

TOLEDO SEAGATE FOODBANK

FINANCIAL STATEMENTS

AND

AUDIT REPORTS

YEAR ENDED: SEPTEMBER 30, 2019

TOLEDO SEAGATE FOODBANK

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Board of Directors
Toledo Seagate Foodbank
526 High St.
Toledo, Ohio 43609

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

I have audited the accompanying financial statements of Toledo Seagate Foodbank, Inc. (a nonprofit organization) which comprise the statement of financial position as of September 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Toledo Seagate Foodbank, Inc. as of September 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

My 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 my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued my report dated April 17, 2020, on my consideration of Toledo Seagate Foodbank, Inc.'s internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Toledo Seagate Foodbank, Inc.'s internal control over financial reporting and compliance.

Ronald W. Coon, Sr.

Ronald W. Coon, Sr, MPPA.

Certified Public Accountant

Diplomate, American Board of Forensic Accounting

Certified Fraud Examiner

Fellow, American College of Forensic Examiners Institute

April 17, 2020

TOLEDO SEAGATE FOODBANK
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2019

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	TOTAL
ASSETS			
Current Assets			
Cash and Cash Equivalents (Note 8)	597,338	0	597,338
Cash - Board Imposed Rest (Note 12)	2,762	0	2,762
Cash - Short Term	194,816	0	194,816
Receivables (Gross/Net)	13,379	0	13,379
Grants Receivable	497,583	0	497,583
Interest Receivable	440	0	440
Other Receivables	1,062	0	1,062
Inventory (Note 6)	156,027	805,033	961,060
Grants Awarded	<u>0</u>	<u>626,101</u>	<u>626,101</u>
Total Current Assets	1,463,407	1,431,134	2,894,541
Non-Current Assets			
Investments (Note 11)	775,454	0	775,454
Property and Equipment (Note 7)	994,505	0	994,505
Other Assets			
Prepays	21,312	0	21,312
Deposits	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Assets	<u>21,312</u>	<u>0</u>	<u>21,312</u>
TOTAL ASSETS	<u>\$ 3,254,678</u>	<u>\$ 1,431,134</u>	<u>\$ 4,685,812</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TOLEDO SEAGATE FOODBANK

LIABILITIES & NET ASSETS

LIABILITIES

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	TOTAL
Current Liabilities			
Accounts Payable	0	0	0
Taxes Payable	2,589	0	2,589
Accrued Payroll	9,422	0	9,422
Accrued Payroll Taxes	721	0	721
Current Portion of Long Term Debt	0	0	0
Current Portion of Long Term Lease	3,951	0	3,951
Unearned Revenue	<u>0</u>	626,101	<u>626,101</u>
Total Current Liabilities	16,683	626,101	642,784
Long Term Liabilities			
Lease Obligation Payable (Note 19)	<u>10,207</u>	0	<u>10,207</u>
Total Long Term Liabilities	<u>10,207</u>	0	<u>10,207</u>
TOTAL LIABILITIES	26,890	626,101	652,991

NET ASSETS

Comprehensive Income	36,041	0	36,041
Without Donor Restrictions	3,191,747	0	3,191,747
With Donor Restrictions	<u>0</u>	<u>805,033</u>	<u>805,033</u>
TOTAL NET ASSETS	3,227,788	805,033	4,032,821
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 3,254,678</u>	 <u>\$ 1,431,134</u>	 <u>\$ 4,685,812</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TOLEDO SEAGATE FOODBANK
STATEMENT OF ACTIVITIES
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2019

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	TOTAL
SUPPORT			
Donations	156,112	0	156,112
In-Kind Donations	1,726,311	0	1,726,311
Food Distributions	0	4,998,172	4,998,172
Grants	102,875	1,059,895	1,162,770
Fund-Raising (net of \$19,216 costs)	5,226	0	5,226
Basket Revenue	133,927	0	133,927
Other Support Revenue	982	0	982
Interest and Dividends	23,443	0	23,443
Net Assets Released from Restriction	<u>1,059,895</u>	<u>(1,059,895)</u>	<u>0</u>
TOTAL SUPPORT REVENUE	3,208,771	4,998,172	8,206,943
OPERATING EXPENDITURES			
Programs		0	0
Product Distributions	1,658,959	4,604,657	6,263,616
Program Related Expenditures	<u>1,008,619</u>	<u>0</u>	<u>1,008,619</u>
Total Program Expenditures	2,667,578	4,604,657	7,272,235
Support Services			
Management and General	30,287	0	30,287
Fund-Raising	<u>40,475</u>	<u>0</u>	<u>59,746</u>
Total Support Services	70,763	0	70,763

