

Foodbank®

*St. Louis Area Foodbank*

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**FISCAL YEAR  
2024 AUDIT**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
St. Louis Area Food Bank, Inc.  
Bridgeton, Missouri

### **Opinion**

We have audited the accompanying financial statements of St. Louis Area Food Bank, Inc. (the "Organization"), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Louis Area Food Bank, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. Louis Area Food Bank, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 St. Louis Area Food Bank, Inc.'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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of St. Louis Area Food Bank, Inc.'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 St. Louis Area Food Bank, Inc.'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 supplementary information on pages 52 - 61 is presented for purposes of additional analysis and is not a required part of the financial statements. Additionally, the accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information 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 January 24, 2025, on our consideration of the Organization'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 the Organization's internal control over financial reporting and compliance.



Armanino<sup>LLP</sup>  
St. Louis, Missouri

January 24, 2025

St. Louis Area Food Bank, Inc.  
Statements of Financial Position  
June 30, 2024 and 2023

|   | 2024          | 2023          |
|---|---------------|---------------|
| ASSETS  |               |               |
| Current assets                                    |               |               |
| Cash and cash equivalents                         | \$ 7,965,708  | \$ 5,182,474  |
| Accounts receivable, net                          | 128,582       | 116,143       |
| Grants receivable                                 | 1,132,128     | 295,723       |
| Current portion of unconditional promises to give | 683,464       | 452,182       |
| Inventory   | 5,260,140     | 3,778,317     |
| Prepaid expenses and other current assets         | 198,254       | 358,577       |
| Investments - operating                           | 12,727        | 2,038         |
| Total current assets                              | 15,381,003    | 10,185,454    |
| Long-term assets                                  |               |               |
| Unconditional promises to give, net of current    | -             | 175,000       |
| Investments - board designated                    | 18,214,859    | 16,275,764    |
| Investments - endowment                           | 6,457,278     | 5,650,853     |
| Operating lease right-of-use asset                | 45,792        | 62,258        |
| Property and equipment, net                       | 10,185,407    | 10,999,999    |
| Total long-term assets                            | 34,903,336    | 33,163,874    |
| Total assets                                      | \$ 50,284,339 | \$ 43,349,328 |
| LIABILITIES AND NET ASSETS                        |               |               |
| Current liabilities                               |               |               |
| Accounts payable                                  | \$ 688,661    | \$ 1,618,617  |
| Accrued expenses                                  | 810,060       | 636,629       |
| Current maturities of operating lease obligations | 16,803        | 16,466        |
| Current maturities of finance lease obligations   | 285,549       | 272,181       |
| Total current liabilities                         | 1,801,073     | 2,543,893     |
| Long-term liabilities                             |               |               |
| Long-term operating lease obligations             | 28,771        | 45,792        |
| Long-term finance lease obligations               | 640,332       | 914,739       |
| Total long-term liabilities                       | 669,103       | 960,531       |
| Total liabilities                                 | 2,470,176     | 3,504,424     |
| Net assets  |               |               |
| Without donor restrictions                        |               |               |
| Board designated endowment                        | 6,457,278     | 5,650,853     |
| Board designated reserves                         | 18,214,859    | 16,275,764    |
| Invested in property and equipment, net of debt   | 9,259,256     | 9,813,079     |
| Undesignated, available for operations            | 12,719,850    | 7,478,026     |
| Total without donor restrictions                  | 46,651,243    | 39,217,722    |
| With donor restrictions                           | 1,162,920     | 627,182       |
| Total net assets                                  | 47,814,163    | 39,844,904    |
| Total liabilities and net assets                  | \$ 50,284,339 | \$ 43,349,328 |

The accompanying notes are an integral part of these financial statements.

St. Louis Area Food Bank, Inc.  
Statement of Activities  
For the Year Ended June 30, 2024

|                                       | <u>Without Donor<br/>Restrictions</u> | <u>With Donor<br/>Restrictions</u> | <u>Total</u>         |
|---------------------------------------|---------------------------------------|------------------------------------|----------------------|
| Support, revenue, and gains           |                                       |                                    |                      |
| Program fees                          | \$ 535,993                            | \$ -                               | \$ 535,993           |
| Contributions                         | 11,653,929                            | 1,833,680                          | 13,487,609           |
| Government grants                     | 5,140,795                             | -                                  | 5,140,795            |
| Investment income, net                | 3,041,211                             | -                                  | 3,041,211            |
| Other revenue                         | 182,297                               | -                                  | 182,297              |
| Consumable product donations/receipts | 78,841,196                            | -                                  | 78,841,196           |
| Net assets released from restriction  | <u>1,297,942</u>                      | <u>(1,297,942)</u>                 | <u>-</u>             |
| Total support, revenue, and gains     | <u>100,693,363</u>                    | <u>535,738</u>                     | <u>101,229,101</u>   |
| Functional expenses                   |                                       |                                    |                      |
| Program services                      | <u>89,511,733</u>                     | <u>-</u>                           | <u>89,511,733</u>    |
| Support services                      |                                       |                                    |                      |
| Management and general                | 2,165,522                             | -                                  | 2,165,522            |
| Fundraising                           | <u>1,582,587</u>                      | <u>-</u>                           | <u>1,582,587</u>     |
| Total support services                | <u>3,748,109</u>                      | <u>-</u>                           | <u>3,748,109</u>     |
| Total functional expenses             | <u>93,259,842</u>                     | <u>-</u>                           | <u>93,259,842</u>    |
| Change in net assets                  | 7,433,521                             | 535,738                            | 7,969,259            |
| Net assets, beginning of year         | <u>39,217,722</u>                     | <u>627,182</u>                     | <u>39,844,904</u>    |
| Net assets, end of year               | <u>\$ 46,651,243</u>                  | <u>\$ 1,162,920</u>                | <u>\$ 47,814,163</u> |

The accompanying notes are an integral part of these financial statements.

St. Louis Area Food Bank, Inc.  
Statement of Activities  
For the Year Ended June 30, 2023

|                                       | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                |
|---------------------------------------|-------------------------------|----------------------------|----------------------|
| Support, revenue, and gains           |                               |                            |                      |
| Program fees                          | \$ 1,093,205                  | \$ -                       | \$ 1,093,205         |
| Contributions                         | 13,229,606                    | 999,989                    | 14,229,595           |
| Government grants                     | 7,222,320                     | -                          | 7,222,320            |
| Investment income, net                | 2,069,510                     | -                          | 2,069,510            |
| Other revenue                         | 26,862                        | -                          | 26,862               |
| Consumable product donations/receipts | 82,900,235                    | -                          | 82,900,235           |
| Net assets released from restriction  | <u>1,061,482</u>              | <u>(1,061,482)</u>         | <u>-</u>             |
| Total support, revenue, and gains     | <u>107,603,220</u>            | <u>(61,493)</u>            | <u>107,541,727</u>   |
| Functional expenses                   |                               |                            |                      |
| Program services                      | <u>102,812,702</u>            | <u>-</u>                   | <u>102,812,702</u>   |
| Support services                      |                               |                            |                      |
| Management and general                | 2,367,222                     | -                          | 2,367,222            |
| Fundraising                           | <u>1,772,680</u>              | <u>-</u>                   | <u>1,772,680</u>     |
| Total support services                | <u>4,139,902</u>              | <u>-</u>                   | <u>4,139,902</u>     |
| Total functional expenses             | <u>106,952,604</u>            | <u>-</u>                   | <u>106,952,604</u>   |
| Change in net assets                  | 650,616                       | (61,493)                   | 589,123              |
| Net assets, beginning of year         | <u>38,567,106</u>             | <u>688,675</u>             | <u>39,255,781</u>    |
| Net assets, end of year               | <u>\$ 39,217,722</u>          | <u>\$ 627,182</u>          | <u>\$ 39,844,904</u> |

The accompanying notes are an integral part of these financial statements.



St. Louis Area Food Bank, Inc.  
Statement of Functional Expenses  
For the Year Ended June 30, 2024

|  | <u>Program<br/>Services</u> | <u>Management<br/>and General</u> | <u>Fundraising</u>  | <u>Total</u>         |
|--|-----------------------------|-----------------------------------|---------------------|----------------------|
| Expenses   |                             |                                   |                     |                      |
| Salaries and related items                             | \$ 5,322,999                | \$ 1,340,847                      | \$ 834,829          | \$ 7,498,675         |
| Professional fees                                      | 36,287                      | 173,125                           | 1,981               | 211,393              |
| Supplies   | 304,153                     | 14,554                            | 1,765               | 320,472              |
| Telephone  | 65,934                      | 30,170                            | 7,323               | 103,427              |
| Postage and shipping                                   | 662                         | 22,364                            | 6,015               | 29,041               |
| Occupancy  | 641,668                     | 28,008                            | 5,503               | 675,179              |
| Rental and maintenance                                 | 261,554                     | 162,193                           | 11,858              | 435,605              |
| Printing and publications                              | 49,386                      | 24,005                            | 657,092             | 730,483              |
| Meetings and travel                                    | 48,962                      | 35,469                            | 9,701               | 94,132               |
| Food and product distribution                          | 80,672,510                  | -                                 | -                   | 80,672,510           |
| Fleet management                                       | 729,323                     | 4,180                             | 958                 | 734,461              |
| Grants to agencies                                     | 120,265                     | 4,122                             | -                   | 124,387              |
| Miscellaneous  | 6,284                       | 175,879                           | 16,351              | 198,514              |
| Insurance  | 321,933                     | 20,830                            | 4,734               | 347,497              |
| Dues   | <u>14,220</u>               | <u>97,444</u>                     | <u>1,467</u>        | <u>113,131</u>       |
| Total expenses before<br>depreciation and amortization | <u>88,596,140</u>           | <u>2,133,190</u>                  | <u>1,559,577</u>    | <u>92,288,907</u>    |
| Depreciation and amortization                          | <u>915,593</u>              | <u>32,332</u>                     | <u>23,010</u>       | <u>970,935</u>       |
|  | <u>\$ 89,511,733</u>        | <u>\$ 2,165,522</u>               | <u>\$ 1,582,587</u> | <u>\$ 93,259,842</u> |
| Percentage of total                                    | <u>96.0 %</u>               | <u>2.3 %</u>                      | <u>1.7 %</u>        | <u>100.0 %</u>       |

The accompanying notes are an integral part of these financial statements.

