

**OHIO ASSOCIATION OF FOODBANKS  
(A NONPROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
YEARS ENDED JUNE 30, 2024 AND 2023**

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## INDEPENDENT AUDITORS' REPORT

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Board of Directors  
**Ohio Association of Foodbanks**  
Columbus, Ohio

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of the **Ohio Association of Foodbanks** (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 present fairly, in all material respects, the financial position of the **Ohio Association of Foodbanks** 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the **Ohio Association of Foodbanks** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

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 the **Ohio Association of Foodbanks'** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## INDEPENDENT AUDITORS' REPORT - CONTINUED

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### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the **Ohio Association of Foodbanks'** 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 the **Ohio Association of Foodbanks'** 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 AUDITORS' REPORT - CONTINUED

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### Supplementary Information

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2024, on our consideration of the **Ohio Association of Foodbanks'** 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 the effectiveness of the **Ohio Association of Foodbanks'** 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 the **Ohio Association of Foodbanks'** internal control over financial reporting and compliance.



Columbus, Ohio  
December 3, 2024

**OHIO ASSOCIATION OF FOODBANKS**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 10,462,780	\$ 31,638,289
Grants receivable	3,086,573	2,851,899
Accounts receivable	21,250	16,621
Prepaid expenses and other current assets	<u>1,583,748</u>	<u>-</u>
Total current assets	15,154,351	34,506,809
PROPERTY AND EQUIPMENT, NET	13,451	12,917
RIGHT-OF-USE ASSET (OPERATING LEASE)	<u>459,679</u>	<u>585,847</u>
	<u>\$ 15,627,481</u>	<u>\$ 35,105,573</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Current maturities of operating lease obligations	\$ 128,699	\$ 67,970
Accounts payable	2,674,508	4,146,844
Accrued expenses	157,617	164,085
Deferred revenue	<u>15,198</u>	<u>22,163,648</u>
Total current liabilities	2,976,022	26,542,547
<b>LONG-TERM LIABILITIES</b>		
Operating lease obligations, net of current maturities	<u>345,274</u>	<u>527,008</u>
Total liabilities	<u>3,321,296</u>	<u>27,069,555</u>
<b>NET ASSETS</b>		
Without donor restrictions - Designated by Board	492,000	492,000
Without donor restrictions - Undesignated by Board	11,235,825	7,066,332
With donor restrictions	<u>578,360</u>	<u>477,686</u>
	<u>12,306,185</u>	<u>8,036,018</u>
	<u>\$ 15,627,481</u>	<u>\$ 35,105,573</u>

See notes to financial statements.

**OHIO ASSOCIATION OF FOODBANKS**

**STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE AND OTHER SUPPORT</b>			
Public Support			
Governmental revenue	\$ 70,506,184	\$ -	\$ 70,506,184
Foundation revenue	1,081,534	101,674	1,183,208
Membership dues	245,497	-	245,497
Donations	<u>133,632</u>	<u>-</u>	<u>133,632</u>
Total Public Support	<u>71,966,847</u>	<u>101,674</u>	<u>72,068,521</u>
Other Revenue			
Interest income	976,479	-	976,479
Other	<u>355,208</u>	<u>-</u>	<u>355,208</u>
Total Other Revenue	<u>1,331,687</u>	<u>-</u>	<u>1,331,687</u>
Released from purpose restrictions	<u>1,000</u>	<u>(1,000)</u>	<u>-</u>
Total Public Support and Revenue	<u>73,299,534</u>	<u>100,674</u>	<u>73,400,208</u>
<b>FUNCTIONAL EXPENSES</b>			
Program expenses			
All food programs	60,075,627	-	60,075,627
Other programs	<u>6,796,101</u>	<u>-</u>	<u>6,796,101</u>
Total program expenses	66,871,728	-	66,871,728
Support services			
Management and general	<u>2,258,313</u>	<u>-</u>	<u>2,258,313</u>
Total Functional Expenses	<u>69,130,041</u>	<u>-</u>	<u>69,130,041</u>
<b>CHANGE IN NET ASSETS</b>	4,169,493	100,674	4,270,167
<b>NET ASSETS</b>			
Beginning of year	<u>7,558,332</u>	<u>477,686</u>	<u>8,036,018</u>
End of year	<u>\$ 11,727,825</u>	<u>\$ 578,360</u>	<u>\$ 12,306,185</u>

