transportation	683,161	-	-	683,161
Fundraising	-	-	1,141,358	1,141,358
Service Delivery	1,044,170	7,500	-	1,051,670
Marketing & Communication	-	369,510	-	369,510
Bad Debts	327	-	-	327
<b>Total Other Expenses</b>	<u>3,867,728</u>	<u>814,362</u>	<u>1,429,358</u>	<u>6,111,448</u>
Depreciation	<u>1,024,511</u>	<u>51,720</u>	<u>5,747</u>	<u>1,081,978</u>
<b>TOTAL EXPENSES</b>	<u>\$ 114,982,997</u>	<u>\$ 5,627,572</u>	<u>\$ 3,121,936</u>	<u>\$ 123,732,505</u>

See Accompanying Notes to Financial Statements

**MID-OHIO FOODBANK**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended June 30, 2020**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising Expense</u>	<u>Total Expenses</u>
<b>Food</b>	\$ 97,809,886	\$ -	\$ -	\$ 97,809,886
<b>Labor Costs</b>				
Salaries and Wages	4,780,896	2,714,502	808,273	8,303,671
Payroll Taxes	375,935	233,491	69,524	678,950
Employee Benefits	977,419	607,070	180,762	1,765,251
<b>Total Labor Costs</b>	<u>6,134,250</u>	<u>3,555,063</u>	<u>1,058,559</u>	<u>10,747,872</u>
<b>Fees for Services</b>				
Legal	34,351	199,498	-	233,849
Accounting/Payroll	-	67,387	-	67,387
FreshTrak	416,375	-	-	416,375
Other	247,703	3,240	-	250,943
<b>Total Fees for Services</b>	<u>698,429</u>	<u>270,125</u>	<u>-</u>	<u>968,554</u>
<b>Other Expenses</b>				
Advertising and Promotion	-	35,145	209,567	244,712
Office Expenses	64,142	47,494	1,076	112,712
Information Technology	139,750	227,038	77,308	444,096
Occupancy	1,237,490	51,349	3,866	1,292,705
Travel	69,088	2,868	5,804	77,760
Conferences & Development	-	219,985	-	219,985
Insurance	44,678	37,632	-	82,310
Transportation	662,159	-	-	662,159
Fundraising	-	-	808,699	808,699
Service Delivery	865,708	53,773	-	919,481
Marketing & Communication	-	398,579	-	398,579
Events	8,707	-	-	8,707
Bad Debts	8,971	-	-	8,971
<b>Total Other Expenses</b>	<u>3,100,693</u>	<u>1,073,863</u>	<u>1,106,320</u>	<u>5,280,876</u>
Depreciation	<u>874,339</u>	<u>128,832</u>	<u>14,519</u>	<u>1,017,690</u>
<b>TOTAL EXPENSES</b>	<u>\$ 108,617,597</u>	<u>\$ 5,027,883</u>	<u>\$ 2,179,398</u>	<u>\$ 115,824,878</u>

See Accompanying Notes to Financial Statements

**MID-OHIO FOODBANK**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the Years Ended June 30, 2021 and 2020

	<b>2021</b>	<b>2020</b>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 26,982,999	\$ 8,581,827
<b>Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities</b>		
Depreciation Expense	1,081,978	1,017,690
Realized Gain on Investment	(460,521)	-
Unrealized Gain on Investments	(691,086)	(10,133)
Stock Donations	(2,216,786)	(188,071)
Gain on Extinguishment of Debt	(1,600,700)	-
Changes in Assets:		
(Increase) Decrease in Pledges Receivable	(11,305,421)	-
(Increase) Decrease in Accounts Receivable	176,104	(599,758)
(Increase) Decrease in Accounts Receivable - Government	873,479	(703,803)
(Increase) Decrease in Inventory	(442,583)	(603,608)
(Increase) Decrease in Prepaid Expenses	36,000	(77,172)
(Increase) Decrease in Assets Held by Others	(129,330)	(30,026)
Changes in Liabilities:		
Increase (Decrease) in Accounts Payable	(88,413)	550,256
Increase (Decrease) in Accounts Payable - Pension	28,497	(8,498)
Increase in Accrued Salaries and Other Payroll Liabilities	190,724	111,869
Increase (Decrease) in Other Liabilities	141,865	(76,019)
Increase (Decrease) in Deferred Revenue	92,412	(105,981)
<b>Net Cash Provided by Operating Activities</b>	<b>12,669,218</b>	<b>7,858,573</b>
<b>Cash Flows from Investing Activities</b>		
Payments for the Purchase of Investments	(20,000,000)	(5,102,820)
Proceeds from the Sale of Investments	-	2,396,694
Reinvested Investment Income	(160,032)	(2,351)
Proceeds from Loans Payable	-	1,600,700
Capital Expenditures	(829,045)	(1,073,592)
<b>Net Cash Used in Investing Activities</b>	<b>(20,989,077)</b>	<b>(2,181,369)</b>
<b>Cash Flows from Financing Activities</b>		
Payments on Note Payable - CCDC	-	-
<b>Net Cash Used in Financing Activities</b>	<b>-</b>	<b>-</b>
Net (Decrease) Increase in Cash and Cash Equivalents	(8,319,858)	5,677,204
Cash and Cash Equivalents Balance at Beginning of Year	11,551,560	5,874,356
<b>Cash and Cash Equivalents Balance at End of Year</b>	<b>\$ 3,231,701</b>	<b>\$ 11,551,560</b>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash Paid for Interest	<b>\$ -</b>	<b>\$ -</b>