St. Louis Area Food Bank, Inc.  
Statement of Functional Expenses  
For the Year Ended June 30, 2023

|  | <u>Program<br/>Services</u> | <u>Management<br/>and General</u> | <u>Fundraising</u>  | <u>Total</u>          |
|--|-----------------------------|-----------------------------------|---------------------|-----------------------|
| Expenses   |                             |                                   |                     |                       |
| Salaries and related items                             | \$ 5,188,196                | \$ 1,229,861                      | \$ 823,111          | \$ 7,241,168          |
| Professional fees                                      | 70,017                      | 176,993                           | 3,447               | 250,457               |
| Supplies   | 439,976                     | 13,864                            | 1,674               | 455,514               |
| Telephone  | 69,271                      | 27,512                            | 8,229               | 105,012               |
| Postage and shipping                                   | 589                         | 21,668                            | 662                 | 22,919                |
| Occupancy  | 553,177                     | 9,745                             | 7,455               | 570,377               |
| Rental and maintenance                                 | 272,594                     | 153,698                           | 67,938              | 494,230               |
| Printing and publications                              | 51,889                      | 92,232                            | 814,184             | 958,305               |
| Meetings and travel                                    | 45,590                      | 25,282                            | 9,217               | 80,089                |
| Food and product distribution                          | 93,873,553                  | -                                 | -                   | 93,873,553            |
| Fleet management                                       | 908,023                     | 1,772                             | 849                 | 910,644               |
| Grants to agencies                                     | 165,875                     | -                                 | -                   | 165,875               |
| Miscellaneous  | 101,788                     | 203,291                           | 9,081               | 314,160               |
| Insurance  | 191,848                     | 17,859                            | 3,368               | 213,075               |
| Dues   | 23,199                      | 104,125                           | 1,923               | 129,247               |
| Total expenses before<br>depreciation and amortization | <u>101,955,585</u>          | <u>2,077,902</u>                  | <u>1,751,138</u>    | <u>105,784,625</u>    |
| Depreciation and amortization                          | <u>857,117</u>              | <u>289,320</u>                    | <u>21,542</u>       | <u>1,167,979</u>      |
|  | <u>\$ 102,812,702</u>       | <u>\$ 2,367,222</u>               | <u>\$ 1,772,680</u> | <u>\$ 106,952,604</u> |
| Percentage of total                                    | <u>96.1 %</u>               | <u>2.2 %</u>                      | <u>1.7 %</u>        | <u>100 %</u>          |

The accompanying notes are an integral part of these financial statements.

St. Louis Area Food Bank, Inc.  
Statements of Cash Flows  
For the Years Ended June 30, 2024 and 2023

|  | <u>2024</u>         | <u>2023</u>         |
|--|---------------------|---------------------|
| Cash flows from operating activities   |                     |                     |
| Change in net assets   | \$ 7,969,259        | \$ 589,123          |
| Adjustments to reconcile change in net assets to net cash provided by operating activities |                     |                     |
| Depreciation and amortization  | 970,935             | 1,167,979           |
| Realized and unrealized gains on investments   | (2,257,090)         | (1,591,833)         |
| Gain on disposal of property and equipment   | (3,500)             | -                   |
| Donated securities   | 210,077             | 182,857             |
| Changes in operating assets and liabilities  |                     |                     |
| Accounts receivable, net   | (12,439)            | 12,766              |
| Grants receivable  | (836,405)           | 430,165             |
| Unconditional promises to give   | (56,282)            | (394,837)           |
| Inventory  | (1,481,823)         | 2,099,031           |
| Prepaid expenses and other current assets  | 160,323             | (198,866)           |
| Accounts payable   | (929,956)           | 477,530             |
| Accrued expenses   | 173,431             | 17,707              |
| Operating lease, net   | (218)               | -                   |
| Net cash provided by operating activities  | <u>3,906,312</u>    | <u>2,791,622</u>    |
| Cash flows from investing activities   |                     |                     |
| Proceeds from sales of investments   | 1,416,466           | 6,893,930           |
| Purchases of investments   | (2,125,662)         | (9,477,757)         |
| Proceeds from sale of property and equipment   | 15,500              | -                   |
| Purchases of property and equipment  | (168,343)           | (778,331)           |
| Net cash used in investing activities  | <u>(862,039)</u>    | <u>(3,362,158)</u>  |
| Cash flows from financing activities   |                     |                     |
| Payments of finance lease obligations  | (261,039)           | (155,631)           |
| Net cash used in financing activities  | <u>(261,039)</u>    | <u>(155,631)</u>    |
| Net increase (decrease) in cash and cash equivalents                                       | 2,783,234           | (726,167)           |
| Cash and cash equivalents, beginning of year   | <u>5,182,474</u>    | <u>5,908,641</u>    |
| Cash and cash equivalents, end of year   | <u>\$ 7,965,708</u> | <u>\$ 5,182,474</u> |

Supplemental disclosure of cash flow information

|  |           |           |
|--|-----------|-----------|
| Cash paid during the year for interest | \$ 64,174 | \$ 64,174 |
|--|-----------|-----------|

Supplemental schedule of noncash investing and financing activities

|  |      |            |
|--|------|------------|
| Acquisition of property and equipment through finance lease arrangements | \$ - | \$ 340,153 |
|--|------|------------|

The accompanying notes are an integral part of these financial statements.

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

1. NATURE OF OPERATIONS

St. Louis Area Food Bank, Inc. (the "Organization") is a not-for-profit organization established to collect, warehouse, and distribute food and household items to social service agencies for food and product distribution and on-site programs. The Organization receives funding from federal and state governing agencies along with contributions from various grantors and donors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The accompanying financial statements have been prepared in accordance with the provisions of the Financial Accounting Standards Board, Accounting Standards Codification (the "FASB ASC"), which is the source of authoritative, nongovernmental accounting principles generally accepted in the United States of America ("U.S. GAAP"). All references to authoritative accounting guidance contained in our disclosures are based on the general accounting topics within the FASB ASC.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified into two categories of net assets, as applicable, and reported as follows:

- *Net assets without donor restrictions* - Net assets that are not subject to donor-imposed stipulations. Board designated funds are established by the Board of Directors and represent net assets without donor restrictions that have been set aside to help ensure the financial stability of the Organization. These funds shall be utilized only when costs cannot be otherwise funded by operations or specific donations.
- *Net assets with donor restrictions* - Net assets received with donor or grantor stipulations that limit the use of the donated assets. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. When stipulated time restrictions expire or purpose restrictions are met, these net assets are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity with use of income for general operations or donor-restricted purposes. The income earned on any related investments may be subject to donor-imposed stipulations. The Organization had no net assets with donor restrictions that were perpetual in nature as of June 30, 2024 and 2023.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

The Organization considers assets without donor restrictions or board designations that are highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash accounts with a major domestic, high credit quality financial institution. Amounts held in financial institutions are occasionally in excess of the Federal Deposit Insurance Corporation (FDIC) limits of \$250,000; however, management believes the Organization is not exposed to significant risk at their banking institution.

Fair value measurements

The Organization follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. The three general valuation techniques used to measure fair value are the market approach, cost approach, and income approach.

Investments

The Organization carries investments at fair value with unrealized holding gains and losses included in earnings. Realized gains and losses are included in earnings and are derived using the average cost method for determining the cost of securities sold. Dividend and interest income is recognized when earned. Investment income (e.g. interest, dividends, fees, unrealized gains and losses, and realized gains and losses) with donor-imposed restrictions that are met in the same year as earned are reported as net assets without donor restrictions.

The Organization maintains its investments primarily with one brokerage firm. Securities held at this firm are insured by the Securities Investor Protection Corporation up to \$500,000; however, management believe the Organization is not exposed to significant risk at their brokerage firm.

Accounts receivable

Accounts receivable are uncollateralized obligations due primarily for shared maintenance fees from member agencies under normal trade terms generally requiring payment within 30 days of the invoice date. Accounts receivable was \$128,582, \$116,143, and \$128,909 at June 30, 2024, June 30, 2023, and June 30, 2022, respectively.

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts receivable (continued)

The Organization recognizes an allowance for expected credit losses ("AECL") on accounts receivable, related to accounts receivable, in an amount equal to the current expected credit losses. The estimation of the AECL is based on an analysis of historical loss experience, current receivables aging, and management's assessment of current conditions and reasonable and supportable expectations of future conditions, as well as an expense associated with the AECL. Management provides for probable uncollectible amounts through a charge to expenses and a credit to the AECL. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the AECL and a credit to accounts receivable. The allowance for expected credit losses was \$14,285 for the years ended June 30, 2024 and 2023. The activity (including write-offs, allowance adjustments, and bad debt recoveries) that occurred during these years was not material to the consolidated financial statements.

Grants receivable

Grants receivable includes amounts due from various funding agencies under binding contracts with the Organization for services rendered or expenses incurred prior to year-end. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants receivable. The Organization considers grants receivable to be fully collectible; accordingly, no allowance for uncollectible grants receivable is deemed necessary.

Unconditional promises to give

Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value using risk-free interest rates applicable to the years in which the promises are to be received.

The Organization provides an allowance for uncollectible promises to give equal to the estimated losses that will be incurred in the collection of unconditional promises to give. This estimate is based on historical experience coupled with a review of the current status of existing promises. The allowance and associated promises are reduced when the promises are determined to be uncollectible. The Organization considers unconditional promises to give to be fully collectible; accordingly, no allowance for uncollectible promises to give is deemed necessary.

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventory

The Organization's inventory consists of donated food items, USDA product, and purchased product. The donated products received and distributed by the Organization have been valued and recorded in the accompanying financial statements in accordance with the FASB's guidance on accounting for contributions received and contributions made. Donated products are valued at fair value using product distribution pricing guidelines provided by Feeding America, a national consortium of regional food banks. The estimated fair value prices per pound of \$1.97 and \$1.74 were used in determining general donated and federal government donated product, respectively, as of June 30, 2024. The estimated fair value prices per pound of \$1.93 and \$1.57 were used in determining general donated and federal government donated product, respectively, as of July 1, 2023.

Property and equipment

Property and equipment acquisitions with a cost in excess of \$5,000 are capitalized and recorded at cost, while maintenance and repairs are expensed as incurred. Donated assets are recorded at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Major additions and improvements are capitalized, while maintenance and repairs are expensed as incurred. When assets are sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts. Any gain or loss arising from such disposition is included as income or expense in the year of disposition.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Amortization is computed using the straight-line method over the lesser of the length of the related lease or the estimated useful life of the asset.

The estimated lives for computing depreciation on property and equipment are:

|                            |            |
|----------------------------|------------|
| Buildings and improvements | 5-40 years |
| Machinery and equipment    | 5-20 years |
| Vehicles                   | 2-10 years |
| Office equipment           | 2-15 years |

Long-lived asset impairment

The Organization evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended June 30, 2024 and 2023.

St. Louis Area Food Bank, Inc.  
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

The Organization has operating leases for copiers and finance leases for vehicles. As of July 1, 2022, operating leases are required to be included in right-of-use ("ROU") assets and lease liabilities on the statement of financial position. ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability, plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received and any impairment recognized. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. For operating leases with a term of one year or less, the Organization has elected to not recognize a lease liability or ROU asset on the statement of financial position. Instead, lease payments are recognized as expenses on a straight-line basis over the lease term.

The Organization determines if an arrangement is a lease, or contains a lease, at inception of a contract or when the terms of an existing contract are changed. Finance and operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Organization's leases do not provide an implicit rate, the Organization uses the risk free rate commensurate with the lease term based on the information available at commencement date in determining the present value of lease payments. The lease ROU asset also includes any lease payments made and excludes lease incentives. Option periods are included in the ROU asset and liability when it is reasonably certain the option will be exercised. Rent expense for lease payments is recognized on a straight-line basis over the lease term.

