

MID-OHIO FOODBANK

FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

(With Independent Auditor's Report Thereon)

MID-OHIO FOODBANK

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mid-Ohio Foodbank (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, 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 financial statements referred to above present fairly, in all material respects, the financial position of Mid-Ohio Foodbank as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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. 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 Mid-Ohio Foodbank 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Mid-Ohio Foodbank's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.





INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mid-Ohio Foodbank'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 Mid-Ohio Foodbank'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.





**INDEPENDENT AUDITOR'S REPORT
(CONTINUED)**

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2025, 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 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 Mid-Ohio Foodbank's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mid-Ohio Foodbank's internal control over financial reporting and compliance.

HWA Alliance of CPA Firms, Inc

Westerville, Ohio
January 22, 2025



MID-OHIO FOODBANK
STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

	<i>NOTE</i>	2024	2023
ASSETS			
Cash and Cash Equivalents	3	\$ 10,091,901	\$ 3,749,503
Investments	4	13,063,036	22,117,360
Pledges Receivable	5	1,503,951	3,486,793
Accounts Receivable, Net		421,803	374,242
Accounts Receivable - Government	6	1,152,803	2,863,506
Inventory	7	2,850,313	3,357,951
Prepaid Expenses		477,075	100,467
Assets Held by Others	8	558,549	498,682
Property, Plant and Equipment, Net	9	31,740,017	27,609,985
TOTAL ASSETS		\$ 61,859,448	\$ 64,158,489
 LIABILITIES AND NET ASSETS			
Accounts Payable	10	\$ 1,394,703	\$ 710,322
Accrued Pension		218,914	196,065
Accrued Salaries and Other Payroll Liabilities	11	929,124	884,468
Other Liabilities		302,782	571,555
Deferred Revenue	12	2,067,632	4,008,781
TOTAL LIABILITIES		4,913,155	6,371,191
 NET ASSETS			
Without Donor Restrictions:			
Board Designated		529,166	484,500
Operating Reserve - Board Designated		12,404,549	11,669,691
Capital Fund		4,502,138	3,620,136
Undesignated		31,153,727	24,654,380
Total Without Donor Restrictions		48,589,580	40,428,707
With Donor Restrictions	16	8,356,713	17,358,591
TOTAL NET ASSETS		56,946,293	57,787,298
 TOTAL LIABILITIES AND NET ASSETS		 \$ 61,859,448	 \$ 64,158,489

See Accompanying Notes to Financial Statements

MID-OHIO FOODBANK
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

	<i>NOTE</i>	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND PUBLIC SUPPORT				
Food Contributions	7	\$ 99,879,112	\$ -	\$ 99,879,112
Donations and Grants - Non-Campaign		20,331,349	1,013,435	21,344,784
Donations and Grants - Campaign		1,407,007	-	1,407,007
Shared Maintenance Fees		3,466,879	-	3,466,879
Program Earned Income		896,062	-	896,062
The Emergency Food Assistance Program (USDA TEFAP)		1,602,443	-	1,602,443
Ohio Food Purchase and Agricultural Clearance Program (OPACP)		1,601,524	309,573	1,911,097
Commodity Supplemental Food Program (CSFP)		431,076	-	431,076
Child and Adult Care Food Program (CACFP)		95,644	68,185	163,829
Investment Return, Net		2,263,725	-	2,263,725
Rental and Other Income		268,310	-	268,310
Net Assets Released from Restrictions - Non-Campaign	17	3,342,836	(3,342,836)	-
Net Assets Released from Restrictions - Campaign	17	7,050,235	(7,050,235)	-
TOTAL REVENUE AND PUBLIC SUPPORT		142,636,202	(9,001,878)	133,634,324
EXPENSES				
Program Services				
Collection Storage and Distribution of Food and Nonfood Items		124,038,575	-	124,038,575
Total Program Services		124,038,575	-	124,038,575
Supporting Services				
Management and General		6,846,503	-	6,846,503
Fundraising		3,590,251	-	3,590,251
Total Supporting Services		10,436,754	-	10,436,754
TOTAL EXPENSES		134,475,329	-	134,475,329
Change in Net Assets		8,160,873	(9,001,878)	(841,005)
Net Assets at Beginning of Year		40,428,707	17,358,591	57,787,298
Net Assets at End of Year		\$ 48,589,580	\$ 8,356,713	\$ 56,946,293

See Accompanying Notes to Financial Statements

MID-OHIO FOODBANK
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

	<i>NOTE</i>	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE AND PUBLIC SUPPORT				
Food Contributions	7	\$ 85,157,621	\$ -	\$ 85,157,621
Donations and Grants - Non-Campaign		19,812,212	2,553,370	22,365,582
Donations and Grants - Campaign		5,257,742	(130,152)	5,127,590
Shared Maintenance Fees		3,699,382	-	3,699,382
Program Earned Income		850,916	-	850,916
The Emergency Food Assistance Program (USDA TEFAP)		1,335,788	-	1,335,788
Ohio Food Purchase and Agricultural Clearance Program (OFPACP)		597,452	430,652	1,028,104
Commodity Supplemental Food Program (CSFP)		549,133	-	549,133
Child and Adult Care Food Program (CACFP)		103,514	36,313	139,827
Investment Return, Net		1,381,386	-	1,381,386
Rental and Other Income		128,659	-	128,659
Net Assets Released from Restrictions - Non-Campaign	17	1,336,855	(1,336,855)	-
Net Assets Released from Restrictions - Campaign	17	9,389,291	(9,389,291)	-
TOTAL REVENUE AND PUBLIC SUPPORT		129,599,951	(7,835,963)	121,763,988
EXPENSES				
Program Services				
Collection Storage and Distribution of Food and Nonfood Items		115,034,064	-	115,034,064
Total Program Services		115,034,064	-	115,034,064
Supporting Services				
Management and General		6,362,388	-	6,362,388
Fundraising		3,391,506	-	3,391,506
Total Supporting Services		9,753,894	-	9,753,894
TOTAL EXPENSES		124,787,958	-	124,787,958
Change in Net Assets		4,811,993	(7,835,963)	(3,023,970)
Net Assets at Beginning of Year		35,616,714	25,194,554	60,811,268
Net Assets at End of Year		\$ 40,428,707	\$ 17,358,591	\$ 57,787,298