See Accompanying Notes to Financial Statements

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

<b>Note 1 - Background</b>
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**Organization**

The Foodbank is a nonprofit corporation that collects, stores and distributes food and nonfood items to organizations feeding the needy. The Foodbank was organized in 1976 and began operations in April 1980. On March 12, 1987, the Foodbank officially changed the name of the organization from Operation Feed, Inc. to Mid-Ohio Foodbank.

In June 2013, Mid-Ohio Foodbank entered into an agreement as the sole member of Urban Farms of Central Ohio, LLC (UFCO), an Ohio non-profit limited liability company. UFCO was organized to create and operate a sustainable, non-profit urban farming business that operates on underutilized urban sites. Mid-Ohio Foodbank retains oversight of the farms and reserved powers for major decisions. The financial statements represent the consolidated operations of Mid-Ohio Foodbank and Urban Farms of Central Ohio, LLC.

<b>Note 2 - Summary of Significant Accounting Policies</b>
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**Basis of Accounting**

The Organization uses the accrual basis of accounting.

**Basis of Presentation**

Donated food is recognized as a contribution and resulting inventory. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- 1) Net assets without donor restrictions represent the portion of expendable funds that is available for support of the operations of the Organization. Since the endowment fund is board/management restricted and not donor restricted, it is included in net assets without donor restrictions.
- 2) Net assets with donor restrictions consist of contributions that are restricted for use in specified programs. These include some government funds receivable.

The Organization obtains donations from the following contracts with governmental agencies:

- 1) The Emergency Food and Shelter Program (EFSP) represents Federal funds that have been distributed to the Organization through the United Way acting as fiscal agent for the Emergency Food and Shelter National Board Program. The funds are designated for the purchase of food for distribution to qualified agencies.
- 2) The USDA-TEFAP Program provides temporary emergency food assistance to its twenty county footprint and is funded through the State of Ohio Department of Human Services, acting for the United States Department of Agriculture (USDA).

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

- 3) The Commodity Supplemental Food Program (CSFP) is a federal USDA food and nutrition program serving nutritionally at-risk, income-eligible participants. It is administered in Ohio by the Department of Job and Family Services and program services are provided locally by designated food banks. The targeted participant population in Ohio is the elderly, ages 60 and older; and children, age 5, who age off the WIC program at their sixth birthday.
- 4) The Summer Food Service Program (SFSP) provides payments for eligible meals served to participants who meet age and income requirements. Mid-Ohio Foodbank serves meals to eligible children through the Mid-Ohio Foodbank Kids' Cafe Program.
- 5) The Temporary Assistance to Needy Families (TANF) program provides time-limited assistance to needy families with children. Funding from the Department of Health and Human Services is passed through the Ohio Association of Foodbanks.
- 6) The Supplemental Nutrition Assistance Program (SNAP) provides federal funding for part of the administrative costs incurred by state and local agencies to operate the SNAP program. Funding from the United States Department of Agriculture and is passed through the Ohio Association of Foodbanks.
- 7) The Soil and Water Conservation program provides conservation technical assistance through a national network of locally respected, technically skilled, professional conservationists, to assist them in conserving, improving, and sustaining our natural resources and environments, and funded through the Natural Resources Conservation Service (NCRS) agency, that is part of the United States Department of Agriculture (USDA).

**Tax Exempt Status**

Mid-Ohio Foodbank is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954. It has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code and qualifies as a tax-deductible charitable contribution for individual donors. Mid-Ohio Foodbank's federal exempt organization tax returns are subject to examination by the Internal Revenue Service, generally for three years after they are filed. The Foodbank is also exempt from property tax and state income taxes.

**Cash & Cash Equivalents**

For purposes of the consolidated statements of cash flows, the Foodbank considers all bank accounts and cash positions of investment accounts to be cash equivalents.

**Property and Equipment**

The Foodbank capitalizes the cost of all expenditures over \$5,000 and has a useful life of greater than one year for purchased property and equipment and the estimated fair value of all significant donated property and equipment. Depreciation is provided over the estimated useful lives of the assets or the life of the lease; whichever is shorter, for leasehold improvements, using the straight-line method.

