

SourcePoint

DECEMBER 31, 2024 AND 2023

SOURCEPOINT

DECEMBER 31, 2024 AND 2023

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Independent Auditor's Report

To the Board of Directors
SourcePoint
Delaware, Ohio

Opinion

We have audited the accompanying financial statements of SourcePoint, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 SourcePoint as of December 31, 2024, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SourcePoint 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 opinion.

Other Matter – 2023 Financial Statements

The financial statements of SourcePoint as of and for the year ended December 31, 2023, were audited by other auditors whose report dated July 31, 2024, expressed an unmodified opinion on those financial statements.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SourcePoint's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 SourcePoint's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SourcePoint's ability to continue as a going concern for a reasonable period of time.

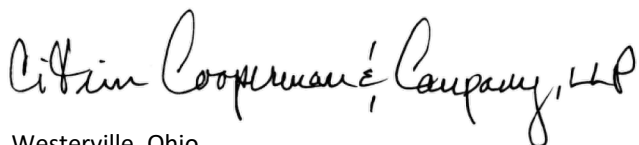
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 September 24, 2025 on our consideration of SourcePoint's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SourcePoint's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SourcePoint's internal control over financial reporting and compliance.



Westerville, Ohio
September 24, 2025

SOURCEPOINT

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

ASSETS

	2024	2023
Current assets		
Cash and cash equivalents	\$ 6,463,802	\$ 3,833,304
Accounts receivable, net of allowance for credit losses of \$170,000 at December 31, 2024 and \$35,400 at December 31, 2023	126,610	199,887
Contribution receivable for the use of building	346,244	464,000
Grants receivable	100,000	109,900
Other receivables	10,500	535,020
Interest receivable	46,498	46,449
Inventory	105,856	112,740
Prepaid expense	125,702	164,314
Total current assets	7,325,212	5,465,614
Property and equipment		
Furniture and equipment	1,896,227	1,760,497
Leasehold improvements	1,938,700	1,898,016
Vehicles	358,364	353,200
	4,193,291	4,011,713
Less accumulated depreciation and amortization	2,848,074	2,571,350
Total property and equipment, net	1,345,217	1,440,363
Other assets		
Contribution receivable for the use of building, net of current portion and discount	-	245,800
Investments	8,708,710	8,872,158
Beneficial interest in assets held by others	55,322	49,666
Deferred compensation investments	181,247	219,964
Total other assets	8,945,279	9,387,588
Total assets	\$ 17,615,708	\$ 16,293,565

LIABILITIES AND NET ASSETS

	2024	2023
Current liabilities		
Accounts payable and accrued liabilities	\$ 378,209	\$ 486,198
Accrued payroll and related liabilities	317,479	300,897
Accrued self-insured health insurance	60,000	-
Grants payable	40,139	44,260
Deferred revenue	63,074	49,386
Total current liabilities	858,901	880,741
Long-term liability; deferred compensation obligations	181,247	219,964
Net assets		
Without donor restrictions	16,185,653	14,439,897
With donor restrictions	389,907	752,963
Total net assets	16,575,560	15,192,860
Total liabilities and net assets	\$ 17,615,708	\$ 16,293,565

See accompanying notes to the financial statements.

SOURCEPOINT

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and other support			
Property tax levy	\$ 10,465,083	\$ -	\$ 10,465,083
Intergovernmental	1,010,606	-	1,010,606
Contributions and grants	1,536,668	500	1,537,168
In-kind contributions	124,659	-	124,659
Service fees and related	1,513,474	-	1,513,474
Investment income, net	542,166	-	542,166
Other	7,475	-	7,475
Net assets released from donor restrictions	363,556	(363,556)	-
Total revenue and other support	15,563,687	(363,056)	15,200,631
Expenses			
Program:			
In-home care services	5,668,662	-	5,668,662
Community programs	3,886,531	-	3,886,531
Nutrition and event services	2,489,974	-	2,489,974
Communications and outreach	426,998	-	426,998
Total program expenses	12,472,165	-	12,472,165
Management and general	1,525,843	-	1,525,843
Fundraising	143,451	-	143,451
Total operating expenses	14,141,459	-	14,141,459
Change in net assets from operations	1,422,228	(363,056)	1,059,172
Other change in net assets; unrealized gain on investments	323,528	-	323,528
Change in net assets	1,745,756	(363,056)	1,382,700
Net assets, beginning of year	14,439,897	752,963	15,192,860
Net assets, end of year	\$ 16,185,653	\$ 389,907	\$ 16,575,560

See accompanying notes to the financial statements.

SOURCEPOINT

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and other support			
Property tax levy	\$ 9,201,752	\$ -	\$ 9,201,752
Intergovernmental	1,000,958	-	1,000,958
Contributions and grants	1,434,894	25,800	1,460,694
In-kind contributions	98,385	-	98,385
Service fees and related	1,222,314	-	1,222,314
Investment income, net	324,476	-	324,476
Other	56,988	-	56,988
Net assets released from donor restrictions	381,858	(381,858)	-
Total revenue and other support	13,721,625	(356,058)	13,365,567
Expenses			
Program:			
In-home care services	5,337,332	-	5,337,332
Community programs	3,249,272	-	3,249,272
Nutrition and event services	2,741,212	-	2,741,212
Communications and outreach	491,048	-	491,048
Total program expenses	11,818,864	-	11,818,864
Management and general	1,353,346	-	1,353,346
Fundraising	128,779	-	128,779
Total operating expenses	13,300,989	-	13,300,989
Change in net assets from operations	420,636	(356,058)	64,578
Other changes in net assets			
Loss on disposal of property and equipment	(350)	-	(350)
Unrealized gain on investments	462,323	-	462,323
Change in net assets	882,609	(356,058)	526,551
Net assets, beginning of year	13,557,288	1,109,021	14,666,309
Net assets, end of year	\$ 14,439,897	\$ 752,963	\$ 15,192,860

See accompanying notes to the financial statements.