**OHIO ASSOCIATION OF FOODBANKS**

**STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE AND OTHER SUPPORT</b>			
Public Support			
Governmental revenue	\$ 59,112,797	\$ -	\$ 59,112,797
Foundation revenue	395,535	477,686	873,221
Membership dues	245,497	-	245,497
Donations	<u>90,885</u>	<u>-</u>	<u>90,885</u>
Total Public Support	<u>59,844,714</u>	<u>477,686</u>	<u>60,322,400</u>
Other Revenue			
Interest income	166,758	-	166,758
Other	<u>456,533</u>	<u>-</u>	<u>456,533</u>
Total Other Revenue	<u>623,291</u>	<u>-</u>	<u>623,291</u>
Total Public Support and Revenue	<u>60,468,005</u>	<u>477,686</u>	<u>60,945,691</u>
<b>FUNCTIONAL EXPENSES</b>			
Program expenses			
All food programs	51,837,876	-	51,837,876
Other programs	<u>6,395,295</u>	<u>-</u>	<u>6,395,295</u>
Total program expenses	58,233,171	-	58,233,171
Support services			
Management and general	<u>1,557,541</u>	<u>-</u>	<u>1,557,541</u>
Total Functional Expenses	<u>59,790,712</u>	<u>-</u>	<u>59,790,712</u>
<b>CHANGE IN NET ASSETS</b>	677,293	477,686	1,154,979
<b>NET ASSETS</b>			
Beginning of year	<u>6,881,039</u>	<u>-</u>	<u>6,881,039</u>
End of year	<u>\$ 7,558,332</u>	<u>\$ 477,686</u>	<u>\$ 8,036,018</u>



## OHIO ASSOCIATION OF FOODBANKS

## STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

	PROGRAM EXPENSES			SUPPORT SERVICES	Total
	All Food Programs	Other Programs	Programs Subtotal	General and Management	
Wages and salaries	\$ 520,752	\$ 570,036	\$ 1,090,788	\$ 641,175	\$ 1,731,963
Fringe benefits - employees	118,947	148,128	267,075	224,173	491,248
Payroll taxes - employees	42,262	46,160	88,422	54,811	143,233
Living allowance/stipends - National Service	-	1,216,931	1,216,931	-	1,216,931
Payroll taxes - National Service	-	2,087	2,087	-	2,087
Accounting services	10,799	23,260	34,059	40,836	74,895
Consulting	27,820	228,286	256,106	317,775	573,881
Marketing/PR consulting	-	49,965	49,965	60,023	109,988
Legal fees	-	-	-	44,217	44,217
Training - employee	345	360	705	2,227	2,932
Training -Inservice - National Service	-	240	240	-	240
Meeting and conference expenses	8,806	199	9,005	68,969	77,974
Program expenses	42	36,953	36,995	450,612	487,607
Office supplies	3,418	3,505	6,923	2,583	9,506
Printing and copying	1,320	3,856	5,176	3,937	9,113
Publications	-	-	-	3,883	3,883
Postage	1,970	3,006	4,976	2,258	7,234
Advertising	-	273,546	273,546	9,161	282,707
Membership dues	1,393	-	1,393	27,969	29,362
Rent	40,920	50,521	91,441	44,938	136,379
Telephone	8,104	9,906	18,010	8,112	26,122
Insurance	-	-	-	32,754	32,754
Travel	10,166	6,858	17,024	30,750	47,774
Equipment and software purchases	1,840	-	1,840	86,717	88,557
Interest expense/bank and collection fees	-	-	-	24,593	24,593
Miscellaneous expense	768	-	768	46,594	47,362
Grants to foodbanks	232,040	1,971,836	2,203,876	-	2,203,876
Grants to agencies	-	2,149,462	2,149,462	-	2,149,462
Shelf stable and protein	16,129,347	-	16,129,347	-	16,129,347
FA Agri grant	343,268	-	343,268	-	343,268
Agricultural surplus	9,919,860	-	9,919,860	-	9,919,860
TANF/Innovative Backpack Programs	104,673	-	104,673	-	104,673
OPI	63,444	-	63,444	-	63,444
USDA	182,057	-	182,057	-	182,057
American Rescue Plan Act	17,555,394	-	17,555,394	-	17,555,394
Best Buy	23,421	-	23,421	-	23,421
Storage and distribution	7,333,245	-	7,333,245	-	7,333,245
Freight	84,819	-	84,819	-	84,819
Sponsorship fees	-	1,000	1,000	4,403	5,403
Depreciation	-	-	-	3,162	3,162
Subscriptions	-	-	-	20,973	20,973
Parking - non - employee	-	-	-	708	708
Local Food Purchase Assistance	7,304,387	-	7,304,387	-	7,304,387
Total Functional Expenses	\$ 60,075,627	\$ 6,796,101	\$ 66,871,728	\$ 2,258,313	\$ 69,130,041

See notes to financial statements.

