

FOOD BANK OF NORTHEAST LOUISIANA, INC.

*Financial Statements
For the Year Ended June 30, 2023*



FOOD BANK OF NORTHEAST LOUISIANA, INC.
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors of
Food Bank of Northeast Louisiana, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying statements of Food Bank of Northeast Louisiana, Inc., (a non profit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Food Bank of Northeast Louisiana, Inc., as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Food Bank of Northeast Louisiana, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 the Food Bank of Northeast Louisiana, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinions. 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 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 the Food Bank of Northeast Louisiana, 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 the Food Bank of Northeast Louisiana, 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 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*, and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are presented for purposes of additional analysis

and are 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 November 13, 2023, on our consideration of Food Bank of Northeast Louisiana, Inc.'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 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 Food Bank of Northeast Louisiana's internal control over financial reporting and compliance.

Cameron Hines & Company (APAC)

West Monroe, Louisiana
November 13, 2023

FOOD BANK OF NORTHEAST LOUISIANA, INC.
STATEMENT OF FINANCIAL POSITION

	Unrestricted	Temporarily Restricted	<i>For the Year Ended</i> <i>June 30,</i> 2023
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 7,074,502	\$ 1,460,218	\$ 8,534,720
Certificates of Deposit	51,838	-	51,838
Accounts Receivable:			
Agency Receivable	17,977	-	17,977
USDA Receivable	83,797	-	83,797
Promises to Give - United Way	-	66,618	66,618
Inventory	1,073,371	-	1,073,371
Total Current Assets	8,301,485	1,526,836	9,828,321
Property and Equipment:			
Office Equipment	57,718	-	57,718
Warehouse Equipment	294,857	-	294,857
Vehicles	718,741	-	718,741
Leasehold Improvements	406,181	-	406,181
Accumulated Depreciation	(939,384)	-	(939,384)
Net Property and Equipment	538,113	-	538,113
Other Assets:			
Lease Asset	403,896	-	403,896
Accumulated Amortization	(157,071)	-	(157,071)
Net Other Assets	246,825	-	246,825
TOTAL ASSETS	\$ 9,086,423	\$ 1,526,836	\$ 10,613,259
<u>LIABILITIES AND NET ASSETS</u>			
Current Liabilities:			
Accounts Payable	\$ 9,203	\$ -	\$ 9,203
Accrued Expenses	-	-	-
Lease Liability	136,144	-	136,144
Payroll Taxes Payable	-	-	-
Total Current Liabilities	145,347	-	145,347
Long-Term Liabilities:			
Lease Liability	122,047	-	122,047
Net Assets			
Without Donor Restrictions			
Undesignated	1,980,916	-	1,980,916
Board Designated - Capital Improvements	4,200,000	-	4,200,000
Board Designated - Sustainability	1,100,000	-	1,100,000
Board Designated - Food	1,000,000	-	1,000,000
Net Investment in Property and Equipment	538,113	-	538,113
With Donor Restrictions			
Time Restrictions	-	66,618	66,618
Purpose Restrictions	-	1,460,218	1,460,218
Total Net Assets	8,819,029	1,526,836	10,345,865
TOTAL LIABILITIES AND NET ASSETS	\$ 9,086,423	\$ 1,526,836	\$ 10,613,259

The accompanying notes are an integral part of this financial statement.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
STATEMENT OF ACTIVITIES

	Unrestricted	Temporarily Restricted	<i>For the Year Ended</i> <i>June 30,</i> <i>2023</i>
<u>Support and Revenue:</u>			
Shared Maintenance and Handling Fees	\$ 30,939	\$ -	\$ 30,939
Contributions	629,176	-	629,176
Contributions - Adopt-a-Senior	-	-	-
Contributions - Various Programs	1,000	-	1,000
Contributions - Donated Product	4,710,981	-	4,710,981
USDA Reimbursements	336,561	-	336,561
SNAP Reimbursements	26,742	-	26,742
United Way Funding	2,087	66,618	68,705
USDA Commodities Received	2,536,614	-	2,536,614
Grants	210,234	1,471,170	1,681,404
Fundraising	429,315	-	429,315
Miscellaneous Income	25,595	-	25,595
Interest Income	11,774	-	11,774
Net Assets Released from Restrictions	1,419,654	(1,419,654)	-
Total Support and Revenue	10,370,672	118,134	10,488,806
<u>Expenses:</u>			
Program Services	10,408,690	-	10,408,690
Management and General	80,894	-	80,894
Fundraising	60,671	-	60,671
Total Expenses	10,550,255	-	10,550,255
<u>Other Income (Expenses)</u>			
Extinguishment of Debt - PPP Loan	-	-	-
Changes in Net Assets	(179,583)	118,134	(61,449)
Net Assets at Beginning of Year	8,998,612	1,408,702	10,407,314
<u>NET ASSETS AT END OF YEAR</u>	\$ 8,819,029	\$ 1,526,836	\$ 10,345,865