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TOLEDO SEAGATE FOODBANK
STATEMENT OF ACTIVITIES (cont'd)
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2019

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	TOTAL
Other Operating Expenditures			
Depreciation	76,074	0	76,074
Interest	1,410	0	1,410
	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Operating Expenditures	<u>77,484</u>	<u>0</u>	<u>77,484</u>
 Total Operating Expenditures	 2,815,825	 4,604,657	 7,420,482
 Net Operating Income	 392,946	 393,515	 786,461
Non-Operating Expenditures			
Increase in Value of Investments	<u>78,970</u>	<u>0</u>	<u>78,970</u>
 Change in Net Assets	 471,916	 393,515	 865,431
 Beginning Net Assets	 2,755,872	 411,518	 3,167,390
 Ending Net Assets	 <u>\$ 3,227,788</u>	 <u>\$ 805,033</u>	 <u>\$ 4,032,821</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TOLEDO SEAGATE FOODBANK
STATEMENT OF CHANGES IN CASH FLOW
FOR YEAR ENDED SEPTEMBER 30, 2019

OPERATING ACTIVITIES

Cash Inflows

From Donations	156,112
From Food & Basket Distributions	526,495
From Interest Income	23,443
Received from Other Revenue	6,109
From Grants	<u>840,430</u>

Total Cash Inflows 1,552,589

Cash Outflows

Paid for Inventory	465,958
Paid Wages	375,388
Paid Interest	1,410
Paid Program Services	<u>559,039</u>

Total Cash Outflows 1,401,795

TOTAL CASH FLOWS FROM OPERATING ACTIVITIES 150,794

INVESTING ACTIVITIES

Cash Inflows

NONE

Cash Outflows

Asset Acquisition	61,188
Investment Purchases	<u>0</u>

Total Cash Outflows 61,188

TOTAL CASH FLOWS FROM INVESTING ACTIVITIES (61,188)

FINANCING ACTIVITIES

Cash Outflows

Capital Lease Payments	6,082
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TOTAL CASH FLOWS FROM FINANCING ACTIVITIES (6,082)

NET CASH FLOWS FROM ALL ACTIVITIES 83,524

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

TOLEDO SEAGATE FOODBANK
STATEMENT OF CHANGES IN CASH FLOW (cont'd)
FOR YEAR ENDED SEPTEMBER 30, 2019

NET CASH FLOWS FROM ALL ACTIVITIES	83,524
BEGINNING CASH OCTOBER 1, 2018	<u>711,392</u>
ENDING CASH SEPTEMBER 30, 2019	\$ <u><u>711,392</u></u>

NON-CASH TRANSACTIONS

Donated Inventory	1,611,045
Donated Supplies	0
Donated Wages (Note 2)	<u>115,266</u>
TOTAL NON-CASH TRANSACTIONS	\$ <u><u>1,726,311</u></u>

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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

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TOLEDO SEAGATE FOODBANK
STATEMENT OF FUNCTIONAL EXPENDITURES - PROGRAM SERVICES
FOR YEAR ENDED SEPTEMBER 30, 2019
SCHEDULE 1