## OHIO ASSOCIATION OF FOODBANKS

## STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2023

	PROGRAM EXPENSES			SUPPORT SERVICES	Total
	All Food Programs	Other Programs	Programs Subtotal	General and Management	
Wages and salaries	\$ 409,967	\$ 809,641	\$ 1,219,608	\$ 470,179	\$ 1,689,787
Fringe benefits - employees	89,746	229,259	319,005	138,481	457,486
Payroll taxes - employees	34,707	69,863	104,570	30,928	135,498
Living allowance/stipends - National Service	-	754,435	754,435	-	754,435
Payroll taxes - National Service	-	2,544	2,544	-	2,544
Accounting services	7,643	27,400	35,043	7,190	42,233
Consulting	25,000	-	25,000	254,587	279,587
Marketing/PR consulting	-	55,457	55,457	60,060	115,517
Legal fees	-	-	-	1,819	1,819
Training - employee	30	-	30	860	890
Meeting and conference expenses	2,865	587	3,452	43,051	46,503
Program expenses	134,855	2,111,156	2,246,011	273,009	2,519,020
Office supplies	3,190	6,280	9,470	1,759	11,229
Printing and copying	2,155	17,625	19,780	7,840	27,620
Publications	-	8,106	8,106	603	8,709
Postage	2,136	5,417	7,553	1,449	9,002
Advertising	-	374,446	374,446	1,250	375,696
Membership dues	545	-	545	27,228	27,773
Rent	33,614	80,332	113,946	34,870	148,816
Telephone	4,849	11,548	16,397	11,594	27,991
Insurance	-	-	-	32,681	32,681
Travel	7,446	8,497	15,943	16,537	32,480
Equipment and software purchases	1,176	-	1,176	67,219	68,395
Interest expense/bank and collection fees	-	-	-	1,967	1,967
Miscellaneous expense	150	3,269	3,419	36,356	39,775
Grants to foodbanks	109,419	1,778,916	1,888,335	-	1,888,335
Grants to agencies	-	40,365	40,365	-	40,365
Shelf stable and protein	11,988,953	-	11,988,953	-	11,988,953
Agricultural surplus	8,036,527	-	8,036,527	-	8,036,527
TANF/Innovative Backpack Programs	2,303,764	-	2,303,764	-	2,303,764
OPI	164,109	-	164,109	-	164,109
USDA	1,828	-	1,828	-	1,828
CareSource	1,019	-	1,019	-	1,019
American Rescue Plan Act	17,952,902	-	17,952,902	-	17,952,902
Best Buy	114,835	-	114,835	-	114,835
Storage and distribution	4,081,379	-	4,081,379	-	4,081,379
Freight	103,630	-	103,630	-	103,630
Sponsorship fees	-	-	-	12,017	12,017
Depreciation	-	-	-	2,583	2,583
Training - inservice	-	152	152	-	152
Subscriptions	-	-	-	20,643	20,643
Parking - non - employee	-	-	-	781	781
Local Food Purchase Assistance	6,219,437	-	6,219,437	-	6,219,437
Total Functional Expenses	\$ 51,837,876	\$ 6,395,295	\$ 58,233,171	\$ 1,557,541	\$ 59,790,712

See notes to financial statements.

**OHIO ASSOCIATION OF FOODBANKS**

**STATEMENTS OF CASH FLOWS**

**YEARS ENDED JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 4,270,167	\$ 1,154,979
Adjustments to reconcile change in net assets to net cash and cash equivalents provided (used) by operating activities:		
Depreciation	3,162	2,583
Amortization of right of use asset	<u>126,168</u>	<u>122,779</u>
	4,399,497	1,280,341
Changes in operating assets and liabilities:		
Grants receivable	(234,674)	(770,138)
Accounts receivable	(4,629)	4,482
Prepaid expenses	(1,583,748)	-
Operating lease obligations	(121,005)	(113,648)
Accounts payable	(1,472,336)	2,483,713
Accrued expenses	(6,468)	39,085
Deferred revenue	<u>(22,148,450)</u>	<u>21,328,239</u>
Net Cash and Cash Equivalents Provided (Used) by Operating Activities	(21,171,813)	24,252,074
<b>INVESTING ACTIVITIES</b>		
Purchases of property and equipment	<u>(3,696)</u>	<u>(15,500)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(21,175,509)	24,236,574
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>31,638,289</u>	<u>7,401,715</u>
End of year	<u>\$ 10,462,780</u>	<u>\$ 31,638,289</u>

## OHIO ASSOCIATION OF FOODBANKS

### NOTES TO FINANCIAL STATEMENTS

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Operations** - The mission of the **Ohio Association of Foodbanks** (the "Association") is to assist Feeding America foodbanks in Ohio in providing food and other resources to people in need and to pursue areas of common interest for the benefit of people in need. The Association's primary source of funding is grants from governmental agencies.

**Basis of Accounting** - The Association's financial statements are prepared on the accrual basis of accounting. The Association's financial presentation is in accordance with generally accepted accounting principles ("GAAP"). Under GAAP, the Association reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Net Assets Without Donor Restrictions** - Net assets without donor restrictions represent the portion of expendable funds that is available for support of the Association. The Board of Directors of the Association have designated net assets to be used as a reserve for general operating expenses in the event of a major loss of funding. Total board designated net assets as of June 30, 2024 and 2023 were \$492,000.