The accompanying notes are an integral part of this financial statement.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
STATEMENT OF FUNCTIONAL EXPENSES

	Program Services	Management and General	Fundraising	<i>For the Year Ended</i> <i>June 30,</i> 2023
Agency Capacity Building	\$ 176,721	\$ -	\$ -	\$ 176,721
Amortization	134,632	-	-	134,632
Bank Charges	-	717	-	717
Computer Expense	26,602	1,653	-	28,255
Depreciation	123,958	6,524	-	130,482
Donated Product Distributed	4,478,063	-	-	4,478,063
Donor Development	123,831	-	218	124,049
Dues and Subscriptions	9,690	-	-	9,690
Employee Benefits	105,352	6,350	1,757	113,459
Fleet	51,960	4	-	51,964
Freight	12,805	-	-	12,805
Fundraising Expense	16,775	23	261	17,059
In Kind Expenses	-	-	3,691	3,691
Insurance	46,813	2,464	-	49,277
Interest Expense	26,169	-	-	26,169
Miscellaneous	-	-	-	-
Office Supplies	7,963	942	-	8,905
Postage and Printing	18,758	1,114	-	19,872
PPO/VAP Fees	114,486	-	-	114,486
Professional Fees	71,922	3,785	-	75,707
Program Expense	67,224	51	-	67,275
Public Awareness	25,032	450	-	25,482
Purchased Food Distributed	716,284	-	-	716,284
Rent	21,833	38	-	21,871
Repairs and Maintenance	20,103	243	-	20,346
Salaries	620,893	55,526	53,659	730,078
Travel	12,919	1,010	1,085	15,014
USDA Commodities Distributed	3,353,505	-	-	3,353,505
Warehouse Expense	24,397	-	-	24,397
Total Expenses, year ended June 30, 2023	\$ 10,408,690	\$ 80,894	\$ 60,671	\$ 10,550,255

The accompanying notes are an integral part of this financial statement.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
STATEMENT OF CASH FLOWS

	<i>For the Year Ended</i> <u>June 30,</u> <u>2023</u>
Cash Flows from Operating Activities:	
Changes in Net Assets	\$ (61,449)
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Depreciation	130,482
Amortization	134,632
(Increase) Decrease in:	
Accounts Receivable	82,170
Inventory	309,411
Increase (Decrease) in:	
Accounts Payable	(27,985)
Payroll Taxes Payable	-
Accrued Expenses	(1,679)
<u>Net Cash Provided (Used) by Operating Activities</u>	<u>565,582</u>
Cash Flows from Investing Activities:	
Fixed Asset Acquisitions	(45,195)
Certificates of Deposit	(706)
<u>Net Cash Provided (Used) by Investing Activities</u>	<u>(45,901)</u>
Cash Flows from Financing Activities:	
Payments on Lease Liability	(125,711)
<u>Net Cash Provided (Used) by Financing Activities</u>	<u>(125,711)</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	393,970
<u>Cash and Cash Equivalents, Beginning of Year</u>	<u>8,140,750</u>
<u>CASH AND CASH EQUIVALENTS, END OF YEAR</u>	<u>\$ 8,534,720</u>
Supplemental Information on Cash Flows:	
Cash Paid for Interest	26,169
Acquisition of Right of Use Asset via Lease Obligation	-

The accompanying notes are an integral part of this financial statement.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activity

The Food Bank of Northeast Louisiana, Inc. is a nonprofit organization that is located in Monroe, Louisiana and serves 12 northeast parishes (Caldwell, East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, and West Carroll). The Food Bank procures, sorts, inventories, and provides food and products to our partner agencies for distribution into their local communities. In addition, the Food Bank operates programs that directly provide food and support to those in need. Together, with our hunger-relief network, we serve about 25,000 people monthly.