FUNCTIONAL EXPENDITURES	PROGRAM SERVICES	ADMIN.	FUND- RAISING	TOTALS (Memo)
Wages	470,773	10,554	9,573	490,900
Payroll Taxes	39,761	891	808	41,461
Supplies	16,105	361	327	16,794
Rent	127	3	3	132
Utilities	67,264	1,508	1,368	70,140
Telephone	20,999	471	427	21,897
Alarm Services	2,051	46	42	2,139
Real Estate Taxes	4,122	92	84	4,298
Advertising (Note 4)	17,745	890	22,777	41,413
Printing	3,634	81	74	3,789
Consultants	10,699	240	218	11,156
Dues & Publications	1,597	36	32	1,665
Professional Fees	28,874	647	587	30,108
Licenses & Fees	362	8	7	377
Bank Charges	1,474	33	30	1,537
Laundry & Uniforms	3,571	80	73	3,724
Refuse Disposal	7,648	171	156	7,975
Insurance	36,342	815	739	37,896
Maintenance	24,350	546	495	25,391
Program Expenses	109,256	2,401	0	111,657
Office Supplies	3,637	82	74	3,793
Postage	7,542	169	153	7,864
Employee Benefits	50,207	1,126	1,021	52,354
Equipment Rental	15,594	350	317	16,261
Information Technologies	11,224	7,483	0	18,707
Vehicle Expenses	<u>53,660</u>	<u>1,203</u>	<u>1,091</u>	<u>55,954</u>
TOTAL FUNCTIONAL EXP.	1,008,619	30,287	40,475	1,079,382

Program Services is further delineated in Note 17.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

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TOLEDO SEAGATE FOODBANK

NOTES TO FINANCIAL STATEMENTS

Note 1: **ORGANIZATION**

ORGANIZATION - The Toledo Seagate Foodbank (Organization) has been granted the status as a non-profit Corporation in the State of Ohio and 5739.02 (B)(12) of the Ohio Revised Code. The Organization was formed primarily for the purpose of charitable distribution of food for the needy.

NATURE OF BUSINESS - Toledo Seagate Foodbank activities include providing food and other products to those who are in need of food in Northwest Ohio. The Organization also provides outreach services, nutrition education and assistance to those in need.

Note 2: **SIGNIFICANT ACCOUNTING POLICIES**

BASIS OF ACCOUNTING - The financial statements of Toledo Seagate Foodbank have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

DEFERRED REVENUE - Income from grants is deferred and recognized over the periods to which the grants earned.

EXPENDITURE ALLOCATION - Expenditures are charged to programs and supporting services on the basis of periodic time and expenditure studies. Management and general expenditures include those expenditures that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

INCOME TAX STATUS - Toledo Seagate Foodbank is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 2: **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

INCOME TAX STATUS (cont'd) Management of the Organization is required to determine whether a tax position of the Organization is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Management of the organization is not aware of any tax positions for which it is reasonably possible that the total amounts of the unrecognized tax benefits will significantly change in the next twelve months. However, management's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to , new tax laws, regulations, and administrative interpretations (including relevant court decisions). Big Brothers/Big Sisters of Northwest Ohio's federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

DONATED GOODS - A number of Companies, Individuals and Organizations have contributed significant goods to the Organization. The value of these goods are determined at a weighted average price per pound of goods donated. (\$1,611,045). The financial statements do reflect a substantial portion of their value, since these goods are integral to the Organization fulfilling it's mission statement. Those goods donated that are missed would represent an immaterial portion with regard to the financial statements taken as a whole.

DONATED SERVICES - A number of people have contributed significant amounts of time to the activities of the Organization without compensation. The financial statements do reflect a substantial portion of their value (\$115,266 or 4,688 hours), since their services are integral to the Organization fulfilling it's mission statement. The value is based upon the "National Value of Volunteer Time" for the State of Ohio at the rate of \$24.59. The youth groups that donated time were valued at 49% of the Ohio rate in which it would be consistent with all of the National determination for Youth time values.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 2: SIGNIFICANT ACCOUNTING POLICIES(cont'd)

DONATED PROPERTY AND EQUIPMENT - Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment is depreciated using the straight line method.

FUND ACCOUNTING - In order to ensure observance of limitations and restrictions placed on the resources available to the Corporation, the internal accounts of the Organization are maintained on accordance with principles of fund accounting. This is the procedure by which resources are classified for accounting and reporting purposes into funds that are in accordance with the activities or objectives specified. Restricted funds maintained by the Organization and their objectives are as follows:

Community Development Block Grant (Toledo Subrecipient for Years 44 & 45) - Operating Grant used for the acquisition of food for the distribution for indigent households.