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

<b>Note 2 - Summary of Significant Accounting Policies (Continued)</b>
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**Public Support and Revenue Recognition**

Mid-Ohio Foodbank recognizes unconditional contributions when cash, securities, or other assets; or a promise (pledge) to give are received. Unconditional promises to give that are expected to be collected in more than 12 months are recorded at the present value of their estimated future cash flows if deemed material to the consolidated financial statements. Conditional promises to give that is, those with a measurable performance or other barrier and right of return, are not recognized until the conditions on which they depend have been met.

Contributions received are recorded as with or without donor restriction, depending on the existence and nature of any donor restrictions. When the applicable restriction is satisfied or time passes, whichever the case may be, the net assets with donor restriction are reclassified as net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. If the restriction is satisfied in the period of contribution, the contribution is recorded as revenue without donor restriction.

Revenue from cost reimbursement-based government contracts is recognized when reimbursable costs are incurred under the terms of the contracts. Funds are received in either predetermined installments or increments based on estimated or actual expenditures for the period. Accordingly, income under these awards is recognized in amounts equal to the lesser of actual expenditures incurred or the awarded contract amount. Contract payments received in advance of the qualified cost are accounted for as deferred revenue.

**Shared Maintenance Fees**

To cover distribution costs, the Foodbank assesses member agencies a \$0.08 per pound charge on certain food distributed to them, although fresh food is available at no charge to agencies. USDA TEFAP food is distributed at \$0.08 per pound, while food procured through food drives is distributed free of charge. These fees are recognized as revenues as the related food distribution services are provided to member agencies.

In response to the COVID-19 pandemic Shared Maintenance Fees were waived the second half of Fiscal Year 2021.

**Donated Services**

The Foodbank has many volunteers who donate their time to the Foodbank's activities. It is the policy of the Foodbank not to record the value of these donated services since they do not meet the criteria of generally accepted accounting principles (GAAP) which state, "Contributions of services shall be recognized if the services received 1) create or enhance nonfinancial assets; or 2) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation."

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Compensated Absences**

Employees of the Foodbank are entitled to paid vacation depending on length of service. Vacation is earned and accrued on a bi-weekly basis; hours accrued beyond 20 days (160 hours) are forfeited. Employees may be paid up to five (5) days (40 hours) for any unused accrued vacation days within any fiscal year. No vested rights or interests are accrued for sick days.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, labor costs are based on salaries and wages paid and allocated based on the nature of the service or activity performed. Building costs are allocated based on square footage and the remaining costs are allocated according to asset usage.

<b>Expense Classification</b>	<b>Allocation Base</b>
Personnel	Actual Time Allocations
Occupancy	Square footage, usage
Depreciation	Asset use, square footage

**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. Accordingly, actual results could differ from those estimates.

**Subsequent Events**

Generally accepted accounting principles defines subsequent events as events or transactions that occur after the statement of financial position date, but before the financial statements are issued or are available to be issued. Management has evaluated subsequent events through November 22, 2021, the date on which the financial statements were available to be issued.

No other events occurred during the subsequent period that should be disclosed.

**Fair Value of Financial Instruments**

The Organization's financial instruments consist primarily of cash, accounts receivable, accounts payable, and accrued expenses. The carrying amount of these assets and liabilities approximates fair value due to their short-term nature.

**Reclassifications**

Certain prior year amounts have been reclassified to conform with the current year presentation.

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

<b>Note 2 - Summary of Significant Accounting Policies (Continued)</b>
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**Change in Accounting Policy**

In May 2014, the FASB issued Accounting Standards Update (“ASU”) 2014-09, Revenue from Contracts with Customer (Topic 606). Under this standard, a company recognizes revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The standard implements a five-step process for customer contract revenue recognition that focuses on the transfer of control. The standard is effective for annual reporting periods beginning after December 15, 2019. Entities can transition to the standard either retrospectively or as a cumulative effect adjustment as of the date of adoption.

As of July 1<sup>st</sup>, 2020, the Organization adopted ASC 606 using the full retrospective method. As a result, the Organization evaluated the impact of the new revenue recognition model on their operations to determine if changes were required to comply with these requirements. The conclusion is that there is no change to the amount and timing of revenue recognition. The majority of the Organization’s revenues are from contributions, which the FASB has scoped out of ASC 606. Due to the nature of these revenue streams, they are considered non-reciprocal transactions and there is no customer.

**New Accounting Pronouncements**

In 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which is intended to improve financial reporting on leasing transactions. ASU No. 2016-02 will require lessees to recognize right of use assets and lease obligations for operating and finance leases under terms greater than 12 months. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. ASU No. 2016-02 must be applied modified retrospectively. The Organization is currently evaluating the impact of the provisions of ASU Topic 842.

<b>Note 3 – Operation Feed</b>
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At June 30, 2021, Operation Feed consisted of cash contributions from the general public during the Foodbank’s annual campaign. For the years ended June 30, 2021 and 2020, \$1,016,585 and \$1,153,268 of contributions received, respectively.

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

<b>Note 4 - Inventory</b>
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**Donated Food**

Food donated to the Organization is capitalized as inventory and recorded as an unrestricted contribution. Upon distribution, the food is recorded as a decrease in net assets without restrictions.