**Net Assets With Donor Restrictions** - Net assets with donor-imposed restrictions are limited as to use by donor-imposed restrictions that either expire by passage of time or that can be fulfilled or removed by actions of the Association. When net assets with donor restrictions expire, net assets with donor restrictions are reclassified to net assets without restrictions and are reported in the statements of activities as net assets released from restrictions. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Association has no net assets that are required to be maintained in perpetuity.

**Financial Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents** - For purposes of the statements of cash flows, the Association considers bank accounts and certificates of deposit purchased with a maturity of one year or less to be cash and cash equivalents. Interest income on the certificates of deposit is recorded as income when earned.

**Adoption of New Accounting Standards** - In June 2016, the Financial Accounting Standards Board ("FASB") issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through change in net assets. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Association that are subject to the guidance in FASB ASC 326 were accounts receivable.

The Association adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

## OHIO ASSOCIATION OF FOODBANKS

### NOTES TO FINANCIAL STATEMENTS

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**Accounts Receivable** - Accounts receivable are stated as unpaid balances. Initial and ongoing credit evaluations are performed at management's discretion. Management reviews individual accounts receivable balances on a regular basis. Organizations not making payments in accordance with terms offered or historical practices are determined to be past due.

The Association recognizes an allowance for losses on accounts receivable in an amount equal to the current expected credit losses. The estimation of the allowance is based on an analysis of historical loss experience, current receivables aging, and management's assessment of current conditions and reasonable and supportable expectation of future conditions, as well as an assessment of specific identifiable customer accounts considered at risk or uncollectible. The Association assesses collectability by pooling receivables where similar characteristics exist and evaluates receivables individually when specific customer balances no longer share those risk characteristics and are considered at risk or uncollectible. The expense associated with the allowance for expected credit losses is recognized in management and general expenses. Management determined no allowance for expected credit losses was considered necessary at June 30, 2024, and there was no allowance for doubtful accounts at June 30, 2023.

The Association writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income in the year of recovery. There were no write-offs for the years ended June 30, 2024 and 2023.

**Grants Receivables** - The Association carries its receivables for grants at net realizable value.

**Concentration of Credit Risk** - The Association's funds contained in its cash and cash equivalent balances at June 30, 2024 and 2023 were held in a total of three different financial institutions which at various times throughout the year were in excess of Federal Deposit Insurance Corporation insurance limits of \$250,000.

During 2023, the Association opened an insured cash sweep account for the Association's operating bank account that fully insures cash balances under the Federal Deposit Insurance Corporation to reduce credit risk on cash.

**Property and Equipment** - Property and equipment are stated at cost, while donated items are reported at fair value on the date of contribution, and depreciated over their estimated useful lives using the straight-line method. Routine repairs and maintenance are charged to expense when incurred.

The Association capitalizes all expenditures in excess of \$3,000 for property and equipment at cost. Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as support and net assets with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as support and net assets without donor restrictions.

The Association reviews for impairment of long-lived assets in accordance with accounting standards. These standards require organizations to determine if changes in circumstances indicate that the carrying amount of its long-lived assets may not be recoverable. If a change in circumstances warrants such an evaluation, undiscounted future cash flows from the use and ultimate disposition of the asset, as well as respective market values, are estimated to determine if an impairment exists. Management believes that there has been no impairment of the carrying value of its long-lived assets at June 30, 2024 and 2023.

## OHIO ASSOCIATION OF FOODBANKS

### NOTES TO FINANCIAL STATEMENTS

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**Contributions** - Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in net assets without donor restrictions. All other donor restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to 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.

Grant awards that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the period when the related expenses are incurred. Amounts received or receivable in excess of expenses are reflected as grant funds received in advance.

**Membership Dues** - Membership dues from related parties are paid based on Feeding America Goal Factors issued annually. As of June 30, 2024 and 2023, dues totaled \$245,497 each year, and are paid by each of the twelve Feeding America foodbanks on a quarterly basis.

**Deferred Revenue** - Deferred revenue of the Association represents amounts received on grant agreements in advance, which have not been earned at the end of the year. As of June 30, 2024 and 2023, deferred revenue for the Association was \$15,198 and \$22,163,648.

**Functional Allocation of Expenses** - Directly identifiable expenses are charged to programs and supporting services. Certain categories of expenses that are attributed to more than one program or supporting function require allocation on a reasonable basis that is consistently applied. The main expenses that are allocated include salaries and wages and related employee benefits and payroll taxes which are allocated on the basis of estimates of time and effort. Facility related costs, including utilities, security, maintenance, and depreciation are allocated based on management's estimate using factors such as square footage utilization.

**Income Taxes** - The Association is a nonprofit organization and is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes is presented in these financial statements.

