

*SourcePoint*  
*Delaware County, Ohio*

**AUDIT REPORT**

**For the Year ended December 31, 2014**





# Dave Yost • Auditor of State

Board of Directors  
SourcePoint  
800 Cheshire Road  
Delaware, Ohio 43015

We have reviewed the *Independent Auditor's Report* of SourcePoint, Delaware County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2014 through December 31, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. SourcePoint is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

September 28, 2015

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**SourcePoint**  
**DELAWARE COUNTY**  
**AUDIT REPORT**  
For the Year Ended December 31, 2014

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***Charles E. Harris & Associates, Inc.***  
*Certified Public Accountants*

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**INDEPENDENT AUDITOR'S REPORT**

SourcePoint  
Delaware County, Ohio  
800 Cheshire Road  
Delaware, Ohio 43015

To the Board of Directors:

***Report on the Financial Statements***

We have audited the accompanying financial statements of SourcePoint, Delaware County, Ohio, as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise SourcePoint's basic financial statements as listed in the table of contents.

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

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to SourcePoint's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of SourcePoint's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SourcePoint, Delaware County, Ohio, as of December 31, 2014 and 2013, and the changes in its financial position and its cash flows, for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

***Other Matters***

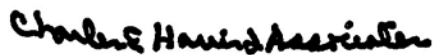
*Supplementary and Other Information*

Our audit was conducted to opine on SourcePoint's basic financial statements taken as a whole.

The schedule of federal, state and local funding received included on page 17 is management's responsibility, and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2015 on our consideration of SourcePoint's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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 SourcePoint's internal control over financial reporting and compliance.



*Charles E. Harris & Associates, Inc.*  
June 5, 2015

**SourcePoint**  
**Statement of Financial Position**  
**December 31, 2014 and 2013**

<b>Assets</b>		
	<u><b>2014</b></u>	<u><b>2013</b></u>
<b>Current Assets</b>		
Cash	\$ 2,251,862	\$ 1,379,020
Investments	4,248,356	2,532,773
Accounts Receivable	154,984	91,808
Inventory	40,972	38,458
Prepaid Expense	<u>46,847</u>	<u>70,993</u>
<b>Total Current Assets</b>	<b>6,743,021</b>	<b>4,113,052</b>
<b>Property and Equipment</b>		
Furniture & Equipment	744,330	673,296
Leasehold Improvements	745,365	695,127
Vehicles	94,911	94,911
Accumulated Depreciation	<u>(893,152)</u>	<u>(736,321)</u>
<b>Property &amp; Equip. net of Depreciation</b>	<b>691,454</b>	<b>727,013</b>
<b>Other Assets</b>		
Other Assets	2,500	2,500
Beneficial Interest in Assets	<u>30,229</u>	<u>29,547</u>
<b>Total Other Assets</b>	<b>32,729</b>	<b>32,047</b>
<b>Total Assets</b>	<b><u>\$ 7,467,204</u></b>	<b><u>\$ 4,872,112</u></b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts Payable	201,883	161,679
Accrued Payroll and related Liabilities	198,254	158,569
Grants Payable	56,101	34,219
Deferred revenue	<u>5,715</u>	<u>4,544</u>
<b>Total Current Liabilities</b>	<b>461,953</b>	<b>359,011</b>
<b>Net Assets</b>		
Temporarily Restricted	701,050	-
Unrestricted:		
Designated by the Board for Capital Improvements	1,307,203	1,163,695
Undesignated	<u>4,996,998</u>	<u>3,349,406</u>
<b>Total Net Assets</b>	<b><u>7,005,251</u></b>	<b><u>4,513,101</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 7,467,204</u></b>	<b><u>\$ 4,872,112</u></b>

See Accompanying Notes to the Basic Financial Statements.