Activities of donated food inventory for 6/30/21 are summarized as follows:

	6/30/2021	
	Pounds	Dollar Value
Beginning Inventory	3,138,433	\$ 3,574,557
Pounds received for the year		
TEFAP	17,949,081	17,042,886
CFAP	6,105,566	10,379,464
CSFP	1,688,887	1,849,037
OH Food Purchase Program	10,165,025	4,494,670
Industry Surplus	29,781,752	53,309,336
Total - Pounds received for the year	65,690,311	87,075,393
Pounds disbursed for the year		
TEFAP	(16,620,973)	(16,269,874)
CFAP	(6,153,307)	(10,424,883)
CSFP	(2,042,446)	(1,939,994)
OH Food Purchase Program	(10,330,516)	(4,490,972)
Industry Surplus	(28,394,321)	(50,769,667)
Total - Pounds disbursed for the year	(63,541,563)	(83,895,390)
Pounds discarded - unusable food	(1,824,729)	(3,266,265)
Ending Inventory	3,462,452	\$ 3,488,295

The estimated value of donated food is \$1.79 per pound for 2021, which was based on the 2020 Feeding America Product Valuation Survey. The fluctuation in the dollar value of inventory received and distributed may not correlate to the fluctuation in pounds; for example, government commodities may be comprised of fewer pounds with higher unit cost.

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

**Note 4 – Inventory (Continued)**

Activities of donated food inventory for 6/30/20 are summarized as follows:

	06/30/2020	
	Pounds	Dollar Value
Beginning Inventory	3,253,105	\$ 3,275,768
Pounds received for the year		
TEFAP	16,071,215	15,250,137
CSFP	2,717,668	2,165,922
OH Food Purchase Program	13,587,207	5,859,209
Industry Surplus	39,475,168	68,686,792
Total - Pounds received for the year	71,851,258	91,962,060
Pounds disbursed for the year		
TEFAP	(17,088,945)	(15,849,251)
CSFP	(2,384,439)	(2,049,603)
OH Food Purchase Program	(13,335,662)	(5,704,063)
Industry Surplus	(38,190,756)	(66,379,291)
Total - Pounds disbursed for the year	(70,999,802)	(89,982,208)
Pounds discarded - unusable food	(966,128)	(1,681,063)
Ending Inventory	3,138,433	\$ 3,574,557

The estimated value of donated food is \$1.74 per pound for 2020, which was based on the 2019 Feeding America Product Valuation Survey. The fluctuation in the dollar value of inventory received and distributed may not correlate to the fluctuation in pounds; for example, government commodities may be comprised of fewer pounds with higher unit costs.

**Purchased Food**

In addition to donated food, the Organization also maintains an inventory of purchased food as follows:

	6/30/2021	
	Pounds	Dollar Value
Beginning Inventory	1,227,421	\$ 655,589
Purchases	19,340,352	11,701,351
Food Distributed	(19,364,660)	(11,172,506)
Ending Inventory	1,203,113	1,184,434
<b>TOTAL INVENTORY</b>		<b>\$ 4,672,729</b>

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

**Note 4 – Inventory (Continued)**

	<b>06/30/2020</b>	
	Pounds	Dollar Value
Beginning Inventory	600,989	\$ 350,770
Purchases	3,785,900	5,095,284
Food Distributed	(3,159,468)	(4,790,465)
Ending Inventory	1,227,421	655,589
<b>TOTAL INVENTORY</b>		<b>\$ 4,230,146</b>

Total inventory for June 30, 2021 was \$4,672,729 and total inventory for June 30, 2020 was \$4,230,146.

**Note 5 - Assets Held by Others**

Endowment Fund- In December 2004, Mid-Ohio Foodbank established a fund with the Columbus Foundation. All income from this fund is to be reinvested into the fund principal. Mid-Ohio Foodbank is the beneficiary of this fund and may direct Columbus Foundation as to the distribution of the funds. A specified beneficiary recognizes its rights to the assets held by a recipient organization as an asset unless the donor has explicitly granted the recipient organization variance power. At the time of transfer, Mid-Ohio Foodbank granted variance power to the Columbus Foundation to distribute the funds to other recipients. Therefore, generally accepted accounting principles require that assets transferred in which variance power was granted be omitted from the beneficiary's statement of financial position.

However, management believes it is highly unlikely that the Columbus Foundation would ever exercise its variance power and that the funds will be distributed only as directed by Mid-Ohio Foodbank. Therefore, management has chosen to report these funds on its statement of financial position as Assets Held by Others and to include in the statement of activities the earnings and gains (losses) generated by the fund. The funds are reflected in the financial statement at current fair market value.

The endowment fund is reported as a board designated net asset without donor restrictions. As the fund and earnings continue to grow long term, they may be utilized for future operating expenses as determined by the board and management.