**Advertising** - Advertising costs are expensed as incurred and are reported in the statements of functional expenses. Advertising expense was \$282,707 and \$375,696 for the years 2024 and 2023.

**Accounting for Uncertainty in Income Taxes** - Accounting standards require the evaluation of tax positions taken, or expected to be taken, in the course of preparing the Association's tax return, to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. This statement provides that a tax benefit from an uncertain tax position may be recognized in the financial statements only when it is "more-likely-than-not" the position will be sustained upon examination, including resolution of any related appeals or litigation processes, based upon the technical merits and consideration of all available information. Once the recognition threshold is met, the portion of the tax benefit that is recorded represents the largest amount of tax benefit that is greater than 50 percent likely to be realized upon settlement with a taxing authority. Based on its review, management does not believe the Association has taken any material uncertain tax positions, including any position that would place the Association's exempt status in jeopardy, as of June 30, 2024 and 2023.

## OHIO ASSOCIATION OF FOODBANKS

### NOTES TO FINANCIAL STATEMENTS

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

**Leases** - In February 2016, the Financial Accounting Standards Board (FASB) issued guidance Accounting Standards Codification [ASC] 842, *Leases*, to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Association adopted the standard effective July 1, 2022, and recognized and measured leases existing at July 1, 2022 (the beginning of the period of adoption) through a cumulative effect adjustment, with certain practical expedients available.

The Association elected the available practical expedients to account for their existing operating leases as operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of capital leases or operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of the new lease accounting guidance, the Association recognized on July 1, 2022 a lease liability of \$708,626, which represents the present value of the remaining operating lease payments of \$840,928, discounted using the risk free-borrowing rate of 2.89% and a ROU asset of \$708,626.

The standard had a material impact on the statement of financial position, but did not have a material impact on the statement of activities, nor statement of cash flows. The most significant impact was the recognition of ROU assets and lease liabilities for the operating lease.

The Association leases office space. The Association determines if an arrangement is a lease at inception. Operating leases are included in operating lease ROU assets, and current and long-term operating lease liabilities on the statement of financial position.

ROU assets represent the Association's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the operating leases do not provide an implicit interest rate, the Association uses a risk free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The Association's lease terms may include options to extend or terminate the lease when it is reasonably certain that it will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Association's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

**Reclassifications** - Certain prior year amounts in the financial statement have been reclassified to conform with current year presentation.

**Subsequent Events** - In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through December 3, 2024, the date the financial statements were available to be issued.

# OHIO ASSOCIATION OF FOODBANKS

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 - LIQUIDITY AND AVAILABILITY

The Association monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Association has the following financial assets, less those unavailable for general expenditure within one year:

	<u>2024</u>	<u>2023</u>
Financial assets:		
Cash and cash equivalents	\$ 10,462,780	\$ 31,638,289
Grants receivable	3,086,573	2,851,899
Accounts receivable	<u>21,250</u>	<u>16,621</u>
Total financial assets	<u>13,570,603</u>	<u>34,506,809</u>
Less those unavailable for general expenditure within one year due to:		
Net assets with donor restrictions	578,360	477,686
Board designated funds	<u>492,000</u>	<u>492,000</u>
	<u>1,070,360</u>	<u>969,686</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 12,500,243</u>	<u>\$ 33,537,123</u>

### NOTE 3 - PROPERTY AND EQUIPMENT

	<u>2024</u>	<u>2023</u>
Equipment	\$ 19,196	\$ 15,500
Vehicles	<u>-</u>	<u>25,000</u>
	19,196	40,500
Less accumulated depreciation	<u>5,745</u>	<u>27,583</u>
	<u>\$ 13,451</u>	<u>\$ 12,917</u>

Depreciation expense for the years 2024 and 2023 was \$3,162 and \$2,583.

### NOTE 4 - GRANTS RECEIVABLE

	<u>2024</u>	<u>2023</u>
Governor's Office c/o ODJFS	\$ 97,133	\$ 1,502,427
ODJFS - SNAP Outreach	319,605	393,046
Franklin County JFS - WEP	16,734	70,593
ODJFS - Core Food Program/Capacity Bldg	1,326,216	-
Corporation for National and Community Service	96,278	116,342
ODJFS - Core Food Program/USDA	201,244	-
Ohio Department of Services Agency - HEAP	4,525	3,013
Local Food Purchase Agreement - LFPA	806,823	472,215
Department of Health and Human Services	<u>218,015</u>	<u>294,263</u>
	<u>\$ 3,086,573</u>	<u>\$ 2,851,899</u>



**OHIO ASSOCIATION OF FOODBANKS**

**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 5 - LEASING ACTIVITIES**

The Organization leases office space under an operating lease expiring in 2027.