SOURCEPOINT

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2024

	Program					Supporting Services			Total Expenses
	In-Home Care Services	Community Programs	Event Services	Communications and Outreach	Total Programs	Management and General	Fundraising	Total Supporting Services	
Salaries and wages	\$ 1,570,956	\$ 1,236,121	\$ 840,338	\$ 232,934	\$ 3,880,349	\$ 791,394	\$ 61,354	\$ 852,748	\$ 4,733,097
Payroll taxes and benefits	570,773	498,953	281,992	96,055	1,447,773	316,518	23,378	339,896	1,787,669
Client and member services	3,341,190	816,845	997,847	5,189	5,161,071	-	-	-	5,161,071
Grants	-	425,031	-	-	425,031	-	-	-	425,031
Occupancy	35,005	562,035	253,886	23,748	874,674	90,434	-	90,434	965,108
Operating service fees	60,636	47,418	18,525	4,890	131,469	75,891	5,839	81,730	213,199
Depreciation and amortization	30,300	195,441	44,851	1,379	271,971	3,684	1,069	4,753	276,724
Advertising, printing and postage	5,243	23,818	8,236	45,896	83,193	16,222	5,625	21,847	105,040
General supplies	7,355	58,333	26,412	1,433	93,533	5,830	25,462	31,292	124,825
Professional fees	10,688	6,883	3,483	1,972	23,026	16,069	-	16,069	39,095
Travel and training	21,322	10,067	4,120	925	36,434	22,203	19,623	41,826	78,260
Telephone and internet	13,129	3,521	8,945	794	26,389	33,505	151	33,656	60,045
Credit losses	-	-	-	-	-	138,496	-	138,496	138,496
Other	2,065	2,065	1,339	11,783	17,252	15,597	950	16,547	33,799
Total	<u>\$ 5,668,662</u>	<u>\$ 3,886,531</u>	<u>\$ 2,489,974</u>	<u>\$ 426,998</u>	<u>\$ 12,472,165</u>	<u>\$ 1,525,843</u>	<u>\$ 143,451</u>	<u>\$ 1,669,294</u>	<u>\$ 14,141,459</u>

See accompanying notes to the financial statements.

SOURCEPOINT

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2023

	Program					Supporting Services			Total Expenses
	In-Home Care Services	Community Programs	Event Services	Communications and Outreach	Total Programs	Management and General	Fundraising	Total Supporting Services	
Salaries and wages	\$ 1,564,451	\$ 1,158,241	\$ 891,665	\$ 226,744	\$ 3,841,101	\$ 784,132	\$ 61,885	\$ 846,017	\$ 4,687,118
Payroll taxes and benefits	490,363	391,997	263,919	92,743	1,239,022	256,973	11,382	268,355	1,507,377
Client and member services	3,084,953	554,989	1,130,498	-	4,770,440	-	-	-	4,770,440
Grants	-	423,380	-	-	423,380	-	-	-	423,380
Occupancy	68,534	430,792	285,943	29,530	814,799	74,117	1,029	75,146	889,945
Operating service fees	32,773	66,908	23,229	9,229	132,139	55,585	5,876	61,461	193,600
Depreciation and amortization	33,727	124,015	79,387	5,949	243,078	14,059	1,187	15,246	258,324
Advertising, printing and postage	11,510	14,675	5,223	102,409	133,817	26,878	6,240	33,118	166,935
General supplies	5,819	40,792	32,667	9,094	88,372	7,008	20,402	27,410	115,782
Professional fees	5,824	9,980	2,472	3,975	22,251	70,742	4	70,746	92,997
Travel and training	17,399	8,225	12,929	1,571	40,124	23,302	9,837	33,139	73,263
Telephone and internet	20,561	22,485	11,808	1,596	56,450	4,178	586	4,764	61,214
Credit losses	-	-	-	-	-	29,478	-	29,478	29,478
Other	1,418	2,793	1,472	8,208	13,891	6,894	10,351	17,245	31,136
Total	<u>\$ 5,337,332</u>	<u>\$ 3,249,272</u>	<u>\$ 2,741,212</u>	<u>\$ 491,048</u>	<u>\$ 11,818,864</u>	<u>\$ 1,353,346</u>	<u>\$ 128,779</u>	<u>\$ 1,482,125</u>	<u>\$ 13,300,989</u>

See accompanying notes to the financial statements.

SOURCEPOINT

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Cash flows from operating activities		
Change in net assets	\$ 1,382,700	\$ 526,551
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation and amortization	276,724	258,324
Credit losses	138,496	29,478
Net realized loss (gain) on investments	(32,413)	30,043
Net unrealized gain on investments	(323,528)	(462,323)
Loss on disposal of property and equipment	-	350
Decrease (increase) in operating assets:		
Accounts receivable, net	(65,219)	(73,653)
Contribution receivable for the use of building	363,556	381,734
Grants receivable	9,900	(109,900)
Other receivables	524,520	(535,020)
Interest receivable	(49)	1,491
Inventory	6,884	21,675
Prepaid expenses	38,612	(31,182)
Deferred compensation investments	38,717	29,670
Other	-	4,597
Increase (decrease) in operating liabilities:		
Accounts payable and accrued liabilities	(31,407)	159,939
Grants payable	(4,121)	(1,031)
Deferred revenue	13,688	10,108
Deferred compensation obligations	(38,717)	(29,670)
Net cash and cash equivalents provided by operating activities	2,298,343	211,181
Cash flows from investing activities		
Purchases of property and equipment	(181,578)	(310,271)
Purchases of investments	(1,685,887)	(2,192,648)
Proceeds from sale of investments	2,199,620	1,906,494
Net cash and cash equivalents provided by (used in) investing activities	332,155	(596,425)
Net increase (decrease) in cash and cash equivalents	2,630,498	(385,244)
Cash and cash equivalents, beginning of year	3,833,304	4,218,548
Cash and cash equivalents, end of year	\$ 6,463,802	\$ 3,833,304

See accompanying notes to the financial statements.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

1. **Description of organization and summary of significant accounting policies:**

Description of organization:

SourcePoint is the most comprehensive aging services provider in Delaware County, Ohio. SourcePoint is a nonprofit 501(c)(3) organization that is mainly funded by a countywide property tax levy, as well as private and corporate contributions and grants.