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

**Note 5 - Assets Held by Others (Continued)**

Catholic Foundation- In March 2016, Mid-Ohio Foodbank transferred \$5,000 of operating funds to establish a donor advised fund with the Catholic Foundation as a new opportunity for engaging existing and prospective donors. The President & CEO and CFO are named as advisors to the fund and can, at their discretion, request that donations be disbursed to the organization.

Long-term investment activity is reflected in the table below:

	<u>6/30/2021</u>		<u>6/30/2020</u>	
	<u>Columbus Foundation</u>	<u>Catholic Foundation</u>	<u>Columbus Foundation</u>	<u>Catholic Foundation</u>
Beginning	\$ 428,776	\$ 8,231	\$ 398,838	\$ 8,143
Contributions	100	5,420	60	10
Investment Return	123,804	6	29,878	78
Ending	<u>\$ 552,680</u>	<u>\$ 13,657</u>	<u>\$ 428,776</u>	<u>\$ 8,231</u>

**Note 6 - Property, Plant and Equipment**

Property, plant and equipment consisted of the following:

	<u>6/30/2021</u>	<u>6/30/2020</u>
Building	\$ 18,024,794	\$ 16,574,794
Building Improvements	1,908,907	1,851,407
Vehicles	3,132,213	2,780,399
Machinery & Equipment	1,192,801	1,144,502
Office Equipment	1,008,023	1,008,022
Land	120,266	1,570,266
Parking Lot	694,135	694,135
Pantry	31,445	24,198
High Tunnels	85,653	85,654
Leasehold Improvement in Progress	536,673	247,734
Total, Property, Plant & Equipment	<u>26,734,910</u>	<u>25,981,111</u>
Accumulated Depreciation	<u>(10,111,501)</u>	<u>(9,104,769)</u>
Net Property, Plant & Equipment	<u>\$ 16,623,409</u>	<u>\$ 16,876,342</u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$1,081,978 and \$1,017,690, respectively.

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

**Note 7 - Retirement and Tax-Sheltered Annuity Plan**

The Foodbank maintains a defined contribution pension plan for all full-time employees who have completed at least one year of service. Contributions of \$690,327 and \$624,586 were made for the years ended June 30, 2021 and 2020, respectively. Pension plan contributions consist of safe harbor and employer match contributions, along with a discretionary amount based upon a percentage of annual compensation of eligible employees; discretionary contributions are set by the Board of Trustees according to the availability of funds. During the year ended June 30, 2013 the Foodbank began a Private Section 457(b) deferred compensation plan for executive management, and in June 2015 added a 457(f) component to the plan. Contributions of \$0 and \$44,000 were made for the year ended June 30, 2021 and 2020, respectively. Discretionary contributions are set by the Board of Directors.

**Note 8 - Deferred Revenue**

Deferred revenue represents donations designated for 2022 operating support, and credit balances in accounts receivable from government reimbursable contracts which have not been earned as of June 30, 2021.

**Note 9 - Contingencies**

Contracts and grants with various Local, State and Federal agencies are subject to audits and final settlements under the terms and conditions contained therein. Until such audits and final settlements have been reached, there exists a contingency to refund any amount received in excess of expended allowable costs.

Management believes that no material liability would result from such audits and final settlements. The Foodbank had complied, in all material respects, with the provisions of each grant and contract, and no provision for possible loss and or assessment had been recorded.

**Note 10 - Concentration of Credit Risk**

The Organization's funds contained in its cash balance on June 30, 2021, were held in a total of five different financial institutions. Each of these institutions provides insurance coverage up to \$250,000 through the Federal Deposit Insurance Corporation. On June 30, 2021, the cash on deposit at Huntington National Bank (HNB) and JP Morgan Chase exceeded this \$250,000 limit by \$2,294,046 and \$773,901, respectively.

At June 30, 2020, the cash on deposit at Huntington National Bank (HNB) and JP Morgan Chase exceeded this \$250,000 limit by \$9,578,293 and \$1,315,608, respectively.

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

**Note 11 - Investments**

The organization maintains investments in cash, equities, and equity funds. Investments are carried at fair value and realized, and unrealized gains and losses are reflected within investment return in the statement of activities.

All investments are classified as Level 1 (Quoted Prices in Active Markets for Identical Assets/Liabilities) investments.