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
<b>Weighted Average Remaining Lease Term</b>		
Operating leases	<b>3.42 years</b>	4.42 years
<b>Weighted Average Discount Rate</b>		
Operating leases	<b>2.89%</b>	2.89%

The maturities of lease liabilities as of June 30, 2024 and 2023 are as follows:

	<u>Operating</u>
2025	\$ 140,360
2026	144,570
2027	148,907
2028	<u>63,688</u>
Total lease payments	497,525
Less interest	<u>(23,552)</u>
Present value of lease liabilities	<u>\$ 473,973</u>

The following provides a breakout of rent expense on the statements of functional expenses for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Operating lease expense:		
Operating lease expense	<b>\$ 136,379</b>	\$ 141,434
Short-term lease expense	<u>-</u>	<u>7,382</u>
Total operating lease expense	<b><u>\$ 136,379</u></b>	<b><u>\$ 148,816</u></b>

The following summarizes cash flow information related to leases for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating lease	<b>\$ 136,271</b>	\$ 132,302
Lease assets obtained in exchange for lease obligations:		
Operating lease	<b>\$ -</b>	\$ 708,626

**OHIO ASSOCIATION OF FOODBANKS**

**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 6 - OHIO FOOD AND AGRICULTURE CLEARANCE PROGRAM, CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS (SLFRF)/AMERICAN RESCUE PLAN ACT (ARPA), AND LOCAL FOOD PURCHASE ASSISTANCE PROGRAM (LFPA) COOPERATIVE AGREEMENT**

All Food Programs are included as expenditure line items on the statements of functional expenses and consisted of the following types of expenses for the years ended June 30, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
<b>Shelf Stable and Protein OFF</b>		
Commodities for Foodbanks	\$ 16,129,347	\$ 11,988,953
Storage and distribution of commodities	<u>1,923,000</u>	<u>1,473,000</u>
	<u>18,052,347</u>	<u>13,461,953</u>
<b>Agricultural Surplus ACP</b>		
Purchase of commodities for consumption	9,919,860	8,036,527
Storage and distribution of commodities	<u>1,923,000</u>	<u>1,473,000</u>
	<u>11,842,860</u>	<u>9,509,527</u>
<b>American Rescue Plan Act (ARPA)</b>		
Purchase of commodities for consumption:		
ARPA 1	-	14,955,215
ARPA 2	17,555,394	2,997,686
Storage and distribution of commodities - ARPA 2	2,471,314	438,686
Freight and handling - ARPA 2	<u>32,464</u>	<u>52,392</u>
	<u>20,059,172</u>	<u>18,443,979</u>
<b>Local Food Purchase Assistance Program (LFPA)</b>		
Purchase of commodities for consumption	7,304,387	6,219,437
Storage and distribution of commodities	1,015,931	696,693
Freight and handling	<u>46,015</u>	<u>25,847</u>
	<u>8,366,333</u>	<u>6,941,977</u>
<b>Other Direct Programs Operating Expenses</b>	<u>1,754,915</u>	<u>3,480,440</u>
<b>Total Food Program</b>	<u>\$ 60,075,627</u>	<u>\$ 51,837,876</u>

## OHIO ASSOCIATION OF FOODBANKS

### NOTES TO FINANCIAL STATEMENTS

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#### NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

The net asset with donor restrictions includes assets of the Association related to grants with explicit donor-imposed restrictions that have not been met as to specific purpose, or to later periods of time or after specific dates.

	<u>2024</u>	<u>2023</u>
Programs (Purpose Restricted)	<u>\$ 578,360</u>	<u>\$ 477,686</u>

Net assets were released from donor restriction by incurring expenses satisfying the restricted purposes. Net assets totaling \$1,000 were released from restrictions for the year 2024. There were no net assets released from restriction, that were not contributed during the same period, for the year 2023.

#### NOTE 8 - RETIREMENT PLAN

The Association maintains a defined contribution pension plan for all full-time employees who have completed at least one year of service. Contributions of \$162,312 and \$131,291 were made for the years 2024 and 2023. Retirement 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 Directors according to the availability of funds.

#### NOTE 9 - LINE OF CREDIT

In February 2023, the Association opened a \$5,000,000 line of credit with a bank bearing interest at the Prime rate (8.50% at June 30, 2024 and 8.25% at June 30, 2023) plus 0.50%. The line of credit expires in January 2025. There was no outstanding balance on this line of credit at June 30, 2024 and 2023.

#### NOTE 10 - CONTINGENCY

The grant programs of the Association are subject to potential audits by agents of each individual granting authority. The purpose of such an audit is to ensure compliance with conditions precedent to the granting of funds. Revenues generated by the grant programs may be disallowed in subsequent periods as a result of these audits. However, management believes that the Association has materially complied with all grant agreements as of the years 2024 and 2023.