Use of Estimates

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

Basis of Accounting

The financial statements of Food Bank of Northeast Louisiana, Inc. have been prepared on the accrual basis and, accordingly, reflect all significant receivables and payables.

Basis of Presentation

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

Net Assets Without Donor Restrictions- Net assets available for use in general operations and not subject to donor or grantor restrictions.

Net Assets With Donor Restrictions- Net assets subject to donor or grantor – imposed restrictions. Some restrictions are temporary in nature, such as those that will be met with the passage of time or occurrence of other events. Other donor – imposed restrictions are perpetual in nature, where the donor stipulates the resources be maintained in perpetuity. Donor – imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. As of June 30, 2023, the Food Bank of Northeast Louisiana does not have any restrictions that are perpetual in nature.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Food Bank of Northeast Louisiana, Inc. considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts Receivable represents amounts that have been requested based on food distribution pounds and are to be issued by the USDA and have been promised over the next twelve months. Accounts receivable also represent amounts due from the SNAP program as well as handling fees from participating agencies that will be received over the next twelve months.

Inventory

Inventory consists of donated, USDA, and purchased food. Donated food is valued using a valuation published by Feeding America each year. USDA food is valued using fair market values established by the USDA. Purchased food is valued using the actual cost of the product.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets using the straight-line method:

	<u>Years</u>
Improvements	7-40
Vehicles	5
Furniture, Fixtures and Equipment	5-7

Public Support and Revenue

Annual contributions are recorded as revenue when received and are generally available for unrestricted use unless specifically restricted by the donor.

Income and accounts receivable for handling of USDA food is recorded when request are submitted to USDA.

Contributions of donated non-cash assets are recorded at their fair value in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (continued)

Promises to Give

Certain contributions are recognized when the donor makes a promise to give to the organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When restrictions have been met, temporarily restricted net assets are reclassified to unrestricted net assets.

Functional Allocation of Expenses

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

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$8,534,720
Current value of certificates of deposit maturing within one year	51,838
Accounts receivable	101,774
Promises to give with temporary restrictions that will expire	<u>66,618</u>
 Total Liquid and Available Assets	 \$8,754,950
 Donor-Imposed Restricted Assets	 (1,526,836)
 Board Designated Assets	 <u>(6,300,000)</u>
 Financial Assets Available for General Expenditures Within One Year	 <u>\$ 928,114</u>

Note 3 - Cash and Cash Equivalents

Food Bank of Northeast Louisiana, Inc. maintains its cash balances in four local financial institutions. The Food Bank has bank balances of \$8,817,756 which are fully covered by the Federal Deposit Insurance Corporation through the use of two cash sweeping accounts. Funds in excess of the Federal Deposit Insurance Corporation's coverage limit of \$250,000 per bank are disbursed to other banks to maintain full coverage of the Food Bank funds. Total cash on hand at June 30, 2023, was \$8,534,720.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Note 3 - Cash and Cash Equivalents (continued)

Food Bank of Northeast Louisiana, Inc. also has one certificate of deposit. The certificate of deposit had a fair value of \$51,838 at June 30, 2023, and was not considered cash equivalents. The certificate of deposit is covered by FDIC insurance.

Note 4 - Income Taxes

Food Bank of Northeast Louisiana, Inc. is a nonprofit corporation exempted from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made; however, should the organization engage in activities unrelated to its exempt purpose, taxable income could result. The organization had no material unrelated business income for the year ending June 30, 2023. The earliest income tax year that is subject to examination is 2020.

Note 5 - Property and Equipment

A summary of land, buildings, equipment and accumulated depreciation at June 30, 2023, is as follows:

	<u>2023</u>
Office Equipment	\$ 57,718
Warehouse Equipment	294,857
Vehicles	718,741
Leasehold Improvements	406,181
Accumulated Depreciation	<u>(939,384)</u>
Net Property and Equipment	<u>\$ 538,113</u>

Depreciation expense for the year ended June 30, 2023, was \$130,482.