SourcePoint provides in-home care services, including Meals on Wheels, emergency response systems, personal care, medical transportation, and more, which help county residents ages 55 and older live safely and independently at home. SourcePoint also provides community programs for older adults and family caregivers, both on-site at its enrichment center and off-site at locations throughout the county.

Measure of operations:

The statements of activities and changes in net assets report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to SourcePoint's ongoing services to those aged 55 and older, contributions and grants for those services, and investment income earned on investments. Nonoperating activities are limited to unrealized gains and losses on investments and other activities considered to be of a more unusual or nonrecurring nature.

Basis of accounting:

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates and assumptions.

Cash and cash equivalents:

Cash and cash equivalents include all cash on hand, demand deposits held by banks, and other highly liquid accounts with original maturities of three months or less. Cash and cash equivalents are maintained at financial institutions, and at times, balances exceed federally insured limits. The cash held at SourcePoint's depository bank is collateralized up to \$5,000,000 by the depository bank. The depository bank uses the Ohio Pooled Collateral System to collateralize deposits. The cash balance over the \$5,000,000 and not subject to the collateral is \$188,325. SourcePoint does not expect to incur any losses from cash and cash equivalents held at financial institutions.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

1. Description of organization and summary of significant accounting policies (continued):

Accounts receivable, net:

Accounts receivable are recorded as performance obligations are satisfied.

The allowance estimate is derived from a review of SourcePoint's historical losses based on the aging of receivables. SourcePoint elected the practical expedient and accounting policy election under Accounting Standards Update (ASU) No. 2025-05, *Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses for Accounts Receivable and Contract Assets*. Under this ASU, SourcePoint assumes that current conditions as of the statement of financial position date do not change for the remaining life of the accounts receivable and SourcePoint is permitted to consider collection activity after the statement of position date when estimating expected credit losses (subsequent collections through September 10, 2025 were considered). Based on this evaluation, management recorded an allowance for credit losses of \$170,000 at December 31, 2024 and \$35,400 at December 31, 2023.

SourcePoint writes off receivables when there is information that indicates the likelihood of collection is remote. If any recoveries are made from any accounts previously written off, they are recognized as an offset to credit loss expense in the year of recovery, in accordance with SourcePoint's accounting policy election.

Changes in the allowance for credit losses for accounts receivable are as follows at December 31:

	2024	2023
Allowance for credit losses, beginning of year	\$ 35,400	\$ 18,600
Provision for credit losses	134,600	16,800
Write-offs	-	-
Recoveries	-	-
Allowance for credit losses, end of year	<u>\$ 170,000</u>	<u>\$ 35,400</u>

Other receivables:

In 2023, SourcePoint began administering a health and dental benefits plan under a self-insured program (Note 13). Under the program, SourcePoint has stop-loss coverage for claims in excess of \$40,000 per covered individual, with an unlimited annual maximum per individual. The maximum annual aggregate coverage is \$1,000,000. These amounts were exceeded by \$527,520 in 2023 and were owed to SourcePoint as of December 31, 2023. The \$527,520 was received in 2024. These amounts were not exceeded in 2024 and no amount was owed to SourcePoint at December 31, 2024.

SourcePoint also is part of a rebate program with certain vendors for purchases made during the year. SourcePoint was owed \$10,500 in rebates for the fourth quarter of 2024 and \$7,500 in rebates for the fourth quarter of 2023. These rebates and the stop-loss reimbursement have been included in other receivables on the statements of financial position at December 31, 2024 and 2023. The rebates were used in 2025 and 2024, respectively.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

1. Description of organization and summary of significant accounting policies (continued):

Contributions and grants revenue:

Contributions are recorded as revenue when they are received or when the donor makes an unconditional promise to give. Contributions received are recorded as support with or without donor restrictions depending on the existence or nature of any donor restrictions. SourcePoint discloses conditional contributions, which are those with a measurable performance or other barrier and a right of return, in its financial statements. They are not recognized until the conditions on which they depend have been met. Conditional contributions totaled \$58,083 at December 31, 2024 and \$244,320 at December 31, 2023. These conditional contributions are subject to the incurrence of allowable costs. Contributions that are donor restricted are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other contributions with donor restrictions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions, and reported as net assets released.

Revenue recognition:

SourcePoint recognizes service fees and related revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. The core principle of this guidance is that an entity should recognize revenue to depict the transfer of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps, (1) identify the contract(s), (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation.

Service fees and related revenue are reported at the amount that reflects the consideration to which SourcePoint expects to be entitled in exchange for services provided. These amounts are due from various individuals and government agencies and third-party payors (insurance contracts), and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, SourcePoint bills all payors subsequent to the services being provided. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by SourcePoint. SourcePoint measures the performance obligation, primarily, on a per unit/visit basis as services are provided.

Since all of the performance obligations relate to contracts with a duration of less than one year, SourcePoint has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

1. Description of organization and summary of significant accounting policies (continued):

Revenue recognition (continued):

SourcePoint determines the transaction price based on contractually agreed-upon amounts or rates, reduced by contractual adjustments provided to third-party payors and other adjustments for estimated or variable considerations, such as implicit price concessions. SourcePoint utilizes the expected value method to determine the amount of variable consideration that should be included to arrive at the transaction price, using contractual agreements and historical reimbursement experience with each payor. SourcePoint assesses collectability on all accounts prior to providing services.