The investments consisted of the following at June 30, 2021:

Description	2021		
	Fair Value	Cost	Unrealized Gain (Loss)
Equities	\$ 4,982,243	\$ 4,027,635	\$ 954,607
Fixed Income	1,209,279	1,182,524	26,755
Mutual Funds	22,465,853	22,235,083	230,770
<b>Total</b>	<b>\$ 28,657,375</b>	<b>\$ 27,445,242</b>	<b>\$ 1,212,132</b>

The investments consisted of the following as of June 30, 2020:

Description	2020		
	Fair Value	Cost	Unrealized Gain (Loss)
Equities	\$ 2,398,280	\$ 2,133,178	\$ 265,102
Fixed Income	1,275,831	1,225,981	49,850
Mutual Funds	1,454,838	1,529,251	(74,413)
<b>Total</b>	<b>\$ 5,128,949</b>	<b>\$ 4,888,410</b>	<b>\$ 240,539</b>

Investment income consisted of the following for the years ended June 30:

	2021	2020
Interest and dividend income	\$ 173,878	\$ 131,576
Realized gain on investments	700,004	54,613
Unrealized gains on investments	691,086	10,133
Brokerage fees	(37,589)	(30,435)
<b>Net Investment Income</b>	<b>\$ 1,527,379</b>	<b>\$ 165,887</b>

**MID-OHIO FOODBANK  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

**Note 12 – Leases**

Reeb Avenue Center rents a portion of a building on Reeb Avenue from the City of Columbus, Ohio. On January 1, 2019, Mid-Ohio Foodbank renewed its sublease agreement with the Reeb Avenue Center to operate South Side Roots Café. South Side Roots is owned and operated by Mid-Ohio Foodbank, and includes a pay-what-you-can café, an affordable fresh foods market, a weekly community meal, and a Kids’ Café meal program for students at South Side Learning & Development Center and the Boys & Girls Club of Columbus. The lease is for the period January 1, 2019, through August 31, 2021.

The lease for the Reeb Avenue location is in the process of being negotiated but was not finalized as of the publication date. Currently being leased month to month.

Future lease payments are:

FY 2022	\$ 3,508
FY 2023	-
Future lease payments	<u>\$ 3,508</u>

**Note 13 – Loan Payable - Payroll Protection Program**

On April 27, 2020, Mid-Ohio Foodbank received \$1,600,700 in proceeds from the Paycheck Protection Program administered by the Small Business Administration. This was recognized as a loan payable liability at that time.

On March 18, 2021, the SBA forgave the full \$1,600,700 that the Mid-Ohio Foodbank received. At that time, the \$1,600,700 was recognized as Gain on Extinguishment of Debt, and the Loan Payable liability was eliminated.

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

<b>Note 14 – Net Assets With Donor Restrictions</b>
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Net assets with donor restrictions are available for the following purposes:

	<b>6/30/2021</b>	<b>6/30/2020</b>
Rooted in You Campaign	\$ 24,067,059	\$ -
TEFAP	252,919	863,276
CSFP	48,922	94,099
SNAP	14,866	13,655
OAS	-	259,615
Kids' Meals CACFP/SFSP	38,373	91,900
NRCS	173,967	77,856
City of Columbus	-	5,000
Franklin County	60,941	58,065
Others with Donor Restrictions	127,155	-
	<b>\$ 24,784,202</b>	<b>\$ 1,463,466</b>

<b>Note 15 – Liquidity</b>
----------------------------

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows.

Cash and cash equivalents	\$	3,231,701
Short-term investments		28,657,375
Accounts receivable		617,729
Less: Restricted cash and investments		(11,981,630)
Less: Accounts Payable		(885,063)
Less: Accounts Payable-Pension		(173,540)
Less: Accrued Salaries and Other Payroll Liabilities		(714,364)
Less: Loans Payable and Other Liabilities		(232,743)
<b>Total</b>	<b>\$</b>	<b>18,519,465</b>

As part of MOF's liquidity management, it has the policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The organization holds the equivalent of three to four months of operating expenses, which average \$2.9M per month, in various investments that can be liquidated in the event of an unanticipated liquidity need.

**MID-OHIO FOODBANK**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2021 and 2020**

**Note 16 – Cash and Cash Equivalents**

Cash and cash equivalents consisted of money on deposit at five different financial institutions as well as cash that was contained in the Foodbank’s investment account with Huntington. Cash and cash equivalents consisted of the following:

	<b>6/30/2021</b>	<b>6/30/2020</b>
Cash - checking and money market accounts	\$ 3,000,159	\$ 11,411,578
Cash - investment portfolio	231,542	139,982
	<b>\$ 3,231,701</b>	<b>\$ 11,551,560</b>

**Note 17 – Rooted in You: The Campaign to Re-Imagine Ending Hunger**

The Foodbank seeks to improve the model of service delivery and better meet customers where they are, by launching a \$30 million campaign to:

1. Create and sustain Mid-Ohio Markets
2. Enhance the Mid-Ohio Farm on the Hilltop
3. Develop a new data and insights platform
4. Reimagine the Food Collective’s facility
5. Build a robust annual fund

**Note 18 – Pledges**

<b>Description</b>	<b>&lt; 1 Year</b>	<b>1 to 5 Years</b>	<b>&gt; 5 Years</b>	<b>Total</b>
Rooted in You Campaign	\$ 6,237,186	\$ 6,551,134	-	\$ 12,788,320
Discount of Pledges	-	(525,736)	-	(525,736)
Net Pledge	\$ 6,237,186	\$ 6,025,398	-	\$ 12,262,584

**Note 19 – Risk and Uncertainties Global Pandemic**

In March 2020, the World Health Organization recognized the outbreak of COVID-19 disease as a pandemic. Governments worldwide continue to take actions to prevent the spread of the outbreak, including event cancellations and quarantines that have created widespread adverse impacts to the global economy as well as business interruptions. Given the dynamic nature of these circumstances and the duration of business disruption, the future financial impact on the Organization cannot be reasonably estimated at this time.