Note 6 - Temporarily Restricted Net Assets

The Food Bank has temporarily restricted net assets totaling \$1,526,836 as of June 30, 2023. These net assets are restricted by either time or purpose stipulated by the donor. The United Way of Northeast Louisiana has pledged to give \$66,618 over the course of the year ending June 30, 2024, and this represents the total amount that is time restricted. The remaining \$1,460,218 is restricted by various donors for defined purposes.

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors. During the year ended June 30, 2023, \$1,419,654 was released after satisfying either the time or purpose requirements.

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Note 7 - Promises to Give

Unconditional promises to give consist of the following:

2023-2024

United Way of Northeast Louisiana	\$ 66,618
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Note 8 - Food Distributions

During 2023, the Food Bank distributed 2,607,174 pounds of donated food to the community valued at \$1.92 per pound, totaling \$4,478,063. The Food Bank also distributed 2,954,488 pounds of food through the USDA TEFAP program valued at fair market values established by USDA, valued at \$3,353,505. Lastly, the Food Bank distributed 761,843 pounds of purchased food valued at purchase prices totaling \$716,284. This resulted in a gross distribution of \$8,547,852, for the year ended June 30, 2023.

Note 9 - Inventory

The Food Bank receives products from the USDA TEFAP program, food purchases, and various donations. During 2023, approximately 5,734,549 pounds of products were received, from the following sources:

2023

USDA	2,084,600
Donated Food	2,732,043
Purchased Food	<u>917,906</u>
Total	5,734,549

As of June 30, 2023, the Food Bank had approximately 802,617 total pounds of food on hand from the various sources. The USDA TEFAP program had 239,797 pounds of food available valued at \$319,143. The prices of USDA TEFAP program food vary by item and are set by the USDA. Food donated in the year ending June 30, 2023, is priced at \$1.92 per pound. As of that date, 248,084 pounds of donated product were in inventory, valued at \$456,825. The remaining 314,736 pounds were purchased and are valued at cost of \$297,403.

Note 10 - In-Kind Contributions

Unpaid volunteers have made contributions of time to the Food Bank. The value of that time is not reflected in these statements.

Note 11 - Commitments and Contingencies

Economic Dependence

The Organization receives a substantial amount of its support from the federal government. A significant reduction in the level of this support, if this were to occur, may have an effect on the organization's programs and activities.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Note 12 - Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Note 13 - Leases

On May 1, 2019, the Food Bank entered into a three-year lease agreement for warehouse space. This lease automatically renewed for three additional years in May of 2022.

At renewal, the present value of the lease payments was recorded as a lease asset, and a corresponding lease liability was also recorded. The lease asset was recorded at \$403,896, with accumulated amortization of \$157,071 as of June 30, 2023.

Future minimum lease payments are as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	136,144	15,735
2025	122,047	4,520

Note 14 - Subsequent Events

Subsequent events have been evaluated through November 13, 2023, the date that the financial statements were available to be issued. All subsequent events determined to be relevant and material to the financial statements have been appropriately recorded or disclosed.

CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

Certified Public Accountants

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West Monroe, Louisiana 71291

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INDEPENDENT AUDITORS' 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 of
Food Bank of Northeast Louisiana, Inc.

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 Food Bank of Northeast Louisiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023, and the related statement 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 November 13, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Food Bank of Northeast Louisiana, Inc.'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 Food Bank of Northeast Louisiana, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Food Bank of Northeast Louisiana, Inc.'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 Food Bank of Northeast Louisiana, Inc.'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 over financial reporting 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Food Bank of Northeast Louisiana, Inc.'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 audits, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under the *Government Auditing Standards*.

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

Cameron Hines & Company (APAC)

West Monroe, Louisiana
November 13, 2023

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

Board of Directors of
Food Bank of Northeast Louisiana, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Food Bank of Northeast Louisiana, Inc.'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 Food Bank of Northeast Louisiana, Inc.'s major federal programs for the year ended June 30, 2023. Food Bank of Northeast Louisiana, Inc.'s major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Food Bank of Northeast Louisiana, Inc. 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 the major federal programs for the year ended June 30, 2023.