Deferred revenue represents unearned activity and service fees revenue for which the related conditions and performance obligations, respectively, have not been satisfied. The deferred revenue is recognized into income as SourcePoint meets the conditions or satisfies the performance obligations.

SourcePoint recognizes revenue in the statements of activities and changes in net assets and contract assets on the statements of financial position only when the services have been provided. Since SourcePoint has performed its obligations under the contracts, it has unconditional rights to the consideration recorded and classifies those amounts as accounts receivable. There are no contract assets at December 31, 2024 and 2023.

The contract liability represents the payments that SourcePoint receives in advance of providing services. SourcePoint includes the contract liability in deferred revenue on the statements of financial position. Accounts receivable and contract liability were as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
Receivables:			
Accounts receivable, net	\$ 126,610	\$ 199,887	\$ 155,712
Grants receivable	100,000	109,900	-
Other receivables	10,500	535,020	-
Contract liability; deferred revenue	63,074	49,386	39,278

SourcePoint recognizes property tax levy and intergovernmental revenue in the fiscal period to which pertains. Revenue recognized for property tax levy and intergovernmental support provided by Delaware County, Ohio, was \$11,475,689 (75% of total revenue and other support) in 2024 and \$10,202,710 (76% of total revenue and other support) in 2023.

Donated services and in-kind contributions:

Volunteers have made significant contributions of their time in furtherance of SourcePoint's mission. These services are not reflected in the accompanying statements of activities and changes in net assets because they do not meet the necessary criteria for recognition under U.S. GAAP. The value of hours was \$2,312,553 for 2024 and \$2,001,492 for 2023. These values are calculated using hourly rates provided by a nationally recognized independent source. The donated services relate to their various programs including in-home care services, personal care, and family caregiver support.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

1. Description of organization and summary of significant accounting policies (continued):

Donated services and in-kind contributions (continued):

SourcePoint also received donated supplies and space for its facility and offices which are recorded at their estimated fair value determined on the date of contribution and are reported as in-kind contributions and operating expenses on the accompanying statements of activities and changes in net assets.

During the year ended December 31, 2024, contributed goods and services consisted of the following:

	<u>Revenue Received</u>	<u>Valuation Technique and Inputs</u>
Supplies	\$ 24,215	Value is estimated based on estimated fair value of like items.
Space	\$ 100,444	Value is based on the average cost per square foot to lease commercial property in Delaware County times the square footage of the donated space.

During the year ended December 31, 2023, contributed goods and services consisted of the following:

	<u>Revenue Received</u>	<u>Valuation Technique and Inputs</u>
Supplies	\$ 16,119	Value is estimated based on estimated fair value of like items.
Space	\$ 82,266	Value is based on the average cost per square foot to lease commercial property in Delaware County times the square footage of the donated space.

SourcePoint's policy related to donated goods and services is to utilize the donated goods and services to carry out the mission of SourcePoint. If an asset is provided that does not allow SourcePoint to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

All donated goods and services were utilized by SourcePoint's programs and supporting services. There were no donor-imposed restrictions associated with the donated goods or services.

Contribution receivable for the use of building:

Contribution receivable for the use of building was initially recognized as revenue with donor restrictions when the donor explicitly and unconditionally promised the use of the building for a specified period of time. The period of time is expected to be longer than one year and therefore, the contribution receivable for the use of building is discounted to present value using SourcePoint's estimated incremental borrowing rate (see Note 4).

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

1. Description of organization and summary of significant accounting policies (continued):

Inventory:

Inventory is stated at the lower of cost or net realizable value, and consists of products that are sold to support SourcePoint's mission.

Property and equipment:

Additions of property and equipment are recorded at cost or at fair value as of the donation date, if acquired by gift. Renewals and betterments exceeding \$1,000 that extend the life of an asset are capitalized. Maintenance and repairs are charged to operations when incurred. When property and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation are relieved, and any gain or loss is included in nonoperating activities on the statements of activities and changes in net assets.

The cost of property and equipment is depreciated over the estimated useful lives of the related assets. Depreciation is calculated on the straight-line method.

Investments:

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statements of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, and interest and dividends) is included in net assets without donor restrictions unless the income or loss is restricted by the donor, passage of time, or law on the statements of activities and changes in net assets.

Investments consisting of corporate bonds, mutual funds, common stocks, exchange-traded funds, and U.S. Treasury/municipal bonds are recorded at market value determined based on quoted market prices or the third-party active market.

Grants paid:

SourcePoint enters into grant agreements with various organizations to assist these organizations in providing services to the senior population of Delaware County, Ohio.

Unconditional grants are recorded as expense in the year of approval. Grants subject to certain conditions are recorded as expense during the year in which conditions are met. Grants payable within one year are recorded at their fair value at the date of authorization. Grants payable in more than one year are recorded at the present value of their future cash flows for material obligations. Grants payable is \$40,139 at December 31, 2024 and \$44,260 at December 31, 2023. SourcePoint had conditional grants of \$444,410 at December 31, 2024 and \$435,964 at December 31, 2023.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

1. Description of organization and summary of significant accounting policies (continued):

Net assets without donor restrictions:

Net assets without donor restrictions include net assets available for use in general operations and are not subject to donor restrictions. The Board of Directors has designated, from net assets without donor restrictions, \$970,787 at December 31, 2024 and 2023 for future capital improvements and major maintenance projects.

Net assets with donor restrictions:

Net assets with donor restrictions include net assets whose use has been restricted by donors to a specific time period and/or purpose.

Income taxes:

SourcePoint is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (the Code), and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code.

Advertising costs:

The costs of advertising are expensed as incurred. Advertising expense was \$32,984 in 2024 and \$25,393 in 2023.

