



February 13, 2026

Board of Directors
Pathways, Inc.
Bloomington, IN 47404

Dear Board Member:

This letter is provided in connection with our engagement to audit the financial statements of Pathways, Inc. (the "Organization") as of and for the year ended December 31, 2025. Professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit and the planned scope and timing of our audit, including significant risks we have identified.

As stated in our engagement letter dated December 2, 2025, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") for the purpose of forming and expressing an opinion on the financial statements. Our audit does not relieve you or management of your respective responsibilities.

Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit is designed to provide reasonable, but not absolute, assurance about whether the financial statements as a whole are free of material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations. Because of this concept of reasonable assurance and because we will not examine all transactions, there is a risk that material misstatements may exist and not be detected by us.

Our audit will include obtaining an understanding of the Organization and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and as a basis for designing the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. However, we will communicate to you at the conclusion of our audit any material weaknesses or significant deficiencies identified. We will also communicate to you:

- Any violation of laws or regulations that come to our attention

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- Our views relating to qualitative aspects of the Organization's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures
- Significant difficulties, if any, encountered during the audit
- Disagreements with management, if any, encountered during the audit
- Significant unusual transactions, if any
- Other significant matters that are relevant to your responsibilities in overseeing the financial reporting process

Although we are currently in the planning stage of our audit, we have identified the following significant risks during our audit to date that require special audit consideration:

According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks. We have also identified the following additional significant risks:

- Improper recognition of restricted contributions and grant revenue
- Noncompliance with grant requirements and improper allocation of expenses to those grants
- Improper net asset classification

We expect to begin our audit on February 16, 2026, and approximately issue our report in March 2026.

Shannon Borden is the engagement director and is responsible for supervising the engagement and signing the report for authorizing another individual to sign it.

Communications

We have spoken with Brit Moreland, Board Treasurer, regarding the upcoming audit scope and the specific risks we have identified relative to the upcoming audit. Should you have any specific concerns, we would welcome the opportunity to discuss them with you as well. Items that would be of particular concern to us would be business risks, internal control matters, suspected fraud, regulatory agency communications and other matters that you consider warrant particular attention.

Please contact me by phone at (812) 405-1591 or email at bbeard@blueandco.com if you would like to discuss the upcoming audit. We will communicate our significant findings in a separate letter at the conclusion of the audit.

Respectfully,

Blue & Co., LLC

Seymour, IN