Ohio Department of Agriculture - Operating grant and Food distribution grant for operating expenditures and food distribution to those eligible.

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

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 2: **SIGNIFICANT ACCOUNTING POLICIES**(cont'd)

UNCONDITIONAL PROMISES TO GIVE - The unconditional promises to give outstanding are to be received within one year period. The following are the unconditional promises to give as of September 30, 2019 and are treated as Grants awarded and deferred revenue on the financial statements. Department of Agriculture \$1,029,895; and Community Development Block Grant (CDBG) \$30,000; totaling \$1,059,895.

RESTRICTED AND UNRESTRICTED REVENUE - Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in Net Assets with Donor Restrictions column. When a restriction expires, Net Assets with Donor Restrictions are reclassified to Net Assets without Donor Restrictions and is reported in the Statement of Activities as net assets released from restrictions.

CONDITIONAL PROMISES TO GIVE - Conditional Promises to give, which depend on the occurrence of a specified future and certain event to bind the promisor, shall be recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional.

RECENT ACCOUNTING PRONOUNCEMENTS - In August 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities. The amendments in this ASU make certain improvements that address many, but not all, of the identified issues about the current financial reporting for Not-for-Profit (NFP) entities. Under the new guidance, financial statements and noted disclosure requirements for NFP entities include the following:

1. Present on the face of the statements of financial position net assets with and without donor restrictions.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 2: SIGNIFICANT ACCOUNTING POLICIES(cont'd)

2. Present on the statements of activities additional operation measures.
3. Present on the statements of activities investment return, net of external and internal investment expenses.
4. Continue to present on the face of the statement of cash flows the net amount for operating cash flows using either the direct or indirect method of reporting but no longer require the presentation or disclosure of the indirect method (reconciliation) if using the direct method.
5. Enhanced disclosures that provide quantitative and qualitative information about liquidity management.
6. Enhanced disclosures that provide information on allocation of functionalized expenses.

The amendments in ASU-2016-14 are effective for the Organization beginning on January 1, 2019, with early adoption permitted. Management has elected to adopt this standard for the fiscal year ended September 30, 2019 and has determined that the effects of adopting this ASU are not material to its financial statements.

The fiscal year 2019 financial statements have been adjusted to reflect retrospective application of the new accounting guidance, except for the disclosures around liquidity and availability of resources and analysis of expenses by functional and natural categories. These disclosures have been presented for 2019 as allowed by ASU No. 2016-14.

NOTE 3: LIQUIDITY AND AVAILABILITY

The Center has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 90 days of normal operating expenses, which are, on average, approximately \$300,000. The Center has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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NOTE 3: LIQUIDITY AND AVAILABILITY (cont'd)

SHORT TERM ASSETS - The Center has \$769,916 of short term financial assets available within one year of the financial position date to meet cash needs for general expenditure consisting of cash of \$769,916, contribution pledge receivable of \$0, and accounts receivable of \$510,962. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the financial position date. The contribution receivables are subject to implied time restrictions but are expected to be collected within one year.

LONG TERM ASSETS - The Center owns real property consisting primarily warehouse space in one building and a mixture of warehouse and office space in the other. Three modulars are utilized for the various programs of the Organization.

LINE OF CREDIT - As part of its liquidity management, the Organization has no plans to secure a line of credit at this time. These additional funds could be available in the event of an any unanticipated liquidity needs. The Organization could also invest any cash in excess of daily requirements into interest bearing bank accounts or investments, in which it does. The Organization also plans to invest cash in excess of daily requirements in other short-term investments including certificates of deposit and short-term treasury instruments.

ENDOWMENTS - The Center does not have an endowment fund at this time. No appropriations for the endowment will be available during the next 12 months

Note 4: ADVERTISING

ADVERTISING - All advertising costs are expended in the year in which incurred and no amounts have not been capitalized.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 5: ACCOUNTING CHANGE

The Organization has chosen to adopt FASB ASC 958 et. seq. One fiscal year early which is permitted by the AICPA guidelines. The adoption period is for fiscal/calendar years beginning after December 15, 2018. These financial statement cover the periods from October 1, 2018 through September 30, 2019, which is before the required period.