#### NOTE 11 - RELATED PARTY TRANSACTIONS

The board members of the Association serve as directors of non-profit organization's that pay membership dues to the Association and receive federal funds from the Association at June 30, 2024 and 2023. Membership dues paid by these related parties totaled \$245,497 for the years 2024 and 2023. Federal funds passed through to these related parties totaled \$55,857,750 and \$46,641,676.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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Board of Directors  
**Ohio Association of Foodbanks**  
Columbus, Ohio

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the **Ohio Association of Foodbanks** (the "Association"), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 3, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Association'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 the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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 the 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 AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* -  
CONTINUED**

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**Report on Compliance and Other Matters**

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

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Association'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 Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Columbus, Ohio  
December 3, 2024



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

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Board of Directors  
**Ohio Association of Foodbanks**  
Columbus, Ohio

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

**Opinion on Each Major Federal Program**

We have audited the **Ohio Association of Foodbanks'** 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 the Association's major federal programs for the year ended June 30, 2024. The Association's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the **Ohio Association of Foodbanks** 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 requirement 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the **Ohio Association of Foodbanks** 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 the **Ohio Association of Foodbanks'** 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 the **Ohio Association of Foodbanks'** federal programs.

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

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### Auditors' Responsibility 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 to express an opinion on the **Ohio Association of Foodbanks'** 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 the **Ohio Association of Foodbanks'** 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 the **Ohio Association of Foodbanks'** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the **Ohio Association of Foodbanks'** 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 the **Ohio Association of Foodbanks'** 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 AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE - CONTINUED

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### Report on Internal Control Over Compliance

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



Columbus, Ohio  
December 3, 2024



**OHIO ASSOCIATION OF FOODBANKS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
<b>U.S. DEPARTMENT OF THE TREASURY - PASS-THROUGH PROGRAMS</b>			
<b>Passed through Ohio Department of Job &amp; Family Service</b>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	G-2223-17-1173-01	\$ <u>21,344,285</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES - DIRECT PROGRAM</b>			
<b>Centers for Medicare &amp; Medicaid Services</b>			
Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Marketplaces	93.332		2,440,840
Cooperative Agreement to Support Connecting Kids to Coverage Healthy KIDS	93.767		<u>444,555</u>
Total U.S. Department of Health and Human Services - Direct Program			<u>2,885,395</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES - PASS-THROUGH PROGRAMS</b>			
<b>Passed through Ohio Department of Job &amp; Family Service</b>			
Social Services Block Grant - Core Food Program	93.667	G-2425-17-0084	2,000,000
Temporary Assistance for Needy Families (TANF) - Core Food Program	93.558	G-2425-17-0084	<u>22,050,000</u>
Total Passed-through Ohio Department of Job & Family Services			<u>24,050,000</u>
<b>Passed through Ohio Department Services Agency</b>			
Low-Income Home Energy Assistance	93.568	Various	<u>86,041</u>
<b>Passed through Governor's Office of Faith - Based &amp; Community Initiatives</b>			
Temporary Assistance for Needy Families (TANF)	93.558	Various	<u>104,673</u>
<b>Passed through Franklin County Department of Job &amp; Family Services</b>			
Social Services Block Grant (Title XX)	93.667	25-23-5729	<u>169,260</u>
Total U.S. Department of Health and Human Services - Pass-Through Programs			<u>24,409,974</u>
Total U.S. Department of Health and Human Services			<u>27,295,369</u>

**OHIO ASSOCIATION OF FOODBANKS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED**

**YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass Through Grantor/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
<b>CORPORATION FOR NATIONAL &amp; COMMUNITY SERVICE DIRECT PROGRAM</b>			
Volunteers in Service to America	94.013		1,369,914
Americorps Seniors Senior Demonstration Program (FGP) Community Services	94.017		<u>58,146</u>
Total Corporation for National & Community Service			<u>1,428,060</u>
<b>U.S. DEPARTMENT AGRICULTURE PASS-THROUGH PROGRAMS</b>			
<b>Passed through Ohio Department of Job &amp; Family Services</b>			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Various	2,070,772
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.568	G-2425-17-0621	201,244
Local Food Purchase Agreement	10.182	G-2425-17-1063-02	<u>8,535,004</u>
Total Passed-through Ohio Department of Job & Family Services			<u>10,807,020</u>
<b>Passed through Franklin County Department of Job &amp; Family Services</b>			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	25-23-5729	<u>1,224</u>
Total U.S. Department Agriculture Pass-through Programs			<u>10,808,244</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b><u>\$ 60,875,958</u></b>

OHIO ASSOCIATION OF FOODBANKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

YEAR ENDED JUNE 30, 2024

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

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Ohio Association of Foodbanks, non-profit 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 Association, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Association.

**Note 2 - 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.

**Note 3 - Indirect Cost Rate Election**

The Association does not take an indirect rate and receives a straight administrative fee to cover both direct and indirect expenses.