For any lease agreements with lease and non-lease components, the Organization has elected to apply the practical expedient that allows leases and their associated maintenance services to be accounted for as a single combined operating lease component. The Organization is a lessee in a lease agreement with third parties that do not contain material restrictions or covenants in their lease agreements, sale-leaseback transactions, land easements or residual value guarantees.



St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Support and revenue

Contributions are recorded as received, and unconditional promises to give are recorded as the promise is made. Promises to give are considered conditional when a measurable barrier and right of return or release exists. The promises to give become unconditional and are recognized as revenue when the barriers upon which they depend are overcome. When the satisfaction of a barrier is accomplished in the same period that the contribution is made, conditional contributions are recorded as unconditional. All contributions are available for general activities unless specifically restricted by the donor. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions with donor restrictions in which the restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying financial statements.

Program revenue consists of buying club revenue and shared maintenance fees. Buying club revenue is recognized at a point in time, when the partner agencies purchase food. Shared maintenance fees are recognized over time as the maintenance, delivery, or handling service is performed.

Government grants and contracts are generally recognized as revenue in the period that the measurable barrier is overcome (i.e. specific services are provided or the qualified expenses are incurred).

Donated materials and services

Donated noncash assets are recorded as contributions at their fair values at the date of donation. Significant food products, services, and materials are donated to the Organization by various individuals, organizations, and state governments. The Organization reports the fair value of donated food over which it has control (i.e., variance power) as consumable product donations/receipts, without donor restrictions, and immediately thereafter, as food and product distributions when donated to agencies and partners. Other donated goods and services meeting recognition criteria under U.S. GAAP are also recorded as contributions and as expense, based on estimated fair values. The Organization did not monetize any contributed nonfinancial assets and unless otherwise noted, contributed nonfinancial assets did not have donor restrictions.

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. There were no donated services recognized in the financial statements as of June 30, 2024 and 2023.

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional expense allocation

The costs of program services and supporting activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Expenses that can be identified with a specific program and supporting service are allocated directly according to their natural expenditure classifications. Certain categories of expenses are attributed to more than one program or supporting function; therefore, expenses require allocation on a reasonable basis that is consistently applied.

Expenses related to the building and grounds as a whole are allocated on a square footage basis such as insurance, occupancy, rental and maintenance, cleaning supplies, and depreciation. Salaries and related items, printing, and supplies are allocated on the basis of estimates of time and effort. Other expenses that occur when distribution costs are incurred are allocated based on the pounds distributed such as warehouse supplies and trash.

Income tax status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the "Code"), except on net income derived from unrelated business activities as defined in the Code. Accordingly, the Organization files as a tax exempt organization.

The Organization follows guidance issued by the FASB on accounting for income taxes and has evaluated its tax positions, expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings, and believes that no provision for income taxes is necessary to cover any uncertain tax positions.

Change in accounting principle

On July 1, 2023, the Organization adopted ASU 2016-13 Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASC 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets that are not measured at fair value through the change in net assets. Under the standard, disclosures are required to provide users of the financial statements with information in analyzing the Organization's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 are accounts receivable and are shown net of the allowance for credit losses on the statement of financial position.

St. Louis Area Food Bank, Inc.  
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June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting principle (continued)

The Organization adopted ASC 326 and all related amendments thereto effective July 1, 2023, using the modified retrospective approach for all financial assets measured at amortized cost and off balance sheet credit exposures. The adoption of CECL did not result in a cumulative adjustment to net assets. Results for reporting periods beginning after July 1, 2023, are presented under CECL while prior period amounts continue to be reported in accordance with previously applicable accounting standards ("Incurred Loss").

Reclassifications

Certain amounts on the 2023 financial statements have been reclassified, where appropriate, to conform to the financial statement presentation used in 2024. Changes in net assets are unchanged due to these reclassifications.

Subsequent events

Management has evaluated subsequent events through January 24, 2025, the date which the financial statements were available for issue and has reflected all events requiring adjustment or disclosure in the financial statements.

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of June 30, 2024 and 2023, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions or internal designations. Amounts available include the Board-approved appropriation from the endowment fund for the following year as well as donor-restricted amounts that are available for expenditure in the following year. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Board approves that action.

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (continued)

As of June 30, the following were financial assets available to meet cash needs for expenditures within one year:

|  | 2024         | 2023         |
|--|--------------|--------------|
| Cash and cash equivalents                                      | \$ 7,965,708 | \$ 5,182,474 |
| Accounts receivable, net                                       | 128,582      | 116,143      |
| Grants receivable  | 1,132,128    | 295,723      |
| Current portion of unconditional promises to give              | 683,464      | 452,182      |
| Investments, at fair value                                     | 24,684,864   | 21,928,655   |
| Donor restrictions (excluding timing restrictions over 1 year) | (479,455)    | (462,182)    |
| Board designations   | (24,672,137) | (21,926,617) |
|  | \$ 9,443,154 | \$ 5,586,378 |

The Organization has certain board designated and donor-restricted assets limited to use which are available for general expenditure within one year in the normal course of operations. Accordingly, these have been included in the qualitative information above. Additionally, certain other board designated assets are designated for an operating reserve. However, the board designated amounts could be made available, if necessary.

The Organization's primary sources of support are contributions, grants, and income from investing its endowment and reserve. Some support is required to be used in accordance with the purpose restrictions imposed by the donors. As part of a liquidity management plan, the Organization invests cash in excess of daily requirements in short-term investments and money market funds. Occasionally, the Board designates a portion of any operating surplus to its operating reserves. To further manage liquidity, the Organization maintains a \$1,500,000 line of credit with a bank that is drawn upon as needed during the year to manage cash flow. There were no draws on the line of credit during fiscal years 2024 or 2023.

4. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consisted of the following:

|  | 2024       | 2023       |
|--|------------|------------|
| Current portion of unconditional promises to give      | \$ 683,464 | \$ 452,182 |
| Unconditional promises to give, net of current portion | -          | 175,000    |
|  | \$ 683,464 | \$ 627,182 |

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

5. FAIR VALUE MEASUREMENTS

The framework for measuring fair value establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into Levels 1, 2, and 3. 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 are described as follows:

- *Level 1* - Inputs to the valuation methodology are unadjusted quoted prices for identical instruments in active markets.
- *Level 2* - Inputs to the valuation methodology to include quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets, inputs other than quoted prices that are observable for the instrument, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- *Level 3* - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The instruments' 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.

Following is a description of the valuation methodologies used for instruments measured at fair value:

- Mutual funds, including fixed income securities, alternative securities, hedge funds, equities, exchange traded funds, are valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities Exchange Commission ("SEC"). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds, fixed income securities, and alternative securities held by the Organization are deemed to be actively traded.

St. Louis Area Food Bank, Inc.  
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June 30, 2024 and 2023

5. FAIR VALUE MEASUREMENTS (continued)

The following table presents the fair value measurements of instruments recognized in the accompanying statement of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements are categorized at June 30, 2024:

|                    | Level 1              | Level 2     | Level 3     | Fair Value           |
|--------------------|----------------------|-------------|-------------|----------------------|
| Mutual funds       | \$ 14,433,728        | \$ -        | \$ -        | \$ 14,433,728        |
| Fixed income       | 7,839,696            | -           | -           | 7,839,696            |
| Alternative        | 1,208,964            | -           | -           | 1,208,964            |
|                    | <u>\$ 23,482,388</u> | <u>\$ -</u> | <u>\$ -</u> | 23,482,388           |
| Money market funds |                      |             |             | 1,202,476            |
|                    |                      |             |             | <u>\$ 24,684,864</u> |

The following table presents the fair value measurements of instruments recognized in the accompanying statement of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements are categorized at June 30, 2023:

|                    | Level 1              | Level 2     | Level 3     | Fair Value           |
|--------------------|----------------------|-------------|-------------|----------------------|
| Mutual funds       | \$ 12,560,470        | \$ -        | \$ -        | \$ 12,560,470        |
| Fixed income       | 6,945,645            | -           | -           | 6,945,645            |
| Alternative        | 892,368              | -           | -           | 892,368              |
|                    | <u>\$ 20,398,483</u> | <u>\$ -</u> | <u>\$ -</u> | 20,398,483           |
| Money market funds |                      |             |             | 1,530,172            |
|                    |                      |             |             | <u>\$ 21,928,655</u> |

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

6. INVESTMENTS

A summary of the cost and fair value of the Organization's investments as of June 30, 2024 is as follows:

|                    | <u>Cost</u>          | <u>Unrealized<br/>Gains (Losses)</u> | <u>Fair Value</u>    |
|--------------------|----------------------|--------------------------------------|----------------------|
| Money market funds | \$ 1,202,476         | \$ -                                 | \$ 1,202,476         |
| Mutual funds       | 10,221,331           | 4,212,397                            | 14,433,728           |
| Fixed income       | 8,678,371            | (838,675)                            | 7,839,696            |
| Alternative        | <u>1,055,000</u>     | <u>153,964</u>                       | <u>1,208,964</u>     |
|                    | <u>\$ 21,157,178</u> | <u>\$ 3,527,686</u>                  | <u>\$ 24,684,864</u> |

A summary of the cost and fair value of the Organization's investments as of June 30, 2023 is as follows:

|                    | <u>Cost</u>          | <u>Unrealized<br/>Gains (Losses)</u> | <u>Fair Value</u>    |
|--------------------|----------------------|--------------------------------------|----------------------|
| Money market funds | \$ 1,530,172         | \$ -                                 | \$ 1,530,172         |
| Mutual funds       | 9,689,727            | 2,870,743                            | 12,560,470           |
| Fixed income       | 7,717,712            | (772,067)                            | 6,945,645            |
| Alternative        | <u>850,000</u>       | <u>42,368</u>                        | <u>892,368</u>       |
|                    | <u>\$ 19,787,611</u> | <u>\$ 2,141,044</u>                  | <u>\$ 21,928,655</u> |

Investment income for the year ended June 30, is summarized as follows:

|  | <u>2024</u>         | <u>2023</u>         |
|--|---------------------|---------------------|
| Interest and dividend income                     | \$ 871,585          | \$ 553,597          |
| Net realized and unrealized gains on investments | <u>2,257,090</u>    | <u>1,591,833</u>    |
|  | 3,128,675           | 2,145,430           |
| Less: Investment expenses                        | <u>(87,464)</u>     | <u>(75,920)</u>     |
|  | <u>\$ 3,041,211</u> | <u>\$ 2,069,510</u> |

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

6. INVESTMENTS (continued)

All investments, except for Endowment funds with donor restrictions, are part of a Board Designated Reserve (the "Reserve") established by the Board of Directors, managed by an outside investment advisor, and governed by a Board approved investment policy. The general purpose of the Reserve is to help ensure the long-term financial stability of the Organization and position it to respond to varying economic conditions and changes affecting the Organization's financial position and the ability of the Organization to continuously carry out its mission. The Board believes that the achievement of the desired investment performance is primarily a function of asset class mix. It further believes that diversification is important for minimizing risk for a given level of returns. Assets should be allocated to various asset classes that serve the purpose of asset growth, principal protection, and/or inflation hedging.