**SourcePoint**  
**Statement of Activities**  
**For the years Ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
<b>Changes in Unrestricted Net Assets:</b>		
<b>Revenue and Support:</b>		
Property Tax Levy	\$6,460,656	\$4,884,304
Intergovernmental	872,159	641,234
Grants	554,573	553,655
Service Fees	568,666	294,940
Donations	217,115	163,461
Investment Income, net of fees	36,866	48,307
Gain / Loss on Marketable Securities	(17,604)	(16,622)
Other	138,316	195,085
<b>Total Revenue and Support</b>	<u><b>8,830,747</b></u>	<u><b>6,764,364</b></u>
<b>Expenses:</b>		
Program Expenses:		
Community Support Program	4,362,849	3,795,304
Enrichment Center	805,064	555,844
Community Grants	499,040	611,609
Outreach and Communications	486,391	676,951
Hospitality and Event Services	86,335	123,520
Total Program Expenses	<u>6,239,679</u>	<u>5,763,228</u>
Management and General	686,551	612,940
Development and Fundraising	113,417	-
<b>Total Operating Expenses</b>	<u><b>7,039,647</b></u>	<u><b>6,376,168</b></u>
<b>Increase (Decrease) in Unrestricted Net Assets</b>	<b>1,791,100</b>	<b>388,196</b>
<b>Changes in Temporarily Restricted Net Assets</b>		
Legacy Fund:		
Contributions	737,603	-
Satisfaction of obligations	(41,776)	-
Investment Income / Gain or Loss	3,547	-
Scholarship Fund:		
Contributions - Scholarship Fund	1,676	-
<b>Increase (Decrease) in Temporarily Restricted Net Assets</b>	<u><b>701,050</b></u>	<u><b>-</b></u>
<b>Change in Net Assets</b>	<b>2,492,150</b>	<b>388,196</b>
<b>Net Assets - Beginning of Year</b>	<u><b>4,513,101</b></u>	<u><b>4,124,905</b></u>
<b>Net Assets - End of Year</b>	<u><u><b>\$7,005,251</b></u></u>	<u><u><b>\$4,513,101</b></u></u>

See Accompanying Notes to the Basic Financial Statements.

**SourcePoint**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2014**

	Community Support Program	Enrichment Center	Community Grants	Communications, and Outreach	Hospitality and Event Services	Total Program Services	Development	Management and General	2014 Total Expenses	2013 Total Expenses
Salaries	\$1,485,172	\$374,148	-	\$242,211	\$40,388	\$2,141,919	\$65,509	\$428,582	\$2,636,010	\$2,039,285
Payroll Taxes and Fringe Benefits	476,898	80,674	-	95,341	8,177	661,090	22,288	152,494	835,872	719,020
<b>Total Personnel Costs</b>	<b>1,962,070</b>	<b>454,822</b>	<b>-</b>	<b>337,552</b>	<b>48,565</b>	<b>2,803,009</b>	<b>87,797</b>	<b>581,076</b>	<b>3,471,882</b>	<b>2,758,305</b>
Contracted Client Services	1,579,205	31,485	-	-	-	1,610,690	-	-	1,610,690	1,394,108
Grants	-	-	\$499,040	-	-	499,040	-	-	499,040	611,609
Management Fee	-	-	-	-	-	-	-	-	-	275,000
Raw Food / Kitchen Supplies	462,103	4,168	-	-	31,788	498,059	3,725	-	501,784	473,489
Operating Service Fees	61,731	73,440	-	15,320	1,772	152,263	2,466	20,183	174,912	144,218
Utilities	51,887	82,163	-	3,920	1,038	139,008	1,015	6,947	146,970	138,207
Depreciation & Amortization	57,602	56,378	-	6,375	624	120,979	1,849	10,591	133,419	122,923
Repairs, Maintenance & Auto	28,750	30,219	-	1,470	385	60,824	381	2,605	63,810	79,380
General Supplies	30,857	22,504	-	10,715	94	64,170	4,724	7,555	76,449	64,826
Professional	17,217	2,707	-	24,649	38	44,611	2,344	30,597	77,552	61,739
Printing	8,812	11,155	-	37,266	7	57,240	1,327	1,371	59,938	39,677
Advertising	2,285	1,219	-	21,875	-	25,379	1,267	1,655	28,301	47,714
Travel and Meals	21,052	1,069	-	4,637	118	26,876	2,433	5,643	34,952	25,808
Insurance	25,917	5,513	-	4,450	145	36,025	1,152	7,886	45,063	41,073
Small Equipment & Rental	11,346	14,093	-	2,385	747	28,571	493	2,590	31,654	31,970
Telephone & Internet	21,543	1,560	-	1,967	85	25,155	565	2,264	27,984	24,580
Postage	8,694	3,082	-	2,348	38	14,162	758	2,081	17,001	15,312
Training	7,975	974	-	1,087	-	10,036	889	2,056	12,981	5,759
Dues and Subscriptions	1,873	1,141	-	2,642	-	5,656	232	1,443	7,331	8,351
Sponsorships	-	-	-	6,708	-	6,708	-	-	6,708	7,588
Other	(5,436)	7,372	-	1,025	891	3,852	-	8	3,860	4,532
<b>Total Expenses</b>	<b>\$4,355,483</b>	<b>\$805,064</b>	<b>\$499,040</b>	<b>\$486,391</b>	<b>\$86,335</b>	<b>\$6,232,313</b>	<b>\$113,417</b>	<b>\$686,551</b>	<b>\$7,032,281</b>	<b>\$6,376,168</b>

See Accompanying Notes to the Basic Financial Statements.