See Accompanying Notes to Financial Statements

MID-OHIO FOODBANK
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising Expense</u>	<u>Total Expenses</u>
Food	\$ 107,214,002	\$ -	\$ -	\$ 107,214,002
Labor Costs				
Salaries and Wages	7,755,170	3,295,744	1,252,310	12,303,224
Payroll Taxes	562,885	256,787	98,492	918,164
Employee Benefits	1,619,998	739,039	283,465	2,642,502
Total Labor Costs	<u>9,938,053</u>	<u>4,291,570</u>	<u>1,634,267</u>	<u>15,863,890</u>
Fees for Services				
Professional Fees	53,447	455,022	15,120	523,589
Accounting/Payroll	-	90,416	-	90,416
Data Analytics	-	512,166	-	512,166
Other	94,400	15,957	156,618	266,975
Total Fees for Services	<u>147,847</u>	<u>1,073,561</u>	<u>171,738</u>	<u>1,393,146</u>
Other Expenses				
Advertising and Promotion	-	25,911	134,699	160,610
Office Expenses	145,749	87,335	7,818	240,902
Information Technology	136,204	581,439	142,575	860,218
Occupancy	1,950,454	98,726	10,969	2,060,149
Travel	131,497	29,544	8,275	169,316
Conferences and Development	139,178	104,811	16,516	260,505
Insurance	71,236	-	-	71,236
Transportation	1,061,529	-	-	1,061,529
Fundraising	-	-	1,442,227	1,442,227
Service Delivery	1,709,416	-	-	1,709,416
Marketing and Communication	-	484,952	-	484,952
Events	10,307	25,751	-	36,058
Total Other Expenses	<u>5,355,570</u>	<u>1,438,469</u>	<u>1,763,079</u>	<u>8,557,118</u>
Depreciation	<u>1,383,103</u>	<u>42,903</u>	<u>21,167</u>	<u>1,447,173</u>
TOTAL EXPENSES	<u>\$ 124,038,575</u>	<u>\$ 6,846,503</u>	<u>\$ 3,590,251</u>	<u>\$ 134,475,329</u>

See Accompanying Notes to Financial Statements

MID-OHIO FOODBANK
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising Expense</u>	<u>Total Expenses</u>
Food	\$ 98,804,335	\$ -	\$ -	\$ 98,804,335
Labor Costs				
Salaries and Wages	7,569,320	2,952,249	1,187,563	11,709,132
Payroll Taxes	551,390	236,488	95,442	883,320
Employee Benefits	1,466,441	628,947	253,832	2,349,220
Total Labor Costs	<u>9,587,151</u>	<u>3,817,684</u>	<u>1,536,837</u>	<u>14,941,672</u>
Fees for Services				
Professional Fees	164,609	410,033	-	574,642
Accounting/Payroll	-	87,348	-	87,348
Data Analytics	-	753,551	-	753,551
ReadySkill	642,633	-	-	642,633
Other	99,132	24,479	156,474	280,085
Total Fees for Services	<u>906,374</u>	<u>1,275,411</u>	<u>156,474</u>	<u>2,338,259</u>
Other Expenses				
Advertising and Promotion	-	21,838	98,748	120,586
Office Expenses	90,047	40,749	4,818	135,614
Information Technology	198,714	243,230	153,272	595,216
Occupancy	1,608,006	93,802	10,422	1,712,230
Travel	100,779	3,082	2,441	106,302
Conferences and Development	139,299	123,338	14,366	277,003
Insurance	42,342	-	-	42,342
Transportation	930,254	-	-	930,254
Fundraising	-	-	1,392,980	1,392,980
Service Delivery	1,496,376	-	-	1,496,376
Marketing and Communication	-	512,831	-	512,831
Events	2,447	12,692	-	15,139
Bad Debts	-	175,000	-	175,000
Total Other Expenses	<u>4,608,264</u>	<u>1,226,562</u>	<u>1,677,047</u>	<u>7,511,873</u>
Depreciation	<u>1,127,940</u>	<u>42,731</u>	<u>21,148</u>	<u>1,191,819</u>
TOTAL EXPENSES	<u>\$ 115,034,064</u>	<u>\$ 6,362,388</u>	<u>\$ 3,391,506</u>	<u>\$ 124,787,958</u>

See Accompanying Notes to Financial Statements

MID-OHIO FOODBANK
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Change in Net Assets	\$ (841,005)	\$ (3,023,970)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation Expense	1,447,173	1,191,819
Retirement of Property, Plant and Equipment	(111,927)	-
Realized (Gains)/Losses on Investment	(151,075)	773,821
Unrealized (Gains)/Losses on Investments	(1,595,985)	(1,419,329)
Stock Donations	(165,854)	(344,345)
Changes in Assets:		
(Increase) Decrease in Pledges Receivable	1,982,842	3,433,527
(Increase) Decrease in Accounts Receivable	(47,561)	42,393
(Increase) Decrease in Accounts Receivable - Government	1,710,703	(2,062,753)
(Increase) Decrease in Inventory	507,638	(635,935)
(Increase) Decrease in Prepaid Expenses	(376,608)	187
(Increase) Decrease in Assets Held by Others	(59,867)	(33,592)
Changes in Liabilities:		
Increase (Decrease) in Accounts Payable	684,381	(286,650)
Increase (Decrease) in Accrued Pension	22,849	(6,418)
Increase in Accrued Salaries and Other Payroll Liabilities	44,656	120,365
Increase (Decrease) in Other Liabilities	(268,773)	(25,972)
Decrease in Refundable Advances		
Increase (Decrease) in Deferred Revenue	(1,941,149)	558,441
Net Cash Provided by (Used in) Operating Activities	840,438	(1,718,411)
Cash Flows from Investing Activities		
Payments for the Purchase of Investments	(486,259)	(1,329,506)
Proceeds from the Sale of Investments	12,039,752	12,000,000
Reinvested Investment Income	(586,255)	(771,996)
Acquisition of Property, Plant and Equipment	(5,465,278)	(9,658,425)
Net Cash Provided by Investing Activities	5,501,960	240,073
Cash Flows from Financing Activities		
Financing Activities	-	-
Net Cash Used in Financing Activities	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	6,342,398	(1,478,338)
Cash and Cash Equivalents Balance at Beginning of Year	3,749,503	5,227,841
Cash and Cash Equivalents Balance at End of Year	\$ 10,091,901	\$ 3,749,503
Income Taxes Paid	\$ -	\$ -
Interest Paid	\$ -	\$ -