7. INVENTORY AND FOOD DISTRIBUTIONS

The Organization distributed products to 577 and 588 social service agencies in 2024 and 2023, respectively, for use in their food distribution and on-site serving programs. The Organization distributes USDA product primarily through The Emergency Food Assistance Program ("TEFAP") and the Commodity Supplemental Food Program ("CSFP") in Missouri and Illinois.

Food products distributed during the years ended June 30 are as follows:

|                       | 2024              |                      | 2023              |                      |
|-----------------------|-------------------|----------------------|-------------------|----------------------|
|                       | Pounds            | Amount               | Pounds            | Amount               |
| Donated products      | 27,227,812        | \$ 53,638,789        | 34,665,815        | \$ 66,905,024        |
| Purchased products    | 2,364,311         | 10,507,753           | 2,904,161         | 6,069,169            |
| Missouri USDA (TEFAP) | 7,143,640         | 12,429,933           | 4,969,781         | 7,802,557            |
| Missouri USDA (CSFP)  | 1,619,528         | 2,817,979            | 1,798,280         | 2,823,299            |
| Illinois USDA (TEFAP) | 4,064,626         | 7,072,450            | 2,277,898         | 3,576,299            |
| Illinois USDA (CSFP)  | <u>820,086</u>    | <u>1,426,950</u>     | <u>904,274</u>    | <u>1,419,710</u>     |
|                       | <u>43,240,003</u> | <u>\$ 87,893,854</u> | <u>47,520,209</u> | <u>\$ 88,596,058</u> |

Inventory as of June 30, is as follows:

|                       | 2024             |                     | 2023             |                     |
|-----------------------|------------------|---------------------|------------------|---------------------|
|                       | Pounds           | Amount              | Pounds           | Amount              |
| Donated products      | 511,197          | \$ 1,007,057        | 539,889          | \$ 1,041,987        |
| Purchased products    | 349,456          | 591,790             | 480,331          | 1,214,503           |
| Missouri USDA (TEFAP) | 1,131,157        | 1,968,214           | 455,682          | 715,420             |
| Missouri USDA (CSFP)  | 299,713          | 521,500             | 229,699          | 360,627             |
| Illinois USDA (TEFAP) | 452,064          | 786,591             | 167,756          | 263,377             |
| Illinois USDA (CSFP)  | <u>221,257</u>   | <u>384,988</u>      | <u>131,587</u>   | <u>182,403</u>      |
|                       | <u>2,964,844</u> | <u>\$ 5,260,140</u> | <u>2,004,944</u> | <u>\$ 3,778,317</u> |



St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

8. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

|   | 2024          | 2023          |
|---|---------------|---------------|
| Land                                      | \$ 1,322,800  | \$ 1,322,800  |
| Buildings and improvements                | 10,599,928    | 10,504,820    |
| Machinery and equipment                   | 2,282,087     | 2,190,756     |
| Vehicles                                  | 1,492,288     | 1,644,341     |
| Office equipment                          | 690,252       | 690,252       |
| Construction in progress                  | 98,999        | 99,000        |
| Vehicles under finance leases             | 1,898,408     | 1,898,408     |
|   | 18,384,762    | 18,350,377    |
| Accumulated depreciation and amortization | (8,199,355)   | (7,350,378)   |
|   | \$ 10,185,407 | \$ 10,999,999 |

Depreciation and amortization expense was \$970,935 and \$1,167,979 for the years ended June 30, 2024 and 2023, respectively.

9. LINE OF CREDIT

The Organization has a line of credit agreement (the "Agreement") of \$1,500,000 scheduled to expire on April 18, 2025. Borrowings are charged interest at the Chicago Mercantile Exchange ("CME") Term Secured Overnight Financing Rate ("SOFR") plus 1.60 percent (5.33 percent at June 30, 2024), and are secured by the Organization's operating facility. At June 30, 2024 and 2023, there were no borrowings outstanding under the line of credit.

10. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, are as follows:

|                           | 2024         | 2023       |
|---------------------------|--------------|------------|
| Timing restrictions:      |              |            |
| United Way                | \$ 235,940   | \$ 277,182 |
| Other timing restrictions | 447,524      | 350,000    |
|                           | 683,464      | 627,182    |
| Purpose restrictions:     |              |            |
| School markets expansion  | 104,076      | -          |
| Capital projects          | 375,380      | -          |
|                           | 479,456      | -          |
|                           | \$ 1,162,920 | \$ 627,182 |

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

10. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets with donor restrictions released from restriction during the year were as follows:

|                           | 2024         | 2023         |
|---------------------------|--------------|--------------|
| Timing restrictions:      |              |              |
| United Way                | \$ 513,123   | \$ 430,152   |
| Other timing restrictions | 175,000      | 175,000      |
|                           | 688,123      | 605,152      |
| Purpose restrictions:     |              |              |
| School markets expansion  | 124,621      | 456,330      |
| Capital projects          | 485,198      | -            |
|                           | 609,819      | 456,330      |
|                           | \$ 1,297,942 | \$ 1,061,482 |

11. ENDOWMENT FUNDS

In September 2015, the Board of Directors approved the establishment of an Endowment Fund (the "Endowment") to provide a continuous source of income to support the Organization's mission.

Interpretation of relevant law

The Organization's Board of Directors has interpreted Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restriction that are perpetual in nature (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions that are perpetual in nature is classified as net assets with donor restrictions that are temporary in nature until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

St. Louis Area Food Bank, Inc.  
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11. ENDOWMENT FUNDS (continued)

Interpretation of relevant law (continued)

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Organization
- (7) The investment policies of the Organization

Return objectives and risk parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the Organization diversifies its investments, subject to practicality constraints, among a variety of asset classes so as to provide a balance that will enhance total real return while avoiding undue risk concentration in any single asset class or investment category.

Spending policy

Under the current policy, disbursements, other than amounts to pay investment fees, require the approval of the Board of Directors. The Board of Director have endorsed a spending rate of up to 5% annually of the average market value of the investment portfolio's fiscal year-end balance using a trailing average over the prior three years. No endowment distributions were taken during 2024 or 2023.

Endowment composition

Endowment funds at June 30, are as follows:

|                                  | <u>2024</u>         | <u>2023</u>         |
|----------------------------------|---------------------|---------------------|
| Board-designated endowment funds | <u>\$ 6,457,278</u> | <u>\$ 5,650,853</u> |

St. Louis Area Food Bank, Inc.  
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June 30, 2024 and 2023

11. ENDOWMENT FUNDS (continued)

Endowment composition (continued)

Changes in endowment net assets for the fiscal year ended June 30, 2024 is as follows:

|                                | Without Donor<br>Restrictions |
|--------------------------------|-------------------------------|
| Balance, June 30, 2023         | \$ 5,650,853                  |
| Investment income, net of fees | 108,758                       |
| Unrealized and realized gains  | 697,667                       |
| Balance, June 30, 2024         | \$ 6,457,278                  |

Changes in endowment net assets for the fiscal year ended June 30, 2023 is as follows:

|                                | Without Donor<br>Restrictions |
|--------------------------------|-------------------------------|
| Balance, June 30, 2022         | \$ 4,243,114                  |
| Contributions                  | 825,000                       |
| Investment income, net of fees | 89,870                        |
| Unrealized and realized gains  | 492,869                       |
| Balance, June 30, 2023         | \$ 5,650,853                  |

12. DONATED GOODS AND SERVICES

Donated food for the fiscal years ended June 30, 2024 and 2023, included in the financial statements, were as follows:

|         | 2024          | 2023          |
|---------|---------------|---------------|
| Donated | \$ 53,118,409 | \$ 68,683,473 |
| TEFAP   | 21,185,974    | 10,948,061    |
| CSFP    | 4,536,813     | 3,268,701     |
|         | \$ 78,841,196 | \$ 82,900,235 |

Donated food includes the following main categories: proteins, produce, dairy, bread, and beverages as well as a minimal amount of essential household and personal product. The food product was donated to the Organization by various individuals, organizations, and state governments.

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

12. DONATED GOODS AND SERVICES (continued)

The donated food is recorded in the financial statements as consumable product donations/receipts and as food and product distributions at the estimated average fair value of one pound of donated food product at the national level of \$1.97 and \$1.93, for the fiscal years ended June 30, 2024 and 2023, respectively. Government food commodities are recorded at the estimated average fair value of one pound of donated food product at the national level of \$1.74 and \$1.57, for the fiscal years ended June 30, 2024 and 2023, respectively. These values were determined based on upon calendar year 2023 and 2022 studies performed by Feeding America. Each of the annual studies involves a review of 31 product categories and wholesale prices using a national wholesaler's pricing catalogs. Other independent sources may also be used as necessary for items not included in the catalogs. The average value of one pound of donated product will vary from year-to-year based on the mix of product items donated. As part of the study, Feeding America analyzes and reviews the results to determine the accuracy and understand the key components of the valuation and the year-over-year changes.

In addition, volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met. During the years ended June 30, 2024 and 2023, these volunteers donated approximately 63,717 and 62,565 hours, respectively, with an estimated value of \$1,866,271 and \$1,803,136, respectively. This value was computed using an estimated hourly rate of \$29.29 and \$28.82 in 2024 and 2023, respectively, based upon the average hourly earnings of all production and nonsupervisory workers on private nonfarm payrolls, as determined by the U.S. Department of Labor's Bureau of Labor Statistics and reported by Independent Sector, plus 12 percent for estimated fringe benefits.

13. AGREEMENTS AND CONTRACTS

The Organization has primary responsibility for warehousing, handling, and distributing USDA-donated foods under TEFAP within its Missouri and Illinois service territories. The Organization receives grants from the Missouri Department of Social Services, Division of Family Services, and Illinois Department of Human Services to offset certain operating expenses incurred in the distribution of the food. The donated foods received by the Organization under TEFAP are distributed to food pantries and on-site serving centers.

In addition, the Organization has responsibility for warehousing, handling, repackaging and distributing USDA-donated and other foods under Commodity Supplemental Food Program ("CSFP"), Coronavirus Food Assistance Program ("CFAP"), and Temporary Assistance for Needy Families Program ("TEFAP"). The Organization receives grants through the Missouri Department of Health and Senior Services and the Illinois Department of Human Services to offset certain expenses incurred in the repackaging and distribution of this food.

Under these government contracts and agreements, the Organization is required to fulfill certain conditions such as specific services provided, specified commodities provided, or the qualified expenses incurred. Failure to fulfill the conditions could result in the return of the funds or no release of the funds. No amounts have been reflected in these financial statements for these contracts until conditions are satisfied.