**Note 4 - Payments to Subrecipients**

The Association passes certain federal awards received from the federal government to other nonprofits. The Association reports expenditures of federal awards to subrecipients when paid in cash. The subrecipients are listed in the following table, to which the Association paid \$57,645,859 during fiscal year 2024. These payments were included in the Schedule of Federal Expenditures of Federal Awards under Assistance Listings 93.667, 93.558, 10.182, 21.027, 93.332, 93.767, 10.568, and 10.561.

**Note 5 - Matching Requirements**

Certain federal programs require the Association to contribute non-Federal funds (matching funds) to support the federally-funded programs. The Association has met its matching requirements. The Schedule does not include the expenditure of non-federal matching funds.

OHIO ASSOCIATION OF FOODBANKS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

YEAR ENDED JUNE 30, 2024

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Organization	Core Food Title XX 93.667	Core Foodbank TANF 93.558	Storage Distribution TANF 93.558	LFPA/ Storage Distribution LFPA 10.182	ARPA/ Storage Distribution ARPA 21.027	Navigator 93.332	CKC 93.767	State SNAP 10.561	Farm to Foodbank 10.568	TANF - GOFBCI Summer Meals 93.558	TOTAL
Akron-Canton Regional Foodbank	\$ 215,814	\$ 2,486,669	\$ 352,231	\$ 1,069,279	\$ 2,443,865	\$ -	\$ -	\$ -	\$ 22,694	\$ 4,970	\$ 6,595,522
Greater Cleveland Food Bank	345,339	2,995,888	493,554	985,205	3,363,094	-	-	1,123,545	29,640	-	9,336,265
The Foodbank	92,288	1,151,597	184,365	603,072	1,254,942	-	-	-	11,720	19,538	3,317,522
Freestore Foodbank	254,785	1,899,425	322,101	972,709	2,593,450	355,761	-	235,287	20,671	-	6,654,189
Mid-Ohio Foodbank	235,507	4,003,004	608,334	1,190,694	4,313,941	165,449	88,550	345,056	39,058	-	10,989,593
Clark, Champaign and Logan	-	365,419	55,956	766,090	434,566	-	-	65,652	3,627	-	1,691,310
Foodbank of the Mahoning Valley	68,090	636,490	155,670	746,226	1,205,971	-	-	-	9,607	-	2,822,054
Foodbank of North Central	53,891	786,544	123,389	696,344	809,236	-	-	75,339	-	-	2,544,743
Southeast Ohio Foodbank	98,033	670,186	111,911	825,763	778,295	-	-	6,470	7,614	50,295	2,548,567
Shared Harvest Foodbank	146,207	921,597	154,236	666,095	1,152,407	-	-	39,023	10,141	-	3,089,706
Toledo Northwestern Ohio Food Bank	113,093	1,324,889	213,060	937,991	1,064,717	-	-	81,464	12,955	-	3,748,169
West Ohio Food Bank	16,953	839,292	111,193	779,818	736,194	-	-	-	14,330	22,330	2,520,110
Toledo Seagate Foodbank	-	-	-	-	347,180	-	-	-	-	-	347,180
Charitable Healthcare Network	-	-	-	-	-	333,189	90,450	-	-	-	423,639
Community Action Committee of Pike County	-	-	-	-	-	65,596	-	-	-	-	65,596
Medworks	-	-	-	-	-	201,462	-	-	-	-	201,462
Toledo Lucas County CareNet	-	-	-	-	-	358,870	-	-	-	-	358,870
Universal Health Care Action Network of Ohio Inc.	-	-	-	-	-	208,375	108,637	-	-	-	317,012
Washington-Morgan Community Action Program	-	-	-	-	-	74,350	-	-	-	-	74,350
	<u>\$ 1,640,000</u>	<u>\$ 18,081,000</u>	<u>\$ 2,886,000</u>	<u>\$ 10,239,286</u>	<u>\$ 20,497,858</u>	<u>\$ 1,763,052</u>	<u>\$ 287,637</u>	<u>\$ 1,971,836</u>	<u>\$ 182,057</u>	<u>\$ 97,133</u>	<u>\$ 57,645,859</u>

**OHIO ASSOCIATION OF FOODBANKS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2024**

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**SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unmodified opinion on whether the financial statements of the Association were prepared in accordance with GAAP.
2. No significant deficiencies or material weaknesses were disclosed during the audit of the financial statements in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Association, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses in internal control over the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditors' report on compliance for the major federal award programs expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a).
7. The programs tested as major programs were Assistance Listings 10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program, 93.558 Temporary Assistance for Needy Families, 21.027 Coronavirus State and Local Fiscal Recovery Funds, and 93.667 Social Services Block Grant.
8. The threshold used for distinguishing between Type A and B programs was \$1,826,279.
9. The Association did qualify as a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AND COMPLIANCE AUDITS**

No matters are reportable.