BASIS OF PRESENTATION - The financial statements of the Organization have been prepared on the accrual basis of accounting. The Organization adopted Topic 958 2016-14 *Presentation of Financial Statements of Non-Profit Entities* which reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

Net Assets Without Donor Restrictions - Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets With Donor Restriction - Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Note 6: INVENTORY

Substantially all of the Organization's inventory is either distributed or donated. Distributions from the Department of Agriculture amounted to \$4,998,172. An additional \$1,610,476 was donated through various food drives, area merchants and distributors. In relationship to the acquisition of inventory distributed, \$42,546 was purchased.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 6: **INVENTORY** (cont'd)

Inventories are stated at the lower of cost or market. These values were determined by both the retail cost method and the first-in, first-out method. The inventories that was distributed by the department of Agriculture (\$805,033) are computed on the first-in, first-out method. The inventories donated (\$156,027) were computed by the gross profit method.

Note 7: **PROPERTY AND EQUIPMENT**

The Property, Plant and Equipment for the organization are generally purchased with unrestricted net assets. Some of these assets are leased/purchased using restricted funding. Even though the funding agency may have the right to reclaim any assets so purchased with restricted funds, the funding agency treats leased assets as sunk costs. Since the Organization negotiates a favorable lease arrangement, the funding agency usually does not interfere with that arrangement.

Expenditures for property, equipment, and improvements are capitalized at cost. Equipment expenditures of \$1,000 or less are charged to expense. Ordinary repairs and maintenance are charged to expense when incurred. Donated assets are capitalized, and recorded as support, at their fair value at the date of receipt. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

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NOTES TO FINANCIAL STATEMENTS

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Note 7: **PROPERTY AND EQUIPMENT** (cont'd)

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which are as follows:

	Years
Office Furniture	5-7
Equipment	5-7
Vehicles	5-10
Buildings	40-60
Building Improvements	40-60
Modular	20-25

	BASIS	ACC DEP'N	NET
Land	25,960	0	25,960
Building	409,250	102,700	306,550
Building Improvements	493,397	219,243	274,154
Modular	115,786	42,475	73,311
Furniture & Fixtures	15,146	13,520	1,626
Equipment	279,225	137,816	141,409
Software	52,507	10,091	42,416
Vehicles	<u>390,190</u>	<u>261,111</u>	<u>129,079</u>
TOTALS	<u>1,781,461</u>	<u>786,956</u>	<u>994,505</u>

Depreciation for the period was \$76,074.

Note 8: **CASH AND CASH EQUIVALENTS**

For the purpose of the statement of cash flows, all cash accounts are considered cash and cash equivalents.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 8: CASH AND CASH EQUIVALENTS

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalent accounts in financial institutions. Cash and cash equivalents exceeding the federally insured limits (\$250,000) totaled \$544,916.

Note 9: BOARD IMPOSED RESTRICTIONS

The Capital Projects Fund is properly classified as a Restriction on Net Assets in the amount of \$2,762. There were no outstanding debts on this restriction. These funds were utilized for the completion of any current and/or future Capital Projects for the Organization.

Note 10: THIRD PARTY REIMBURSEMENTS

The Organization receives funding from the City of Toledo Department of Housing and Neighborhood Revitalization which is directly funded by federal Community Development Block Grant monies, through the Department of Housing and Urban Development. In 2019, less than 0.366% of the total Organization's funding was through this program. This grant is awarded on an annual basis and not automatically renewed each year.

Note 11: INVESTMENT SECURITIES

The Organization adopted ASC 320, *Accounting for Certain Investments Held by Non-Profit Organizations*. Under ASC 320, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

Page 11

Note 11: INVESTMENT SECURITIES (cont'd)

The Organization also adopted ASC 820, *Fair Value Measurements*. Under ASC 820, the establishment of a fair value hierarchy divided into three levels. As described below:

- | | |
|---------|--|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access. |
| Level 2 | Inputs to the valuation methodology include: <ul style="list-style-type: none">▶ Quoted prices for similar assets or liabilities in active markets;▶ Quoted prices for identical or similar assets or liabilities in inactive markets;▶ Inputs other than quoted prices that are observable for the asset or liability▶ Inputs that are derived principally from or corroborated by observable market data by correlation or other means. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