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

14. AFFILIATE AGREEMENT

The Organization is a member in the national network of Feeding America through an Affiliate Contract that is in place. The Affiliate Contract establishes the Organization's exclusive service area and sets forth a variety of compliance requirements. Dues are remitted to Feeding America by the Organization based on a formula defined in the agreement. During the years ended June 30, 2024 and 2023, the Organization paid dues in the amount of \$13,002 and \$32,740, respectively.

15. RETIREMENT PLAN

The Organization maintains a contributory retirement savings plan under Section 403(b) of the Code. The plan covers employees that meet certain eligibility requirements. Employees may make discretionary contributions to the plan through payroll deductions up to the maximum amount allowed by the Code. For the years ended June 30, 2024 and 2023, the Organization contributed three percent of each eligible employee's base salary and matched 100 percent of the first three percent of employee contributions to the plan. The Organization, at its discretion, can contribute additional funds to the plan for each employee regardless of the employees contribution level. Contributions to the plan were \$365,487 and \$403,117 for the years ended June 30, 2024 and 2023, respectively, inclusive of a 5% discretionary contribution.

16. LEASES

For operating leases, the Organization leases multiple copiers for monthly installments ranging from \$225 to \$389 expiring in June 2025 through May 2027.

For finance leases, the Organization leases certain vehicles for which principal and interest are payable in monthly installments ranging from \$1,723 to \$2,654 expiring in July 2026 through October 2029.

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

16. LEASES (continued)

The following summarizes the line items on the statement of financial position as of June 30:

|   | 2024         | 2023         |
|---|--------------|--------------|
| Operating leases                        |              |              |
| Operating lease right-of-use assets     | \$ 45,792    | \$ 62,258    |
| Operating leases                        |              |              |
| Operating lease obligations, current    | \$ 16,803    | \$ 16,466    |
| Operating lease obligations, noncurrent | 28,771       | 45,792       |
|   | \$ 45,574    | \$ 62,258    |
| Finance leases                          |              |              |
| Vehicles                                | \$ 1,898,408 | \$ 1,898,408 |
| Accumulated amortization                | (1,050,375)  | (779,174)    |
|   | \$ 848,033   | \$ 1,119,234 |
| Finance lease liabilities               |              |              |
| Finance lease obligations, current      | \$ 285,549   | \$ 272,181   |
| Finance lease obligations, noncurrent   | 640,332      | 914,739      |
|   | \$ 925,881   | \$ 1,186,920 |

The following summarizes the line items on the statement of activities for the years ended June 30:

|  | 2024       | 2023       |
|--|------------|------------|
| Operating  |            |            |
| Operating leases included in operating expenses                  | \$ 18,319  | \$ 18,319  |
|  | 18,319     | 18,319     |
| Finance  |            |            |
| Amortization of assets included in depreciation and amortization | 271,201    | 259,053    |
| Interest, included in interest expense                           | 64,174     | 64,174     |
|  | 335,375    | 323,227    |
|  | \$ 353,694 | \$ 341,546 |

St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

16. LEASES (continued)

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

|   | 2024             | 2023              |
|---|------------------|-------------------|
| Cash paid for amounts included in the measurement of lease obligations: |                  |                   |
| Operating cash flows from operating leases                              | \$ (218)         | \$ -              |
| Operating cash flows from finance leases                                | 271,201          | 259,053           |
| Financing cash flow from finance leases                                 | <u>(261,039)</u> | <u>(155,631)</u>  |
|   | <u>9,944</u>     | <u>103,422</u>    |
| Lease assets obtained in exchange for lease obligations:                |                  |                   |
| Operating leases  | -                | 78,164            |
| Finance leases  | <u>-</u>         | <u>340,153</u>    |
|   | <u>-</u>         | <u>418,317</u>    |
|   | <u>\$ 9,944</u>  | <u>\$ 521,739</u> |

The following summarizes the weighted average remaining lease term and discount rate for the years ended June 30:

|  | 2024  | 2023  |
|--|-------|-------|
| Weighted average discount rate                 |       |       |
| Operating leases                               | 2.6 % | 3.5 % |
| Finance leases                                 | 3.6 % | 5.0 % |
| Weighted average remaining lease term in years |       |       |
| Operating leases                               | 3.5   | 3.6   |
| Finance leases                                 | 5.0   | 4.5   |



St. Louis Area Food Bank, Inc.  
Notes to Financial Statements  
June 30, 2024 and 2023

16. LEASES (continued)

The maturities of lease obligations as of June 30, 2024 were as follows:

| <u>Year ending June 30,</u>        | <u>Operating</u> | <u>Finance</u>    |
|------------------------------------|------------------|-------------------|
| 2025                               | \$ 18,319        | \$ 320,040        |
| 2026                               | 15,619           | 320,040           |
| 2027                               | 14,319           | 199,209           |
| 2028                               | -                | 93,491            |
| 2029                               | -                | 60,120            |
| Thereafter                         | <u>-</u>         | <u>20,040</u>     |
|                                    | 48,257           | 1,012,940         |
| Less: interest                     | <u>(2,683)</u>   | <u>(87,059)</u>   |
| Present value of lease obligations | 45,574           | 925,881           |
| Current portion                    | <u>(16,803)</u>  | <u>(285,549)</u>  |
| Long-term portion                  | <u>\$ 28,771</u> | <u>\$ 640,332</u> |

SUPPLEMENTARY INFORMATION

REPORTS ON COMPLIANCE AND ON INTERNAL CONTROLS



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

Board of Directors  
St. Louis Area Food Bank, Inc.  
Bridgeton, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of St. Louis Area Food Bank, Inc. (the "Organization"), which comprise the statements of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated January 24, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 that we consider to be a material weakness.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2024-002 and 2024-003.

### **St. Louis Area Food Bank, Inc.'s Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Organization's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Organization response was not subjected to the other 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 the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Armanino<sup>LLP</sup>  
St. Louis, Missouri

January 24, 2025



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

Board of Directors  
St. Louis Area Food Bank, Inc.  
Bridgeton, Missouri

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

**Opinion on Each Major Federal Program**

We have audited St. Louis Area Food Bank, Inc. (the "Organization")'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 each of the Organization's major federal programs for the year ended June 30, 2024. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit 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 the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization'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 the Organization'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 the Organization’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 the Organization’s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization’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 the Organization’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 the Organization’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.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-002 and 2024-003. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on The Organization's response to the noncompliance findings identified in our audit described in the accompanying schedules of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## Report on Internal Control Over Compliance

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

We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-002 and 2024-003 to be significant deficiencies.

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 weakness 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.

*Government Auditing Standards* requires the auditor to perform limited procedures on The Organization's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



Armanino<sup>LLP</sup>  
St. Louis, Missouri

January 24, 2025



St. Louis Area Food Bank, Inc.  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2024

| Federal Grantor/Pass-Through Grantor/<br>Program or Cluster Title                | Federal AL<br>Number | Pass-Through<br>Entity<br>Identifying<br>Number | Total Federal<br>Expenditures | Passed Through<br>to Subrecipients |
|--|----------------------|---|-------------------------------|------------------------------------|
| <u>Expenditures of Federal Awards</u>  |                      |   |                               |                                    |
| U.S. Department of Agriculture   |                      |   |                               |                                    |
| Food Distribution Cluster  |                      |   |                               |                                    |
| Pass-through programs from the Missouri Department of Social Services            |                      |   |                               |                                    |
| Emergency Food Assistance Program (Administrative Costs)                         | 10.568               | ER113170006                                     | \$ 427,283                    | \$ -                               |
| Emergency Food Assistance Program (Food Commodities)                             | 10.569               | ER113170006                                     | 11,215,515                    | 11,215,515                         |
|  |                      |   | <u>11,642,798</u>             | <u>11,215,515</u>                  |
| Pass-through program from the Illinois Department of Human Services              |                      |   |                               |                                    |
| Emergency Food Assistance Program (Administrative Costs)                         | 10.568               | FCSBH01403                                      | 247,772                       | -                                  |
| Reach and Resilience - Emergency Food Assistance Program (Administrative Costs)  | 10.568               | FCSCH07592                                      | 213,931                       | -                                  |
| Emergency Food Assistance Program (Food Commodities)                             | 10.569               | FCSBH01403                                      | 6,381,463                     | 6,381,463                          |
|  |                      |   | <u>6,843,166</u>              | <u>6,381,463</u>                   |
| Total Emergency Food Assistance Program  |                      |   | <u>18,485,964</u>             | <u>17,596,978</u>                  |
| Pass-through programs from the Missouri Department of Health and Senior Services |                      |   |                               |                                    |
| Commodity Supplemental Food Program (Administrative Costs)                       | 10.565               | CS222552002                                     | 316,375                       | -                                  |
| Commodity Supplemental Food Program (Food Commodities)                           | 10.565               | CS222552002                                     | 2,542,659                     | 2,542,659                          |
|  |                      |   | <u>2,859,034</u>              | <u>2,542,659</u>                   |
| Pass-through programs from the Illinois Department of Human Services             |                      |   |                               |                                    |
| Commodity Supplemental Food Program (Administrative Costs)                       | 10.565               | FCSBQ00669                                      | 219,560                       | -                                  |
| Commodity Supplemental Food Program (Food Commodities)                           | 10.565               | FCSBQ00669                                      | 1,287,535                     | 1,287,535                          |
|  |                      |   | <u>1,507,095</u>              | <u>1,287,535</u>                   |
| Total Commodity Supplemental Food Program  |                      |   | <u>4,366,129</u>              | <u>3,830,194</u>                   |
| Total Food Distributions Program - Cluster                                       |                      |   | <u>22,852,093</u>             | <u>21,427,172</u>                  |
| Supplemental Nutrition Assistance Program  |                      |   |                               |                                    |
| Pass-through programs from Feeding Illinois                                      |                      |   |                               |                                    |
| Supplemental Nutrition Assistance Program  | 10.551               | FCSCQ1414                                       | 83,085                        | -                                  |
| Pass-through program from Feeding Missouri                                       |                      |   |                               |                                    |
| Supplemental Nutrition Assistance Program  | 10.551               |   | 58,902                        | -                                  |
| Total Supplemental Nutrition Assistance Program                                  |                      |   | <u>141,987</u>                | <u>-</u>                           |
| Pandemic Relief Activities   |                      |   |                               |                                    |
| Pass-through program from:   |                      |   |                               |                                    |
| Illinois Department of Human Services  | 10.182               | FSCQ07652                                       | 708,308                       | -                                  |
| Total Pandemic Relief Activities   |                      |   | <u>708,308</u>                | <u>-</u>                           |
| Commodity Credit Corporation   |                      |   |                               |                                    |
| Pass-through program from:   |                      |   |                               |                                    |
| Missouri Department of Social Services   | 10.187               | ER113170006                                     | 195,878                       | -                                  |
| Illinois Department of Human Services  | 10.187               | FCSBH01403                                      | 43,151                        | -                                  |

The accompanying notes to the Schedule of Expenditures of Federal Awards  
are an integral part of this schedule.