Classification of expenses:

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities and changes in net assets. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy and depreciation and amortization, which are allocated on a square footage basis, as well as salaries and wages, payroll taxes and benefits, client and member services, operating service fees, professional fees, and travel and training, which are allocated on the basis of estimates of time and effort. The remaining expenses which are not directly identifiable by program or support service are allocated on the best estimates of management.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

2. Coronavirus stimulus funding:

Coronavirus stimulus funding was approved through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan Act (ARPA), and are specifically for health care and related providers. These funds are required to be used for expenses and/or lost revenue relating to the COVID-19 pandemic as defined in the "Terms and Conditions" and subsequently issued related guidance. SourcePoint received and recorded \$311,730 in 2024 and \$277,263 in 2023 in accordance with FASB ASC Topic 958, *Contributions*, which is included in contributions and grants on the statements of activities and changes in net assets.

3. Liquidity and availability:

SourcePoint's financial assets available within one year of the statements of financial position dates for general expenditures are as follows:

	2024	2023
Cash and cash equivalents, net of donor-restricted and board-designated amounts	\$ 5,449,352	\$ 2,819,354
Receivables:		
Accounts receivable, net of allowance for credit losses	126,610	199,887
Grants receivable	100,000	109,900
Other receivables	10,500	535,020
Interest receivable	46,498	46,449
Investments	<u>8,708,710</u>	<u>8,872,158</u>
	<u>\$ 14,441,670</u>	<u>\$ 12,582,768</u>

As part of SourcePoint's liquidity management, its goal generally is to maintain financial assets to meet 292 days of operating expenses. This goal was established in relation to the funding cycle of the property tax levy, which provides approximately 80% of annual revenues. As part of the liquidity plan, excess public funds are invested in fixed-income vehicles with scattered maturity dates, so that immediate cash needs can be funded by utilizing maturing securities. Although SourcePoint does not intend to spend from its noncurrent investments within one year of the statement of financial position date, amounts from noncurrent investments could be made available for general expenditures, if necessary.

4. Contribution receivable for the use of building:

SourcePoint leases its primary building from the Delaware County Commissioners with lease payments significantly below fair market value (see Note 8). In accordance with U.S. GAAP, SourcePoint recognized the difference between the estimated fair value of the lease and the payments they are making as contribution receivable for the use of building on the statements of financial position and revenue with donor restrictions on the statements of activities and changes in net assets. The fair market value was determined by management using an estimated lease cost per square foot after actual maintenance and related costs of the building. The contribution receivable for the use of building beyond one year is reported at its present value using a discount rate of 5.0% at December 31, 2024 and 2023.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

4. Contribution receivable for the use of building (continued):

The scheduled contribution receivable and related discount are as follows at December 31:

	<u>2024</u>	<u>2023</u>
Contribution receivable within one year	\$ 464,000	\$ 464,000
Contribution receivable beyond one year	-	464,000
Less unamortized discount	<u>117,756</u>	<u>218,200</u>
	<u>\$ 346,244</u>	<u>\$ 709,800</u>

5. Service fees and related revenue:

The following is a summary of service fees and related revenue types and payors.

Comprehensive aging services:

Private pay payors:

SourcePoint's private pay service rates are determined, published, and periodically updated by management.

SourcePoint has elected a practical expedient to not adjust the promised amount of consideration for the effects of a significant component due to its expectation that the period between the time the service is provided and the time payment is received will be one year or less. However, in certain instances, if SourcePoint enters into payment agreements with members that allow payments to be made in excess of one year, for those situations, the financing components are not significant to the contract.

Third-party payors:

The following is a summary of the payment arrangements with third-party payors:

- **Ohio Medicaid:**

Medicaid services are paid through various Ohio programs, including the PASSPORT (Pre-Admission Screening Providing Options and Resources Today) program. Rates are adjusted by the Ohio Department of Medicaid.

- **MyCare Ohio:**

MyCare Ohio is an integrated care program for dually eligible Medicare and Medicaid beneficiaries. All Medicaid benefits for members in the program are covered by a managed care company. Members covered by the program can opt out of the Medicare portion of the program and choose to have their benefits covered by the traditional Medicare program. The managed care plans are required by Ohio law to reimburse senior care providers at a minimum of the provider's traditional Medicaid PASSPORT fee-for-service rate. Medicare reimbursements are determined based on the contract between the plan and the provider and may be based on a per unit basis.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

5. Service fees and related revenue (continued):

- **Other:**

Payment agreements with commercial insurance carriers and managed care companies provide for payment using prospectively determined per-unit rates.

Disaggregation of revenue:

SourcePoint has determined that the nature, amount, timing, and uncertainty of service fees and related revenue and cash flows are affected by the following factors: payors, service lines, method of reimbursement, and timing of when revenue is recognized. The following is a summary of the composition of service fees and related revenue by primary payor for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Private pay	93%	93%
MyCare Ohio	4	5
Ohio Medicaid	2	1
Other	<u>1</u>	<u>1</u>
	<u>100%</u>	<u>100%</u>

6. Investments:

The following is a summary of investments at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Corporate bonds	\$ 6,461,476	\$ 6,301,049
Mutual funds	1,012,933	908,339
Common stocks	781,225	672,247
Exchange-traded funds (ETFs)	15,720	15,595
U.S. Treasury/municipal bonds	<u>437,356</u>	<u>974,928</u>
	<u>\$ 8,708,710</u>	<u>\$ 8,872,158</u>

SourcePoint invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could have a material effect on SourcePoint's statements of financial position, activities and changes in net assets, and cash flows.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

7. Fair value measurements:

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that SourcePoint has the ability to access.

Level 2 – Inputs to the methodology include:

- Quoted market 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.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual funds: The fair value of the mutual funds is based on the daily closing price as reported by the fund. Mutual funds held by SourcePoint are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by SourcePoint are deemed to be actively traded.

Common stocks: The fair value of common stock is based upon quoted market prices.