Following is a description of the valuation methodologies used for Investments measured at fair value. There have been no changes in the methodologies used at September 30, 2019

Common stocks, corporate bonds and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 11: INVESTMENT SECURITIES (cont'd)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level within the fair value hierarchy, the Organization's assets at fair value as of September 30, 2019:

	Level 1	Level 2	Level 3	Total
Mutual Funds	0	0	0	0
Common Stocks	0	0	0	0
Corporate Bonds	<u>775,454</u>	<u>0</u>	<u>0</u>	<u>775,454</u>
	<u>775,454</u>	<u>0</u>	<u>0</u>	<u>775,454</u>

	<u>COST</u>	<u>FAIR VALUE</u>	<u>UNREALIZED GAIN/LOSS</u>
Mutual Funds - Cash	0	0	0
Bonds - Long Term	<u>768,007</u>	<u>775,454</u>	<u>7,447</u>
TOTALS	<u>768,007</u>	<u>775,454</u>	<u>7,447</u>

Management has elected to determine these investments as "Hold till Maturity" and therefore the maturities of the various bonds range from 2019 through 2020. Interest payments are made annually on anniversary dates.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

Page 13

Note 11: INVESTMENT SECURITIES (cont'd)

The following amounts are used for the financial statements under the basis of the Lower of Cost or Market:

	COST	FINANCIAL STATEMENTS	UNREALIZED GAIN/LOSS
Mutual Funds - Cash	0	0	0
Bonds - Long Term	<u>768,037</u>	<u>775,454</u>	<u>7,447</u>
TOTALS	<u><u>768,037</u></u>	<u><u>775,454</u></u>	<u><u>7,447</u></u>

Net Unrealized Gain/Losses consist of the following:

Net Unrealized Loss from other Investments	<u>7,447</u>
	<u>7,447</u>

Investment return is summarized as follows:

Dividend Income	0
Interest Income	23,443
Net Realized Gains/Losses	0
Net Unrealized Gains/Losses	<u>7,447</u>
NET INVESTMENT INCOME	\$ 30,890

Note 12: MEASURE OF OPERATIONS

In the statement of activities, the Organization includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities. Investment Income, including net realized and unrealized gains and losses, earned in excess of the Organization's aggregate authorized spending amount, and contributions to temporarily and permanently restricted net assets are recognized as nonoperating support revenues, gains, and losses.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 13: FUND-RAISING EXPENSES

The Organization allocates 1.95% of the overall expenses to fund-raising with the exception of Advertising, which is allocated at 55%. The Organization determined that 75% of the total fund-raising expenditures (\$30,356) would be for retention of funding. The balance (\$10,119) would be for true recruitment of additional funding.

Note 14: SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 17, 2020, the date the financial statements. Subsequent Events are those events subsequent to the balance sheet date and audit report date that would materially affect the future fiscal condition of the Organization.

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a “Public Health Emergency of International Concern.” The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our patients, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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Note 15: THIRD PARTY FUND-RAISING EVENTS

Certain area businesses have sponsored fund-raising for the Organization. These third-party businesses have paid for all of the expenses that generated these contributions, both cash and non-cash, which was not disclosed to the Organization. These events are:

	Cash	Non-Cash
Stuff the Truck	3,651	0
Letter Carriers	0	8,794
Milk Money	1,866	0
Giving Tuesday	15	0
No Show	10,140	0
Scamble for Food	28,376	0
Pack the Pick-up	<u>2,455</u>	<u>12,162</u>
Totals	46,503	20,956

The Organization treats these third party events as donations and the previous mentioned amounts were included in the Cash Donations and In-Kind Donations respectively..

NOTE 16: RETIREMENT PLANS

The Organization participates in a retirement plan under section 403(b) of the Internal Revenue Code. The plan covers substantially all employees who may make voluntary contributions in amounts not to exceed limitations imposed by the Internal Revenue Code. The Organization currently does not contribute to the plan for each participant.