**SourcePoint**  
**Statement of Cash Flows**  
**For the years Ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
<b>Cash Flows from Operating Activities:</b>		
Increase (Decrease) in Unrestricted Net Assets	\$ 1,791,100	\$ 388,196
<b>Adjustments to Reconcile to Net Cash Provided by Operating Activities:</b>		
Depreciation & Amortization	133,419	122,923
Decrease (increase) in assets:		
Accounts Receivable	(63,176)	(206)
Inventory	(2,514)	3,450
Prepaid Expenses	24,146	(27,383)
Other Assets	(682)	-
Increase (decrease) in liabilities:		
Accounts Payable and Accrued Expense	79,889	(3,844)
Grants Payable	21,882	(19,899)
Deferred Revenue	1,171	-
<b>Net Cash Provided from Operating Activities</b>	<b>1,985,235</b>	<b>463,237</b>
<b>Cash Flows from Investing Activities:</b>		
Purchase of Capital Assets	(87,164)	(182,461)
Purchase of Investments	(2,838,887)	(638,272)
Proceeds from Maturing Investments	1,831,521	638,272
Interest Earnings on Investments	(35,467)	(44,865)
(Gain)Loss on Marketable Securities	17,604	16,622
<b>Net Cash Provided from (used by) Investing Activities</b>	<b>(1,112,393)</b>	<b>(210,704)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>872,842</b>	<b>252,533</b>
<b>Cash and Cash Equivalents - Beginning of the Year</b>	<b>1,379,020</b>	<b>1,126,487</b>
<b>Cash and Cash Equivalents - End of the Year</b>	<b>\$ 2,251,862</b>	<b>\$ 1,379,020</b>

Note: SourcePoint acquired \$40,896 in capital assets and investments of \$688,955 through the merger with SCIDC in non-cash transaction:

SourcePoint  
Delaware County  
Notes to the Financial Statements  
December 31, 2014 and 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

On October 27, 2014, the Council for Older Adults Board of Directors approved a corporate name change from “Council for Older Adults” to “SourcePoint”, effective December 29, 2014.

SourcePoint is a non-profit corporation organized to develop, maintain and improve a comprehensive system of effective services and opportunities for the older population of Delaware County, Ohio. SourcePoint receives the majority of its revenue from a county-wide Aging Services property tax levy. The most recent 1.2 mil levy was approved by Delaware County voters in May 2013. This levy began generating proceeds for SourcePoint beginning in 2014 and will expire at the end of 2018.

SourcePoint provides services and funds the provision of in-home and community based services throughout the county. Many of these services are designed to enable older adults to remain living safely at home while other services are designed to promote good health and wellness, community engagement and successful aging. In-home services include: case management, meals on wheels, nutritional supplements, medical transportation, minor home repair, chore services, adult day care, personal care, homemaker services, respite, caregiver support, emergency response, nursing and durable medical equipment. SourcePoint also is responsible for a large senior enrichment center which offers a fitness center, a warm water exercise pool, arts, education, travel and numerous regular programs and activities. Additionally, SourcePoint provides community outreach, special events, a bi-monthly newsletter, hospitality services and many volunteer opportunities.

Basis of Accounting

The financial statements of SourcePoint have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes all cash held in unrestricted demand deposit accounts as well as cash on hand.

Accounts Receivable

Accounts receivable at December 31, 2014 consist of consumer accounts (billings for user charged for services.)

Inventory

Inventory consists of supplies available for sale to clients as well as food and packaging materials used in producing home delivered meals or hospitality services. Inventory is valued at cost.

SourcePoint  
Delaware County  
Notes to the Financial Statements  
December 31, 2014 and 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Property and Equipment

Property and Equipment are recorded at cost. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, which generally are from five to seven years. SourcePoint capitalizes assets which costs exceed \$1,000 and which useful lives exceed one year.