Exchange traded funds: The fair value of exchange traded funds is based on quoted market prices.

U.S. Treasury/municipal and corporate bonds: The fair value of these bonds is based on calculations prepared by the financial institution utilizing interest rates and yield curves in the third-party active market.

Beneficial interest in assets held by others: The fair value of beneficial interest in assets held by others is based on the fair value of fund investments as reported by the Delaware County Foundation.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

7. Fair value measurements (continued):

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although SourcePoint 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 fair value hierarchy, SourcePoint's assets at fair value as of December 31, 2024:

	Total	Level 1	Level 2	Level 3
Investments:				
Corporate bonds	\$ 6,461,476	\$ -	\$ 6,461,476	\$ -
Mutual funds	1,012,933	1,012,933	-	-
U.S. Treasury/municipal bonds	437,356	-	437,356	-
Common stock	781,225	781,225	-	-
Exchange-traded funds	<u>15,720</u>	<u>15,720</u>	<u>-</u>	<u>-</u>
Total investments	8,708,710	1,809,878	6,898,832	-
Beneficial interest in assets held by others	55,322	-	-	55,322
Deferred compensation investments:				
Mutual funds	<u>181,247</u>	<u>181,247</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 8,945,279</u>	<u>\$ 1,991,125</u>	<u>\$ 6,898,832</u>	<u>\$ 55,322</u>

The following table sets forth by level, within fair value hierarchy, SourcePoint's assets at fair value as of December 31, 2023:

	Total	Level 1	Level 2	Level 3
Investments:				
Corporate bonds	\$ 6,301,049	\$ -	\$ 6,301,049	\$ -
Mutual funds	908,339	908,339	-	-
U.S. Treasury/municipal bonds	974,928	-	974,928	-
Common stock	672,247	672,247	-	-
Exchange-traded funds	<u>15,595</u>	<u>15,595</u>	<u>-</u>	<u>-</u>
Total investments	8,872,158	1,596,181	7,275,977	-
Beneficial interest in assets held by others	49,666	-	-	49,666
Deferred compensation investments:				
Mutual funds	<u>219,964</u>	<u>219,964</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 9,141,788</u>	<u>\$ 1,816,145</u>	<u>\$ 7,275,977</u>	<u>\$ 49,666</u>

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

7. Fair value measurements (continued):

The following is a reconciliation of the beginning and ending balances of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31:

	2024	2023
Beneficial interest in assets held by others:		
Balance at beginning of year	\$ 49,666	\$ 43,417
Purchases/contributions of investments	-	-
Investment return, net	5,905	6,466
Distributions	(249)	(217)
Balance at end of year	<u>\$ 55,322</u>	<u>\$ 49,666</u>

8. Lease commitment:

In October 2007, SourcePoint entered into a lease agreement with the Delaware County Commissioners to lease real property consisting of approximately 12.74 acres, known as 800 Cheshire Road, Delaware, Ohio, and a 58,000-square-foot facility, including meeting and activity rooms, offices, kitchen, exercise pool, and paved parking areas.

The terms of the lease agreement specify that leased premises shall be used to provide services to improve the quality of life of older adults in Delaware County, Ohio. In addition, SourcePoint is required to maintain compliance with all provisions set forth in applicable bond financing certificates issued by Delaware County. (Delaware County Commissioners issued Capital Facilities Refunding Bonds, series 2013, in the amount of \$7,245,000, for the purpose of paying the costs of refunding bonds previously issued by the county to purchase land and construction at 800 Cheshire Road, Delaware Ohio, for the purpose of providing a facility for senior citizens. The commissioners previously issued Capital Facilities Bonds, series 2005A was in the amount of \$12,000,000.)

Lease payments under this lease are \$1.00 per year, and SourcePoint may purchase right title and interest in the leased premises at the termination of the lease. A right-of-use asset and lease obligation is not recorded as the consideration being paid by SourcePoint is not significant (\$1.00 per year). As discussed in Notes 1 and 4, lease payments are below fair market value, and SourcePoint records in-kind contributions annually for the fair market value of this lease arrangement. Total lease expense related to this in-kind contribution totaled \$464,000 in 2024 and 2023, and is recorded to occupancy expense on the statements of functional expenses. The current year discount revenue is recorded to other revenue and the remaining amount is released from donor restrictions and reported in net assets without donor restrictions.

During the term of the lease, SourcePoint is responsible for all maintenance, repairs, utilities, taxes, assessments, insurance, improvements, and all general upkeep of the leased property. The lease terminates on December 31, 2025 and SourcePoint expects to purchase the building for a minimal amount as stated in the lease agreement and continue to use the building for their programming.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

9. Beneficial interest in assets held by others:

SourcePoint has funds held at the Delaware County Community Foundation (Foundation) for the use of SourcePoint. These funds are subject to the variance power of the Board of Trustees of the Foundation. The variance power permits the Foundation's Board of Trustees, in its sole discretion to redirect all or part of the funds' income and/or assets to another organization.

The fair value of the beneficial interest in assets held by others was \$55,322 at December 31, 2024 and \$49,666 at December 31, 2023.

10. Net assets with donor restrictions:

The following is a summary of net assets with donor restrictions at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Scholarship fund (A) , subject to expenditure for specified purpose	\$ 17,363	\$ 17,363
Contribution receivable for the use of building, subject to the passage of time	346,244	709,800
Other, subject to expenditure for specified purpose	<u>26,300</u>	<u>25,800</u>
	<u>\$ 389,907</u>	<u>\$ 752,963</u>

The following is a summary of net assets released from donor restrictions at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Scholarship fund (A)	\$ -	\$ 124
Contribution receivable for the use of building	<u>363,556</u>	<u>381,734</u>
	<u>\$ 363,556</u>	<u>\$ 381,858</u>

(A) Prior to 2022, SourcePoint began soliciting contributions to be used to award scholarships for seniors to help offset the cost of enrichment center membership and activities. These funds are treated as restricted contributions, until they are awarded to recipients.