St. Louis Area Food Bank, Inc.  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2024

| Federal Grantor/Pass-Through Grantor/<br>Program or Cluster Title   | Federal AL<br>Number | Pass-Through<br>Entity<br>Identifying<br>Number | Total Federal<br>Expenditures | Passed Through<br>to Subrecipients |
|---|----------------------|---|-------------------------------|------------------------------------|
| Total Commodity Credit Corporation                                  |                      |   | <u>239,029</u>                | -                                  |
| Total U.S. Department of Agriculture                                |                      |   | <u>23,941,417</u>             | <u>21,427,172</u>                  |
| U.S. Department of Health and Human Services                        |                      |   |                               |                                    |
| Pass-through program from the Illinois Department of Human Services |                      |   |                               |                                    |
| Temporary Assistance for Needy Families                             | 93.558               | FCSBH06964                                      | <u>40,400</u>                 | -                                  |
| Pass-through program from the Illinois Department of Human Services |                      |   |                               |                                    |
| Supporting Wellness at Pantries                                     | 93.439               |   | <u>10,000</u>                 | -                                  |
| Total U.S. Department of Health and Human Services                  |                      |   | <u>50,400</u>                 | -                                  |
| U.S. Department of Homeland Security                                |                      |   |                               |                                    |
| Disaster Grants - Public Assistance                                 |                      |   |                               |                                    |
| Pass-through program from:  |                      |   |                               |                                    |
| Illinois Department of Human Services                               | 97.036               |   | <u>613,773</u>                | -                                  |
| Total U.S. Department of Homeland Security                          |                      |   | <u>613,773</u>                | -                                  |
| Emergency Food & Shelter Program                                    |                      |   |                               |                                    |
| Pass-through program from:  |                      |   |                               |                                    |
| Emergency Food & Shelter Program National Board                     | 97.024               |   | <u>35,567</u>                 | -                                  |
| Total Emergency Food & Shelter Program                              |                      |   | <u>35,567</u>                 | -                                  |
| Total U.S. Department of Homeland Security                          |                      |   | <u>649,340</u>                | -                                  |
| U.S. Department of Economic Development                             |                      |   |                               |                                    |
| AmeriCorps  |                      |   |                               |                                    |
| Pass-through program from:  |                      |   |                               |                                    |
| Missouri Department of Economic Development                         | 94.006               |   | <u>24,056</u>                 | -                                  |
| Total U.S. Department of Economic Development                       |                      |   | <u>24,056</u>                 | -                                  |
| U.S. Department of the Treasury                                     |                      |   |                               |                                    |
| Pass-through program from:  |                      |   |                               |                                    |
| Missouri Department of Economic Development                         | 21.027               |   | <u>25,000</u>                 | -                                  |
| Total U.S. Department of the Treasury                               |                      |   | <u>25,000</u>                 | -                                  |
| Total Expenditures of Federal Awards                                |                      |   | <u>\$ 24,690,213</u>          | <u>\$ 21,427,172</u>               |

The accompanying notes to the Schedule of Expenditures of Federal Awards  
are an integral part of this schedule.

St. Louis Area Food Bank, Inc.  
Notes to Schedule of Expenditures of Federal Awards  
June 30, 2024

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of St. Louis Area Food Bank, Inc. (the "Organization") under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. The Organization elected to use the 10 percent de minimus indirect cost rate primarily for fiscal year 2024.

Pass-through entity identifying numbers are presented where available and applicable.

3. ASSISTANCE PROVIDED TO SUBRECIPIENTS

Non-monetary assistance is reported in the Schedule at the fair value of commodities. Of the federal expenditures presented in the Schedule, the Organization provided non-monetary federal awards to subrecipients as follows:

|   |                      |
|---|----------------------|
| Missouri Department of Social Services            | \$ 11,215,515        |
| Missouri Department of Health and Senior Services | 2,542,659            |
| Illinois Department of Human Services             | <u>7,668,998</u>     |
|   | <u>\$ 21,427,172</u> |

No monetary federal awards were provided to subrecipients.

4. INVENTORY

Government commodities stated at fair value included in inventory at June 30, 2024 are as follows:

|   |                     |
|---|---------------------|
| Missouri Department of Social Services            | \$ 1,968,214        |
| Missouri Department of Health and Senior Services | 521,500             |
| Illinois Department of Human Services             | <u>1,171,579</u>    |
|   | <u>\$ 3,661,293</u> |

St. Louis Area Food Bank, Inc.  
Notes to Schedule of Expenditures of Federal Awards  
June 30, 2024

5. FEDERAL INSURANCE AND LOAN PROGRAMS

The Organization had no federal insurance programs in effect and no loan or loan guarantee programs outstanding during the year ended June 30, 2024.

6. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal awards included in the accompanying Schedule, excluding federal awards of food commodities, are reported as government grants support and revenue in the Organization's basic financial statements. Federal awards of food commodities included in the accompanying Schedule are reported as consumable product donations/receipts support and revenue in the Organization's basis financial statements.

7. PRE-AWARD COSTS

The grants awarded in fiscal year 2023 that were received from the Federal Emergency Management Agency ("FEMA") through the Illinois Department of Social Services allowed for organizations to reimburse for costs in previous fiscal years. As such, expenditures, included in the accompanying schedule of expenditures of federal awards, totaling \$613,773, were incurred in fiscal year 2023 and received in fiscal year 2024.

St. Louis Area Food Bank, Inc.  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 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?   | Yes           |
| Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| Noncompliance material to financial statements noted?                                     | No            |

Federal Awards

|  |            |
|--|------------|
| Internal control over major programs:  |            |
| Material weakness(es) identified?  | No         |
| Significant deficiency(ies) identified that are not considered to be material weaknesses?          | Yes        |
| Type of auditor's report issued on compliance for major programs:                                  | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No         |

Identification of major programs:

| <u>Name of Federal Program or Cluster</u>                                  | <u>AL Number</u>       |
|--|------------------------|
| United States Department of Agriculture, Food Distribution Program Cluster | 10.568, 10.569, 10.565 |
| Dollar threshold used to distinguish between Type A and Type B programs    | \$750,000              |
| Auditee qualified as low-risk auditee?                                     | Yes                    |

St. Louis Area Food Bank, Inc.  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024

SECTION II - SUMMARY OF FINANCIAL STATEMENT FINDINGS

**Finding number: 2024-001 Material Weakness over Financial Reporting**

**Criteria:** Accounting records should be completed timely and accurately in regard to account reconciliations, estimate calculations, and financial reporting. Internal controls should be in place and provide reasonable assurance that account records are completed timely and accurately.

**Condition:** St. Louis Area Food Bank, Inc. experienced transition in the Chief Financial Officer position as well as other accounting positions during the year ended June 30, 2024. Throughout the course of audit, we noted that the accounting records were not completed timely and accurately in regard to account reconciliations, estimate calculations, and financial reporting. St. Louis Area Food Bank, Inc. hired a third-party accounting team to assist in performing the financial close for the year ended June 30, 2024 and continuing operations while finance positions were still open. The Organization hired a new Chief Financial Officer and several other accounting and finance team members in October and November 2024.

**Cause:** The cause for the lack of complete, accurate, and timely financial information was a result of the transition of financial management during the year under audit.

**Possible effect:** Ineffective control over the capturing of financial information timely and accurately could potentially result in material misstatement of the financial statements.

**Recommendation:** We recommend that the Organization continues to evaluate and implement policies and procedures to ensure complete, accurate and timely financial information.

St. Louis Area Food Bank, Inc.  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2024

SECTION II - SUMMARY OF FINANCIAL STATEMENT FINDINGS (continued)

Views of responsible officials: *Corrective Action Plan:* Hire new Chief Financial Officer (CFO) and fully staff a new finance team along with providing training in process and policies.

To address the material weakness in financial reporting, the Organization prioritized hiring a qualified CFO and stabilizing the finance team through competitive retention strategies and comprehensive training programs. A robust financial reporting calendar will be implemented to ensure timely reporting, supported by periodic internal reviews and automation of key processes to reduce errors. Internal controls will be strengthened through standardized documentation to include detailed Standard Operating Procedures for the Finance Team and company-wide Finance Manual located in SharePoint for ease of reference, segregation of duties, and cross-training to ensure continuity. Interim external resources, such as consultants, will bridge gaps while permanent hires are made. Permanent hires will be onboarded and trained prior to the departure of the interim consultant team. Ongoing reconciliation of balance sheet accounts and revenue reconciliation will be conducted monthly and identified discrepancies will be investigated and corrected in the following month. Regular internal review by CFO and ongoing collaboration with external auditors will ensure continuous monitoring and improvement, minimizing the risk of future weaknesses.

Name of Responsible Person: Meredith Knopp, Chief Executive Officer

Anticipated Completion Date: April 30, 2025

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

**Finding number:** 2024-002 - Lack of Operating Effectiveness on Internal Control Over Compliance for Food Distributions

AL number: 10.568, 10.569, 10.565

AL title: Emergency Food Assistance Program – Food Distribution Cluster

Compliance requirement: Special Tests and Provisions

Name of federal agency: U.S. Department of Agriculture

Name of pass-through entity: Illinois Department of Human Services

Type of finding: Significant Deficiency in Internal Control over Compliance of Major Programs

Criteria: St. Louis Area Food Bank, Inc. is responsible for implementing and maintaining a proper internal control system over special tests and provisions. A proper internal control system requires that documentation supporting compliance with program requirements, including inventory distributions, be accurate, complete, and prepared in a timely manner to prevent errors or misstatements.

St. Louis Area Food Bank, Inc.  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (continued)

Condition: During the audit, it was identified that an invoice signed by the partner agency indicated an incorrect gross weight compared to inventory disbursed per the inventory system. However, the actual inventory disbursed differed due to items being unavailable or insufficient during packing. Although the disbursed amount was accurately reflected in the accounting system and subsequent reports, and an email was sent to the partner agency confirming the actual disbursement, the signed packing list/invoice provided at the time of delivery was not updated to reflect the actual disbursed inventory.

Cause: The discrepancy occurred due to significant turnover in the warehouse and the absence of specific Standard Operating Procedures (SOPs) for the packing and distribution process. Packing lists were printed the night before delivery, and adjustments made during packing the following morning were not reflected in updated packing lists due to timing constraints.

Possible effect: The signed packing list/invoice did not accurately reflect the actual inventory disbursed, indicating a control deficiency in the process for ensuring the accuracy of documentation for inventory distributions.

Questioned cost: None

Recommendation: The Organization should develop and implement formal SOPs for inventory packing and distribution processes. These SOPs should include procedures for updating and reconciling packing lists with actual disbursements to ensure that all documentation accurately reflects the distributed inventory. Additionally, staff training should be conducted to ensure adherence to these procedures.

Views of responsible officials: *Corrective Action Plan:* Food distribution invoice signed by one (1) partner agency did not agree to the actual weight disbursed.