Accrued Payroll and Related Liabilities

A liability is accrued for paid time off when employees' rights to compensation are earned, vested and measurable.

Revenue Recognition

SourcePoint recognizes property tax revenue when it is measurable and available to finance expenditures of the current fiscal period. SourcePoint recognizes grant revenue when the related expenditure is made. "Available" means collected within the current period and used to pay liabilities of the current period.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. No amounts have been reflected in the statements for donated services, however, a substantial number of volunteers have donated significant amounts of their time in the organization's program services.

Estimates

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

Taxes

SourcePoint is a voluntary health and welfare organization exempt from Federal income taxes under Section 501(c) (3) of the Internal Revenue Code. SourcePoint has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(6)(1)(A)(iv). SourcePoint has unrelated business income from advertising space and hospitality & event service operations. No provision has been made for income tax as SourcePoint anticipates the associated expenses will exceed the revenue.

SourcePoint  
 Delaware County  
 Notes to the Financial Statements  
 December 31, 2014 and 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. CONCENTRATION OF CREDIT RISK

SourcePoint maintains checking, money market and certificates of deposit accounts with local financial institutions. The checking account is insured by the Federal Deposit of Insurance Corporation up to \$250,000 and in addition has been collateralized up to \$1,500,000 by the depository bank, in addition all funds held in the checking account in excess of \$1.5 million, is insured by the U.S. treasuries, thru a Federated Sweep account. The money market and certificates of deposit are insured by the Federal Deposit of Insurance Corporation up to \$250,000. All checking, money market and certificate of deposit accounts were insured at December 31, 2014 and December 31, 2013.

In addition SourcePoint maintains investments with two local financial service corporations. The investment portfolios contain primarily fixed income bonds and certificate of deposits.

Private investment funds have been established at both financial service corporations and are invested in a mix of fixed income and equity securities.

3. INVESTMENTS

Investments are reported at fair market value and consist of the following as of December 31, 2014 and December 31, 2013.

	<u>2014</u>	<u>2013</u>
Cash / Money Market	1,016,756	\$370,583
Certificates of Deposit	618,869	1,526,616
Bonds	2,353,506	635,574
Equities	<u>259,225</u>	<u>-</u>
Total Investments	<u>\$4,248,356</u>	<u>\$2,532,773</u>

4. NET ASSETS

Board Designated for Capital Improvements

In December 2008, Sourcepoint designated a portion of net assets for capital improvements and major maintenance projects, as well as emergency repairs at the center. Annually the Board earmarks the amount of money to be added to this fund.

SourcePoint  
 Delaware County  
 Notes to the Financial Statements  
 December 31, 2014 and 2013

4. NET ASSETS-(Continued)

Legacy Fund

Effective January 1, 2014, in accordance with the merger agreement between Senior Citizens Incorporated of Delaware County and the Board of Directors of Sourcepoint, a restricted fund known as the Legacy Fund was established. The net assets of Senior Citizens Inc., are accounted for in this fund. Expenditures from the Legacy Fund require prior approval from the Enrichment Center Program Board and subsequent approval from the Board of Directors of SourcePoint.

The following summarizes the balances of Net Assets with restrictions as of December 31:

	<u>2014</u>	<u>2013</u>
Board Designated for Capital Improvement	\$1,307,203	\$1,163,695
Legacy Fund	699,374	-

5. LEASES

In October 2007, Sourcepoint entered into a lease agreement with the Delaware County Commissioners, to lease real property consisting of 12.74 acres, more or less, known as 800 Cheshire Road, Delaware, Ohio, improved with 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, 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. 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 December 31, 2025.

Several office machines, including copier/printers and a postage machine are under lease arrangement, the leases will be available to renew or terminate in 2016; future combined minimum lease payments under these leases are as follows:

2015 - \$16,089  
 2016 - \$16,229

SourcePoint  
Delaware County  
Notes to the Financial Statements  
December 31, 2014 and 2013

**6. PROPERTY AND EQUIPMENT**

The following schedule summarizes the changes in property and equipment for the year ended December 31, 2014.

	January 1 <u>2014</u>	<u>Additions</u>	<u>Disposals</u>	December 31 <u>2014</u>
Equipment, Furniture and Fixtures	\$673,296	\$77,822	\$(6,788)	\$744,330
Leasehold Improvements	695,127	50,238	-	745,366
Vehicles	94,911	-	-	94,911
Less Accumulated Depreciation	<u>(736,321)</u>	<u>(163,619)</u>	<u>6,788</u>	<u>(893,152)</u>
Totals	<u>\$727,013</u>	<u>\$(35,559)</u>	<u>\$ -</u>	<u>\$ 691,454</u>

The following schedule summarizes the changes in property and equipment for the year ended December 31, 2013.