Basis of 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 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Food Bank of Northeast Louisiana, Inc., 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 Food Bank of Northeast Louisiana, Inc.'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 Food Bank of Northeast Louisiana, Inc.'s federal programs.

Auditors' 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 Food Bank of Northeast Louisiana, Inc.'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 Food Bank of Northeast Louisiana, Inc.'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 Food Bank of Northeast Louisiana, Inc.'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 Food Bank of Northeast Louisiana, Inc.'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 Food Bank of Northeast Louisiana, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Cameron, Hines & Company (APAC)

West Monroe, Louisiana
November 13, 2023

FOOD BANK OF NORTHEAST LOUISIANA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

To The Board of Directors
 Food Bank of Northeast Louisiana, Inc.
 Monroe, Louisiana

We have audited the financial statements of Food Bank of Northeast Louisiana, Inc. as of and for the year ended June 30, 2023, and have issued our report thereon dated November 13, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2023, resulted in an unmodified opinion.

SECTION I - Summary of Auditors' Results

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness ___ yes X no

Significant Deficiencies not considered to be
 Material Weaknesses ___ yes X no

Compliance

Compliance Material to Financial Statements ___ yes X no

B. Federal Awards

Material Weakness Identified ___ yes X no

Significant Deficiencies not considered to be
 Material Weaknesses ___ yes X no

Type of Opinion on Compliance for Major Programs

Unmodified X Modified _____

Disclaimer _____ Adverse _____

Are there findings required to be reported in accordance with Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), subpart F? No

C. Identification of Major Programs:

Name of Federal Program (or cluster) USDA – The Emergency Food Assistance Program

A.L. Number(s) 10.568, 10.569

Dollar threshold used to distinguish between Type A and Type B Programs.
 \$750,000

Is the auditee a “low-risk” auditee, as defined by Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), subpart F? Yes

FOOD BANK OF NORTHEAST LOUISIANA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023 (CONTINUED)

Section II - Financial Statement Findings

There were no findings in this section.

Section III - Federal Award Findings and Questioned Costs

There were no findings in this section.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grants/Pass Through Grantor/Program Title	AL Number	Agency or Pass-Through Number	Pass-Through to Sub- recipients	Federal Expenditures
U.S. Department of Agriculture:				
Pass-through program from State Department of Agriculture and Forestry Food Distribution Cluster				
Emergency Food Assistance Program (Food Commodities)	10.569	N/A	\$ 3,296,083	\$ 3,353,505
Emergency Food Assistance Program (Administrative Costs)	10.568	N/A	-	387,953
Total Food Distribution Cluster			<u>\$ 3,296,083</u>	<u>\$ 3,741,458</u> *
 Total Expenditures of Federal Awards			<u>\$ 3,296,083</u>	<u>\$ 3,741,458</u>

*Denotes Major Federal Assistance Program

See accompanying Notes to Schedule of Expenditures of Federal Awards

FOOD BANK OF NORTHEAST LOUISIANA, INC.
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Food Bank of Northeast Louisiana, Inc. The reporting entity is defined in Note 1 to Food Bank of Northeast Louisiana, Inc.'s financial statements. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to Food Bank of Northeast Louisiana, Inc.'s financial statements. 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

3. Food Distribution

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2023, the organization had food commodities totaling \$319,143 in inventory.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023

Internal Control and Compliance Material to the Financial Statements

No prior year findings.

Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Management Letter

No management letter was issued.

FOOD BANK OF NORTHEAST LOUISIANA, INC.
SCCHEDULE OF COMPENSATION, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD
JUNE 30, 2023

Agency Head Title	<u>Jean Toth</u> <u>Executive Director</u>
Purpose	
Salary	\$ -
Benefits - Payroll Taxes	-
Cell Phone	-
Insurance (Health and Life)	-
Moving Expenses	-
Total Compensation, Benefits and Other Payments	\$ -

The Food Bank of Northeast Louisiana, Inc. is a nongovernmental entity that receives public funds. However, no public funds are used to pay for the compensation, benefits, or other payments to the agency head.