See Accompanying Notes to Financial Statements

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 1 - Background

Organization

Mid-Ohio Foodbank is a nonprofit corporation (the Organization) that collects, stores, and distributes food and nonfood items to organizations feeding the needy. The Organization's mission is to end hunger one nourishing meal at a time and co-create a sustainable community where everyone thrives. The Mid-Ohio Foodbank was organized in 1976 and began operations in April 1980. On March 12, 1987, the Organization officially changed its name from Operation Feed, Inc. to Mid-Ohio Foodbank. In 2019 the name Mid-Ohio Food Collective was adopted as the DBA.

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting

The Organization uses the accrual basis of accounting.

b. 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resources were restricted has been fulfilled, or both. Net assets with donor restrictions released during the periods 2024 and 2023 can be found in Note 16.

The Organization's revenues are primarily derived from various governmental and charitable grants and donations. Amounts due from various funding sources are accrued as of the date a qualified service has been provided or qualified reimbursable cost has been incurred.

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.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)
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b. Basis of Presentation (Continued)

- 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). The information on pounds and the dollar amount of donated food contributions received and disbursed in 2024 and 2023 can be found in Note 7.
- 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. The information on pounds and the dollar amount of donated food contributions received and disbursed in 2024 and 2023 can be found in Note 7.
- 4) The Child and Adult Care Food Program (CACFP) 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 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.
- 6) 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.
- 7) The Social Services Block Grant (SSBG) is a flexible funding source that allows states and territories to tailor social service programming to their population's needs. Funding from the Department of Health and Human Services is passed through the Ohio Association of Foodbanks.
- 8) 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 is from the United States Department of Agriculture and is passed through the Ohio Association of Foodbanks.
- 9) The Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges (Navigator) program provides funding to assist helping eligible individuals in obtaining insurance through the Marketplace or Medicaid. Funding from the Department of Health and Human Services is passed through the Ohio Association of Foodbanks.
- 10) The Coronavirus State and Local Fiscal Recovery Funds provided funds to construct a 19,000-square-foot addition to our warehouse. Funding from the Department of the Treasury is passed through to the Franklin County Board of Commissioners.
- 11) The Community Development Block Grants/Entitlement Grants (CDBG) provided funds to construct the Wheatland Farm Market Building and/or site work including utility infrastructure to and from the Market Building, sidewalks leading to and from the Market Building and the Market Building's parking lot.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)
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b. Basis of Presentation (Continued)

- 12) The Department of Health and Human Services provided funds for the Connecting Kids to Coverage (CKC). These funds support activities aimed at identifying and enrolling children who are eligible for Medicaid and the Children’s Health Insurance Program (CHIP).
- 13) The City of Columbus, Department of Development provided funding for the emergency purchase of shelf stable and fresh food.
- 14) The Franklin County Board of Commissioners authorized a COVID-19 Recovery Grant to fund emergency food needs and support of the local food system infrastructure across the county.

c. 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.

The Organization follows ASC 740-10, which provides guidance on accounting for uncertainty in income tax positions taken or expected to be taken in a tax return, including issues related to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. In addition, the Organization has not recorded a provision for income taxes as it has no material tax liability from unrelated business income activities.

d. Financial Instruments

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

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization classifies all bank accounts, investment cash positions, and short-term investments with an original maturity of three months or less from the date of acquisition as cash equivalents.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)
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d. Financial Instruments (Continued)

Investments

The Organization's investments consist primarily of equities and fixed-income financial instruments. The Organization estimates that the fair value of all financial instruments at June 30, 2024 and 2023, does not differ materially from the aggregate carrying value of these financial instruments recorded in the accompanying statement of financial position. The estimated fair value amounts have been determined by the Organization using available market information and appropriate valuation methodologies.

Accounts Receivable

Receivables for government grants and campaign gifts from private and not-for-profit organizations are recorded at their outstanding balances. It is the Organization's policy to charge off uncollectible accounts when management determines the receivable will not be collected.

Adoption of ASU 2016-13 (ASC 326)

Effective July 1, 2023, the Organization adopted Accounting Standards Update (ASU) 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. This ASU requires a forward-looking approach to estimating credit losses, replacing the incurred loss model with an expected loss model.

Allowance for Credit Losses

In accordance with ASU 2016-13, the organization uses a current expected credit loss (CECL) model to estimate the allowance for credit losses for accounts receivable from grants and campaign gifts. This model considers historical loss experience, current conditions, and reasonable and supportable forecasts of future conditions.

Components of the Allowance for Credit Losses:

- **Historical Loss Experience:** Management reviews historical collection rates and the aging of receivables to identify trends and patterns that may affect the future collectability of grants receivable.
- **Current Conditions:** Management assesses current economic and business conditions, including factors such as changes in grantor funding levels and the financial health of grantors.
- **Forecasts of Future Conditions:** Management incorporates forward-looking information based on reasonable and supportable forecasts. This may include anticipated changes in government or donor funding and other relevant economic indicators.

As of June 30, 2024, and 2023, the allowance for credit losses for accounts receivable from grants and campaign gifts was \$175,000, representing management's best estimate of expected credit losses. Changes in the allowance for credit losses are recorded as an adjustment to bad debt expense in the statement of activities.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)
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d. Financial Instruments (Continued)

Accounts Receivable (Continued)

Summary of Accounts Receivable

As of June 30, 2024 and 2023, accounts receivable from grants and campaign gifts consisted of the following:

	2024	2023
Pledges Receivable	\$ 1,503,951	\$ 3,486,793
Accounts Receivable-Government	1,152,803	2,863,506
Other Receivable	596,803	549,242
Less: Allowance for Credit Losses	(175,000)	(175,000)
Net Accounts Receivable	\$ 3,078,557	\$ 6,724,541

Management believes that the net accounts receivable from grants and campaign gifts are fully collectible within one year from the reporting date. However, actual collections may differ from management’s estimates due to changes in grantor circumstances or other unforeseen factors.