	January 1 <u>2013</u>	<u>Additions</u>	<u>Disposals</u>	December 31 <u>2013</u>
Equipment, Furniture and Fixtures	\$614,380	\$61,211	\$(2,295)	\$673,296
Leasehold Improvements	573,877	121,250	-	695,127
Vehicles	94,911	-	-	94,911
Less Accumulated Depreciation	<u>(615,693)</u>	<u>(122,923)</u>	<u>2,295</u>	<u>(736,321)</u>
Totals	<u>\$667,475</u>	<u>\$59,538</u>	<u>\$ -</u>	<u>\$727,013</u>

**7. BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS**

In 1997, SourcePoint deposited \$10,000 with the Delaware County Community Foundation (the Foundation), an Ohio not-for-profit corporation to establish the SourcePoint Fund (the Fund). The Fund is to be used for charitable, educational, and public purposes. Distributions will be made from the Fund to charitable organizations at the discretion of the Foundation's Board of Trustees, and may include the original deposit. SourcePoint's Board of Directors has reserved the right to suggest how the money will be distributed. In addition, SourcePoint may request that the Fund be returned to SourcePoint, although final authority rests with the Foundation.

Financial Accounting Standards Board ASC 958 states that a transfer of assets where the resource provider specifies itself or an affiliate as the beneficiary is not a contribution and shall be recorded as an asset, even if variance power has been explicitly granted to the recipient organization.

The market value of the Fund at December 31, 2014 was \$30,229, which included SourcePoint's original contribution, contributions made to the fund by outside parties, and earnings and cumulative changes in market value.



SourcePoint  
Delaware County  
Notes to the Financial Statements  
December 31, 2014 and 2013

**8. GRANTS PAYABLE AND COMMITMENTS**

SourcePoint has entered into grant agreements with various organizations to assist these organizations in providing services to the senior population of Delaware County. Grants payable are amounts due to these organizations at December 31, 2014 and 2013 for services provided through December 31, 2014 and 2013.

	<u>2014</u>	<u>2013</u>
Delaware Area Transit Authority	\$14,764	\$ 8,488
Help Line of Delaware and Morrow Counties, Inc		
Connections & Companions	12,347	6,005
Delaware Speech and Hearing	8,026	2,237
Community Action Organization of Delaware		
and Madison Counties	4,950	-
Catholic Social Services	2,703	2,243
Central Ohio Area Agency on Aging	2,500	1,500
Grady Memorial Hospital / DRIVE	2,465	5,800
Employment for Seniors	2,382	-
Delaware County Health District	1,966	808
Delaware County Juvenile Court	1,464	1,833
National Church Residences /Heritage Day	1,370	2,870
Life Dare Alliance	-	1,948
Alzheimer's Association	<u>1,164</u>	<u>487</u>
Total	<u>\$56,101</u>	<u>\$34,219</u>

The following organizations have been awarded grants by SourcePoint for the term to be in 2015:

	2014
Delaware Area Transit Agency	\$201,168
Help Line of Delaware and Morrow Counties, Inc.	88,630
Delaware Speech & Hearing	85,385
Alzheimer's Association of Central Ohio	55,415
Catholic Social Services	44,747
National Church Residences Center for Senior Health	20,700
Delaware General Health District	13,144
Central Ohio Area Agency on Aging	10,000
People in Need	10,000
The Ohio Health Foundation- D.R.I.V.E.	10,000
The Ohio State University Extension	9,000
Drug Free Delaware Coalition	8,330
Employment for Seniors	7,071
Delaware County Juvenile Court	<u>5,900</u>
Total	<u>\$569,490</u>

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December 31, 2014 and 2013

9. GRANTS

SourcePoint provided grants to the following organizations during 2014 and 2013. Although the 2014 Grant Awards totaled \$525,242, only \$499,040 was remitted to Grantees due to actual costs being less than projected budgets.