We have taken action to address this issue, and it has already been implemented. A new Chief Operating Officer along with several warehouse employees were hired to ensure that proper staffing was maintained in the process. Management has also developed new Standard Operating Procedures (SOPs) and training programs for warehouse staff to ensure accurate documentation and compliance moving forward. This allows for the packing lists to be printed and packing to occur well in advance to allow for adjustments to be made in time to accurately reflect the amounts disbursed. The new SOPs also include that partner agencies have at least 24 hours to contact the Organization for any issues with the distribution and the Organization will update documentation and/or correct the order to reflect the documentation. Two positions have been staffed: Inventory Control and Quality Control part of their role is to make sure the pick ticket matches the pick order and then reconcile against the invoice at the time of posting.

Name of Responsible Person: Meredith Knopp, Chief Executive Officer

Anticipated Completion Date: Implemented in December 31, 2024



St. Louis Area Food Bank, Inc.  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2024

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (continued)

**Finding number:** 2024-003

AL number: 10.568, 10.569, 10.565

AL title: Emergency Food Assistance Program and Commodity Supplemental Food Program – Food Distribution Cluster

Compliance requirement: Eligibility and Activities Allowed

Name of federal agency: U.S. Department of Agriculture

Name of pass-through entity: Illinois Department of Human Services and Missouri Department of Social Services

Type of finding: Significant Deficiency in Internal Control over Compliance of Major Programs

Criteria: St. Louis Area Food Bank, Inc. is responsible for implementing and maintaining a proper internal control system over eligibility and activities allowed. Internal controls over compliance require that agreements and documentation be executed in a timely manner to maintain compliance with program requirements and ensure accountability.

Condition: During the audit, it was discovered that due to significant staff turnover during the year, certain required agreements for the fiscal year period (July 1, 2023 – June 30, 2024) with partner agencies were not signed until late fiscal year 2024 or fiscal year 2025. This delay in execution of required agreements represents a control deficiency over documentation requirements.

Cause: The delay in executing required agreements was attributed to staff turnover, which resulted in lapses in the process and oversight of ensuring timely completion and signing of documentation.

Possible effect: Failure to execute required agreements in a timely manner increases the risk of non-compliance with eligibility and activities allowed requirements and undermines the effectiveness of internal controls over compliance.

Questioned cost: None

Recommendation: The Organization should implement procedures to mitigate the impact of staff turnover, including cross-training and clear documentation of roles and responsibilities related to the execution of required agreements. Management should establish a tracking system to monitor agreement completion and ensure timely follow-up. Additionally, management should provide periodic training to relevant staff to reinforce the importance of timely compliance with documentation requirements.

St. Louis Area Food Bank, Inc.  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (continued)

Views of responsible officials: *Corrective Action Plan:* Single Audit partner agreements for fiscal year 2024 (July 1, 2023 – June 30, 2024) with five (5) partner agencies were signed in June 2024 and November 2024.

Management notes that as of year-end and final fieldwork, personnel are now in place who understand the importance of maintaining and completing required documentation, including annual and bi-annual agreements. Management will implement additional measures, such as improved tracking systems and staff training, to prevent future delays in the execution of required annual and bi-annual agreements. Management currently reconciles A133 documents to agency partners. In addition, the management team is ensuring documents are signed and stored in an electronic document signature platform i.e DocuSign. Access to this platform will be available to all key staff for utilization and verification. Tracking is also documented within a separate excel spreadsheet and reconciled back to the electronic signature database. A Standard Operating Procedure has been created and implemented.

Name of Responsible Person: Meredith Knopp, Chief Executive Officer

Anticipated Completion Date: December 31, 2024

## **Corrective Action Plan**

### **For the Year Ended June 30, 2024**

#### **Finding 2024-001: Material Weakness over Financial Reporting**

*Corrective Action Plan:* Hire new Chief Financial Officer (CFO) and fully staff a new finance team along with providing training in process and policies.

To address the material weakness in financial reporting, the Organization prioritized hiring a qualified CFO and stabilizing the finance team through competitive retention strategies and comprehensive training programs. A robust financial reporting calendar will be implemented to ensure timely reporting, supported by periodic internal reviews and automation of key processes to reduce errors. Internal controls will be strengthened through standardized documentation to include detailed Standard Operating Procedures for the Finance Team and company-wide Finance Manual located in SharePoint for ease of reference, segregation of duties, and cross-training to ensure continuity. Interim external resources, such as consultants, will bridge gaps while permanent hires are made. Permanent hires will be onboarded and trained prior to the departure of the interim consultant team. Ongoing reconciliation of balance sheet accounts and revenue reconciliation will be conducted monthly and identified discrepancies will be investigated and corrected in the following month. Regular internal review by CFO and ongoing collaboration with external auditors will ensure continuous monitoring and improvement, minimizing the risk of future weaknesses.

Name of Responsible Person: Meredith Knopp, Chief Executive Officer

Anticipated Completion Date: April 30, 2025

#### **Finding 2024-002: Lack of Internal Control Over Compliance for Food Distributions**

*Corrective Action Plan:* Food distribution invoice signed by one (1) partner agency did not agree to the actual weight disbursed.

We have taken action to address this issue, and it has already been implemented. A new Chief Operating Officer along with several warehouse employees were hired to ensure that proper staffing was maintained in the process. Management has also developed new Standard Operating Procedures (SOPs) and training programs for warehouse staff to ensure accurate documentation and compliance moving forward. This allows for the packing lists to be printed and packing to occur well in advance to allow for adjustments to be made in time to accurately reflect the amounts disbursed. The new SOPs also include that partner agencies have at least 24 hours to contact the Organization for any issues with the distribution and the Organization will update documentation and/or correct the order to reflect the documentation. Two positions have been staffed: Inventory Control and Quality Control part of their role is to make sure the pick ticket matches the pick order and then reconcile against the invoice at the time of posting.

Name of Responsible Person: Meredith Knopp, Chief Executive Officer

Anticipated Completion Date: Implemented in December 31, 2024

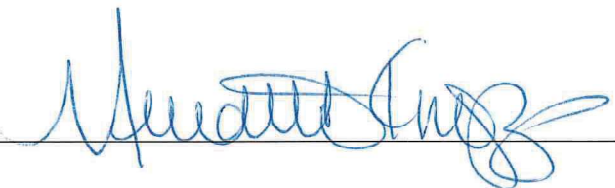
**Finding 2024-003: Lack Internal Control Over Compliance for Timely Execution of Required Agreements**

*Corrective Action Plan:* Single Audit partner agreements for fiscal year 2024 (July 1, 2023 – June 30, 2024) with five (5) partner agencies were signed in June 2024 and November 2024.

Management notes that as of year-end and final fieldwork, personnel are now in place who understand the importance of maintaining and completing required documentation, including annual and bi-annual agreements. Management will implement additional measures, such as improved tracking systems and staff training, to prevent future delays in the execution of required annual and bi-annual agreements. Management currently reconciles A133 documents to agency partners. In addition, the management team is ensuring documents are signed and stored in an electronic document signature platform i.e DocuSign. Access to this platform will be available to all key staff for utilization and verification. Tracking is also documented within a separate excel spreadsheet and reconciled back to the electronic signature database. A Standard Operating Procedure has been created and implemented.

Name of Responsible Person: Meredith Knopp, Chief Executive Officer

Anticipated Completion Date: December 31, 2024

Name: 

Date: 1-24-25

Illinois Supplementary Information

## Illinois Grant Accountability and Transparency Act Grantee Portal - Audit Consolidated Year-End Financial Report

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Close

Add a Program

Mark Complete

Comment

|                      | CSFA #      | Program Name   | State            | Federal              | Match       | Total                |
|----------------------|-------------|--|------------------|----------------------|-------------|----------------------|
| <a href="#">View</a> | 444-80-0166 | The Emergency Food Assistance Program (TEFAP Administrative Costs)               | 0.00             | 81,515.78            |             | 81,515.78            |
| <a href="#">View</a> | 444-80-0667 | Commodity Supplemental Food Program  | 0.00             | 219,560.00           |             | 219,560.00           |
| <a href="#">View</a> | 444-80-2224 | Hunger Relief Fund Check Off (TEFAP)   | 17,086.00        | 0.00                 |             | 17,086.00            |
| <a href="#">View</a> | 444-80-3189 | Illinois – Equitable Access Towards Sustainable Systems (EATS) funded by LFPA    | 0.00             | 969,360.32           |             | 969,360.32           |
| <a href="#">View</a> | 444-80-3298 | The Emergency Food Assistance Program (TEFAP) Commodity Credit Corporation (CCC) | 0.00             | 43,151.28            |             | 43,151.28            |
| <a href="#">View</a> | 444-80-3318 | The Emergency Food   | 0.00             | 213,930.61           |             | 213,930.61           |
| <b>Totals:</b>       |             |  | <b>17,086.00</b> | <b>45,748,856.78</b> | <b>0.00</b> | <b>45,765,942.78</b> |

|                                     |  |   |           |               |      |               |
|-------------------------------------|--|---|-----------|---------------|------|---------------|
|                                     |  | Assistance Program (TEFAP) Reach and Resiliency |           |               |      |               |
| <input type="button" value="Edit"/> |  | All other federal expenditures                  |           | 44,221,338.79 |      | 44,221,338.79 |
| Totals:                             |  |   | 17,086.00 | 45,748,856.78 | 0.00 | 45,765,942.78 |

**Please note the following:**

- The CYEFR is pre-populated with programs based on existing State-issued awards in the CSFA. These programs cannot be removed. If no spending occurred in a program, leave the amounts at zero.
- If a program is missing, please click the "Add a Program" button and select the State agency and State program from the dropdown list provided.
- Any items in red must be fixed before the CYEFR can be marked complete.
- When finished updating the CYEFR, click the "Mark Complete" button and continue to the next step.