Current Liabilities

Current liabilities include obligations that are expected to be settled within one year from the reporting date. These comprise accounts payable, accrued salaries and other payables maturing within the next twelve months.

Compensated Absences

Employees of the Organization are entitled to paid vacation depending on their 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.

e. Fair Value of Financial Instruments

The Accounting Standards Codification ("ASC") No. 820 formerly Statement of Financial Accounting Standards ("SFAS") No. 157, "Fair Value Measurements" defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. SFAS No. 157 established a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)
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e. Fair Value of Financial Instruments (Continued)

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

As of June 30, 2024 and 2023, the Organization’s investments are all classified under Level 1 (See Note 4).

f. Inventories

The Organization values its inventory at the lower of cost or net realizable value in accordance with Generally Accepted Accounting Principles (GAAP).

g. Property, Plant and Equipment

The Organization capitalized the cost of all expenditures with 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 over \$5,000 up until May 2023. At this time the organization changed the capitalization policy amount to \$10,000. This change had no material impact on the current year financial statements. 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.

h. Public Support and Revenue Recognition

Contributions

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 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 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.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)

h. Public Support and Revenue Recognition (Continued)

Contributions (Continued)

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.

Revenue from Contracts with Customer

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 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 June 30, 2023, 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 grants and 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.

i. Shared Maintenance Fees

To cover distribution costs, the Organization 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. The Organization also charges \$.03 per pound for freight charges on all non-produce products we deliver to partner agencies.

Shared Maintenance Fees were waived for the fiscal years 2024 and 2023.

j. Donated Services

The Organization has many volunteers who donate their time to the Organization’s activities. It is the policy of the Organization 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 FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)

k. 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.

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

l. Use of 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.

m. Change in Accounting Policy

Leases (Topic 842)

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. Lessor accounting remains largely unchanged from ASC 840 to 842, and there are no significant modifications to the requirements for balance sheet recognition within the lessor's financial records.

The Organization has elected to apply practical expedients provided in Accounting Standards Codification (ASC) 842 for leases that are considered immaterial in the context of the financial statements and short-term leases. Immaterial leases are those leases for which the recognition of lease receivables, right-of-use (ROU) assets and lease liabilities would not have a material impact on the financial statements. The Organization has elected not to recognize immaterial lease receivables, ROU assets and lease liabilities on the statement of financial position.

Instead, expense and revenue related to immaterial leases are recognized as lease expense and lease income, respectively, on a straight-line basis over the lease term. Additional information regarding the aggregate amount of lease receivables, ROU assets and lease liabilities considered immaterial can be found in Note 14. A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise. Lease payments are recognized on a straight-line basis over the lease term. The Organization currently has no short-term lease agreements.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies (Continued)
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m. Change in Accounting Policy (Continued)

Contributed Nonfinancial Assets (Topic 958)

In September 2020, FASB issued ASU No. 2020-07, Not-for-Profit Entities (Topic 958), Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This ASU addresses the presentation and disclosure of contributed nonfinancial assets and will require contributed nonfinancial assets to be presented as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. The ASU also requires certain specific disclosures related to these nonfinancial assets, including a description of any donor-imposed restrictions associated with the contributed nonfinancial asset, if the asset was monetized or utilized during the period and the valuation technique used to arrive at the fair value of the asset. The Organization has adopted and implemented this standard for the year ending June 30, 2023.

n. New Accounting Pronouncements

Credit Losses (Topic 326)

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses, the first of several ASUs that created and amended ASC Topic 326. The standard requires entities to record the current expected credit loss (CECL) on certain financial assets and other commitments to extend credit that are not recorded at fair value, taking into consideration historical information, current losses and, for the first time, reasonable and supportable forecasts to project expected future losses. The CECL model addresses perceived shortcomings of the previous incurred loss impairment model by taking into consideration future economic changes (allowing credit losses to be recognized earlier). The model also permits recognition of potential improvements in estimated losses in the statement of activities in future periods, rather than the one-way “permanent impairment” model used prior to this standard.

The standard is effective for calendar years beginning after December 15, 2022 for nonpublic companies. The guidance is required to be adopted using a modified retrospective approach for most financial assets.

o. Subsequent Events

Generally accepted accounting principles define 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 January 22, 2025, the date on which the financial statements were available to be issued.

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

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 3 – 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:

	2024	2023
Cash - Checking and Money Market Accounts	\$ 4,365,152	\$ 3,169,696
Cash - Investment Portfolio	5,726,749	579,807
Total	<u>\$ 10,091,901</u>	<u>\$ 3,749,503</u>

Note 4 - 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, 2024:

Description	Fair Value	Cost	Unrealized Gain (Loss)
Equities	\$ 5,970,667	\$ 4,029,593	\$ 1,941,074
Fixed Income	3,212,705	3,309,867	(97,162)
Mutual Funds	3,879,664	3,803,558	76,106
Total	<u>\$ 13,063,036</u>	<u>\$ 11,143,018</u>	<u>\$ 1,920,018</u>

The investments consisted of the following at June 30, 2023:

Description	Fair Value	Cost	Unrealized Gain (Loss)
Equities	\$ 4,854,746	\$ 3,731,566	\$ 1,123,180
Fixed Income	5,616,624	5,811,405	(194,781)
Mutual Funds	11,645,990	12,183,680	(537,690)
Total	<u>\$ 22,117,360</u>	<u>\$ 21,726,651</u>	<u>\$ 390,709</u>

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 4 – Investments (Continued)

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

	2024	2023
Interest and Dividend Income	\$ 586,255	\$ 793,339
Realized (Loss) Gain on Investments	151,075	(758,377)
Unrealized Gain (Loss) on Investments	1,595,985	1,419,329
Brokerage Fees	(69,590)	(72,905)
Investment Return, Net	<u>\$ 2,263,725</u>	<u>\$ 1,381,386</u>

Note 5 – Pledges Receivable

Pledges receivable consisted of the following at June 30, 2024:

<u>Description</u>	<u>< 1 Year</u>	<u>1 to 5 Years</u>	<u>> 5 Years</u>	<u>Total</u>
Rooted in You Campaign	\$ 1,440,242	\$ 75,000	\$ -	\$ 1,515,242
Discount of Pledges	-	(11,291)	-	(11,291)
Net Pledge	<u>\$ 1,440,242</u>	<u>\$ 63,709</u>	<u>\$ -</u>	<u>\$ 1,503,951</u>

Pledges receivable consisted of the following at June 30, 2023:

<u>Description</u>	<u>< 1 Year</u>	<u>1 to 5 Years</u>	<u>> 5 Years</u>	<u>Total</u>
Rooted in You Campaign	\$ 2,701,216	\$ 930,676	\$ -	\$ 3,631,892
Discount of Pledges	-	(145,099)	-	(145,099)
Net Pledge	<u>\$ 2,701,216</u>	<u>\$ 785,577</u>	<u>\$ -</u>	<u>\$ 3,486,793</u>

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 6 – Accounts Receivable – Government

As of June 30, 2024 and 2023, the accounts receivable from government balance is composed of the following:

	2024	2023
Ohio Association of Foodbanks	\$ 321,535	\$ 456,098
Franklin City - Food	250,000	-
Children's Hunger	250,000	-
Reinberger	80,000	120,000
SFSP	68,185	30,083
TEFAP CCC	63,291	79,172
Osteopathic	48,801	24,247
Amazon Web Services-Kids Café	25,000	-
Ingram White Castle	15,000	30,000
CAS NBC4 FARM	10,000	-
CKC/Navigator	7,849	15,552
American Heart Association	6,250	-
CACFP/State of Ohio	3,892	6,230
Ohio Pork Council	3,000	-
TEFAP	-	206,019
City of Columbus	-	1,693,475
Greater Cols Arts	-	7,500
COSTCO	-	40,909
CSFP	-	154,221
Total Accounts Receivable - Government	<u>\$ 1,152,803</u>	<u>\$ 2,863,506</u>

Note 7 – Inventory

Donated Food Contributions

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 June 30, 2024 are summarized as follows:

	Pounds	Dollar Value
Beginning Inventory	1,743,832	\$ 2,591,381
Pounds received for the year		
TEFAP	15,511,900	19,496,908
CSFP	1,459,226	1,508,471
OH Food Purchase Program	20,039,495	9,147,865
Industry Surplus	35,393,842	69,725,868
Total - Pounds received for the year	<u>72,404,463</u>	<u>99,879,112</u>

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 7 – Inventory

Donated Food Contributions (Continued)

	Pounds	Dollar Value
Pounds disbursed for the year		
TEFAP	(15,590,499)	(19,450,102)
CSFP	(1,451,784)	(1,463,997)
OH Food Purchase Program	(20,122,457)	(9,297,987)
Industry Surplus	(34,899,927)	(68,726,844)
Total - Pounds disbursed for the year	(72,064,667)	(98,938,930)
Pounds discarded - unusable food	(805,367)	(1,586,574)
Ending Inventory	1,278,261	\$ 1,944,989

The estimated value of donated food is \$1.97 per pound for 2024, which was based on the 2023 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.

Activities of donated food inventory for the year ended June 30, 2023 are summarized as follows:

	Pounds	Dollar Value
Beginning Inventory	1,469,796	\$ 2,149,072
Pounds received for the year		
TEFAP	7,725,814	9,676,701
CSFP	1,477,344	1,801,857
OH Food Purchase Program	11,997,719	8,141,605
Industry Surplus	33,957,232	65,537,458
Total - Pounds received for the year	55,158,109	85,157,621
Pounds disbursed for the year		
TEFAP	(7,415,304)	(9,228,432)
CSFP	(1,575,823)	(1,919,227)
OH Food Purchase Program	(11,910,810)	(7,987,634)
Industry Surplus	(33,223,435)	(64,115,723)
Total - Pounds disbursed for the year	(54,125,372)	(83,251,016)
Pounds discarded - unusable food	(758,702)	(1,464,295)
Ending Inventory	1,743,831	\$ 2,591,382

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 7 – Inventory (Continued)

The estimated value of donated food is \$1.93 per pound for 2023, which was based on the 2022 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.

The total donated food contributions received in 2024 and 2023, amounting to \$99,879,112 and \$85,157,621, respectively, are recognized as revenue in the statements of activities under Food Contributions account.

Purchased Food

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

	2024	
	Pounds	Dollar Value
Beginning Inventory	780,382	\$ 766,572
Purchases	12,017,516	6,099,688
Food Distributed	(11,805,349)	(5,960,936)
Ending Inventory	992,549	\$ 905,324
	2023	
	Pounds	Dollar Value
Beginning Inventory	606,048	\$ 572,944
Purchases	25,426,661	13,314,299
Food Distributed	(25,252,327)	(13,120,674)
Ending Inventory	780,382	\$ 766,569

As of June 30, the inventory presented in the statements of financial position consisted of the following:

	2024	2023
Donated Food Contributions	\$ 1,944,989	\$ 2,591,382
Purchased Food	905,324	766,569
Ending Inventory	\$ 2,850,313	\$ 3,357,951

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 8 - 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 the 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.

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:

	2024		2023	
	Columbus Foundation	Catholic Foundation	Columbus Foundation	Catholic Foundation
Beginning	\$ 484,500	\$ 14,182	\$ 451,204	\$ 13,886
Contributions	1,741	-	-	20
Investment Return (net)	57,579	547	33,296	276
Ending	\$ 543,820	\$ 14,729	\$ 484,500	\$ 14,182

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 9 - Property, Plant and Equipment-net

Property, plant and equipment consisted of the following:

	2024	2023
Building	\$ 18,309,129	\$ 18,309,129
Fixed Assets in Progress	13,450,299	10,039,404
Building Improvements	3,850,618	2,055,438
Vehicles	3,061,051	2,915,199
Land	2,440,955	2,440,955
Machinery and Equipment	1,658,846	1,612,055
Office Fixtures and Equipment	1,321,807	1,255,250
Parking Lot	746,885	746,885
Total, Property, Plant & Equipment	44,839,590	39,374,315
Accumulated Depreciation	(13,099,573)	(11,764,330)
Net Property, Plant & Equipment	<u>\$ 31,740,017</u>	<u>\$ 27,609,985</u>

Depreciation expenses for the years ended June 30, 2024 and 2023 were \$1,447,173 and \$1,191,819, respectively.