11. Employee benefit plans:

Tax deferred 403(b) plan:

SourcePoint has a tax-deferred 403(b) plan covering all eligible employees, who meet length of service and hours worked requirements. The assets are held for each employee in an individual account maintained by an investment firm. Under the program, an employee may elect to contribute up to the extent allowable by law. In addition, SourcePoint contributes 4% of each eligible employee's annual wages and also matches employee contributions to the plan up to 4% of each eligible employee's wages.

SOURCEPOINT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

11. Employee benefit plans (continued):

Deferred compensation plan:

SourcePoint has a deferred compensation plan for certain key employees. The plan provides for salary deferral and employer discretionary contributions. The employees are fully vested in their account at all times. The agreement provides for distributions of their accounts in a single lump sum after certain distributable events as well as employee elective distributions of all or a portion of their account based on certain conditions that are met. The asset and related liability have been reflected in SourcePoint's statements of financial position as of December 31, 2024 and 2023.

Total pension expense for both plans was \$332,036 for 2024 and \$275,575 for 2023.

12. Management compensation:

The SourcePoint Board of Directors employs its chief executive officer under an employment agreement, which provides for a base salary, life insurance, health insurance, retirement, professional development benefits, and annual increases. The current employment agreement is through June 30, 2029.

13. Commitments and contingent liabilities:

SourcePoint is self-insured with regard to the State of Ohio (State) unemployment insurance program, and will reimburse the State for any unemployment benefits paid by the State on behalf of SourcePoint's former employees. SourcePoint does not anticipate any material liabilities or commitments under this self-insured arrangement.

In 2023, SourcePoint became self-insured with regard to its health and dental benefit plan under a self-insured program. Under this program, SourcePoint is reimbursed for coverage claims that exceed certain limits (see Note 1). At December 31, 2024, SourcePoint recorded an estimated liability of \$60,000 and it is recorded on the statement of financial position as accrued self-insured health insurance. At December 31, 2023, SourcePoint exceeded these limits and did not anticipate any material liabilities or commitments under this self-insured arrangement. The accrual at December 31, 2024 is an estimate and actual results may be different to the estimate recorded.

SourcePoint receives grants from local, state, and federal government sources under a variety of programs. Amounts received under these programs generally require compliance with terms and conditions specified in the grant agreements, and may be subject to audit by the grantor agencies. Grant revenue under these types of programs is reported as an increase in net assets without donor restrictions in the reporting period in which the terms and conditions specified in the grant agreement are satisfied.

14. Subsequent events:

In preparing these financial statements, SourcePoint has evaluated events and transactions for potential recognition or disclosure through September 24, 2025, the date SourcePoint's financial statements were available to be issued.

SOURCEPOINT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity / Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services: Passed through the Central Ohio Area Agency on Aging of the Columbus Recreation and Parks Department: Aging Cluster: Special Programs for the Aging-Title III, Part B-Grant for Supportive Services and Senior Centers	93.044	Title IIIB	\$ -	\$ 115,000
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	Title IIIC - Nutrition	-	36,937
COVID-19-Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	Title IIIC - Nutrition	-	18,213
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	Title IIIC - Nutrition	-	182,523
COVID-19-Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	Title IIIC - Nutrition	-	44,866
Nutrition Services Incentive Program	93.053	Title IIIC - Nutrition	-	148,879
Total Aging Cluster			-	546,418
Special Programs for the Aging, Title III, Part D-Grant for Disease Prevention and Health Promotions Services	93.043	Unknown	-	2,500
National Family Caregiver Support, Title III, Part E-Family Caregiver Support Prog	93.052	Title IIIE - Caregiver/Svs	-	89,293
Total U.S. Department of Health and Human Services			-	638,211
U.S. Department of Transportation: Passed through the Mid-Ohio Regional Planning Commission Transit Services Programs Cluster Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	OH-2023-041-01	-	100,000
U. S. Department of Treasury: Passed through the Ohio Department of Aging: Passed through Delaware County Board of Commissioners: COVID-19-Coronavirus State and the Local Fiscal Recovery Funds	21.027	Unknown	-	229,698
Total expenditures of Federal awards			\$ -	\$ 967,909

Notes to Schedule of Expenditures of Federal Awards

Note A – Basis of presentation:

The schedule of expenditures of federal awards includes the federal award activity of SourcePoint under programs of the federal government for the year ended December 31, 2024. The information in the schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 U.S. *Code of Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule of expenditures of federal awards presents only a selected portion of the operations of SourcePoint, it is not intended to and does not present the financial position, changes in net assets, or cash flows of SourcePoint.

Note B – Summary of significant accounting policies:

Expenditures reported on the schedule of expenditures of federal awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Matching fund requirements:

In accordance with the Title III B and Title III C programs, SourcePoint was required to obtain matching contributions totaling \$66,644. SourcePoint exceeded the required matching fund requirement.

Note D – Indirect cost rate:

SourcePoint has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

See independent auditor's report.

**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Board of Directors
SourcePoint
Delaware, 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 SourcePoint (a not-for-profit corporation), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, 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 September 24, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered SourcePoint'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 SourcePoint's internal control. Accordingly, we do not express an opinion on the effectiveness of SourcePoint'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 SourcePoint's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

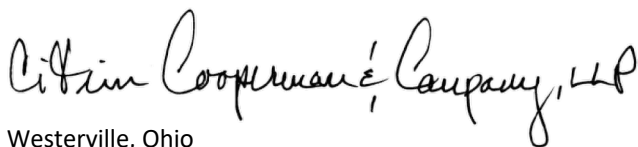
As part of obtaining reasonable assurance about whether SourcePoint's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

SourcePoint's Response to Finding

Government Auditing Standards require the auditor to perform limited procedures on SourcePoint's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. SourcePoint's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 SourcePoint's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SourcePoint's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Westerville, Ohio
September 24, 2025



Citrin Cooperman & Company, LLP
Certified Public Accountants

579 Executive Campus Drive
Westerville, OH 43082
T 614.794.8710 F 614.794.8712
citrincooperman.com

**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
SourcePoint
Delaware, Ohio

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited SourcePoint's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on SourcePoint's major federal program for the year ended December 31, 2024. SourcePoint's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, SourcePoint complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2024.