# Illinois Grant Accountability and Transparency Act Grantee Portal - Audit Consolidated Year-End Financial Report

[Grantee Portal](#) / [Audit Reviews](#) / [Audit](#) / [CYEFR](#) / Program

|                         |   |
|-------------------------|---|
| Agency                  | Department Of Human Services (444)  |
| Program                 | The Emergency Food Assistance Program (TEFAP) Reach and Resiliency (444-80-3318)<br><i>This program as added due to awards found in the CSFA. It cannot be removed.</i> |
| State Amount Expended   | \$ <input type="text" value="0.00"/>  |
| Federal Amount Expended | \$ <input type="text" value="213930.61"/>   |

| Expended Amount                        | Category                               |
|--|--|
| <input type="text" value="0.00"/>      | Personal Services (Salaries and Wages) |
| <input type="text" value="0.00"/>      | Fringe Benefits                        |
| <input type="text" value="0.00"/>      | Travel                                 |
| <input type="text" value="131773.70"/> | Equipment                              |
| <input type="text" value="42156.91"/>  | Supplies                               |
| <input type="text" value="40000.00"/>  | Contractual Services                   |
| <input type="text" value="0.00"/>      | Consultant (Professional Services)     |
| <input type="text" value="0.00"/>      | Construction                           |
| <input type="text" value="0.00"/>      | Occupancy - Rent and Utilities         |
| <input type="text" value="0.00"/>      | Research and Development               |
| <input type="text" value="0.00"/>      | Telecommunications                     |
| <input type="text" value="0.00"/>      | Training and Education                 |



| <b>Expended Amount</b>            | <b>Category</b>              |
|-----------------------------------|------------------------------|
| <input type="text" value="0.00"/> | Direct Administrative Costs  |
| <input type="text" value="0.00"/> | Miscellaneous Costs          |
| <input type="text" value="0.00"/> | Grant Exclusive Line Item(s) |
| <b>213,930.61</b>                 | <b>Total Direct Expended</b> |
| <input type="text" value="0.00"/> | Indirect Costs               |
| <b>213,930.61</b>                 | <b>Total Amount Expended</b> |

# Illinois Grant Accountability and Transparency Act Grantee Portal - Audit Consolidated Year-End Financial Report

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|                         |   |
|-------------------------|---|
| Agency                  | Department Of Human Services (444)  |
| Program                 | The Emergency Food Assistance Program (TEFAP) Commodity Credit Corporation (CCC) (444-80-3298)<br><i>This program as added due to awards found in the CSFA. It cannot be removed.</i> |
| State Amount Expended   | \$ <input type="text" value="0.00"/>  |
| Federal Amount Expended | \$ <input type="text" value="43151.28"/>  |

| Expended Amount                       | Category                               |
|---------------------------------------|--|
| <input type="text" value="43151.28"/> | Personal Services (Salaries and Wages) |
| <input type="text" value="0.00"/>     | Fringe Benefits                        |
| <input type="text" value="0.00"/>     | Travel                                 |
| <input type="text" value="0.00"/>     | Equipment                              |
| <input type="text" value="0.00"/>     | Supplies                               |
| <input type="text" value="0.00"/>     | Contractual Services                   |
| <input type="text" value="0.00"/>     | Consultant (Professional Services)     |
| <input type="text" value="0.00"/>     | Construction                           |
| <input type="text" value="0.00"/>     | Occupancy - Rent and Utilities         |
| <input type="text" value="0.00"/>     | Research and Development               |
| <input type="text" value="0.00"/>     | Telecommunications                     |

| <b>Expended Amount</b>            | <b>Category</b>              |
|-----------------------------------|------------------------------|
| <input type="text" value="0.00"/> | Training and Education       |
| <input type="text" value="0.00"/> | Direct Administrative Costs  |
| <input type="text" value="0.00"/> | Miscellaneous Costs          |
| <input type="text" value="0.00"/> | Grant Exclusive Line Item(s) |
| <b>43,151.28</b>                  | <b>Total Direct Expended</b> |
| <input type="text" value="0.00"/> | Indirect Costs               |
| <b>43,151.28</b>                  | <b>Total Amount Expended</b> |

# Illinois Grant Accountability and Transparency Act Grantee Portal - Audit Consolidated Year-End Financial Report

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|                         |   |
|-------------------------|---|
| Agency                  | Department Of Human Services (444)  |
| Program                 | Hunger Relief Fund Check Off (TEFAP) (444-80-2224)<br><i>This program as added due to awards found in the CSFA. It cannot be removed.</i> |
| State Amount Expended   | \$ <input type="text" value="17086.00"/>  |
| Federal Amount Expended | \$ <input type="text" value="0.00"/>  |

| Expended Amount                   | Category                               |
|-----------------------------------|--|
| <input type="text" value="0.00"/> | Personal Services (Salaries and Wages) |
| <input type="text" value="0.00"/> | Fringe Benefits                        |
| <input type="text" value="0.00"/> | Travel                                 |
| <input type="text" value="0.00"/> | Equipment                              |
| <input type="text" value="0.00"/> | Supplies                               |
| <input type="text" value="0.00"/> | Contractual Services                   |
| <input type="text" value="0.00"/> | Consultant (Professional Services)     |
| <input type="text" value="0.00"/> | Construction                           |
| <input type="text" value="0.00"/> | Occupancy - Rent and Utilities         |
| <input type="text" value="0.00"/> | Research and Development               |
| <input type="text" value="0.00"/> | Telecommunications                     |
| <input type="text" value="0.00"/> | Training and Education                 |

| <b>Expended Amount</b>                | <b>Category</b>              |
|---------------------------------------|------------------------------|
| <input type="text" value="0.00"/>     | Direct Administrative Costs  |
| <input type="text" value="17086.00"/> | Miscellaneous Costs          |
| <input type="text" value="0.00"/>     | Grant Exclusive Line Item(s) |
| <b>17,086.00</b>                      | <b>Total Direct Expended</b> |
| <input type="text" value="0.00"/>     | Indirect Costs               |
| <b>17,086.00</b>                      | <b>Total Amount Expended</b> |

# Illinois Grant Accountability and Transparency Act Grantee Portal - Audit Consolidated Year-End Financial Report

[Grantee Portal](#) / [Audit Reviews](#) / [Audit](#) / [CYEFR](#) / Program

|                         |  |
|-------------------------|--|
| Agency                  | Department Of Human Services (444)   |
| Program                 | Illinois - Equitable Access Towards Sustainable Systems (EATS) funded by LFPA (444-80-3189)<br><i>This program as added due to awards found in the CSFA. It cannot be removed.</i> |
| State Amount Expended   | \$ <input type="text" value="0.00"/>   |
| Federal Amount Expended | \$ <input type="text" value="969360.32"/>  |

| Expended Amount                       | Category                               |
|---------------------------------------|--|
| <input type="text" value="75927.27"/> | Personal Services (Salaries and Wages) |
| <input type="text" value="0.00"/>     | Fringe Benefits                        |
| <input type="text" value="0.00"/>     | Travel                                 |
| <input type="text" value="0.00"/>     | Equipment                              |
| <input type="text" value="0.00"/>     | Supplies                               |
| <input type="text" value="0.00"/>     | Contractual Services                   |
| <input type="text" value="0.00"/>     | Consultant (Professional Services)     |
| <input type="text" value="0.00"/>     | Construction                           |
| <input type="text" value="0.00"/>     | Occupancy - Rent and Utilities         |
| <input type="text" value="0.00"/>     | Research and Development               |
| <input type="text" value="0.00"/>     | Telecommunications                     |
| <input type="text" value="0.00"/>     | Training and Education                 |

| <b>Expended Amount</b>                 | <b>Category</b>              |
|--|------------------------------|
| <input type="text" value="0.00"/>      | Direct Administrative Costs  |
| <input type="text" value="261.24"/>    | Miscellaneous Costs          |
| <input type="text" value="893171.81"/> | Grant Exclusive Line Item(s) |
| <b>969,360.32</b>                      | <b>Total Direct Expended</b> |
| <input type="text" value="0.00"/>      | Indirect Costs               |
| <b>969,360.32</b>                      | <b>Total Amount Expended</b> |

# Illinois Grant Accountability and Transparency Act Grantee Portal - Audit Consolidated Year-End Financial Report

[Grantee Portal](#) / [Audit Reviews](#) / [Audit](#) / [CYEFR](#) / Program

|                         |   |
|-------------------------|---|
| Agency                  | Department Of Human Services (444)  |
| Program                 | The Emergency Food Assistance Program (TEFAP Administrative Costs) (444-80-0166)<br><i>This program as added due to awards found in the CSFA. It cannot be removed.</i> |
| State Amount Expended   | \$ <input type="text" value="0.00"/>  |
| Federal Amount Expended | \$ <input type="text" value="81515.78"/>  |

| Expended Amount                       | Category                               |
|---------------------------------------|--|
| <input type="text" value="52973.29"/> | Personal Services (Salaries and Wages) |
| <input type="text" value="17208.49"/> | Fringe Benefits                        |
| <input type="text" value="0.00"/>     | Travel                                 |
| <input type="text" value="0.00"/>     | Equipment                              |
| <input type="text" value="0.00"/>     | Supplies                               |
| <input type="text" value="0.00"/>     | Contractual Services                   |
| <input type="text" value="0.00"/>     | Consultant (Professional Services)     |
| <input type="text" value="0.00"/>     | Construction                           |
| <input type="text" value="0.00"/>     | Occupancy - Rent and Utilities         |
| <input type="text" value="0.00"/>     | Research and Development               |
| <input type="text" value="0.00"/>     | Telecommunications                     |
| <input type="text" value="0.00"/>     | Training and Education                 |



| <b>Expended Amount</b>                | <b>Category</b>                   |
|---------------------------------------|-----------------------------------|
| <input type="text" value="0.00"/>     | Direct Administrative Costs       |
| <input type="text" value="11334.00"/> | Miscellaneous Costs               |
| <input type="text" value="0.00"/>     | Third-party in-kind contributions |
| <input type="text" value="0.00"/>     | Grant Exclusive Line Item(s)      |
| <b>81,515.78</b>                      | <b>Total Direct Expended</b>      |
| <input type="text" value="0.00"/>     | Indirect Costs                    |
| <b>81,515.78</b>                      | <b>Total Amount Expended</b>      |

# Illinois Grant Accountability and Transparency Act Grantee Portal - Audit Consolidated Year-End Financial Report

[Grantee Portal](#) / [Audit Reviews](#) / [Audit](#) / [CYEFR](#) / Program

|                         |  |
|-------------------------|--|
| Agency                  | Department Of Human Services (444)   |
| Program                 | Commodity Supplemental Food Program (444-80-0667)<br><i>This program as added due to awards found in the CSFA. It cannot be removed.</i> |
| State Amount Expended   | \$ <input type="text" value="0.00"/>   |
| Federal Amount Expended | \$ <input type="text" value="219560.00"/>  |

| Expended Amount                        | Category                               |
|--|--|
| <input type="text" value="151367.90"/> | Personal Services (Salaries and Wages) |
| <input type="text" value="45093.40"/>  | Fringe Benefits                        |
| <input type="text" value="0.00"/>      | Travel                                 |
| <input type="text" value="0.00"/>      | Equipment                              |
| <input type="text" value="0.00"/>      | Supplies                               |
| <input type="text" value="0.00"/>      | Contractual Services                   |
| <input type="text" value="0.00"/>      | Consultant (Professional Services)     |
| <input type="text" value="0.00"/>      | Construction                           |
| <input type="text" value="0.00"/>      | Occupancy - Rent and Utilities         |
| <input type="text" value="0.00"/>      | Research and Development               |
| <input type="text" value="0.00"/>      | Telecommunications                     |
| <input type="text" value="0.00"/>      | Training and Education                 |

| <b>Expended Amount</b>                | <b>Category</b>              |
|---------------------------------------|------------------------------|
| <input type="text" value="0.00"/>     | Direct Administrative Costs  |
| <input type="text" value="17722.75"/> | Miscellaneous Costs          |
| <b>214,184.05</b>                     | <b>Total Direct Expended</b> |
| <input type="text" value="5,375.95"/> | Indirect Costs               |
| <b>219,560.00</b>                     | <b>Total Amount Expended</b> |