Note 10 – Accounts Payable

As of June 30, 2024, and 2023, accounts payable amounted to \$1,394,703 and \$710,322, respectively, and are due within one year.

Note 11 – Accrued Salaries and Other Payroll Liabilities

As of June 30, 2024, and 2023, accrued salaries and other payroll liabilities amounted to \$929,124 and \$884,468, respectively. These liabilities represent amounts owed to employees for services rendered, including salaries, wages, and related payroll taxes, which are expected to be settled within one year.

Note 12 – Deferred Revenue

Deferred revenue primarily includes donations received in advance of being recognized as revenue. These include American Rescue Plan Act (ARPA) funds received from Franklin County for freezer expansion, and Readyskill funds from Humana and IGS. These funds were received in a prior year and have not been earned as of June 30, 2024.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 13 - Retirement and Tax-Sheltered Annuity Plan

The Organization maintains a defined contribution pension plan for all full-time employees who have completed at least one year of service. Contributions of \$945,593 and \$838,526 were made for the years ended June 30, 2024, and 2023, respectively. Pension plan contributions consist of safe harbor and employer match contributions, along with a discretionary amount based upon a percentage of the 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 organization began a Private Section 457(b) deferred compensation plan for executive management. Contributions of \$22,500 and \$20,500 were made for the year ended June 30, 2024, and 2023, respectively. Discretionary contributions are set by the Board of Directors.

Note 14 - Leases

As a Lessee

The Organization's Reeb Avenue Center rents a portion of a building on Reeb Avenue from the City of Columbus, Ohio. On August 15, 2021, Mid-Ohio Foodbank renewed its sublease agreement with the Reeb Avenue Center to operate South Side Roots Café. The lease is for the period September 1, 2021, through August 31, 2024. Rent expenses of \$22,127 and \$21,867 are recognized in 2024 and 2023, respectively, and are presented under Occupancy in the Statements of Functional Expenses.

In addition to the Reeb Avenue facility, the organization leases office equipment which is included in the summary below.

Future lease payments are:

FY 2025	\$	8,377
FY 2026		8,377
FY 2027		8,377
FY 2028		4,395
Future Lease Payments	\$	29,526

The lease agreement has no provisions, terms, or conditions related to options for extending or terminating the lease. Additionally, it does not involve variable lease payments.

The Organization's management assesses the right-of-use (ROU) liabilities resulting from these agreements as immaterial, and therefore, they are not recognized in the statement of financial position.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 14 – Leases (Continued)

As a Lessor

Operating Lease

The Organization acts as a lessor for certain assets under operating lease. The following is a summary of the operating lease assets and related income recognized in the statement of activities for year ended June 30, 2024.

In March of 2023, Kroger Co. sold their vacant retail complex at 4485 Refugee Road to the Organization. As part of this agreement the Organization assumed the role of lessor for two existing tenants. This resulted in the Organization receiving rental income, which is recognized in the statement of activities. The amount of rental income for the year ended June 30, 2024 was \$113,421.

The two tenants occupy approximately 19% of the total leasable space. Currently the former Kroger store on this property is vacant.

The carrying amount of the lease assets associated with the tenants' operating leases is \$96,444 and is included in the Building Improvements and Land accounts listed in Note 9.

Lease Income

Lease income from operating leases is recognized on a straight-line basis over the lease term. The following is a summary of future minimum lease payments to be received under non-cancelable operating leases as of June 30, 2024:

FY 2025	\$	67,064
FY 2026		67,064
FY 2027		33,532
Future Lease Payments	<u>\$</u>	<u>167,660</u>

The Organization has elected to apply the practical expedient to not separate non-lease components from lease components in its operating lease arrangements.

The Organization has not recognized any variable lease income or sublease income for operating leases as of June 30, 2024.

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 15 – Rooted in You: The Campaign to Re-Imagine Ending Hunger

The Organization launched the Rooted in You campaign in fiscal year 2020. Through the end of fiscal year 2024 we have recognized \$37.9 million and expect to end at just over \$44 million when all performance requirements have been met. As of June 30, 2024, \$31 million of funds received have been assigned.

The campaign goals are to invest in the following initiatives that will better meet the needs of customers:

1. Mid-Ohio Markets
2. Mid-Ohio Farm on the Hilltop
3. Data and insights platform
4. Mid-Ohio Food Collective’s facility
5. Freezer expansion project
6. Operating funds to support the above initiatives

Note 16 – Net Assets With Donor Restrictions

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

Description	2024	2023
Rooted in You Campaign	\$ 6,605,030	\$ 13,655,265
CDBG	-	1,643,476
Humana	263,049	528,608
Ohio Association of Foodbanks	302,120	415,413
TEFAP	63,291	285,191
CSFP	-	154,221
Elevance Food as Medicine	150,000	150,000
Reinberger Foundation	80,000	120,000
SNAP	27,265	56,237
Kids' Meals CACFP/SFSP	72,077	6,230
Others with Donor Restrictions	793,881	343,950
Total	\$ 8,356,713	\$ 17,358,591

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 17 – Net Assets Released from Restrictions

Net assets that were released from restrictions are the following:

Description	2024	2023
Rooted in You Campaign	\$ 7,184,043	\$ 9,571,336
Discounts – Pledges	(133,809)	(182,046)
Humana	265,559	560,686
Government - CFDA	415,413	471,528
Grant or Donor Other	2,119,075	257,307
Costco	40,909	25,175
SNAP Support	56,237	22,160
TEFAP	285,191	-
CSFP	154,222	-
CAFCP	6,231	-
Total Assets Released from Restrictions	\$ 10,393,071	\$ 10,726,146

Note 18 – Related Party Transactions

In fiscal year 2024, the Organization purchased food from DNO Produce. DNO Produce is a related party since its President, Alex DiNovo, is a member of the Organization’s Board of Trustees. The total amount paid by the Organization to DNO Produce for the purchase of food amounted to \$266,400 in 2024. The related party transactions involving this board member and his company were disclosed on the annual questionnaire and this member will abstain from voting on related matters, in accordance with policy.