Basis for Opinion on the Major Federal Program

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

We are required to be independent of SourcePoint 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 the major federal program. Our audit does not provide a legal determination of SourcePoint's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to SourcePoint's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on SourcePoint's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about SourcePoint's compliance with the requirements of the 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 SourcePoint's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of SourcePoint's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of SourcePoint's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

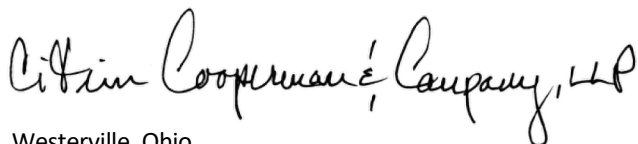
Report on Internal Control over Compliance

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

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

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

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



Westerville, Ohio

September 24, 2025

SOURCEPOINT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2024

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- | | | | | |
|---|---------------|-----|---------------|---------------|
| ♦ Material weakness(es) identified? | <u> X </u> | Yes | <u> </u> | No |
| ♦ Significant deficiency(ies) identified that are not considered to be material weaknesses? | <u> </u> | Yes | <u> X </u> | None reported |

Noncompliance material to financial statements noted?

 Yes X No

Federal Award

Internal control over major program:

- | | | | | |
|---|---------------|-----|--------------|---------------|
| ♦ Material weakness(es) identified? | <u> </u> | Yes | <u> X </u> | No |
| ♦ Significant deficiency(ies) identified that are not considered to be material weaknesses? | <u> </u> | Yes | <u> X </u> | None reported |

Type of auditor's report issued on compliance for major program: unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?

 Yes X No

Identification of major program:

Federal
Assistance
Listing Number

93.044
93.045
93.053

Name of Federal Program or Cluster
United States Department of Health and
Human Services:
Aging Cluster

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

- | | | | | |
|--|---------------|-----|--------------|----|
| ♦ Auditee qualified as low-risk auditee? | <u> </u> | Yes | <u> X </u> | No |
|--|---------------|-----|--------------|----|

SOURCEPOINT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

YEAR ENDED DECEMBER 31, 2024

Section II – Financial Statement Findings

MATERIAL WEAKNESS

2024-001 – Audit journal entries

Condition

For the year ended December 31, 2024, material audit adjustments were necessary for the financial statements to be in accordance with U.S. GAAP.

Criteria

Internal controls and appropriate policies and procedures should be in place so that the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Cause

Controls over financial reporting were not properly designed to ensure that amounts reported on the financial statements presented for audit were materially correct.

Effect

The financial statement were materially misstated and required auditor adjustments to ensure fair presentation in accordance with U.S. GAAP. Further, the design of internal controls provides the opportunity for misstatements to go undetected and therefore uncorrected.

Recommendation

We recommend timely reconciliation and review of account balances/transactions in order to verify accounting records are complete, accurate, and in accordance with accounting principles generally accepted in the United States of America.

Views of Responsible Officials and Planned Corrective Actions

Significant personnel changes occurred during the accounting system implementation period in 2024. The current CFO and Accounting Manager were not involved in the planning, selection, or initial setup of the new accounting system, which was handled by previous financial leadership. The material weakness related to audit journal entries and reconciliation timeliness stem from implementation decisions and initial operational procedures established before the current financial management team could assess and address the system's functionality.

The current financial management team has prioritized addressing these inherited control deficiencies. Additionally, we are actively seeking external expertise to address any remaining implementation gaps and ensure the accounting system is operating as originally intended with full integration of all organizational processes.

Section III – Federal Award Findings and Questioned Costs

None reported.



CORRECTIVE ACTION PLAN (Unaudited)

September 24, 2025

SourcePoint respectively submits the following corrective action plan for the year ended December 31, 2024.

Name and address of independent public accounting firm:

Citrin Cooperman & Company, LLP
579 Executive Campus Drive, Suite 210
Westerville, OH 43082

Audit Period: January 1, 2024 through December 31, 2024

The finding from the December 31, 2024 schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDING—FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS

2024-001 – Audit journal entries

Recommendation: We recommend timely reconciliation and review of account balances/transactions in order to verify accounting records are complete, accurate, and in accordance with accounting principles generally accepted in the United States of America.

Action Taken: Significant personnel changes occurred during the accounting system implementation period in 2024. The current CFO and Accounting Manager were not involved in the planning, selection, or initial setup of the new accounting system, which was handled by previous financial leadership. The material weakness related to audit journal entries and reconciliation timeliness stem from implementation decisions and initial operational procedures established before the current financial management team could assess and address the system's functionality.

The current financial management team has prioritized addressing these inherited control deficiencies. Additionally, we are actively seeking external expertise to address any remaining implementation gaps and ensure the accounting system is operating as originally intended with full integration of all organizational processes.

Anticipated Date of Completion: Anticipated date of completion is by December 31, 2025.

Our mission is to help our community set a course to live well after 55.



800 Cheshire Road
Delaware, Ohio 43015



P 740-363-6677
F 740-363-7588



MySourcePoint.org
info@MySourcePoint.org



2014-2026 Health & Wellness Partner
OhioHealth



If there are any questions regarding this plan, please call Brittany Maufort at 740-203-2353.

Sincerely yours,

Brittany Maufort

Brittany Maufort, Chief Financial Officer

SourcePoint

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OhioHealth