	<u>2014</u>	<u>2013</u>
Delaware Area Transit Agency	\$177,168	\$292,604
Alzheimer's Association	51,700	51,700
Help Line of Delaware & Morrow Counties, Inc Connections & Companions	86,726	79,835
Delaware Speech & Hearing	72,086	45,395
Delaware County Job and Family Services	-	32,064
Catholic Social Services	27,966	27,966
Life Care Alliance	-	26,496
National Church Residences /Heritage Day	20,390	20,626
Delaware General Health District	9,858	11,048
OhioHealth DRIVE Program	5,783	7,605
People in Need	10,000	6,000
Central Ohio Area Agency on Aging	10,000	6,000
Employment for Seniors	9,527	-
Community Action Organization of Delaware & Madison Counties	9,000	-
Delaware County Juvenile Court	4,600	4,270
AARP Tax - Aid	4,236	-
Total	<u>\$499,040</u>	<u>\$611,609</u>

10. CONTRACT SERVICES

SourcePoint provides information to and/or arranges various levels of in-home and other assistance for eligible seniors. To provide the in-home assistance, SourcePoint contracts on a purchase of services basis with various organizations and businesses. The contractors provide the services that have been approved by SourcePoint and bill SourcePoint at the agreed upon rate per unit of services delivered.

SourcePoint had the following Contract Services:	<u>2014</u>	<u>2013</u>
Adena	11,820	3,975
Alia Healthcare Services / Sabco of Ohio	25,704	75,691
Assisted Care by Blackstone	22,846	-
Canini's Caring Seniors	21,621	-
Central Ohio Senior Care, dba Home Instead	99,757	116,422
Central Ohio Mental Health	5,753	5,877
Client Use of Ensure / Abbot Supply	45,023	42,377
ComForCare Senior Services / H.M. Miller & Associates	4,830	8,377
Critical Signal Technologies	39,433	32,333
Custom Staffing Incorporated	-	11,777
Delaware Area Transit Authority	92,898	44,046

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Notes to the Financial Statements  
December 31, 2014 and 2013

10. CONTRACT SERVICES-(Continued)

Delaware Creative Housing, Inc	24,450	-
Delaware Developers LLC	8,610	6,400
Dhulmar Transportation	28	10,076
Duralin Medical Products, Incorporated	120,110	118,371
Farmers Market	55,694	45,852
First Light /KLP Enterprise Services	19,032	-
First Response Monitoring of Ohio Incorporated	23,682	28,647
Friendly Care Agency / LBS International Incorporated	91,773	112,399
Giving Peace of Mind LLC / Home Helpers	47,078	71,193
Guardian Medical Monitoring Incorporated	35,699	36,676
Healthcom, Inc.	26,480	-
Heritage Health Care Services Inc.	72	21,131
Home Reach Home Care	9,827	30,527
In Home Elder Care / Comfort Keepers	1,649	13,132
Interim Healthcare of Ohio Incorporated	204,895	113,242
J & J Mobility LTD	38,281	16,286
National Church Residences / Heritage Day Health Centers	136,438	107,637
OhioHealth HomeCare	18,277	-
Prime Home Care, LLC	7,899	-
Pro Health Care Services	6,436	4,838
RRAD Enterprise Ltd. / Right at Home	16,905	147,897
Rural Metro of Northern Ohio Incorporated	14,820	18,192
Senior Independence	4,610	10,964
Silver Crown Services, Inc	66,161	-
Snowrider Inc. / Right at Home	127,838	-
United Patient Care	4,613	5,375
Valued Relationships Incorporated	28,508	29,691
Volunteer Drivers	77,116	76,171
Willow Brook Christian Village	5,140	3,920
Other	18,887	24,616
Total	<u>\$1,610,693</u>	<u>\$1,394,108</u>

11. COMMUNITY NUTRITION PROGRAM

SourcePoint operates the Nutrition Program as part of the Community Support Program. The program provides home delivered meals to seniors and meals at several congregate meal sites in the county. In addition the Nutrition Program provides meals to disabled Adults under the age 60 as well as administering a Farmers Market Voucher Program and a Commodity Supplemental Food Program, which offers free food to low income older adults.

SourcePoint receives federal and state funds for the program through the Central Ohio Area Agency on Aging (COAAA) in the form of Title IIIC, USDA and State Block Grants as well as PASSPORT Medicaid funds and United Way of Delaware County funds. In addition SourcePoint receives funds from the Mid-Ohio Food Bank to support the administration of the commodity program.