In 2023, the Organization hired ZoCo Design to provide design services. ZoCo Design is a related party since its CEO, Lacey Picazo, is a member of the Organization’s Board of Trustees. The Organization paid a total of \$97,500 to ZoCo Design for design services provided during the year ended June 30, 2023. The Organization maintained ZoCo Design CEO, Lacey Picazo as a member of the Board of Trustees, but there were not services rendered, nor payments made in fiscal year 2024. The related party transactions involving this board member and her company were disclosed to the board and management, in accordance with policy.

Note 19 - Commitments

The Organization has evaluated its commitments aside from leases, as of January 22, 2025 and has determined that there are no material commitments that require disclosure in the financial statements. Management has conducted a thorough review of contractual obligations, legal proceedings, and other potential liabilities, and is not aware of any events that would necessitate disclosure

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 20 - 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 21 - Concentration of Credit Risk

Concentration of Cash

The Organization's funds contained in its cash balance on June 30, 2024, were held in a total of four different financial institutions. Each of these institutions provides insurance coverage up to \$250,000 through the Federal Deposit Insurance Corporation (FDIC). On June 30, 2024, the cash on deposit at Huntington National Bank (HNB) and JP Morgan Chase exceeded this \$250,000 limit by \$3,670,088 and \$773,800, respectively.

At June 30, 2023, the cash on deposit at Huntington National Bank (HNB) and JP Morgan Chase exceeded this \$250,000 limit by \$4,239,877 and \$781,709, respectively.

Concentration of Receivable, Revenue and Public Support

As of June 30, 2024, and 2023, the Organization's net accounts receivable primarily consisted of amounts due from pledge receivables (see Note 5), comprising 49% and 52%, respectively. Receivables from government sources accounted for 37% and 43% of the total net accounts receivable for the same periods.

The Organization recognizes the importance of diversifying its funding sources to mitigate the impact of dependency on any single donor. Management is actively engaged in efforts to broaden the donor base and reduce reliance on specific funding sources. The Organization's revenues and support are derived from various sources, including grants, and through other revenue and support sources. The composition of support by funding type for the year ended June 30, 2024 and 2023 is as follows:

	2024	2023
Food Contributions	75%	70%
Donations and Grants - Campaign and Non-Campaign	17%	23%
Grants and Contracts from Government Agencies	3%	3%
Shared Maintenance Fees	3%	3%
Program Earned Income	1%	1%
Rental and Other Income	2%	1%
Total	100%	100%

MID-OHIO FOODBANK
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2024 and 2023

Note 22 – Liquidity

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

	2024	2023
Cash and Cash Equivalents	\$ 10,091,901	\$ 3,749,503
Investments	13,063,036	22,117,360
Accounts Receivable	421,803	374,242
Accounts Receivable-Government	1,152,803	2,863,506
Less: Restricted Cash	(12,404,549)	(14,495,085)
Less: Capital Reserve	(4,502,137)	(3,620,136)
Less: Accounts Payable	(1,394,703)	(710,322)
Less: Accrued Pension	(218,914)	(196,065)
Less: Accrued Salaries and Other Payroll Liabilities	(929,124)	(884,468)
Less: Deferred Revenue	(2,067,632)	(4,008,781)
Less: Other Liabilities	(302,782)	(571,555)
Total	\$ 2,909,702	\$ 4,618,199

As part of MOFC’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 four to five months of operating expenses, excluding contributed food, in reserve. That averaged \$2.8M per month in fiscal year 2024 and is held in various investments which can be liquidated in the event of an unanticipated need, with approval and review by the Board of Directors.

Note 23 – Risk and Uncertainties

The Organization operates in a unique environment and is subject to various risks and uncertainties inherent to its mission-driven nature.

Nature of Operations

The Organizations relies heavily on government grants and funding. Economic downturns, changes in donor priorities, or unforeseen events may affect the availability and level of financial support. Grant funding from governmental or private entities may be subject to changes in policies, funding priorities, or competitive application processes, affecting the Organization’s ability to secure grants for specific projects.

Management Judgments

Management has made certain judgments and estimates in the preparation of the financial statements. These judgments are based on information available at the time of preparation and may change due to future events and uncertainties.

MID-OHIO FOODBANK
UNIFORM GUIDANCE
SUPPLEMENTAL FINANCIAL REPORT
For the Year Ended June 30, 2024

MID-OHIO FOODBANK

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FINANCIALS OF MID-OHIO FOODBANK
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Number	Assistance Listing Number	Disbursements
Food Distribution Programs			
United States Department of Agriculture Pass-Through Programs			
Passed through Ohio Department of Jobs & Family Services			
Commodity Supplemental Food Program (Administrative Costs)	G-2223-17-1219	10.565	\$ 197,127
	G-2425-17-0477	10.565	233,949
Commodity Supplemental Food Program (Food Commodities) (Note B)	G-2223-17-0729	10.565	404,732
	G-2223-17-1219	10.565	1,059,265
Total Commodity Supplemental Food Program			<u>1,895,073</u>
Emergency Food Assistance Program (Administrative Costs)	G-2425-17-1231	10.568	560,163
	G-2425-17-0474	10.568	682,339
Emergency Food Assistance Program (Food Commodities) (Note B)	G-2223-17-0742	10.569	3,490,915
	G-2223-17-1231	10.569	8,958,506
Emergency Food Assistance Program (Commodity Credit Corporation) (Administrative Costs)	G-2223-17-1314	10.187	181,963
	G-2425-17-0608	10.187	177,978
Emergency Food Assistance Program (Commodity Credit Corporation) (Note B)	G-2223-17-1314	10.187	<u>7,000,681</u>
Emergency Food Assistance Program (Commodity Credit Corporation) (Note B)			
Total Emergency Food Assistance Program			<u>21,052,545</u>
Total Passed through Ohio Department of Jobs & Family Services			<u>22,947,618</u>
Passed through Ohio Department of Education - Office for Child Nutrition			
Summer Food Service Program for Children		10.559	115,863
Total Summer Food Service Program for Children			<u>115,863</u>
Child and Adult Care Food Program		10.558	47,966
Total Child and Adult Care Food Program			<u>47,966</u>
Total Passed through Ohio Department of Education - Office for Child Nutrition			<u>163,829</u>
Total United States Department of Agriculture			<u>23,111,447</u>
Total Food Distribution Programs			<u>23,111,447</u>