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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NOTE 17: PROGRAM RELATED COSTS

	TEFAP	Trade	CSFP	CDBG	Support	TOTALS
Wages	180,532	83,366	151,938	0	92,551	508,387
Fringes	21,990	9,479	20,885	0	0	52,354
Office Supplies	4,133	1,356	3,572	0	0	9,061
Program Supplies	9,477		17,887	30,000	0	57,364
Repairs	6,170	4,532	6,095	0	677	17,474
Services	14,891	1,721	19,730	0	4,922	41,264
Utilities	19,650	7,061	26,189	0	17,240	70,140
Equipment	0		0	0	0	0
Marketing	8,303	591	6,564	0	5,955	21,413
Workers Comp	0		0	0	0	0
Information Technology	4,376	4,071	4,238	0	6,022	15,707
Telephone	7,328	1,361	6,764	0	6,444	21,897
Fuel & Transportation	20,397	13,265	22,100	0	192	55,954
Insurance	25,939		11,957	0	0	37,896
Supplies	15,304	9,563	0	0	0	24,867
Lease	0		0	0	132	132
Other Expenditures	13,395	13,651	44,663	0	0	71,709
Depreciation	<u>16,782</u>	<u>16,782</u>	<u>9,440</u>	<u>0</u>	<u>33,071</u>	<u>76,075</u>
					0	
	<u>368,667</u>	<u>166,799</u>	<u>352,022</u>	<u>30,000</u>	<u>167,206</u>	<u>1,084,694</u>

TOLEDO SEAGATE FOODBANK
NOTES TO FINANCIAL STATEMENTS

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NOTE 18: LEASES

The Organization leases the following assets:

Toyota Forklift Model 7FGU15 in the amount of \$203 per month expiring February 22, 2019. The economic substance of the lease is that the Organization is financing the acquisition of the assets through the lease, and, accordingly, it is recorded in the Organization's assets and liabilities.

Lanier LD130C Copier in the amount of \$131 per month expiring March 15, 2019. The economic substance of the lease is that the Organization is financing the acquisition of the assets through the lease, and, accordingly, it is recorded in the Organization's assets and liabilities.

Sharp MX 4070N Copier in the amount of \$329 per month expiring May 28, 2023. The economic substance of the lease is that the Organization is financing the acquisition of the assets through the lease, and, accordingly, it is recorded in the Organization's assets and liabilities.

The following is an analysis of the leased asset that is included in the Property and Equipment schedule in Note 6.

Office Equipment	\$ 22,093
Warehouse Equipment	\$ 7,425

Future minimum lease payments under operating leases that have remaining terms in excess of one year as of September 30, 2019

Years Ending September 30,	2020	3,951
	2021	3,952
	2022	3,951
	2023	<u>2,634</u>
Total Lease Obligation		14,488

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TOLEDO
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FOODBANK

TOLEDO SEAGATE FOODBANK
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ending SEPTEMBER 30, 2019

Federal Financial Assistance

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Program Title	CFDA #	Grant Amount	Current Year's Expenditures
CDBG 44 th & 45 th Year 2018-2019; 2019-2020 CFDA # 14.228	14.228	30,000	30,000

DEPARTMENT OF VETERANS AFFAIRS

Program Title	CFDA #	Grant Amount	Current Year's Expenditures
Veterans Assistance CFDA # 64.110	64.110	93,308	98,204

DEPARTMENT OF AGRICULTURE

Program Title	CFDA #	Grant Amount	Current Year's Expenditures
<i>Passed through Ohio State Department of Job and Family Services (ODJFS)</i>			
TFAP	10.568	422,451	422,451
Trade Mitigation	10.568	195,574	195,574
CSFP	10.565	382,351	382,351
Food Distributions:			
TFAP	10.569	1,916,014	1,779,136
Trade Mitigation	10.569	1,938,431	1,652,349
CSFP	10.565	<u>1,143,727</u>	<u>1,143,171</u>
TOTAL CLUSTER		<u>5,998,548</u>	<u>5,575,032</u>
TOTAL DEPT OF AGRICULTURE		<u>5,998,548</u>	<u>5,575,032</u>
FEDERAL PROGRAM TOTALS		<u>\$ 6,121,856</u>	<u>\$ 5,703,236</u>

TOLEDO SEAGATE FOODBANK
NOTES TO FEDERAL FINANCIAL ASSISTANCE

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is a summary of activity of the Organization's federal award programs. The schedule has been prepared on the accrual basis of accounting.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited in reimbursement. The Organization has elected not to use the 10 percent de-minimus indirect cost rate as allowed under the Uniform Guidance.