**MID-OHIO FOODBANK**

**UNIFORM GUIDANCE**  
**SUPPLEMENTAL FINANCIAL REPORT**  
**For the Year Ended June 30, 2021**

# MID-OHIO FOODBANK

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**CONSOLIDATED FINANCIALS OF MID-OHIO FOODBANK**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2021**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Number	Federal CFDA Number	Disbursements
<b>Food Distribution Programs</b>			
<b>United States Department of Agriculture Pass-Through Programs</b>			
<b>Passed through Ohio Department of Jobs &amp; Family Services</b>			
Commodity Supplemental Food Program (Administrative Costs)	G - 2021 - 17 - 0467	10.565	\$ 126,729
	G - 2021 - 17 - 0796	10.565	389,382
Commodity Supplemental Food Program (Food Commodities) (Note B)	G - 2021 - 17 - 0467	10.565	454,022
	G - 2021 - 17 - 0796	10.565	1,395,015
Total Commodity Supplemental Food Program			<u>2,365,148</u>
Emergency Food Assistance Program (Administrative Costs)	G - 2021 - 17 - 0455	10.568	262,145
	G - 2021 - 17 - 0819	10.568	1,130,359
Emergency Food Assistance Program (Food Commodities) (Note B)	G - 2021 - 17 - 0455	10.569	1,320,186
	G - 2021 - 17 - 0819	10.569	5,692,586
Emergency Food Assistance Program (Trade Mitigation Administrative Costs)	G - 2021 - 17 - 0477	10.178	174,060
	G - 2021 - 17 - 0831	10.178	170,843
Emergency Food Assistance Program (Trade Mitigation Food Commodities) (Note B)	G - 2021 - 17 - 0477	10.178	926,942
	G - 2021 - 17 - 0831	10.178	3,996,937
COVID-19 - Emergency Food Assistance Program (CARES Administrative Costs)	G - 2021 - 17 - 0455	10.568	1,143,357
COVID-19 - Emergency Food Assistance Program (CARES Food Commodities) (Note B)	G - 2021 - 17 - 0455	10.568	2,175,577
COVID-19 - Emergency Food Assistance Program (FFCRA Food Commodities) (Note B)	G - 2021 - 17 - 0455	10.568	2,157,645
Total Emergency Food Assistance Program			<u>19,150,637</u>
Total Passed through Ohio Department of Jobs & Family Services			<u>21,515,785</u>
<b>Passed through Natural Resources Conservation Service</b>			
Soil and Water Conservation - Community Garden Projects	68-5E34-16-798	10.902	263,034
Total Passed through Soil and Water Conservation - Community Garden Projects			<u>263,034</u>
Total Passed through Natural Resources Conservation Service			<u>263,034</u>
<b>Passed through Ohio Department of Education - Office for Child Nutrition</b>			
Summer Food Service Program for Children	2520-3353	10.559	116,981
Total Summer Food Service Program for Children			<u>116,981</u>
Total Passed through Ohio Department of Education - Office for Child Nutrition			<u>116,981</u>
Total United States Department of Agriculture			<u>21,895,800</u>
<b>Total Food Distribution Programs</b>			<u>21,895,800</u>
<b>Other Programs</b>			
<b>United States Department of Agriculture Pass-Through Programs</b>			
<b>Passed through Ohio Association of Foodbanks</b>			
Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants	SNAPFY21MOFB	10.561	158,595
Total Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants			<u>158,595</u>
Total Passed through Ohio Association of Foodbanks			<u>158,595</u>
Total United States Department of Agriculture			<u>158,595</u>
<b>Department of Health and Human Services Pass-Through Programs</b>			
<b>Passed through Franklin County Job &amp; Family Services</b>			
Temporary Assistance to Needy Families (Food Purchase & Distribution Costs)	25-21-3494	93.667	100,000
Total Temporary Assistance for Needy Families			<u>100,000</u>
Total Passed through Franklin County Job & Family Services			<u>100,000</u>
<b>Passed through Ohio Association of Foodbanks</b>			
Social Services Block Grant (Administrative Costs)	G2021-17-0120	93.667	48,253
Social Services Block Grant (Food Commodities)	G2021-17-0120	93.667	357,256
Total Social Services Block Grant			<u>405,509</u>
Temporary Assistance to Needy Families (Administrative Costs)	G2021-17-0120	93.558	434,279
Temporary Assistance to Needy Families (Food Commodities)	G2021-17-0120	93.558	4,433,783
Total Temporary Assistance to Needy Families			<u>4,868,062</u>
<b>Emergency Food Assistance Program</b>			
	G-2021-17-0900	10.568	44,578
Total Emergency Food Assistance Program			<u>44,578</u>
Total Passed through Ohio Association of Foodbanks			<u>5,318,150</u>
Total Department of Health and Human Services			<u>5,418,150</u>
<b>Department of Homeland Security Pass-Through Programs</b>			
<b>Passed through United Way of Franklin County</b>			
Emergency Food and Shelter National Board Program	37-6672-00 LRO 002	97.024	50,000
COVID-19 - Emergency Food and Shelter National Board Program	CARES-6672-00 LRO 002	97.024	50,000
Total Emergency Food and Shelter National Board Program			<u>100,000</u>
Total Passed-through United Way of Franklin County			<u>100,000</u>
Total Department of Homeland Security			<u>100,000</u>
<b>Total Other Programs</b>			<u>5,676,745</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 27,572,544</u>