FINANCIALS OF MID-OHIO FOODBANK
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Number	Assistance Listing Number	Disbursements
Other Programs			
United States Department of Agriculture Pass-Through Programs			
Passed through Ohio Association of Foodbanks			
Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants	SNAPFY23MOFCQ4	10.561	87,959
Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants	SNAPFY24MOFC	10.561	257,096
Total Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants			345,055
Local Food Purchase Assistance Cooperative Agreement Grant (Administrative Costs)	G-2223-17-1063	10.182	130,777
Local Food Purchase Assistance Cooperative Agreement Grant (Food Commodities)	G-2223-17-1063	10.182	1,059,916
Total Local Food Purchase Assistance Cooperative Agreement			1,190,693
Emergency Food Assistance Program (Farm to Foodbanks)	G-2223-17-0792-1	10.568	39,058
Total Passed through Ohio Association of Foodbanks			1,574,806
Total United States Department of Agriculture			1,574,806
Department of Health and Human Services Pass-Through Programs			
Passed through The Ohio State University			
Diabetes, Digestive, and Kidney Diseases Extramural Research	R01DK132403	93.847	8,400
Total Diabetes, Digestive, and Kidney Diseases Extramural Research			8,400
Total Passed through The Ohio State University			8,400
Passed through Franklin County Job & Family Services			
Temporary Assistance to Needy Families (Food Purchase & Distribution Costs)	25-24-5863	93.667	100,000
Total Temporary Assistance for Needy Families			100,000
Total Passed through Franklin County Job & Family Services			100,000

FINANCIALS OF MID-OHIO FOODBANK
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Number	Assistance Listing Number	Disbursements
Passed through Ohio Association of Foodbanks			
Social Services Block Grant (Food Commodities)	G-2223-17-0382	93.667	235,507
Social Services Block Grant (Administrative Costs)	G-2223-17-0382	93.667	50,589
Total Social Services Block Grant			286,096
Temporary Assistance to Needy Families (Administrative Costs)	G-2223-17-0382	93.558	557,745
Temporary Assistance to Needy Families (Food Commodities)	G-2223-17-0382	93.558	4,003,004
Total Temporary Assistance to Needy Families			4,560,749
Children's Health Insurance Program	2Y2CMS331852-01-04	93.767	88,550
Total Children's Health Insurance Grants			88,550
Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges	NAVCA210422-02-00	93.332	30,735
Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges	NAVCA210422-03-00	93.332	134,714
Total Navigator Grants			165,449
Total Passed through Ohio Association of Foodbanks			5,100,844
Total Department of Health and Human Services			5,209,244
Department of the Treasury Pass-Through Programs			
Passed through Ohio Association of Foodbanks			
Coronavirus State and Local Fiscal Recovery Funds (Administrative Costs)			624,573
Coronavirus State and Local Fiscal Recovery Funds (Food Commodities)	G-2223-17-1173	21.027	3,689,369
Total Coronavirus State and Local Fiscal Recovery Funds			4,313,942
Total Passed through Ohio Association of Foodbanks			4,313,942
Total Department of Treasury			4,313,942
Federal Emergency Management Agency Pass-Through Programs			
Passed through United Way of Franklin County			
Emergency Food and Shelter National Board Program (Phase 40)	40-6672-00 LRO 002	97.024	50,000
Total Emergency Food and Shelter National Board Program			50,000
Total Passed-through United Way of Franklin County			50,000
Total Federal Emergency Management Agency			50,000
Total Other Programs			11,147,992
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 34,259,439

**MID-OHIO FOODBANK
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

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, 2024. 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, 2024, the organization had food commodities totaling \$1,247,365 in ending inventory, comprised of ALN 10.565 - \$705,247 and ALN 10.569 - \$542,118 therefore are excluded from this schedule.

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 sub-awards/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 ALN Numbers 93.558, 93.667, 10.182, and 21.027. The distribution of commodities to subrecipients is reflected below:

Subrecipients	≥	TANF	Block Grant	LFPA	ARPA2	Total
\$200k		ALN	ALN	ALN	ALN	
		93.558	93.667	10.182	21.027	
Total		\$4,003,004	\$235,507	\$1,059,916	\$3,689,369	\$8,987,796

**MID-OHIO FOODBANK
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

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 statement of financial position as of June 30, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 22, 2025.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 or significant deficiencies may exist that were not 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)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 This Report

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

HWA Alliance of CPA Firms, Inc

Westerville, Ohio
January 22, 2025





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

Opinion on Each Major Federal Program

We have audited Mid-Ohio Foodbank’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Mid-Ohio Foodbank’s major federal programs for the year ended June 30, 2024. 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.

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, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Mid-Ohio Foodbank and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Mid-Ohio Foodbank’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 Mid-Ohio Foodbank’s federal programs.



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

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Mid-Ohio Foodbank’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Mid-Ohio Foodbank’s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Mid-Ohio Foodbank’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 Mid-Ohio Foodbank’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 Mid-Ohio Foodbank’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.



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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies 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. 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, 2024, and have issued our report thereon dated January 22, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed 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
January 22, 2025



**MID-OHIO FOODBANK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section I — Summary of Auditors' Results

Financial Statements

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

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ 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:

Assistance Listing Number(s)	Name of Federal Program or Cluster
10.187	The Emergency Food Assistance Program (TEFAP) Commodity Credit Corporation Eligible Recipient Funds
10.182	Food Bank Network
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.558	Temporary Assistance for Needy Families (TANF) State Programs

Dollar threshold used to distinguish between type A and type B programs: \$ 1,027,783

Auditee qualified as low-risk auditee? X yes _____ no

**MID-OHIO FOODBANK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section II — Financial Statement Findings
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None

Section III — Federal Award Findings and Questioned Costs
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None

Section IV — Prior Audit Findings
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None