Product Distributions are valued by the unit as per the price schedule issued by the Department Agriculture. Costs of the distributions are valued on the First-in, First-out basis and is valued at the lower of cost or market.

NOTE 2: MATCHING REQUIREMENTS

Certain Federal programs may require the County to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Organization was not required to provide matching funds at this time. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE 3: RELEASE OF EXPENDITURES

The Organization determines the expenditure available for release from restrictions when the expenditure meets the following conditions: 1.) Creates an obligation for the Organization to pay; 2.) Has completed a specific purpose/objective through the grant provisions and 3.) The expenditure is in accordance with the agreed upon specifications or standard.

TOLEDO SEAGATE FOODBANK
NOTES TO FEDERAL FINANCIAL ASSISTANCE

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NOTE 4: DEPARTMENT OF VETERANS AFFAIRS

The amounts that are paid and granted from the Department of Veterans Affairs are included in the Schedule of Expenditures of Federal Awards for reporting under Uniform Guidance. In the Financial Statements, these are treated as Support for Basket Distributions and the respective costs are included in the Cost of Goods Sold.

NOTE 5: RECONCILIATION

Amounts Released from Restrictions	\$ 5,605,032
Department of Veterans Affairs	\$ 98,204
Restricted fund from Capital Projects	<u>0</u>
Total Adjustments	<u>98,204</u>
Total Federal Program Expenditures (rounding)	\$ <u><u>5,703,236</u></u>

**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**

Board of Trustees
Toledo Seagate Foodbank
526 High St..
Toledo, Ohio 43609

I 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 Toledo Seagate Foodbank (a nonprofit organization), which comprise of the statement of financial position as of September 30, 2019, 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 my report thereon dated April 17, 2020.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Toledo Seagate Foodbank's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the effectiveness of the Toledo Seagate Foodbank's internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or 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.

Toledo Seagate Foodbank, Inc.
REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Toledo Seagate Foodbank's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my 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.

Respectfully submitted,

Ronald W. Coon, Sr.

Ronald W. Coon, Sr, MPPA.
Certified Public Accountant
Diplomate, American Board of Forensic Accounting
Certified Fraud Examiner
Fellow, American College of Forensic Examiners Institute

April 17, 2020

Board of Directors
Toledo Seagate Foodbank
526 High St.
Toledo, Ohio 43609

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
Toledo Seagate Foodbank

Report on Compliance for Each Major Federal Program

I have audited Toledo Seagate Foodbank's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Toledo Seagate Foodbank's major federal programs for the year ended September 30, 2019. Toledo Seagate Foodbank's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of Toledo Seagate Foodbank's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Toledo Seagate Foodbank's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of Toledo Seagate Foodbank's compliance.

Opinion on Each Major Federal Program

In my opinion, Toledo Seagate Foodbank, 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 September 30, 2019.

Other Matters

The results of my auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which would be described in the accompanying schedule of findings and questioned costs.. My opinion on each major federal program is not modified with respect to these matters.

Report on Internal Control Over Compliance

Management of Toledo Seagate Foodbank Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered Toledo Seagate Foodbank's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Toledo Seagate Foodbank's internal control over compliance.

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

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Toledo Seagate Foodbank

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my 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.

Respectfully submitted,

Ronald W. Coon, Sr.

Ronald W. Coon, Sr, MPPA.

Certified Public Accountant

Diplomate, American Board of Forensic Accounting

Certified Fraud Examiner

Fellow, American College of Forensic Examiners Institute

April 17, 2020

TOLEDO SEAGATE FOODBANK
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ending September 30, 2019

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under § 2 CFR 200.516 (a)?	No
(d)(1)(vii)	Major Programs (list):	Ohio Department of Agriculture-CFDA# 10-565, CFDA# 10.568 & CFDA# 10.569
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low risk Auditee?	Yes

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