**MID-OHIO FOODBANK**  
**NOTES TO THE CONSOLIDATED SCHEDULE OF**  
**EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of Mid-Ohio Foodbank 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 the Organization, 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 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 may or may not be allowable or may be limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**NOTE C – FOOD DONATION PROGRAM**

The Organization reports commodities consumed on the Schedule at the entitlement value. At June 30, 2021, the organization had food commodities totaling \$2,286,413 in inventory, comprised of CFDA 10.565 - \$506,213 and CFDA 10.569 - \$1,780,200 which are excluded from this schedule.

**MID-OHIO FOODBANK  
 NOTES TO THE CONSOLIDATED SCHEDULE OF  
 EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE D – SUBRECIPIENTS**

The Organization passes certain federal awards (commodities) received to other not-for-profit agencies (subrecipients). As a subrecipient, the Organization has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards/commodities as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award’s performance goals.

These distributions were included in the schedule of federal expenditures of federal awards under CFDA Numbers 93.558, 93.667, 10.565, 10.568, 10.569 and 10.178. The distribution of commodities to subrecipients is reflected below:

<b>Subrecipients &gt; \$200k</b>	<b>CFDA 93.558</b>	<b>CFDA 93.667</b>	<b>CFDA 10.565</b>	<b>CFDA 10.568</b>	<b>CFDA 10.569</b>	<b>CFDA 10.178</b>	<b>Total</b>
Total	\$3,426,103	\$276,061	\$1,836,520	\$3,381,692	\$5,417,093	\$3,803,505	\$18,140,974

**NOTE E – INDIRECT COST RATE ELECTION**

The Organization has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



**INDEPENDENT AUDITOR’S 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  
Mid-Ohio Foodbank  
Grove City, Ohio

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 Mid-Ohio Foodbank (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statement of activities and consolidated cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 22, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Mid-Ohio Foodbank’s internal control over financial reporting (internal control) a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mid-Ohio Foodbank’s internal control. Accordingly, we do not express an opinion on the effectiveness of Mid-Ohio Foodbank’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.





**INDEPENDENT AUDITOR’S REPORT ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***  
(Continued)

**Compliance and Other Matters**

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

**Purpose of 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.

*HWA Alliance of CPA Firms, Inc*

Westerville, Ohio  
November 22, 2021



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of  
Mid-Ohio Foodbank  
Grove City, Ohio

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

We have audited Mid-Ohio Foodbank’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 Mid-Ohio Foodbank’s major federal programs for the year ended June 30, 2021. Mid-Ohio Foodbank’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

***Management’s Responsibility***

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

***Auditor’s Responsibility***

Our responsibility is to express an opinion on compliance for each of Mid-Ohio Foodbank’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 Mid-Ohio Foodbank’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 Mid-Ohio Foodbank’s compliance.





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE- (continued)**

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

In our opinion, Mid-Ohio Foodbank 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 Mid-Ohio Foodbank 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 Mid-Ohio Foodbank'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 Mid-Ohio Foodbank'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.





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE- (continued)**

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

We have audited the financial statements of Mid-Ohio Foodbank as of and for the year ended June 30, 2021, and have issued our report thereon dated November 22, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*HWA Alliance of CPA Firms, Inc*

Westerville, Ohio  
November 22, 2021



**MID-OHIO FOODBANK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>Section I — Summary of Auditors' Results</b>
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***Financial Statements***

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes   X   no
- Significant deficiency(ies) identified? \_\_\_\_\_ 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 deficiency(ies) identified? \_\_\_\_\_ yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance [2 CFR 200.516(a)]? \_\_\_\_\_ yes   X   no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.565, 10.568, 10.569 93.558	Food Distribution Cluster Temporary Assistance for Needy Families (TANF) State Programs

Dollar threshold used to distinguish between type A and type B programs: \$ 827,176

Auditee qualified as low-risk auditee?   X   yes \_\_\_\_\_ no

**MID-OHIO FOODBANK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>Section II — Financial Statement Findings</b>
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None

<b>Section III — Federal Award Findings and Questioned Costs</b>
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None