SourcePoint  
Delaware County  
Notes to the Financial Statements  
December 31, 2014 and 2013

12. MANAGEMENT COMPENSATION

SourcePoint employs the Executive Director under an employment agreement, the agreement provides for a base salary, life insurance, professional development benefits and annual increases. The employment agreement was due to expire on December 31, 2014; however it was extended through December 31, 2018.

13. RETIREMENT PLAN

SourcePoint has a defined contribution pension plan (Section 403(b) plan) for the benefit of its employees. All employees who meet the age, length of service and hours worked requirements are eligible to participate. 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 matches employee contributions to the plan up to 4% of each eligible employee's wages. SourcePoint can vary these percentages from year to year at its discretion.

In addition SourcePoint has a Deferred Compensation Plan under (Section 457(b) plan) for the benefit of selected employees. At the current time the Executive Director and the Directors are eligible to participate. Under this program, the selected employee(s) may elect to contribute up to the extent allowable by law. In addition SourcePoint may contribute based on Board of Director's approval.

Total pension expense for both plans was \$140,765 for 2014 and \$152,878 for 2013.

14. VOLUNTEER HOURS

As described in the summary of significant accounting policies, SourcePoint receives a significant level of volunteer hours, the value of which appropriately was not recognized as revenue in accordance with accounting principles generally accepted. Management utilizes a nationally recognized resource that provides annual values for a donated hour of service, a summary follows;

	<u>Volunteer hours</u>	<u>Value of hours volunteered</u>
2014	53,946	\$1,017,958
2013	44,772	844,856

SourcePoint  
Delaware County  
Notes to the Financial Statements  
December 31, 2014 and 2013

15. MERGER

On November 25, 2013, Council for Older Adults, aka, SourcePoint entered into a merger agreement with Senior Citizens Incorporated of Delaware County (SCIDC), an Ohio nonprofit corporation, effective January 1, 2014. Senior Citizens Inc. merged into SourcePoint and SourcePoint is the surviving corporation. The surviving corporation's activities shall continue to be the same as prior to the merger. The members of the Board of Directors of SourcePoint prior to the merger continue as board members of the surviving corporation with the addition of four members of the Senior Citizens former Board of Directors. The net assets of Senior Citizens Inc. are accounted for in a restricted fund known as the Legacy Fund. In addition, an advisory board was established known as the "Enrichment Center Program Board". Expenditures from the Legacy Fund require prior approval from this advisory board.

16. SUBSEQUENT EVENTS - CAPITAL PROJECT

On December 17, 2014, the Board of Directors approved expenditures of \$525,000 for renovations to be completed on the building leased at 800 Cheshire Road, Delaware, Ohio. The renovations are to include activity rooms for the enrichment center, additional office space and the enclosure of the covered vestibule at the main entrance of the building.

After completing a public bid process, on December 22, 2014, CRC Incorporated was awarded the renovation contract at \$492,063. A contract was signed on January 12, 2015, and renovations began in early February 2015. Completion date is scheduled for mid-June 2015.

Subsequent events were evaluated through June 5, 2015. No other material matters were noted.

**SourcePoint**  
**Schedule of Federal, State and Local Funding Received**  
**For the years Ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
<u>Delaware County:</u>		
Delaware County Senior Services Levy	\$6,460,656	\$4,884,304
<u>Central Ohio Area Agency on Aging:</u>		
Title III-E National Family Caregiver Support Program	53,363	49,034
Title III-C / USDA	271,076	215,221
Title III-B Service Coordinator	33,584	59,536
Volunteer Transportation Program	81,694	-
Insurance Counseling	2,402	-
Other	5,430	1,350
<u>United Way:</u>		
Delaware County Senior Nutrition - Under 60	104,125	105,762
	\$7,012,330	\$5,315,207

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS

SourcePoint  
Delaware County, Ohio  
800 Cheshire Road  
Delaware, Ohio 43015

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of SourcePoint, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise SourcePoint's basic financial statements and have issued our report thereon dated June 5, 2015.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered SourcePoint's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of SourcePoint's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of SourcePoint's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether SourcePoint's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of SourcePoint's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering SourcePoint's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



***Charles E. Harris and Associates, Inc.***

June 5, 2015



**SOURCEPOINT  
DELAWARE COUNTY, OHIO  
SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Year Ended December 31, 2014**

The prior report, for the year ending December 31, 2013, reported no material citations or recommendations.

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# Dave Yost • Auditor of State

**SOURCEPOINT**

**DELAWARE COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
OCTOBER 8, 2015**